HIAB

ANNUAL REPORT 2025

HIAB IN BRIEF

GOVERNANCE

BOARD OF DIRECTORS REPORT

FINANCIAL STATEMENTS

About Hiab

Together, we keep everyday life moving to build a better tomorrow.

Founded:
1944

Employees:
> 4,000

Delivery footprint to
> 100 countries

Sales and service locations:
> 3,000

Installed base:
> 350,000

Pioneering in smart and sustainable on-road load handling solutions

With a global presence and a strong focus on innovation and sustainability, Hiab develops and manufactures a wide range of equipment – from cranes to tail lifts – for essential industries. We lift and deliver everyday goods that are essential to daily life and we are committed to doing so safely and sustainably, helping to build a better tomorrow.

We have a long history of firsts and our specialised brands often define the class they created. Our premium equipment includes HIAB, EFFER and ARGOS loader cranes, MOFFETT and PRINCETON truck-mounted forklifts, LOGLIFT forestry cranes, JONSERED recycling cranes, MULTILIFT demountables and hooklifts, GALFAB roll-off cable hoists, tail lifts under the ZEPRO, DEL and WALTCO brands as well as the service brand HIPERFORM, a comprehensive suite of smart solutions that help maximise the life-cycle value of Hiab’s equipment.

Hiab's recipe for lifting customers’ productivity is based on a deep understanding of the needs of customers and users in the industries it operates in. Based on this understanding, we build specialised equipment solutions and offer superior service offerings, supported by data insights and the passion of our staff.

We shape the load handling industry

With the most engaged people and partners, we are committed to delivering the best customer experience every day.

By prioritising employee experience, we empower our teams to create innovative equipment, digital solutions and world-class services.

Maximising business uptime with smart and sustainable solutions

We are committed to maximising business uptime with high-quality design and components. Our solutions are designed to operate seamlessly, minimise disruptions and maximise productivity. To achieve this, among other things, Hiab products use connectivity that enables remote monitoring and diagnostics of equipment.

Our smart systems utilise AR and VR technologies together with advanced sensors and cameras to enhance user performance, safety and comfort. Automation plays a key role, further increasing safety and productivity.

We understand the importance of cost-effectiveness and strive to offer the best possible total cost for our customers' operations. Our low-emission and circular solutions reflect our commitment to a more sustainable future.

Global reach, local touch

We operate with an asset-light footprint that maximises flexibility and global reach. Our presence spans all continents, with a delivery footprint extending to over 100 countries. This reach is enabled by a tailored go-to-market model, combining direct sales with a strong network of strategic partners.

Direct contact with customers allows us to effectively promote the value of our solutions and services, while our trusted partners act as an extension of Hiab, providing invaluable local expertise, dedicated customer relationships and ensuring comprehensive geographic coverage.

Letter from the President and CEO

Dear Reader,

The year 2025 will be remembered as a historic year for Hiab as it marked our first year as a listed company following our entry onto the Nasdaq Helsinki stock exchange in April. Consequently, we have been able to share our story more clearly with the capital markets and the wider public.

Our independent journey follows the name change from Cargotec to Hiab, approved at the last Cargotec Annual General Meeting in March 2025. We are proud of the trust placed in us by former Cargotec shareholders who supported this transformation journey. The final milestone in the transformation was completed on 31 July, when we successfully closed the sale of MacGregor.

Navigating a challenging global environment

While 2025 was a year of significant strategic achievement, the market environment was overall highly uncertain. Trade tensions made the market challenging to navigate, particularly in the US. These tensions led to slower customer decision-making and lower orders, which impacted our overall sales and profitability.

For the full year, orders received amounted to EUR 1,481 million, remaining at the same level as in the previous year in constant currencies. Orders declined by 14 percent in the Americas, offset by growth of 8 percent and 10 percent in EMEA and APAC, respectively.

Our sales declined by 6 percent to EUR 1,556 million from the previous year. Sales declined particularly in the US delivery equipment business, where lower order intake started to impact our delivery volumes from the third quarter onwards.

Our full-year comparable operating profit amounted to EUR 213 million. Despite lower sales, we were able to improve our comparable operating profit margin to 13.7 from the previous year's 13.2 percent, driven by a higher gross profit margin and lower fixed costs.

Our Services business had a record year, with continued growth and improved profitability. Comparable operating profit in Services amounted to EUR 109 million. The results were driven by recurring services, such as spare parts and maintenance.

We were also able to improve our operative ROCE to 30.8 percent, driven by improvements in net working capital. Cash generation continued to be strong, and our cash flow from operations before finance items and taxes amounted to EUR 308 million in 2025.

Actions to execute profitable growth strategy

After successfully completing the demerger, Hiab can fully focus on executing its profitable growth strategy. One of the most important examples of the strategy execution was the acquisition of ING Cranes in Brazil, which serves as an additional scalable platform for growth in the South American logistics, agriculture and construction sectors, strengthening Hiab's position in the Brazilian market by complementing our existing ARGOS cranes platform. The transaction was completed at the beginning of 2026.

> "After successfully completing the demerger, Hiab can fully focus on executing its profitable growth strategy.

We continued to improve our coverage in North America by signing and onboarding 14 new at-scale dealers since sharing the strategy in May 2024.

Essential to service growth, the number of ProCare contracts increased to over 25,000 by the end of the year, representing growth of more than 25 percent.

Important progress in sustainability

We stay ahead by innovating and developing efficient, safe and sustainable customer-driven on-road load handling solutions, such as low-emission electric and hybrid cranes (HIAB wspr) and the MULTILIFT eULTIMA hooklift for electric trucks.

Scott Phillips
President and CEO

Our commitment to innovation is reflected in the success of our eco portfolio. Its share of total sales increased to 37 percent in 2025. This progress indicates a market demand for our sustainable offerings, where our customers are willing to invest in low-emission and circular solutions.

In 2025, we confirmed our commitment to ambitious climate work by updating our science-based targets to reduce our greenhouse gas emissions. The targets have been submitted to the Science Based Targets initiative (SBTi) for validation, which ensures their alignment with the objective of the Paris Agreement to limit global warming to 1.5°C. We also published Hiab's first version of the climate transition plan that is needed in order to achieve the updated targets. This supports our vision to be the number one partner in smart and sustainable load handling solutions and represents a key step in our sustainability journey.

Hiab continues to support the UN Global Compact's ten principles on human rights, labour, the environment and anti-corruption. We also remain committed to contributing to the UN Sustainable Development Goals, particularly those related to sustainable cities, climate action, responsible business and decent work.

Internal development and safety high on the agenda

Hiab Business Excellence is our core business system, designed to optimise and standardise processes, eliminate inefficiencies and improve quality and delivery. It reflects our focus on delivering an excellent customer experience and being easier to work with for all our stakeholders.

As part of Hiab Business Excellence, more than 1,000 employees completed the Yellow Belt continuous improvement training during 2025, establishing a good foundation for business excellence understanding across Hiab.

During the year, we also continued to embed our leadership competencies through development programmes and training. Our goal is to ensure these principles and practices define the way we work at Hiab, strengthening leadership impact across the organisation.

Integral to Hiab culture is our commitment to the health and safety of our colleagues, which remains our number one priority under our "Zero Harm" vision. I am proud to say that our performance in safety improved significantly in 2025, with a record-low industrial injury frequency rate (IIFR) of 1.7, outperforming our target of <2.8. This achievement reflects our shared commitment and continuous efforts to ensure that all colleagues return home safe every day.

> In 2025, we confirmed our commitment to ambitious climate work by updating our science-based targets to reduce our greenhouse gas emissions.

We are planning to evolve our operating model

After the reporting period in January 2026, we announced our plans to evolve our operating model. The evolution would be a crucial step to drive long-term scalability and customer focus. We would realign our structure of six divisions into three business areas. The planned change would strengthen Hiab's position as the technological leader in on-road load handling and ensure resilience of the company.

With the planned change, we are shaping Hiab for its next phase of growth. To succeed in a world that is evolving faster than ever, we need an operating model that is simpler, more scalable and designed to grow with us. The proposed new structure is planned to be effective during the second quarter of 2026, subject to works council negotiations in the relevant jurisdictions.

I want to thank our customers and shareholders for their trust in Hiab's business and our employees and partners for their hard work during the year.

Scott Phillips, President and CEO

A bell ringing ceremony took place on 1 April 2025 when Hiab started trading as an independent listed company at Nasdaq Helsinki.

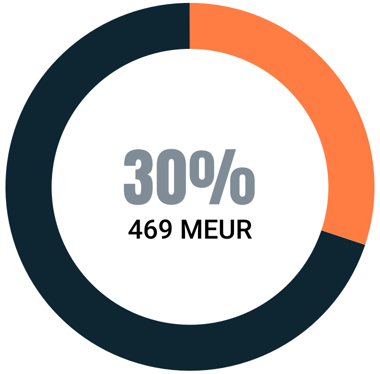
Key figures

MEUR	2025	2024	Change
Orders received	1,481	1,509	-2%
Order book, end of period	534	648	-18%
Sales	1,556	1,647	-6%
Services share of sales, %	30%	28%	
Eco portfolio share of sales, %*	37%	29%	
Gross profit, %	30%	29%	
EBITA	210.7	220.2	-4%
Comparable operating profit	212.9	217.1	-2%
Comparable operating profit, %	14%	13%	
Operating profit	207.6	217.1	-4%
Profit for the period	151.2	155.0	-2%
Basic earnings per share	2.34	2.40	-2%
Operative ROCE, %**	31%	28%	

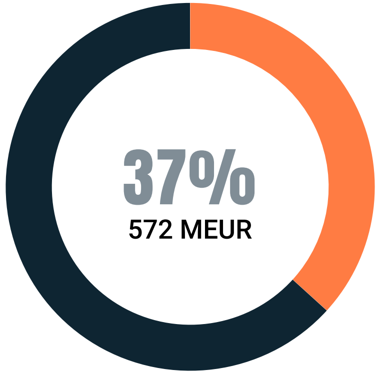
*Hiab's eco portfolio criteria has been revised. The comparison periods have not been restated.

**Operative return on capital employed (operative ROCE) (%), last 12 months. Comparative information for operative return on capital employed has been restated to include continuing operations Group administration costs.

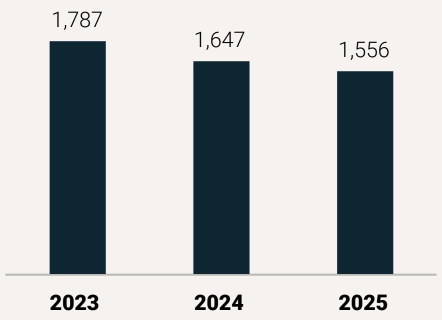
Services share of sales 2025



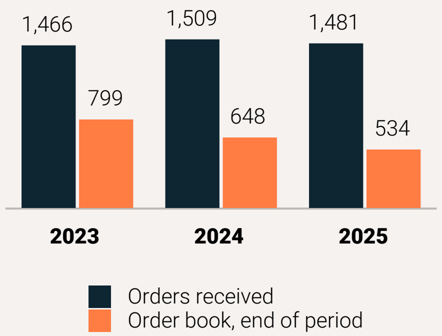
Eco portfolio share of sales 2025



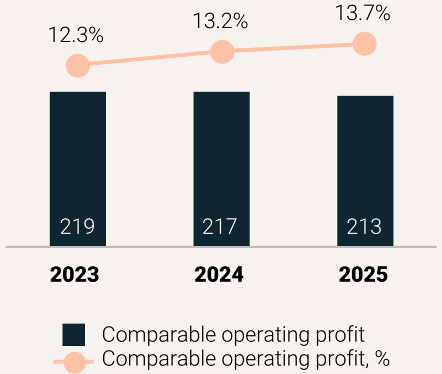
Sales (MEUR)



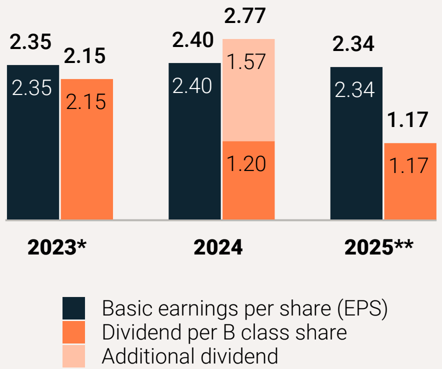
Orders received and order book (MEUR)



Comparable operating profit (MEUR, %)

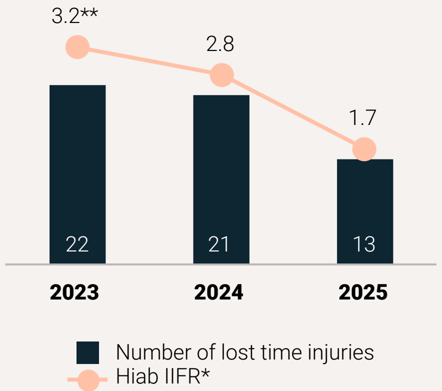


Earnings per share (EPS) and divided (EUR)



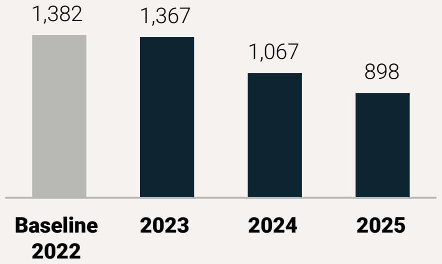
*2023 dividend not comparable to EPS, as EPS has been restated for continuing operations
**Board's proposal for dividend

Industrial injury frequency rate*



*Number of injuries per million hours worked
**Excludes group administration offices

Greenhouse gas emissions*



*Total absolute emissions, thousand tCO_2e

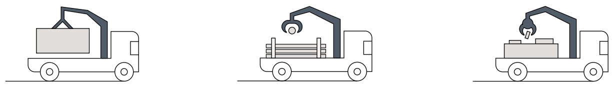
Our offerings

Hiab offers lifting and delivery solutions through an extensive portfolio of brands covering all types of applications. Our complete service offering ranges from installation and spare and wear parts to life-cycle solutions from Hiab brands.

Equipment

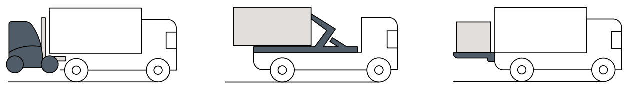
Hiab's Equipment reporting segment comprises new equipment: loader cranes, forestry and recycling cranes, truck mounted forklifts, demountables and tail lifts.

Lifting



HIAB • EFFER • ARGOS | LOGLIFT | JONSERED

Delivery



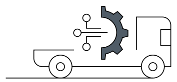
MOFFETT • PRINCETON | MULTILIFT • GALFAB | ZEPRO • DEL • WALTCO

70%
Share of sales

140 MEUR
Comparable operating profit

Services

Hiab's Services reporting segment comprises spare parts, maintenance, accessories, installations, digital services and refurbished equipment.



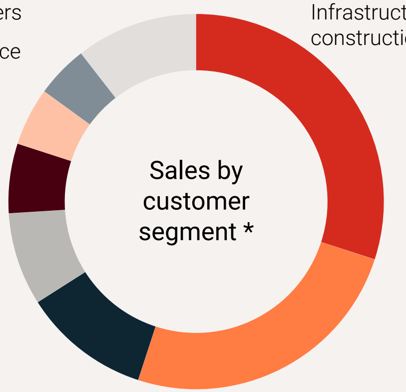
HIPERFORM

30%
Share of sales

109 MEUR
Comparable operating profit

Customer base

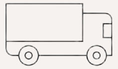
Our diverse customer base is primarily segmented by industries they serve and the type of their business.



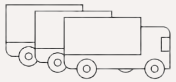
* Management estimate 2023

Customer types

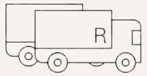
We tailor our products and services to address the specific needs of each customer.



Single-truck owners



Fleets



Rental

Customer cases

Hiab aims to be the number one partner in smart and sustainable load handling, keeping everyday life moving by unlocking customer potential. Discover how our equipment and services help customers prosper.

HiSkill next generation crane training enhances safety in the US

Hiab's HiSkill VR training simulator is transforming crane operator training globally. ABC Supply, North America's largest building materials distributor, adopted HiSkill to standardise training while enhancing safety and productivity.

By allowing new hires to master controls in a risk-free virtual environment, ABC Supply significantly improved its NCCCO first-time pass rates from an average of 65–70 percent to 85–90 percent. This shift has also led to reduced equipment downtime and more consistent training results across the organisation.

Hiab's electric solutions provide low-emission and quiet performance in the Netherlands

As zero-emission zones were launched in major Dutch cities in 2025, Hiab was proud to partner with Vlot Logistics, a leader in the Netherlands' sustainable transformation.

By leveraging an all-electric lineup of MULTILIFT hooklifts, HIAB loader cranes and MOFFETT truck-mounted forklifts, Vlot delivers quiet, smooth and emission-free performance to its customers. The advanced fleet allows Vlot to service sensitive urban areas, such as hospitals and government buildings, while significantly boosting its competitiveness and growth.

Hiab's advanced automation drives customer efficiency in France

French recycling leader Manjot Environnement (Groupe Semat) has significantly boosted efficiency across its 700-unit Hiab fleet. By utilising HIAB eX.192 and S-HiPro 230W models, the company manages up to 200 daily collection points with ease.

Advanced automation features, such as crane tip control (CTC) for precision, semi-automatic folding (SAF) for speed and semi-automatic motion (SAM) with ultrasonic sensors, have streamlined the collection cycle. The collaboration between Manjot and Hiab ensures faster, safer and more energy-efficient urban waste operations.

Our strategy for long-term profitable growth

Hiab's strategy for long-term profitable growth is rooted in a deep understanding of customer needs.

Building on more than 80 years of industry leadership, we remain committed to delivering smarter, safer and more sustainable on-road load handling solutions.

Unified under the Hiab Operating Model, we execute with discipline and make strategic choices designed to create sustainable value for customers, shareholders and society.

Our strategy begins and ends with our customers. We have refined a value proposition that addresses the most essential requirements of load-handling operations: safety, productivity and uptime.

Two pillars driving sustainable value

Our strategy is built on two pillars: Grow profitably and Build a strong foundation. Each pillar has a strong point of departure and a clear path forward, positioning Hiab to accelerate performance in attractive markets.

Grow profitably

Hiab is a leading player in segments like construction, waste & recycling and defence logistics. With our service business, those become key drivers of profitable growth.

Looking ahead, we focus on essential industries – construction, waste & recycling, retail & final mile distribution, infrastructure and other sectors that are vital to modern societies. Their strong structural demand makes them resilient and attractive drivers of long-term growth.

We will continue expanding our footprint in North America and capitalise on the profitable Service offering. Our leadership in sustainability further differentiates us and strengthens customer value. Combined with ongoing operational and commercial excellence programmes, we are positioned to drive sustained profitable growth.

> Our strategy begins and ends with our customers.

Build a strong foundation

A strong foundation is essential to enabling our growth ambitions. Hiab's culture, anchored in safety and people, underpins everything we do. Our decentralised operating model empowers teams to make fast, customer-focused decisions.

Going forward, we will accelerate outcome-based innovation to ensure our solutions deliver clear and measurable benefits across essential industries, including improved safety, operational efficiency, uptime and environmental performance. At the same time, we will strengthen cost discipline and optimise key processes to support long-term competitiveness.

Together with our partners, we are shaping the future of on-road load handling, enabling our customers to operate more efficiently, more safely and more sustainably every day. Our strategy for long-term profitable growth positions us to deliver consistent value to our customers while driving strong financial performance for our shareholders.

Performance targets

Hiab's Board of Directors has set the following financial targets to measure success by 2028.

Annual sales growth

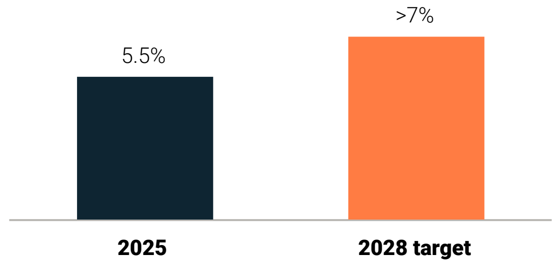
Target

Over seven percent over the cycle.

Outcome

At the end of 2025, the 10-year average annual sales growth was 5.5 percent.

5.5%



Comparable operating profit

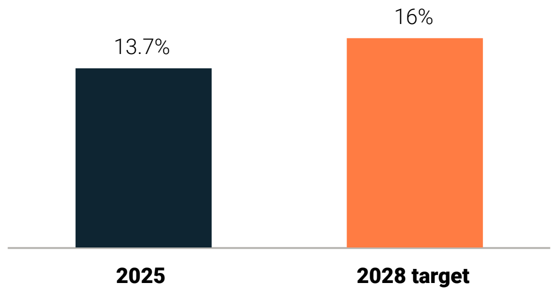
Target

16 percent.

Outcome

In 2025, the comparable operating profit margin was 13.7 percent.

13.7%



Operative ROCE

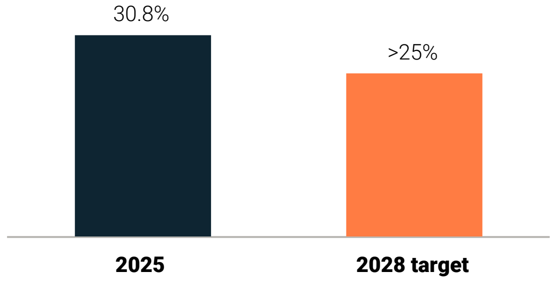
Target

Over 25 percent.[1]

Outcome

At the end of 2025, the operative ROCE was 30.8 percent.

30.8%



Science-based climate targets

Targets[2]

Own operations (scopes 1 and 2): Reduce emissions by 50 percent by 2030 and by 90 percent by 2040.[3]

In the value chain (scope 3): Reduce emissions by 25 percent by 2030 and by 90 percent by 2050.[3]

Outcome

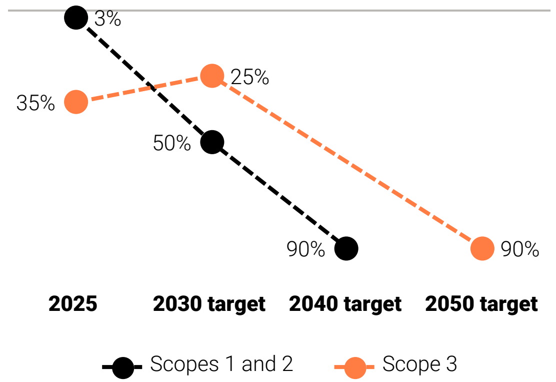
At the end of 2025, progress in scopes 1 and 2 was -3 percent. In scope 3, progress was -35 percent.

Own operations

-3%

Value chain

-35%



[1] Operative ROCE defined as operating profit / operative capital employed
[2] Pending validation by the Science Based Targets initiative (SBTi)
[3] Compared to a 2022 base year.

Corporate Governance Statement 2025

Introduction

Hiab Corporation ("Hiab" or the "Company") is a Finnish public limited liability company listed on Nasdaq Helsinki Ltd ("Nasdaq Helsinki"), and its registered place of business is in Helsinki, Finland. Hiab and its subsidiaries constitute the Hiab group. Hiab's entry to Nasdaq Helsinki follows the resolution of Cargotec Corporation's ("Cargotec") Annual General Meeting on 26 March 2025 to change Cargotec's name to Hiab. The change of the parent company's name from Cargotec Corporation to Hiab Corporation has been registered with the Finnish Trade Register on 31 March 2025. Trading in the shares of the standalone Hiab company began on 1 April 2025.

Hiab's governance and management principles are based on the Finnish Limited Liability Companies Act and Securities Markets Act, as well as the Company's Articles of Association, Code of Conduct and other Company policies. Hiab's class B share is listed on Nasdaq Helsinki, Finland, and the Company complies with the rules and guidelines of Nasdaq Helsinki and the Finnish Financial Supervisory Authority ("FIN-FSA"). Hiab complies fully with the Finnish Corporate Governance Code 2025 ("Corporate Governance Code") published by the Securities Market Association for listed companies, and has prepared this Corporate Governance Statement ("CG Statement") in accordance with its recommendations (www.cgfinland.fi/en).

This CG Statement has been reviewed by the Board's Audit and Risk Management Committee and approved by the Board on 11 February 2026. It is issued as a separate report and disclosed, together with the financial statements, Board of Directors' report and the remuneration report, on the Company's website.

Up-to-date information on governance and remuneration is available on the website. Ernst & Young Oy, the Company's auditor, has verified that the CG Statement has been issued and that the descriptions of the internal control procedures and the main features of the risk management systems related to the financial reporting process are consistent with the Company's financial statements.

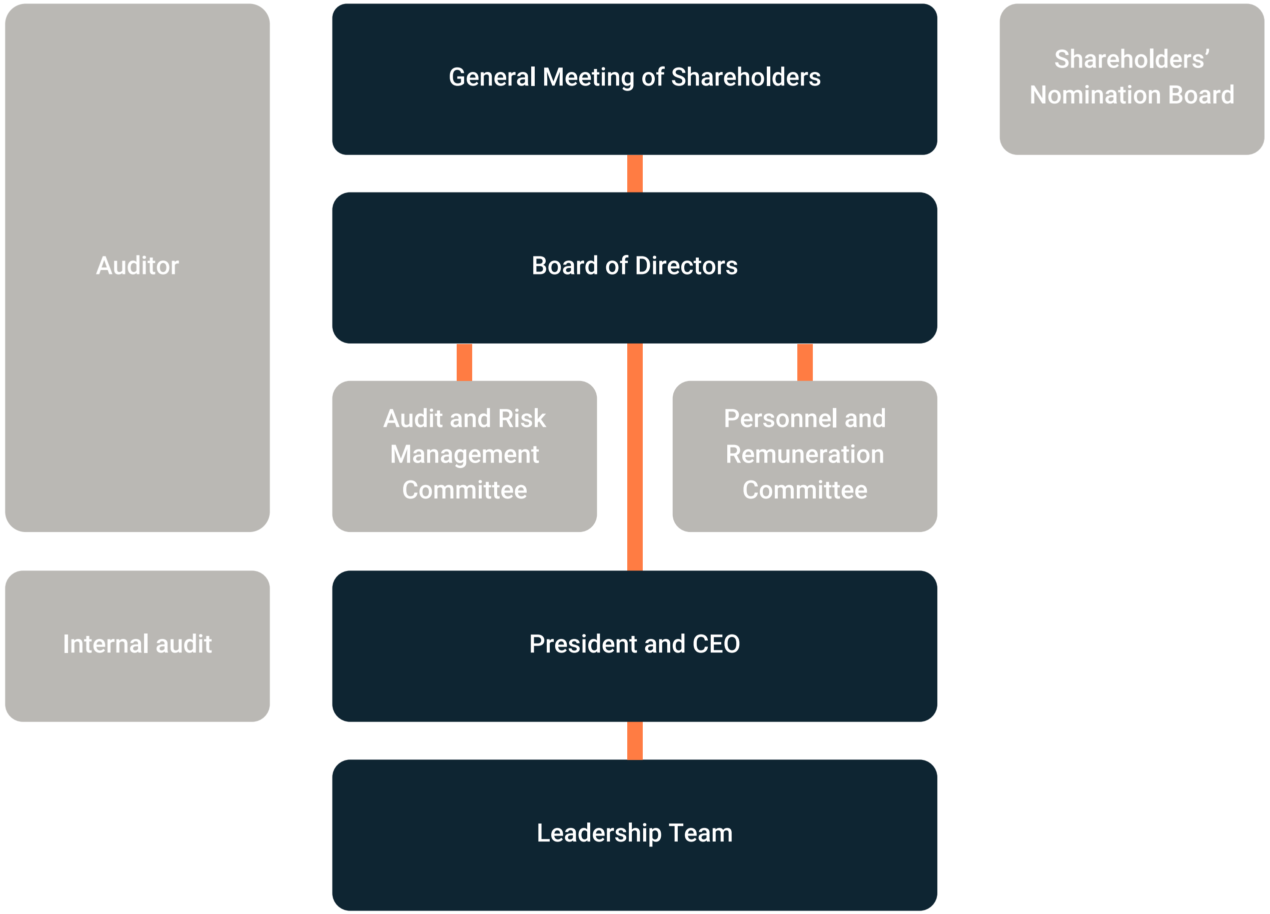
Corporate Governance at Hiab

Hiab's statutory bodies are the General Meeting of Shareholders, the Board of Directors ("Board") and the President and CEO, whose duties and responsibilities are determined in accordance with the Finnish Limited Liability Companies Act. The Board of Directors' work is enhanced by two Board committees, whose members are elected by the Board of Directors among its members. In managing the Company's business operations, the President and CEO is assisted by the Leadership Team, whose members are appointed by the Board of Directors upon the President and CEO's proposal.

The Annual General Meeting (the "AGM") 2025 approved the establishment of a Shareholders' Nomination Board (the "Nomination Board"). As a result of this, the Board's Nomination and Compensation Committee renamed to Personnel and Remuneration Committee.

Hiab's shareholders exercise the highest decision-making power at the General Meeting. Hiab's AGM appoints the members of the Board of Directors upon the proposal of the Shareholders' Nomination Board and the Board of Directors appoints the Company's President and CEO.

Hiab's Governance Model



General Meeting of Shareholders

The Annual General Meeting is held annually within six months from the end of the financial period, on a day designated by the Board. An Extraordinary General Meeting in respect of specific matters shall be held when considered necessary by the Board, or when requested in writing by a Company's auditor or by shareholders representing at least 10 percent of all issued shares of the Company.

Notice of the General Meeting is published as a stock exchange release and on the Company's website at www.hiabgroup.com. The notice includes the agenda for the meeting and instructions for registration and attendance.

A shareholder is entitled to demand a matter for discussion at a General Meeting, if such a matter belongs to the General Meeting according to the Finnish Limited Liability Companies Act and a demand is made by giving notice to the Company well in advance so that the matter can be included in the notice of the General Meeting. In 2025, this date was 13 January 2025. No requests were submitted by the shareholders.

The General Meeting decides on the matters that fall within the competence of the General Meeting, including the following:

- approval of the financial statements;
- distribution of profits;
- granting discharge to the members of the Board and to the President and CEO;
- election of and remuneration payable to the members of the Board, the Auditor and the Sustainability reporting assurance provider;
- advisory resolution on the Remuneration policy, if necessary;
- advisory resolution on the Remuneration report; and
- other matters proposed to the General Meeting.

The Remuneration policy is presented to the General Meeting at least every four years and the Remuneration report annually. Resolutions of the General Meeting regarding the policy and the report are advisory. The AGM also has the right to amend the Articles of Association, decide on merger and demerger and make decisions and authorise the Board of Directors to make decisions on the acquisition of treasury shares, on share issues and on option programmes. In addition, the AGM may authorize the Board of Directors to decide on donations for science and research and/or charity.

Hiab has two share classes, each with different voting rights. At the General Meeting, each class A share carries one vote and each set of ten class B shares carries one vote, provided that each shareholder is entitled to at least one vote.

In 2025, Cargotec's AGM was held on 26 March 2025. Shareholders and their proxy representatives were able to participate in the general meeting and exercise shareholder rights in person in Helsinki and by voting and asking questions in advance. It was also possible to follow the meeting via an online video stream. The meeting adopted the financial statements and consolidated financial statements, approved an amendment to the Articles of Association, including the change of the company name to Hiab Oyj (Hiab Corporation in English), approved the remuneration policy and the remuneration report, as well as granted discharge from liability to the President and CEO and the members of the Board of Directors for the financial year 1 January–31 December 2024. The meeting appointed the members of the Board of Directors, the auditor and the sustainability reporting assurance provider and approved their remuneration. The meeting approved a distribution of a dividend of EUR 1.19 per each class A share and a dividend of EUR 1.20 per each outstanding class B share to be paid for the financial period ended 31 December 2024. The AGM also authorised the Board of Directors to decide on an additional dividend in the amount of EUR 1.56 per each class A share and EUR 1.57 per each outstanding class B share. Payment of the additional dividend was subject to the closing of the sale of the MacGregor business to funds managed by Triton, as announced by the company on 14 November 2024. The AGM also approved the establishment of a Shareholders' Nomination Board and adopted its charter. The AGM also authorised the Board of Directors to decide on donations to science, research and/or charity in the maximum amount of EUR 100,000. The authorisation is valid until the end of the next Annual General Meeting.

More information on Cargotec's AGM is available on Hiab's website at www.hiabgroup.com.

Shareholders' Nomination Board

The Shareholders' Nomination Board is a corporate body appointed by the Company's shareholders. Hiab's Nomination Board was established pursuant to a resolution made by the AGM on 26 March 2025. The composition of the Nomination Board was published by the Company by way of a stock exchange release on 6 June 2025, and a subsequent change was published on 15 September 2025. At its first meeting on 26 August 2025, the members elected Ville Herlin as Chair in accordance with its charter. The charter of the Nomination Board is available on Hiab's website at www.hiabgroup.com.

Responsibilities

Shareholders' Nomination Board is responsible for preparing proposals to the AGM and, if necessary, to an Extraordinary General Meeting, on the number, election (including the Chair and Vice Chair) and remuneration of the members of the Board of Directors. The Nomination Board is also responsible for the succession planning of the Board members. The Nomination Board shall ensure that the Company's Board of Directors and its members have sufficient expertise, competence and experience to meet the needs of the Company. The Nomination Board has adopted a written charter that defines its main duties and operating principles.

Composition

The Nomination Board consists of four members. The Chair of the Company's Board of Directors participates in the Nomination Board's work as an expert without having a right to participate in the decision-making of the Nomination Board.

The members of the Nomination Board are appointed as follows: two largest shareholders of class A shares are entitled to appoint one member each, and two largest shareholders of class B shares, who do not own any class A shares, are entitled to appoint one member each. The number of votes held by each shareholder of all shares in the Company are determined based on the shareholders' register of Hiab Corporation as per the situation on the first banking day of June each year.

The following members were appointed to the Nomination Board in 2025:

- Ville Herlin, Chair (appointed by Wipunen varainhallinta oy);
- Heikki Herlin (appointed by Mariatorp Oy), until 15 September 2025;
- Ilona Herlin (appointed by Mariatorp Oy) from 15 September 2025;
- Markus Aho, Deputy CEO, Chief Investment Officer, Varma Mutual Pension Insurance Company (appointed by Varma Mutual Pension Insurance Company);
- Rami Vehmas, Chief Equity Officer, Ilmarinen Mutual Pension Insurance Company (appointed by Ilmarinen Mutual Pension Insurance Company).

In 2025, the Nomination Board met three times, and the total attendance rate was 100 percent.

Proposals by the Nomination Board to the Company's AGM 2026 were published on 19 December 2025.

Board of Directors

Responsibilities

As stipulated in the Finnish Limited Liability Companies Act and Hiab's Articles of Association, the Board is responsible for the management and proper organisation of the company's operations as well as for representing the company. The Board has compiled a written charter for its work that defines its main duties and operating principles. The Board's responsibilities include approving the Company's annual, half-year and interim financial statements. The Board appoints Hiab's President and CEO and determines the related terms of service, as well as confirms Hiab's strategy and monitors its implementation. The Board decides on significant loans, acquisitions and investments and approves the annual and long term operational and financial plans, sustainability targets, as well as risk management principles. The Board discusses organisation and talent management issues and approves the long- and short-term incentive programmes and their outcome. Matters presented regularly to the Board include violations against the Code of Conduct, internal control, data and information security and reports on Hiab's sustainability actions. In connection with each meeting, the Board holds discussions also without the presence of the executive management.

In 2025, the Board had 11 meetings. Some of these meetings were held remotely or the resolutions were recorded without convening. Attendance in the meetings is reported in the table further below.

The Board agrees annually on focus areas for the coming year. The year 2025 was defined by the successful completion of Cargotec's major structural transformation.The key themes on the Board's agenda throughout the year 2025 have been Hiab's strategic focus areas, sustainability and profitable growth. Reports on the climate and sustainability work as well as strategy execution updates were regularly presented to the Board. During the first quarter of 2025 the Board oversaw the legal and operational transition, with the parent company officially changing its name from Cargotec to Hiab on 31 March 2025. In addition, the Board monitored the finalisation of MacGregor's sale process which was closed on 31 July 2025. The Board also conducted in-depth strategic reviews and deep dives into the Hiab business's core performance drivers, market positioning and future growth potential to validate its long-term strategy post-demerger.

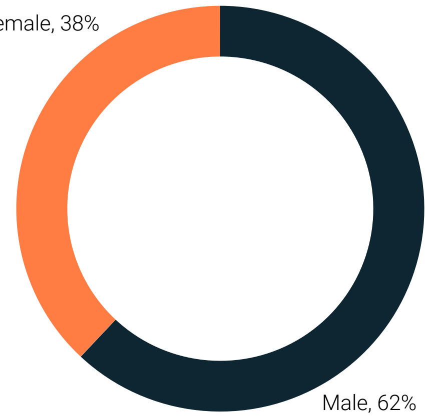
Composition

According to the Articles of Association, Hiab's Board of Directors includes a minimum of five and a maximum of ten members. Board members are elected at the AGM for a one-year term of office that expires at the end of the first AGM following the election. The Board's composition shall support the overall goal of implementing Hiab's strategy. According to the Board's diversity principles, board composition shall reflect the operations strategy and the future needs of the Company. The diversity factors include work experience in Hiab's strategic business areas and of the cultures in which Hiab operates, as well as educational background, age and gender. There shall be both genders in the Board, the target being at least two directors of the under-represented gender. In addition to the above, the Nomination Board shall consider the principles concerning the diversity of the Board, the independence requirements of the Finnish Corporate Governance Code and the rules of Nasdaq Helsinki applicable to the Company.

At the AGM in 2025, the number of Board members was confirmed to eight. The current Board members Ilkka Herlin, Raija-Leena Hankonen-Nybom, Ritva Sotamaa, Eric Alström, Jukka Moisio, Tuija Pohjolainen-Hiltunen and Luca Sra were re-elected to the Board of Directors. Casimir Lindholm was elected as a new member. In its organising meeting, the Board elected Jukka Moisio as Chair and Casimir Lindholm as Vice Chair. The Board nominated Eric Alström as the member responsible for overseeing sustainability matters in the Board. Outi Aaltonen, Senior Vice President, General Counsel, served as the Secretary to the Board of Directors until 31 March 2025 and Taina Tirkkonen, EVP, General Counsel from 1 April 2025.

Diversity of the Board

In 2025, three Board members were female and five were male, meaning the underrepresented gender comprised 38 percent of all members of the Board. Thus, the gender target the Board had set has been reached. At the end of 2025, the age range of the members was between 54 and 66 years. The Board members have a wide range of educational backgrounds and they have executive experience in international companies in different cultures.



Biographical details of the Board members are given below and up-to-date CV details are available on the Company website. The remuneration of the Board is described in the Remuneration report 2025.

Assessment of the Board and its independence

The Board conducts an annual assessment of its performance and procedures, which may be performed internally as a self-assessment or by an external partner. In 2025, the assessment was conducted by an external partner, who prepared the written questionnaire and interviewed the members of the Board, with the outcomes subsequently discussed by the Board and presented also to the Nomination Board.

The majority of the Board members shall be independent of the Company and a minimum of two of the independent directors are to be independent of significant shareholders. The Board conducts, annually and when necessary, an assessment of its members as regards their independence of the Company and major shareholders, as defined in the Corporate Governance Code.

In 2025, all members were independent of the Company, with the exception of Casimir Lindholm, who had served as Company's previous President and CEO until the end of March 2025. All members except Ilkka Herlin were independent of major shareholders. Ilkka Herlin controls the company Wipunen varainhallinta oy, which is a significant shareholder of Hiab, and he is also a Board member of Mariatorp Oy, another significant shareholder. In the overall evaluation, the Board considered the over-ten-year term of Ilkka Herlin but considered him still to be independent of the Company.

Board members’ participation in meetings 2025

Member of Board of Directors	Number of meetings	Meeting attendance %
Jukka Moisio Chair	11/11	100%
Casimir Lindholm (since 1 April 2025) Vice Chair	7/7	100%
Eric Alström Member	11/11	100%
Raija-Leena Hankonen-Nybom Member	11/11	100%
Ilkka Herlin Member	10/11	91%
Tuija Pohjolainen-Hiltunen Member	11/11	100%
Ritva Sotamaa Member	11/11	100%
Luca Sra Member	9/11	82%

Board of Directors 31 December 2025

Jukka Moisio
Chair of the Board, Finnish citizen, male, b. 1961

M. Sc. (Econ.), MBA

Chair of the Board since 2025, Vice Chair of the Board 2024–2025, Member of the Board since 2024

Chair of the Personnel and Remuneration Committee

Independent of the Company and significant shareholders

Main positions: Board professional

Ownership 31 December 2025*:
3,235 B shares

Casimir Lindholm
Vice Chair of the Board, Finnish citizen, male, b. 1971

M.Sc. (Econ.), MBA

Vice Chair of the Board since 2025, Member of the Board since 2025 and 2021–2023

Member of the Personnel and Remuneration Committee

Independent of the significant shareholders

Main position: Meyer Turku Oy, CEO since 1 May 2025

Ownership 31 December 2025*:
139,252 B shares

Eric Alström
Member of the Board, Swedish citizen, male, b. 1966

M. Sc. Management

Member of the Board since 2024

Member of the Audit and Risk Management Committee

Independent of the Company and significant shareholders

Main position: Board professional

Ownership 31 December 2025*:
1,821 B shares

Raija-Leena Hankonen-Nybom
Member of the Board, Finnish citizen, female, b. 1960

M.Sc. (Econ.), Authorised Public Accountant examination

Member of the Board since 2023

Chair of the Audit and Risk Management Committee

Independent of the Company and significant shareholders

Main position: Board professional

Ownership 31 December 2025*:
2,893 B shares

* Direct ownership and ownership of controlled corporations

Ilkka Herlin
Member of the Board, Finnish citizen, male, b. 1959

D.Ph. D.Sc. (Tech) h.c., D.Sc. (Agr & For) h.c.

Member of the Board since 2005, Chair of the Board 2024–2025 and 2005–2022, Vice Chair of the Board 2022–2023

Independent of the Company
Not independent of significant shareholders (controls Wipunen varainhallinta oy and is member of the Board of Mariatorp Oy)

Main positions: Chair and owner, Wipunen varainhallinta oy; Board member, Foundation for a Living Baltic Sea

Ownership 31 December 2025*:
2,940,067 A shares

6,214,104 B shares

Tuija Pohjolainen-Hiltunen
Member of the Board, Finnish citizen, female, b. 1966

M.Sc. (Eng)

Member of the Board since 2024

Member of the Audit and Risk Management Committee

Independent of the Company and significant shareholders

Main position: EVP, Water Solutions Business Unit, Kemira Oyj

Ownership 31 December 2025*:
1,821 B shares

Ritva Sotamaa
Member of the Board, Finnish citizen, female, b. 1963

Master of Laws, served on the bench

Member of the Board since 2023

Member of the Personnel and Remuneration Committee

Independent of the Company and significant shareholders

Main position: Board professional

Ownership 31 December 2025*:
2,933 B shares

Luca Sra
Member of the Board, Italian citizen, male, b. 1971

M.Sc. (Econ.), MBA

Member of the Board since 2024

Independent of the Company and significant shareholders

Main position: President and CEO, Iveco Truck Business Unit, Iveco Group

Ownership 31 December 2025*:
1,618 B shares

The full CV's of the Board members are available on the Company website: www.hiabgroup.com.

* Direct ownership and ownership of controlled corporations

Board Committees

The Board has set up two permanent committees to improve the efficiency of board work: the Audit and Risk Management Committee and the Personnel and Remuneration Committee (formerly the Nomination and Compensation Committee). The Board nominates the members and the chairs of the committees from among its members annually in its organising meeting and confirms the committees' written charters. The committees have no independent decision-making power, but prepare matters to be resolved by the Board.

Audit and Risk Management Committee

The committee's duty is to supervise the financial and sustainability reporting executed by the management and to monitor the financial statement and interim reporting process. In accordance with its charter, the committee supervises the adequacy and appropriateness of Company's internal control, internal audit and risk management as well as the development of operative and strategic risks and risk management and handles the corporate audit plans and reports. Furthermore, the committee prepares a proposal to the AGM regarding the election and fees of the external auditor and the sustainability reporting assurance provider and monitors the statutory audit of financial statements and consolidated financial statements. Hiab's Board has confirmed a Non-Audit Services Policy for defining the permitted non-audit services purchased from the auditors. The committee defines and monitors the non-audit services to ensure the auditor's independence. Sustainability matters are presented to the committee regularly and violations against Hiab's Code of Conduct are reported to it. The committee also reviews Hiab's Sustainability Statement and Corporate Governance Statement.

The Audit and Risk Management Committee consists of a minimum of three members of the Board of Directors. In addition, the President and CEO, CFO, General Counsel, Head of Internal Audit and Head of Group Control as well as representatives of the auditing firm attend the meetings. The heads of Ethics & Compliance, Treasury, Taxes, Information Management, Risk Management and Sustainability report to the committee on a regular basis. If the matters to be dealt with so require, the committee convenes without the presence of the Company's management. An annual self-assessment is held to identify any development areas in the committee's work.

Until the AGM in March 2025, the Audit and Risk Management Committee was chaired by Raija-Leena Hankonen-Nybom and its members were Eric Alström and Tuija Pohjolainen-Hiltunen. After the AGM, the Board re-appointed the same Chair and committee members. Committee members are independent of the Company and of major shareholders and they possess years of experience in business management duties.

In 2025, the committee met five times, and the total attendance rate was 100 percent. The table below indicates attendance rates by member. The committee handled and prepared financial reporting and treasury topics for Board approval. The representatives of the auditing firm Ernst & Young presented their work and observations and reported the use of non-audit services to the committee in connection with the Company's annual and interim reports. Reports on risk management, internal audit, sustainability, as well as ethics and compliance, were presented to the committee at least four times a year. The committee received reports on financial items requiring management judgement, tax and treasury matters, information security management, legal claims, trade sanctions and internal controls. The committee reviewed the goodwill impairment testing results and the related party transactions. In 2025, the committee reviewed the external reporting principles of the standalone, listed Hiab, and the ongoing developments related to procurement and sales processes. In addition, the committee reviewed the financial reporting for discontinued operations (MacGregor).

Member of Audit and Risk Management Committee	Number of meetings	Meeting attendance %
Raija-Leena Hankonen-Nybom Chair	5/5	100%
Eric Alström	5/5	100%
Tuija Pohjolainen-Hiltunen	5/5	100%

Personnel and Remuneration Committee (former Nomination and Compensation Committee)

When the Shareholders' Nomination Board was established by the AGM in 2025, the duties of the Board's Nomination and Compensation Committee relating to preparing proposals to the AGM on the number, election and remuneration of the members of the Board were transferred to the Nomination Board. The name of the Nomination and Compensation Committee was changed to Personnel and Remuneration Committee.

The committee's duty is to plan and make recommendations to the Board of Directors regarding the President and CEO's nomination, succession and remuneration as well as other Hiab Leadership Team Members' remuneration and succession. The Committee will also prepare, review and recommend to the Board the remuneration policies, remuneration report, long- and short-term incentive programmes and performance measures and follow their outcome and effectiveness.

The committee consists of a minimum of three Board members. The committee convenes as needed but at least three times a year. Until the AGM in 2025, the committee members were Ilkka Herlin (Chair), Jukka Moisio and Ritva Sotamaa. In its organising meeting after the AGM, the Board appointed Jukka Moisio as Chair and Casimir Lindholm and Ritva Sotamaa as members of the Committee. The committee members, with the exception of Casimir Lindholm, are independent of the company. The President and CEO, the Executive Vice President, People and Culture and Vice President, Performance and Rewards attended the committee meetings, except when they themselves were the subject of discussion.

In 2025, the committee convened six times, and the total attendance rate was 100 percent. The table below indicates attendance rates by member. In accordance with the annual cycle, the committee's agenda comprised reviews of top management performance and remuneration, the establishment and follow-up of short- and long-term incentive programmes and their outcomes, as well as follow-up on talent reviews.

The committee prepared the remuneration policy and remuneration report for the governing bodies prior to their presentation to the AGM in 2025. In addition, the committee still prepared proposals for the 2025 AGM concerning the number, election and remuneration of the members of the Board of Directors.

Member of Personnel and Remuneration Committee	Number of meetings	Meeting attendance %
Jukka Moisio Chair since 26 March 2025	6/6	100%
Ilkka Herlin Chair and member until 26 March 2025	2/2	100%
Casimir Lindholm Member since 1 April 2025	4/4	100%
Ritva Sotamaa	6/6	100%

Management

President and CEO

The Board of Directors appoints Hiab's President and CEO and determines the related terms of service, defined in a written executive contract. The President and CEO is responsible for ensuring that the targets, plans, guidelines and goals set by the Board are implemented within Hiab. According to the Finnish Limited Liability Companies Act, the CEO ensures that the accounting practices of the company comply with the law and that financial matters are handled in a reliable manner. The Board evaluates the performance of the CEO and the extent to which the CEO has achieved the targets set for him. Scott Phillips, MBA and a B.Sc. (Ind.Tech.), has acted as Hiab's President and CEO since 1 April 2025. No deputy CEO has been appointed. Casimir Lindholm, M.Sc. (Econ.) and MBA, acted as Cargotec's President and CEO until 31 March 2025.

Leadership Team

Supporting the President and CEO in his duties, Hiab Leadership Team is responsible for business development and the Company's operational activities in accordance with the targets set by the Board of Directors and the President and CEO. The Leadership Team also defines operative principles and procedures in accordance with the guidelines set by the Board. The Leadership Team concentrates on the strategic issues of the group and the divisions. The agenda regularly includes reports and issues concerning financial development, governance, human resources, sustainability and development projects.

The Leadership Team members report to Hiab's President and CEO, who also acts as Chair of the Leadership Team. The Leadership Team demonstrates full gender equality, with six female and six male members.

Biographical details of the President and CEO as well as the members of the Leadership Team are given below and up-to-date CV details are available on the Company website. The CEO remuneration is described in the Remuneration report 2025 and the remuneration of the Leadership Team is described on the Company website.

Leadership Team 31 December 2025

Scott Phillips
President and CEO

American citizen, male, b. 1966
MBA, B.Sc (Ind.Tech.)

Ownership 31 December 2025*:
79,122 B shares

Mikko Puolakka
Executive Vice President, CFO

Finnish citizen, male, b. 1969
M.Sc. (Econ)

Ownership 31 December 2025*:
118,409 B shares

Michaël Bruninx
President, Services

Belgian citizen, male, b. 1980
MBA, M.Sc. (Industrial engineering)

Ownership 31 December 2025*:
10,282 B shares

Magdalena Wojtowicz Tokarz
President, Loader Cranes, Light and Medium

Polish citizen, female, b. 1980
M.Sc. (Econ), MBA

Ownership 31 December 2025*:
5,976 B shares

Jenny McGeough
President, Loader Cranes, Heavy and Superheavy

British citizen, female, b. 1981
M.Eng. Electronic and Electrical Engineering, PhD Optoelectronic Engineering, MBA

Ownership 31 December 2025*: -

Hermanni Lyyski
President, Demountables and Defence

Finnish citizen, male, b. 1991
M.Sc. (Econ)

Ownership 31 December 2025*:
7,455 B shares

Barry McGrane
President, Truck Mounted Forklifts

Irish citizen, male, b. 1975
B.Eng Mech Engineering

Ownership 31 December 2025*:
5,538 B shares

Martin Saint
President, Tail Lifts

British citizen, male, b. 1965
BA

Ownership 31 December 2025*:
1,739 B shares

Kimberly Allan
Executive Vice President, Business Excellence

American citizen, female, b. 1977
B.Sc. (Finance & Business Administration), COO, Strategy & Operational Execution (INSEAD)

Ownership 31 December 2025*: -

Ghita Jansson-Kiuru
Executive Vice President, People and Culture

Finnish citizen, female, b. 1967
M.Sc. Economics

Ownership 31 December 2025*:
5,811 B shares

Birgitte Jespersen Skade
Executive Vice President, Marketing and Communications

Danish citizen, female, b. 1973
M.Sc. (International Business), BA (Business Economics)

Ownership 31 December 2025*: -

Taina Tirkkonen
Executive Vice President, General Counsel

Finnish citizen, female, b. 1975
MBA (Applied finance and accounting), LL.M., M.Sc. (Admin.)

Ownership 31 December 2025*: -

Leadership Team members during 2025:

Sanna Ahonen, Executive Vice President, Strategy and Sustainability, until 8 December 2025

Marcel Boxem, Interim President, Loader Cranes, Heavy and Superheavy, until the end of October 2025

Casimir Lindholm, President and CEO, until the end of March 2025

Leif Byström, President, MacGregor, until the end of March 2025

Outi Aaltonen, Senior Vice President, General Counsel, until the end of March 2025

Mikael Laine, Senior Vice President, Strategy, until the end of March 2025

Soili Mäkinen, Senior Vice President, Sustainable Business Development, until the end of March 2025

Mikko Pelkonen, Senior Vice President, Human Resources, until the end of March 2025.

More detailed information concerning the Leadership Team is available on the Company's website at www.hiabgroup.com/en/investor-relations/governance/management/

* Direct ownership and ownership of controlled corporations.

Principles of internal control and risk management relating to the financial reporting process

Hiab compiles its financial reporting in accordance with the International Financial Reporting Standards (IFRS), the Securities Markets Act, the Finnish Accounting Act and the Finnish Accounting Board's guidelines and statements, while complying with the standards of the Financial Supervisory Authority (FIN-FSA) and the rules of Nasdaq Helsinki Ltd.

The internal control and risk management principles, guidelines, practices and responsibilities pertaining to the Company's financial reporting process have been designed to ensure that the financial reports disclosed by Hiab are reliable and meet the requirements of the law, regulations and Company principles.

Instructions regarding the publication of financial information and external communications are included in Hiab's Disclosure Policy, approved by the Board of Directors. This is available on the Company intranet and website. Together with Group Communications, Investor Relations is responsible for ensuring the accuracy of and compliance with the policy.

Hiab's Code of Conduct contains the principles that guide the Company. All employees are expected to familiarise themselves with the Code of Conduct and take the regular eLearning training courses. To detect financial and other misconduct, Hiab has instructions and processes for raising concerns. The SpeakUp line gives an opportunity to anonymously raise concerns of possible misconduct or other matters that may not be in line with Company values and policies. The reporting channel is provided by an external partner, to ensure effective, confidential and secure reporting. All reports are investigated and processed in confidence by the Ethics and Compliance team. Corrective and disciplinary actions are discussed and agreed in the Ethics panel of the Hiab Leadership Team.

Internal control

The objective of Hiab's internal control is to ensure that the Company's operations are efficient and profitable, that risk management is adequate and appropriate and that financial and other information produced is reliable. Hiab's internal control is based on the Company's Code of Conduct and Internal Controls Framework. With respect to the financial reporting process, these are supported by policies and guidelines, as well as with established processes and communication across the organisation. Hiab's Internal Control Policy, approved by the Board of Directors, specifies the applicable control principles, procedures and responsibilities. Control activities, which occur throughout the organisation at all levels and functions, help to ensure that necessary actions are taken to address risk while achieving the Company's objectives. The purpose of these control measures is to detect, prevent and correct any errors and deviations across business operations and financial reporting. Internal controls are owned by the individuals performing the Company's operations and every employee is responsible for ensuring that the framework is effective in achieving the Company's mission.

Similarly to other Hiab operations, responsibility for internal control is divided into three tiers. The line management is principally responsible for internal control. This is backed by group support functions, which define instructions applicable across the Company and supervise risk management. Internal and external audits form the third tier, their task being to ensure that the first two tiers function effectively.

The effectiveness of internal control, including controls over financial reporting and operations, is monitored by the Board of Directors, the Audit and Risk Management Committee, the President and CEO, the Leadership Team and division leadership teams.

Risk management

Hiab's risk management is guided by the Enterprise Risk Management Policy, approved by the Board of Directors. It specifies the objectives and principles of risk management as well as the process and responsibilities involved. Risk management is to be naturally built into all business decisions and plans. The core principle is continuous, systematic and preventive action taken to identify risks, define the Company's risk appetite, assess and handle risks and, if they materialise, deal with them effectively.

The Board of Directors defines Hiab's overall risk appetite and ensures that the organisation has sufficient risk management and control. The President and CEO and the Leadership Team are responsible for the methods, implementation and supervision of risk management. Hiab's risk management is spread across business units and group support functions that assign responsibility for risk management and that are in charge of identifying, managing and reporting risks. The Risk Management function is responsible for reporting any findings to the President and CEO and the Leadership Team and reports quarterly to the Board's Audit and Risk Management Committee on the risk reviews, identified risks and mitigation plans.

Hiab's Enterprise Risk Management (ERM) process includes comprehensive sustainability considerations through incorporating environmental, social and regulatory aspects to the process. Financial risks, such as currency, interest rate, liquidity, credit and counterparty risks, are managed centrally by the Group Treasury and reported to the management and the Audit and Risk Management Committee on a regular basis. The Board of Directors' report includes an estimate on the Company's main risks and uncertainties as well as short term risks.

Other information

Internal audit

Hiab's Internal Audit function serves as an independent and objective assurance and advisory service provider, designed to enhance operational efficiency and add value to Hiab and its businesses. As an integral part of the corporate governance process, Internal Audit supports the organization by employing a systematic methodology for objectively evaluating and improving the effectiveness of governance, risk management and control processes. The Internal Audit Charter, approved by the Board of Directors, defines the Internal Audit mandate, scope, authority and reporting lines.

Internal Audit operates based on an Internal Audit Plan, approved by the Board's Audit and Risk Management Committee, incorporating Hiab's strategic priorities, key projects and identified risks as key components in the audit planning process. The Head of Internal Audit provides regular reports to senior management and the Audit and Risk Management Committee on the function's activities, including audit reports and action plans by various organizational units. Internal Audit actively collaborates with other assurance service functions within Hiab, such as Risk Management, Internal Control and Compliance, as well as with top management, to share best practices related to processes and governance. The Head of Internal Audit is informed of suspected misconduct and breaches of Hiab's policies, principles and applicable laws and regulations and as needed, the Internal Audit team participates in ensuing investigations.

Internal Audit reports directly to the Board of Directors' Audit and Risk Management Committee, with administrative reporting to the Chief Financial Officer.

External audit

The statutory external audit for the financial period includes the auditing of accounting records, financial statements and administration. In addition to the auditor's report issued annually, the auditors report to the Board of Directors on their audit findings on a regular basis and attend the Board's Audit and Risk Management Committee meetings.

According to the Articles of Association, Hiab has one auditor, which shall be an audit firm approved by the Finnish Patent and Registration Office, and the principal auditor shall be an authorised public accountant. In addition, Hiab has one sustainability reporting assurance provider, which shall be a sustainability audit firm approved by the Finnish Patent and Registration Office, and the principal sustainability reporting assurance provider shall be a sustainability reporting auditor. The term of office of the auditor and the sustainability reporting assurance provider is the financial period.

The AGM that convened on 26 March 2025 re-elected the auditing firm Ernst & Young Oy as Hiab's auditor. Heikki Ilkka from Ernst & Young Oy has been the principal auditor since 2021. Auditor's fees are compensated against an invoice. The fees paid to the auditor for different services are listed below. Audit fees include fees for both continuing and discontinued operations.

In accordance with the EU Corporate Sustainability Reporting Directive (CSRD) and national legislation related thereto, Hiab continues to prepare sustainability report for the financial year 2025. The AGM of 26 March 2025 re-elected authorized sustainability assurance audit firm Ernst & Young Oy as the sustainability reporting assurance provider. Heikki Ilkka continued to act as the responsible authorised sustainability auditor. The sustainability reporting assurance provider's fees will be paid according to an invoice.

Auditor's fees

MEUR	2025	2024
Audit fees	2.2	3.7
Sustainability statement assurance	0.1	0.1
Tax advice	0.0	0.0
Other services	0.5	1.4

Related party transactions

Hiab's related parties include its subsidiaries, associated companies and joint ventures. Also the members of the Board of Directors, the President and CEO and other members of the Leadership Team, their close family members and entities controlled directly or indirectly by them, as defined in IAS 24, are related to Hiab. Major shareholders with more than 20 percent ownership of shares or of the total voting rights in the Company, are included in related parties. The Company maintains lists of its related parties.

Transactions with associated companies and joint ventures are monitored in the financial reporting system. They are reported in Note 9.3 to the financial statements and have been carried out at market prices. The Company has an instruction for the Board and Leadership Team members and major shareholders regarding recognising related party transactions. They are obliged to inform the Company of any planned agreements or other legal acts with any group company and asked annually to confirm if any related party transactions have taken place. The Board handles all related party transactions that are not conducted in the ordinary course of business of the company or are not implemented under arm's length terms.

Insider administration

Hiab applies the insider guidelines of Nasdaq Helsinki Ltd, in addition to which the Board of Directors has approved internal insider guidelines based on the Nasdaq Helsinki guidelines. Hiab maintains a list of its Managers and their closely associated persons. Hiab's Managers include the members of the Board of Directors and the Leadership Team. The Managers and their closely associated persons are obliged to notify Hiab and the Finnish Financial Supervisory Authority of every transaction conducted on their own account relating to Hiab's financial instruments. Hiab will publish each notification in the form of a stock exchange release. Persons who, on the basis of an employment or other contract, work for the company and obtain inside information associated with a specific project, are entered in the Company's project-specific insider register, which is established when necessary.

Trading in Hiab financial instruments is prohibited on the person's own account or for the account of a third party:

a) if a person possesses inside information or,

b) regarding Managers, during a period of 30 days prior to the publication of Hiab's annual or interim reports (closed window) or,

c) regarding persons having access to material financial information, especially persons engaged with preparing Hiab's annual or interim reports, during a period of 30 days prior to the publication of such report (extended closed window) or,

d) regarding project-specific insiders, for the duration of the project until the project is published or otherwise terminated.

The General Counsel of Hiab is responsible for the overall insider management in Hiab, including necessary training. Group Legal is responsible for maintaining the list of Managers and the project-specific insider lists and informing the insiders of their insider status and of closed windows. Group Communications is responsible for disclosing the transactions of the Managers and their closely associated persons.

Remuneration report 2025

Letter from the Chair of the Board

Dear shareholder,

As Chair of the Board and of the Board's Personnel and Remuneration Committee, I am pleased to present Hiab's 2025 Remuneration Report. This report sets out the remuneration of the members of the Board of Directors and the President and CEO of Hiab and its predecessor Cargotec for the financial year 2025.

This report has been prepared in accordance with the Finnish Corporate Governance Code 2025, as well as the provisions of the Finnish Securities Market Act and the Limited Liability Companies Act. The report has been approved by the Board of Directors and will be presented to the 2026 Annual General Meeting of Hiab for an advisory shareholder vote.

A year of transition

The year 2025 was truly historic in the story of Hiab. On 1 April 2025, Hiab completed its transition to an independent company listed on Nasdaq Helsinki. This was more than a corporate restructuring; it marked the beginning of a new chapter in Hiab's more than 80-year legacy. From then on, Hiab's success has been defined by its own strategic decisions and the value it creates for its customers and shareholders.

To fulfil its vision of being the number one partner in smart and sustainable load handling solutions, Hiab has a strategy for long-term profitable growth, anchored in a deep understanding of customer needs. The strategy builds on two key pillars: growing profitably in essential industries and building a strong foundation of operational excellence.

By aligning these pillars, the strategic intent is translated into tangible results that drive long-term value for all Hiab's stakeholders.

Part of the profitable growth agenda is based on an active acquisitions strategy. At the turn of the year, Hiab strengthened its position in the Brazilian market through the completed acquisition of a leading Brazilian crane manufacturer, ING Cranes, announced in November 2025.

The transformation of Cargotec into standalone Hiab, Kalmar and MacGregor companies has enabled a significant increase in value for former Cargotec shareholders (now shareholders of Hiab and Kalmar). The transformation project included preparing Hiab and Kalmar to operate as standalone listed companies, the separation and listing of Kalmar on 1 July 2024; as well as the turnaround of MacGregor and the sale of the business in November 2024 (completed July 2025).

During 2020–2022, Cargotec's average market capitalisation was EUR 2.5 billion, including both Class A and Class B shares. After the transformation project, the combined market capitalisation of Hiab and Kalmar was approximately EUR 5.7 billion during the second half of 2025. As a result, shareholder value has more than doubled thanks to this major transformation. Furthermore, supported by the sale of MacGregor and a strong balance sheet, Hiab paid an additional dividend of EUR 100 million (EUR 1.57 per Class B share) in October 2025.

Hiab's performance in 2025

Despite a year of historic transition, Hiab's financial performance remained solid. At the same time, global markets proved volatile and were characterised by uncertainty. Trade tensions and market unpredictability challenged Hiab, particularly during the second half of the year, requiring increased cost discipline and proactive actions to ensure the company remains agile and competitive, with the financial health and capital required to fund future growth.

Orders received remained at a similar level to last year, with a decline in the Americas but growth in the EMEA and APAC regions. Sales declined by 6 percent, with the impact largely coming from the US market. Comparable operating profit remained strong at EUR 213 million, with the comparable operating profit margin improving to 13.7 percent. The Services business had a record year and delivered both sales growth and improved in profitability.

The performance of the eco portfolio, representing 37 percent of total sales in 2025, sends a strong signal from the market that the demand for low-emission and circular solutions is on the rise. Safety performance, which was well above the targets set, confirms that safety is firmly established as a cornerstone of Hiab's culture.

Remuneration in 2025

Hiab's remuneration practices are based on the principles of its Remuneration Policy. The Personnel and Remuneration Committee regularly reviews and discusses remuneration matters, ensuring that the approach is transparent, consistent and fair. Remuneration is not seen as an expense, but as an investment in people, designed to attract, retain and motivate talent and drive performance.

The remuneration for the Board of Directors during the financial year 2025 was executed in accordance with the Remuneration Policy.

Remuneration to former CEO Casimir Lindholm (CEO of former Cargotec until 31 March 2025) deviated from the Remuneration Policy under the deviation provisions relating to material changes in the company's structure, organisation, ownership and business. A strategic share-based incentive programme was in place during 2023—2025, designed to drive the execution of Cargotec's transformation, including the demerger of Kalmar, the sale of MacGregor and the independence of Hiab. The transformation was successfully completed in 2025.

During 2025, the Personnel and Remuneration Committee of Hiab focused on gaining insights into leadership compensation markets to ensure the competitiveness of Hiab's executive compensation, and on renewing the long-term incentive plan to enhance strategic alignment and a pay-for-performance focus.

On behalf of the Board of Directors, I would like to express my gratitude to Hiab's leadership and employees for the dedication they have shown during this transformative period. The year required not only operational excellence but also a fundamental shift in Hiab's identity as it transitioned into a standalone, publicly listed entity and navigated challenging market conditions.

Hiab remains committed to the Employees First philosophy, recognising that long-term success is built on the calibre and commitment of its people. The Board is encouraged by the trust placed in Hiab by the capital markets and customers. With Hiab well positioned to navigate the future, the Board looks forward to the company's continued evolution.

Jukka Moisio,

Chair of the Board

Our approach to remuneration

Remuneration of the Hiab governing bodies is based on the Remuneration Policy that was presented for an advisory decision at the Annual General Meeting held on 26 March 2025. Claw-backs were not made in 2025.

The remuneration at Hiab is designed to reinforce Hiab's values and ethical principles, align remuneration with the successful delivery of our strategy, and yo create long-term shareholder value.

Remuneration at Hiab is characterized by six key principles:

1. We align total compensation funding with our strategy and business plans.
2. We reinforce a high-performing culture.
3. We aim to balance shareholder and employee needs.
4. We enhance our ability to attract, retain, and motivate a diverse group of talented individuals.
5. We ensure effective communication of our remuneration principles and programs to enhance transparency, both internally and externally.
6. We ensure compliance with local laws and regulations.

Remuneration Governance

Remuneration at Hiab is managed through clearly defined processes and involves the Annual General Meeting of Shareholders (AGM), the Shareholders' Nomination Board (Nomination Board), the Board of Directors (Board) and the Board's Personnel and Remuneration Committee (PRC).

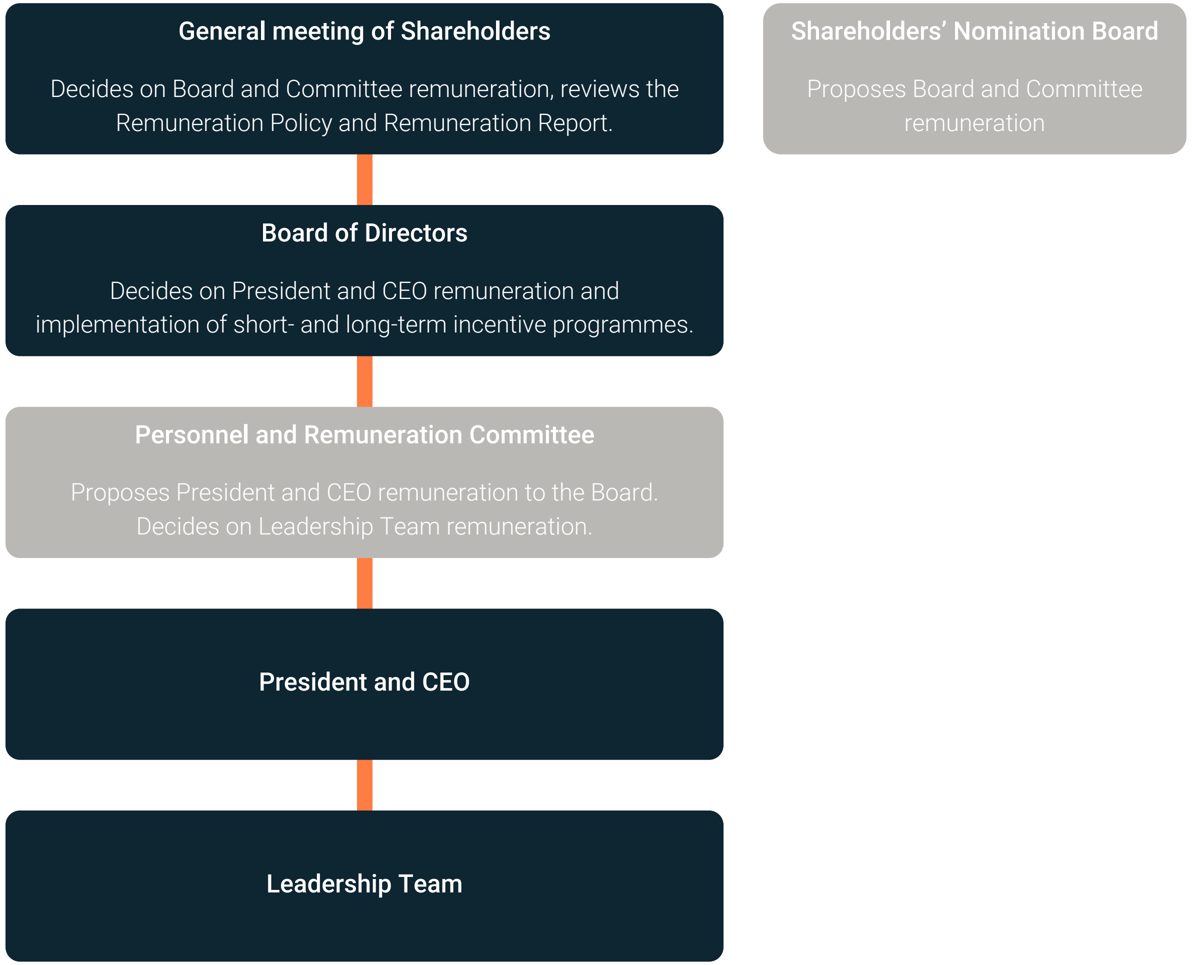
Upon the recommendation of the PRC, the Board submits the Remuneration Policy in case of material changes (or at least every 4 years) and Remuneration Report (annually) to the AGM.

The AGM resolves annually on the remuneration of the members of the Board of Directors, based on a proposal made by the Nomination Board. In determining such remuneration, the Nomination Board takes account of the Board members' responsibilities and obligations towards the company. Furthermore, the Nomination Board compares the Board's remuneration packages to those paid by other companies of the same size operating in a comparable business environment. The Board remuneration principles shall not restrict the shareholders' ability to resolve on Board remuneration.

The Board approves annually the remuneration of the CEO based on the proposal by the PRC within the confines of this Remuneration Policy.

The remuneration of the President and CEO and Deputy CEO (if appointed) may consist of fixed salary, benefits, pension and other benefits and programmes, and variable pay components. The variable pay includes both short- and long-term incentives.

The PRC also approves the remuneration of other Hiab Leadership Team (HLT) .



Remuneration of the Board of Directors

Shareholders resolved on the Board Remuneration in the Annual General Meeting of 2025 as follows:

Annual fees to the Board members:

- EUR 160,000 to the Chair of the Board,
- EUR 95,000 to the Vice Chair of the Board,
- EUR 80,000 to a member of the Board

In addition, the following annual fees were decided to be paid for the following roles held in the Board's Committees:

- EUR 20,000 to the Chair of the Audit and Risk Management Committee,
- EUR 10,000 to each member of the Audit and Risk Management Committee,
- EUR 15,000 to the Chair of any other committee possibly constituted by the Board
- EUR 5,000 to each member of any other committee constituted by the Board.

40 percent of the annual fees were to be paid in Hiab's class B shares and the rest in cash. Hiab was also to cover the transfer taxes related to the remuneration paid in shares.

In addition to the annual fees, the following meeting fees were to be paid based on the Board or Committee Member's attendance:

- EUR 1,000 for meetings held in the Member's country of residence or attended remotely
- EUR 2,000 for meetings held in a different country from the Member's residence
- EUR 3,000 for meetings held on a different continent from the Member's residence

Travel expenses were to be reimbursed in accordance with the company's travel policy.

Remuneration of the Board of Directors in 2025

Director	Committee memberships	Board annual fees, EUR	Committee annual fees, EUR	Meeting fees, EUR	Total[1], EUR
Jukka Moisio Vice Chair of the Board until 29 March 2025 Chair of the Board from 26 March 2025	Chair of the Personnel and Remuneration Committee from 26 March 2025	160,000	15,000	11,000	187,050
Casimir Lindholm Vice Chair of the Board from 1 April 2025	Member of the Personnel and Remuneration Committee from 1 April 2025	95,000	5,000	10,000	110,600
Eric Alström Member of the Board	Member of the Audit and Risk Management Committee	80,000	10,000	14,000	104,540
Raija-Leena Hankonen-Nybom Member of the Board	Chair of the Audit and Risk Management Committee	80,000	20,000	11,000	111,600
Ilkka Herlin Chair of the Board until 26 March 2025 Member of the Board from 26 March 2025		80,000	-	7,000	87,660
Tuija Pohjolainen-Hiltunen[2] Member of the Board	Member of the Audit and Risk Management Committee	80,000	10,000	36,000	126,540
Ritva Sotamaa Member of the Board	Member of the Personnel and Remuneration Committee	80,000	5,000	11,000	96,509
Luca Sra Member of the Board		80,000	-	10,000	90,480
	Total	**735,000**	**65,000**	**110,000**	**914,978**

[1] The total amounts include asset transfer tax related to Board remuneration paid in shares.
[2] Tuija Pohjolainen-Hiltunen received meeting fees for Board Term 2024 during spring 2025. During Board Term 2024, meeting fees were paid for intercontinental travel only.

Remuneration of the President and CEO

President and CEO Casimir Lindholm - 31 March 2025

Casimir Lindholm acted as the President and CEO of Cargotec from 1 April 2023 until its renaming to Hiab on 31 March 2025.

In 2025, Lindholm's fixed monthly salary was EUR 60,465 including fringe benefits. The total fixed salary paid was EUR 181,395.

Lindholm was paid a short-term incentive relating to the performance of the financial year 2024. The incentive paid was EUR 942,942 and represented the maximum payable incentive.

In addition, Lindholm received long-term incentives from three different programmes. The long-term incentives paid were EUR 12,058,471 in total.

Lindholm received severance payments of EUR 1,153,432. The severance payments consisted of compensation for the notice period, a contractual severance payment and compensation for unused holidays.

The total remuneration paid to Casimir Lindholm was EUR 14,336,240.

President and CEO Scott Phillips 1 April 2025 -

Scott Phillips was appointed as the President and CEO of Hiab from 1 April 2025, upon the renaming of Cargotec as Hiab. The remuneration reported relates to his period as the President and CEO of Hiab from 1 April 2025 onwards.

In 2025, Phillips's fixed monthly salary was EUR 56,513, including monthly fringe benefits. The total fixed salary paid was EUR 679,367, including fringe benefits. In addition to the monthly fringe benefits, he received a school benefit towards schooling of his children.

In 2025, Phillips was not paid a short-term incentive relating to his role as the President and CEO.

Similarly, in 2025, Phillips was not paid long-term incentives relating to his role as the President and CEO.

The total remuneration paid to Phillips in 2025 relating to his period as the President and CEO of Hiab was EUR 679,367.

Total remuneration paid to the President and CEO in 2025

	Fixed salary	Paid short-term incentives	Paid long-term incentives	Severance payments	Total remuneration paid in 2025
Casimir Lindholm	181,395	942,942	12,058,471	1,153,432	14,336,240
Scott Phillips	679,367	0	0	0	679,367
Total	**860,762**	**942,942**	**12,085,471**	**1,153,432**	**15,015,607**

Paid short-term incentives in 2025

	Programme	Earning opportunity as a % of base salary target / max	Overall Achievement	Paid reward in EUR
Casimir Lindholm	2024 Annual Bonus Programme	65% / 130%	200% (max)	942,942

Paid long-term incentives in 2025

	Programme	Performance Period	Earning opportunity as maximum (200%) number of net shares	Overall Achievement	Paid reward in net shares / gross value in EUR
Casimir Lindholm	PSP 2023—2025	2023—2024	23,270[1]	66%	15,416 net shares / EUR 1,364,696.68
	PSP 2024—2026	2024—2025	11,720[2]	200%	11,720 net shares / EUR 1,037,508.64
	RSU 2023—2025	2023—2025	109,080	200%	109,080 net shares / EUR 9,656,266.51
Total					**136,216 net shares / EUR 12,058,470.83**

[1] The earning opportunity for PSP 2023—2025 is that for the performance period 2023—2024 only. The original maximum from the programme was 34,906 net shares. Due to termination of service, the earning opportunity allocated to 2025 was forfeited.
[2] The earning opportunity for PSP 2024—2026 is that for the performance period 2024 only. The original maximum from the programme was 35,160 net shares. Due to termination of service, the earning opportunity allocated to 2025 and 2026 were forfeited.

Supplemental pension contributions in 2025

For both Casimir Lindholm and Scott Phillips, the pension was provided according to the statutory Finnish Employees Pensions Act. They did not have supplemental pension arrangements.

Short-term incentives of the CEO

The CEO's short-term incentives (STI), including the terms and conditions for these programmes, are determined by the Board of Directors. The Board annually sets and evaluates performance of the President and CEO. Based on Hiab's Total Remuneration Policy, the short-term incentive can be 130% of the fixed salary at at maximum.

In 2024, the STI for the CEO was based on Cargotec's comparable operating profit, operative cash flow and success with strategic initiatives. The overall achievement was 200%, representing the maximum achievement. The corresponding reward to Casimir Lindholm was EUR 942,942.

Performance Criteria	Weight	Outcome / Achievement	Overall Achievement / Payment
2024 Comparable Operating Profit	56%	MEUR 405 / 200% (maximum)	200 % (maximum) / EUR 942,942
2024 Operative Cash Flow	24%	MEUR 560 / 200% (maximum)	
Strategic individual targets	20%	• Kalmar listing • MacGregor solution • Hiab as standalone 200% (maximum)	

In 2025, the STI for the President and CEO was based on Hiab's comparable operating profit, operative cash flow and success with strategic initiatives. The overall achievement was 170% (on the scale of 0—200%) and the corresponding reward of EUR 693,940 will be paid to Scott Phillips in Q2/2026. Casimir Lindholm did not participate in the STI programme for 2025.

Performance Criteria	Weight	Outcome / Achievement	Overall Achievement / Payment
2025 Comparable Operating Profit	49%	MEUR 213 / 200% (maximum)	170% / EUR 693,940
2025 Operative Cash Flow	21%	MEUR 281 / 200% (maximum)	
Individual targets Success with Strategic Initiatives	30%	• Service Growth • Business and Commercial Excellence • Development of North America • Supply Chain Transformation • Eco Offering Growth Combined outcome target 100% (target)	

Long-term incentives of the CEO

The CEO's long-term incentives (LTI) are determined by the Board of Directors. The Board decides on LTI establishment, terms and conditions and criteria for the LTI programmes in alignment with Hiab's long-term targets, strategy and Remuneration Policy. Based on Hiab's Remuneration Policy, the long-term incentive value for the President and CEO is 230% of the fixed annual salary at maximum. Hiab's LTI programmes are mainly Performance Share Programmes, with a total performance period of three years.

In 2025, Casimir Lindholm received payouts from Performance Share Programmes 2023—2025 and 2024—2026. Due to termination of his service in early 2025, he received premature payouts for earnings related to 2023 and 2024 only. The earning potentials for 2025 and 2026 were forfeited. The payouts were 15,416 net shares and 11,720 net shares, respectively, with total gross rewards of EUR 1,364,696 and EUR 1,037,509.

In 2025, Scott Phillips participated in Performance Share Programmes 2023—2025, 2024—2026 and 2025—2027. The earnings related to 2023 and 2024 are from the time when he was not serving as the President and CEO of a listed company. The earnings from 2023–2025 Programme related to 2025 while he was holding the position as the President and CEO were 5,454 net shares, payable in spring 2026. The payout from Performance Share Programme 2022—2024 paid in 2025 was earned during the time when he was not the President and CEO of a publicly listed Hiab.

In 2025, Casimir Lindholm participated and received a payout from 2023—2025 Restricted Share Unit Programme. The programme was established by the Board in April 2023 to incentivise the reorganisation of Cargotec, aiming to result in the demerger of Kalmar, finding a solution for MacGregor, and having Hiab continue as an independent listed company. The programme was a temporary deviation from the Remuneration Policy under the deviation condition for material changes in the company structure, organisation, ownership and business. The payout from this programme was 109,080 net shares and gross reward EUR 9,656,267.

Performance share and restricted share unit programmes in 2025

Programme	Payout year	Performance Criteria	Weight	Achievement
PSP 2023—2025	2026	2023: Earnings per Share - Cargotec (Casimir Lindholm)	33%	200%
		2024: Service Gross Profit - Cargotec (Casimir Lindholm)	33%	65%
		2025: Eco Portfolio Order Intake - Hiab (Scott Phillips)	33%	200%
PSP 2024—2026	2027	2024: Earnings per Share - Cargotec (Casimir Lindholm)	33%	200%
		2025—2026: Service Gross Profit (Scott Phillips)	66%	N/A
PSP 2025—2027	2028	2025—2027: Earnings per Share (Scott Phillips)	100%	N/A
RSU 2023—2025	2025	Strategic targets relating to demerger of Kalmar, solution for MacGregor, independence of Hiab and closing of Cargotec Group Functions (Casimir Lindholm)	100%	200%

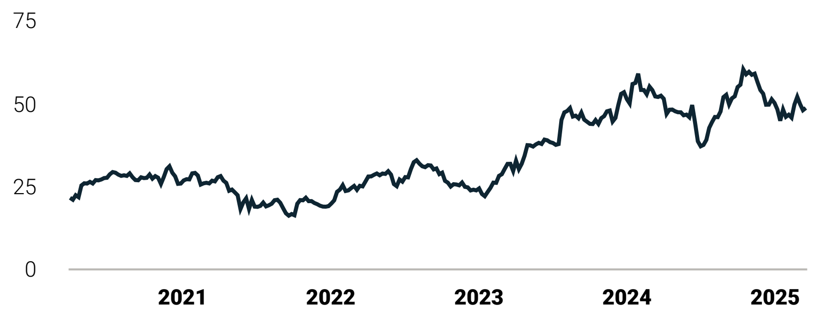
In 2025, in addition to the performance based share programmes, Scott Phillips participated in the Restricted Share Programmes 2023—2025 and 2024—2026. These programmes pay out in three equal annual instalments, subject to continuous employment condition. In 2025, Scott Phillips was not paid any share rewards from the Restricted Share Programmes that related to his service as President and CEO of Hiab

Development of financial performance and remuneration

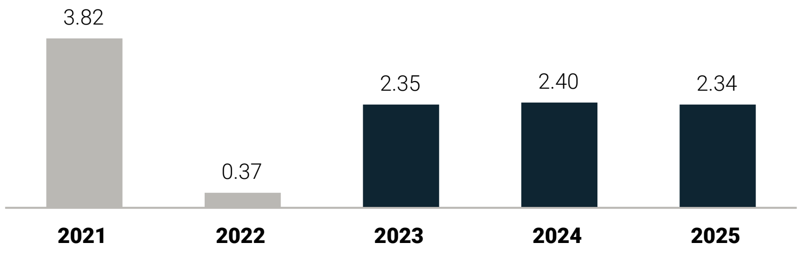
The following graphs summarise Hiab's key financial and shareholder return performance indicators in the last five years. The President and CEO's Performance Targets in the variable pay programmes are aligned with Hiab's financial performance and strategic targets.

It is highlighted that the results presented for years 2021–2022 have not been restated following the changes taken place in Hiab's group structure and reporting. Hence, the years are not comparable with those of 2023–2025. Further, a decrease in the share price on 1 July 2024 resulted from the standalone listing of Kalmar. Share-based incentive programmes were adjusted based on the Board's decision following the demerger.

Weekly share price 2021–2025 (EUR)

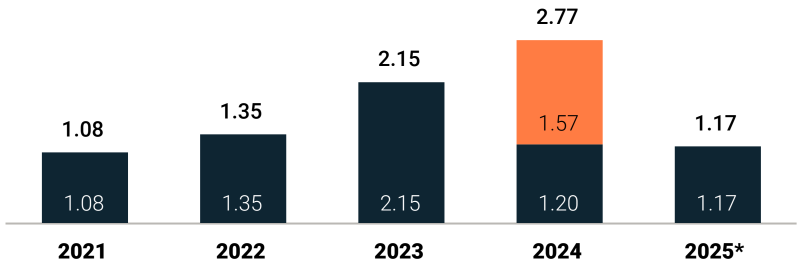


Basic earnings per share (EPS)* (EUR)



*The years 2023–2025 present continuing operations and the years 2021–2022 includes the former group including Kalmar and MacGregor business areas

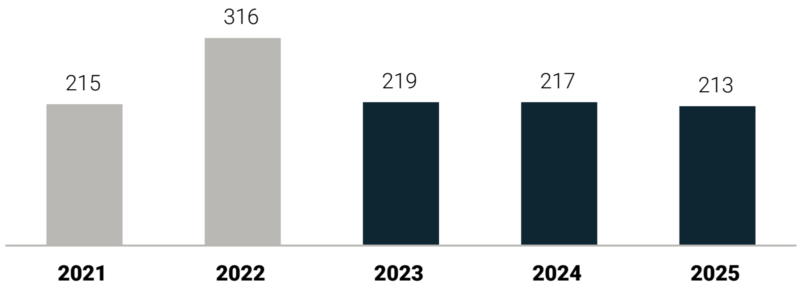
Dividend per B class share (EUR)



Dividend per B class share
Additional dividend per B class share**

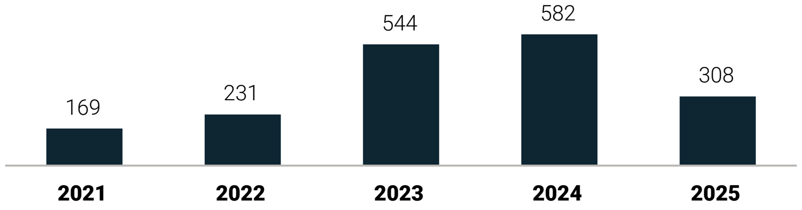
*Board's proposal for dividend
**Conditional to the sale of MacGregor

Comparable operating profit* (MEUR)



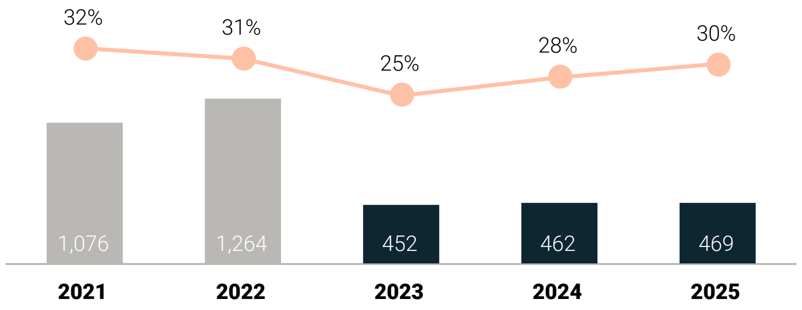
*The years 2023–2025 present continuing operations and the years 2021–2022 includes the former group including Kalmar and MacGregor business areas

Cash flow from operating activities before finance items and taxes* (MEUR)



*Includes both continuing and discontinued operations

Services sales* (MEUR, %)



Services sales   Share of total sales, %

*The years 2023–2025 present continuing operations and the years 2021–2022 includes the former group including Kalmar and MacGregor business areas

CEO paid compensation development

	2021	2022	2023	2024	2025
Fixed salary[1]	704,795	727,661	702,321	749,835	860,762
Short-term incentives (STI)[2]	764,452	179,608	447,911	910,650	942,942
Long-term incentives (LTI)	163,962	0	3,041,891	2,456,916	12,058,471
Matching shares	820,406	613,804	0	0	0
Supplemental pension	0	700,000	0	0	0
Severance payments	0	0	0	0	1,153,432
Total remuneration	2,453,614	2,221,073	4,192,123	4,117,400	15,015,607
Development of fixed salary	0%	+5%	0%	0%	+14.8%
Development of total remuneration, excluding severance payments	+49.8%	-9.5%	+88.7%	-1.78%	+236.7%

[1] Annual fixed salary includes base salary and fringe benefits.
[2] Short-term incentive payments are based on performance of the previous year.

Development of Board remuneration

	2021	2022	2023	2024	2025
Chair, annual fees	85,000 (0%)	95,000 (+11.8%)	95,000 (0%)	160,000 (+68.4%)	160,000 (0%)
Vice Chair, annual fees	60,000 (0%)	70,000 (+16.7%)	70,000 (0%)	95,000 (+35.7%)	95,000 (0%)
Other Board Members, annual fees	45,000 (0%)	55,000 (+22.2%)	55,000 (0%)	80,000 (+45.5%)	80,000 (0%)
Chair of Audit and Risk Management Committee, annual fees	60,000 (0%)	70,000 (+16.7%)	70,000 (0%)	100,000 (+42.9%)	100,000 (0%)
Total paid Board remuneration	634,480 (+5.4%)	550,740 (-13.2%)	682,070 (+23,9%)	959,769 (+40.7%)	914,978 (-4.7%)

The Board annual fees remained unchanged from 2024. Meeting fees were re-introduced for Board term 2025 and payable for meetings attended depending on the format of attending. The actual Board remuneration paid during 2025 was less than in 2024 due to the annual fees for Board term 2023 being paid quarterly, therefore 25% of the Board annual fees for that term were paid only in 2024.

Development of employee base salary

	2021	2022	2023	2024	2025
Median year-on-year development	+3.3%	+4.0%	+5.0%	+4.0%	+3.3%

Annual compensation ratio

2025 CEO’s annual base salary to median annual base salary for all employees (excluding CEO): 14.48 (16.76 in 2024).

Financial review 2025

Board of Directors report

Vision and strategy

Hiab's vision is to be the number one partner in smart and sustainable load handling solutions. By being true to its values – reliable, caring, pioneering – Hiab continues to make load handling smarter, safer and more sustainable to build a better tomorrow.

Hiab's strategy for 2024–2028 is built on profitable growth based on a strong foundation.

Hiab targets profitable growth in essential industries like construction, waste & recycling, defence logistics, and retail & final mile. Essential industries are necessary to keep countries and organisations running, for daily lives and human development. This importance and resilience represents a sustainable growth opportunity for Hiab. Growing Hiab's North American and services businesses will have a defining role in the growth story. Hiab continues to be the leading player in sustainable load handling, benefiting from global trends and achieving increasing margins through operational and commercial excellence.

Hiab's strong foundation is built by maintaining a "Safety and Employees First" culture, maximising transparency, accountability, and agility through its decentralised operating model, and focusing on outcome-based innovation for applications. Hiab will also aim at optimising product costs, and implementing Lean Six Sigma methodologies. In this process, Hiab aims to optimise its supply chain, transactional processes and information management.

Key enablers to implement Hiab's strategy include a strong focus on people, through a people strategy that prioritises easiness, empowerment and excellence, fostering engaged employees who deliver a better customer experience.

Hiab will drive game changing innovation with customer-driven application solutions, prioritising performance and safety, and utilising connectivity and data-driven services, as well as electrification and advanced control systems. To constantly meet customer needs, Hiab improves safety, productivity and uptime of its solutions.

As a leader in sustainability and a 1.5°C company, Hiab will support its customers' sustainability goals, with a focus on low-emission material sourcing and increased eco portfolio sales.

Hiab will achieve commercial excellence by focusing on pricing excellence, value selling capabilities, key account management, and strong partner relationships.

Underpinning all of this will be Hiab's world-class operations, ensuring safety, efficient demand and supply planning and delivery, and a commitment to continuous process improvement.

By executing on this strategy, Hiab aims to achieve its key performance targets.

Performance targets

Hiab's Board of Directors has set the following financial targets to measure success by 2028:

- Annual sales growth over seven percent over the cycle
- Comparable operating profit 16 percent
- Operative return on capital employed over 25 percent[4]

Hiab also aims for a growing dividend of 30–50 percent of EPS and to keep gearing below 50 percent.

At the end of the 2025, 10-year average annual sales growth was 5.5 percent, last twelve month comparable operating profit margin 13.7 percent and operative ROCE[4] 30.8 percent.

In addition to the long-term financial targets, Hiab's Board of Director's has set updated climate targets for the company. More information regarding the climate targets, which are pending validation by the Science Based Targets initiative (SBTi), is available in the Board of Directors report in the Sustainability statement under Climate change.

Operating environment 2025

The year 2025 was characterised by increased trade tensions, which negatively impacted Hiab's operating environment. Due to ongoing geopolitical and trade tensions, uncertainty related to the global growth outlook was elevated and the unpredictability of the operating environment was increased. The delivery equipment market in the US was in a trough. On the other hand, the lifting equipment market in EMEA started gradually recovering towards the end of the year.

According to the International Monetary Fund's (IMF) world economic outlook update published in January 2026, the global economy is estimated to have grown by 3.3 percent in 2025. In the IMF's advanced economies group (a group of countries which includes several key markets for Hiab, such as the United States, the United Kingdom and Germany), the IMF estimates the growth in 2025 was 1.7 percent.[5]

Financial information

Hiab closed the sale of Cargotec's former MacGregor business at the end of July 2025. MacGregor has been reported as part of discontinued operations since the fourth quarter of 2024 onwards due to signing of a sales agreement in November 2024.

To provide a basis for comparison, Hiab published its reclassified financial information of continuing operations for all quarters of 2023 and the first three quarters of 2024 separately, as well as for the full year 2023 on 7 January 2025.

As of 1 January 2025, Hiab has two reporting segments, Equipment and Services. Reporting of the new segments commenced in the January–March 2025 interim report. Hiab published its reclassified financial information of reportable segments and Group administration for all quarters of 2024, as well as for the full year 2024 on 28 March 2025.

The Equipment reporting segment comprises of new equipment: loader cranes, forestry and recycling cranes, truck mounted forklifts, demountables and tail lifts.

The Services reporting segment comprises of spare parts, maintenance, accessories, installations, digital services and refurbished equipment.

Additionally, Hiab reports operating profit information related to its Group administration. This reflects former Cargotec's continuing operations administration and support functions' costs and certain administration and support functions' costs previously booked in the former Hiab business area.

The reclassified financial information is unaudited.

[4] Operative ROCE defined as (Operating profit / Operative capital employed)
[5] International Monetary Fund: World Economic Outlook Update, January 2026

Orders received and order book

Orders received in 2025 decreased by 2 percent from the comparison period and totalled EUR 1,481 (1,509) million. The Services segment's share of orders received was 32 (30) percent.

The order book decreased by 18 percent from the end of 2024, and at the end of the year 2025 it totalled EUR 534 (31 Dec 2024: 648) million. The Services segment's share of the order book was 11 (9) percent.

In 2025, the share of orders received was 54 (49) percent in EMEA and 39 (44) in the Americas. Asia-Pacific's share of orders received was 8 (7) percent.

Sales

Sales in 2025 decreased by 6 percent and amounted to EUR 1,556 (1,647) million. The Services segment's share of sales was 30 (28) percent.

In 2025, eco portfolio sales [6]increased by 20 percent and totalled EUR 572 (476) million, representing 37 (29) percent of sales. Eco portfolio sales increased in circular solutions and decreased in the climate solutions category.

In 2025, EMEA's share of sales was 50 (49) percent, Americas' 43 (45) percent and Asia-Pacific's 7 (7) percent.

Impacts of currencies and structural changes

In the year 2025, orders received remained at the comparison period's level organically in constant currencies. Changes in exchange rates had a 2 percentage point negative impact on orders received. Structural changes had no impact on orders received. In constant currencies, sales decreased organically by 4 percent. Changes in exchange rates had a 2 percentage point negative impact on sales. Structural changes had no impact on sales.

Financial result

Operating profit in 2025 totalled EUR 208 (217) million. Items affecting comparability amounted to EUR -5 (0) million.

Comparable operating profit in 2025 decreased by 2 percent and totalled EUR 213 (217) million, representing 13.7 (13.2) percent of sales. Comparable operating profit decreased due to lower sales, especially in the US. Comparable operating profit was supported by higher gross profit margin and lower selling and marketing, research and development and administration expenses. Comparable operating profit included EUR -11 million one-off items related to reduction of certain current assets as a result of the Italian assembly operations restructuring and low demand in the US and to cover a deficit in the US healthcare program. In the comparison period, Hiab booked EUR -15 million one-off items related to cost savings. Without the one-off items, comparable operating profit margin would have been 14.4 (14.1) percent.

In 2025, net interest income for interest-bearing debt and assets totalled EUR 0 (4) million. Net finance expenses totalled EUR 5 (4) million.

Profit for 2025 totalled EUR 151 (155) million, and basic earnings per share was EUR 2.34 (2.40).

[6] Hiab's eco portfolio criteria has been revised. The comparison periods have not been restated.

Reporting segments

Equipment

The Equipment segment's orders received in 2025 decreased by 5 percent and totalled EUR 1,010 (1,059) million. Orders received decreased in delivery equipment in the Americas partly offset by increase in lifting equipment and increase in delivery equipment in other regions.

The Equipment segment's order book decreased by 19 percent from the end of 2024, totalling EUR 476 (31 Dec 2024: 590) million at the end of the year 2025. The order book decreased mainly in delivery equipment but also the order book in lifting equipment decreased.

The Equipment segment's 2025 sales decreased by 8 percent from the comparison period and totalled EUR 1,088 (1,185) million. Sales increased in lifting equipment, while delivery equipment sales decreased.

The Equipment segment's operating profit in 2025 totalled EUR 140 (155) million. The comparable operating profit in 2025 decreased by 10 percent and amounted to EUR 140 (155) million, representing 12.9 (13.1) percent of sales. Comparable operating profit decreased due to lower delivery equipment sales in the US. Reduction of certain current assets, as a result of the Italian assembly operations restructuring and low demand in the US, had a negative impact of EUR 10 million on comparable operating profit.

Services

The Services segment's orders received in 2025 increased by 5 percent and totalled EUR 470 (450) million. The increase was driven by recurring services.

The Services segment's order book increased by 2 percent from the end of 2024, totalling EUR 58 (31 Dec 2024: 58) million at the end of the year 2025.

The Services segment's 2025 sales increased by 1 percent and totalled EUR 469 (462) million. The increase was driven by growth in recurring services, but was partly offset by negative currency impact and a decline in non-recurring services, like installations.

The Services segment's operating profit in 2025 totalled EUR 109 (99) million. The comparable operating profit in 2025 increased by 9 percent and amounted to EUR 109 (99) million, representing 23.2 (21.5) percent of sales. Comparable operating profit increased due to successful commercial and supply chain actions and higher sales in recurring services.

Balance sheet, cash flow and financing

In this chapter, the key figures including components from the balance sheet (interest-bearing net debt at the end of the period, gearing, return on equity, return on capital employed) include discontinued operations in all presented periods, which impacted the key figures.

The consolidated balance sheet total was EUR 1,628 (31 Dec 2024: 2,450) million at the end of the year 2025. The decrease is related to the disposal of MacGregor business. Equity attributable to the equity holders of the parent company was EUR 1,010 (1,025) million, representing EUR 15.65 (16.04) per share. Property, plant and equipment on the balance sheet amounted to EUR 168 (159) million and intangible assets to EUR 251 (263) million.

Return on equity (ROE, last 12 months) was 16.1 (31 Dec 2024: 2.0) percent at the end of the year 2025 and return on capital employed (ROCE, last 12 months) was 17.8 (7.1) percent. The fair value gain from the partial demerger has been excluded from the ROE calculations. Hiab's operative return on capital employed (operative ROCE, last 12 months) was 30.8

(28.2[7]) percent. Operative ROCE does not include discontinued operations.

Cash flow from operating activities before finance items and taxes totalled EUR 308 (582) million during 2025 including both continuing and discontinued operations. The comparison period also includes the cash flow from the former Kalmar business area which explains the decrease.

Hiab's financial position is strong. At the end of 2025, cash and cash equivalents, loans receivable, and other interest-bearing assets totalled EUR 460 (31 Dec 2024: 579) million. The interest-bearing debt amounted to EUR 251 (393) million, of which EUR 89 (102) million was in lease liabilities. Interest-bearing net debt totalled EUR -209 (-186) million. The average interest rate of interest-bearing liabilities, excluding on-balance sheet lease liabilities, was 1.9 (1.7) percent.

The liquidity reserves, consisting of cash and cash equivalents and an undrawn EUR 330 million long-term committed revolving credit facility, totalled EUR 790 million on 31 December 2025 (31 Dec 2024: 909). The company's liquidity requirement – repayments of interest-bearing liabilities due within the following 12 months – totalled EUR 175 (156) million, which includes EUR 21 (27) million lease liabilities.

At the end of 2025, Hiab's equity to assets ratio was 62.8 (31 Dec 2024: 47.6) percent. Gearing was -20.7 (-18.1) percent.

Description of intangible assets

Hiab's intangible assets are essential to its business and support its strategic goal of being a leading supplier of smart and sustainable on-road load-handling solutions. Intangible assets create the most significant competitive advantage for Hiab's business. Hiab's intangible resources mainly consist of skilled personnel, business processes, customer relationships, brands, product development, intellectual property rights, and goodwill. Intangible resources are capitalised on the balance sheet mainly only in connection with business acquisitions and technological development projects, as a result of which only a part of the value of intangible resources appears on the balance sheet. For more information related to the capitalized intangible assets, please refer to the note 6.1 Goodwill and note 6.2 Intangible assets in the Financial statements.

Research and development

Research and product development expenditure in the year 2025 totalled EUR 37 (39) million, representing 2 (2) percent of sales. Hiab continuously develops equipment, intelligent services and connected solutions that create more value and empower customers to do their jobs with focus on sustainability, safety, reliability and efficiency. During the year 2025 advancements in R&D included for example:

- Hiab implemented a streamlined project process for its new product developments. The process is designed to ensure that upcoming products meet the highest standards of quality and innovation to respond to market needs.
- In Demountables and Defence, Hiab launched a new autonomic driver support system for its Multilift hooklifts. Automating complex manoeuvres, the L2.7 Driver Support assists the driver pick up or drop off a container or a body. The driver initiates the process simply by pushing a button and monitors the operation via an in-cabin screen. Complying with robust safety protocols and international standards, the L2.7 Driver Support can be integrated into almost any vehicle equipped with motion control functions.
- Also several other demountables products were introduced to specific markets. In April, new Optima Models 22S and 27S were launched in the Netherlands. The models are specifically designed to match the needs of the local customers. The hooklifts come with all necessary options as standard, offering best value for money. Also in April, the deliveries of GALFAB's improved above frame hoists (AFOR) started to customers in the US market. AFORs are designed for CNG and electric trucks, leaving the sides of chassis free for batteries, toolboxes or gas tanks. The renewed design makes the new hoists even more robust and powerful. In June, new improved Futura skiploaders were launched for the UK market. The new skiploaders are more robust while remaining lightweight to ensure high payload.
- MOFFETT M8 NX2 truck-mounted forklift was introduced to the EU market in the third quarter. The forklift was previously launched in the US market in early 2024. The MOFFETT M8 NX2 offers superior manoeuvrability and an impressive lift capacity of up to 3,500 kg. A key feature is its true single-side offload capability when taking the forklift into use, which, combined with advanced connectivity and smart features, significantly boosts efficiency and operator safety. The M8 NX2 represents a next-generation solution for handling heavy loads and rugged terrains.
- The first JONSERED iZ.18R HD crane was demonstrated while installed on a truck in France during Hiab France's 'Experience Tour'. Launched in late 2024, the 'Z' architecture cranes JONSERED iZ.18R HD and iZ.20R complement the product portfolio in the 18 to 20 tm range. The new 'Z' models are available for ordering in all markets.
- A new heavy-duty DEL DST2000 MK2 tail lift was introduced in June for the UK and Irish markets. The tail lift is designed to handle high payloads for up to 2,000 kg, particularly for the supermarket, laundry and food & beverage sectors. The product is quick to install, features a galvanised steel platform and lift frame, includes built-in safety features that help minimise risks during loading and unloading, and comes with a 2-year warranty.

[7] Comparative information for operative return on capital employed has been restated to include continuing operations Group administration costs.

Capital expenditure

Capital expenditure excluding acquisitions totalled EUR 55 (66) million in 2025. Depreciation, amortisation and impairment amounted to EUR 42 (44) million. The amount includes impairments worth EUR 0 (2) million.

Acquisitions and divestments

Hiab is actively developing and maintaining an M&A pipeline. The aim of potential acquisitions would be to strengthen Hiab's portfolio and to complement the offering, enter new developing markets and seek growth in adjacent segments.

In November, Hiab signed an agreement to acquire leading Brazilian crane manufacturer ING Cranes. The strategic move significantly enhances Hiab's presence in Brazil, complementing its current portfolio in the market. In 2024, the company reported sales of approximately EUR 50 million and it employs around 250 people.

In November 2024, the company signed an agreement to sell MacGregor to funds managed by Triton. The transaction was closed on 31 July 2025. Information regarding the sale of MacGregor is available in the chapter Solution for MacGregor and in note 7.3 Discontinued operations in the Financial statements.

Information regarding acquisitions and divestments is available in note 7.1 Acquisitions and disposals of businesses in the Financial statements.

Solution for MacGregor

An agreement to sell MacGregor was signed on 14 November 2024 to funds managed by Triton for an enterprise value of EUR 480 million. On 31 July, Triton transferred the agreed purchase price to Hiab and obtained control of MacGregor's business. Hence, the transaction was closed on 31 July 2025.

More inform can be found in note 7.1 Acquisitions and disposals of businesses in the Financial statements under Sale of MacGregor.

Total costs to separate MacGregor, in addition to the goodwill impairment, were EUR 19 million and were recorded in items affecting comparability as a part of discontinued operations. Out of the separation costs, EUR 7 million was booked in 2024 and EUR 12 million in 2025.

Operational restructurings

In connection with the third quarter 2025 interim report, Hiab announced the initiation of planning of a programme targeting to reach approximately EUR 20 million lower cost levels in 2026 compared to 2025. With the programme, Hiab aims to proactively adjust to continued uncertainty in the market environment.

Personnel

Hiab employed 4,053 (31 Dec 2024: 4,234) people at the end of the year 2025. The average number of employees during 2025 was 4,104 (1–12/2024: 4,252).

Salaries and remunerations to employees totalled EUR 264 (275) million in 2025.

More information about personnel can be found from the Board of Directors report in the Sustainability statement under Own workforce.

Sustainability statement

General information

Basis for preparation

Hiab discloses its key sustainability information in this statement to respond to the obligations laid out in the EU Corporate Sustainability Reporting Directive (CSRD). The disclosure also includes information stemming from the requirements of the EU Taxonomy regulation (see **Disclosures pursuant to the EU Taxonomy regulation**). The statement has been prepared on a consolidated basis, and the scope of consolidation is the same as for Hiab's Financial statements. The company's sustainability reporting period is annual and aligned with the financial reporting period of 1 January–31 December. As of 1 January 2025, Hiab has two reporting segments: Equipment and Services.

This statement describes the impacts, risks and opportunities related to Hiab's activities throughout the value chain, including upstream, own operations and downstream. For more information, see **Business model and value chain** and **Hiab's material impacts, risks and opportunities**. Reporting on own operations covers sites that Hiab has operational control over. Metrics are reported for the company's own operations, with the exception of greenhouse gas emission accounting which covers the full value chain (scopes 1, 2 and 3), as well as supplier audit findings related to ESRS S2 Workers in the value chain, which cover the upstream value chain.Outside of greenhouse gas emissions, reporting on upstream and downstream activities covers the supply chain, the use phase of the company's equipment and the end-of-life treatment of waste. The scope of Hiab's policies, actions taken during the year and targets are explained under the disclosure for each material topical standard. Hiab follows the time horizons of the European Sustainability Reporting Standards (ESRS).

Hiab's consolidated sustainability data is sourced from several information management and reporting systems. Due to some lag in supplier invoicing, estimates are applied for the last quarter of 2025 for indicators of energy, waste and water. As the estimates are applied to the company's own energy consumption, they also affect its direct and indirect emissions (scopes 1 and 2). The estimates are based on corresponding actual data from the last quarter of 2024. Continuing operations integrated paint shops into its production sites in three locations in 2025, which increased the company's energy consumption and, consequently, scope 1 and 2 emissions data. This increase is visible in the data for the first three quarters of 2025, but there is no significant difference between actual data from the last quarter of 2024 and the anticipated actual data for the last quarter of 2025. Hence, Hiab considers its estimates to have a good level of accuracy.

In 2025, to improve the quality and coverage of energy data, continuing operations started applying estimates for those non-production sites in the United States that are missing this data. The lack of data is mainly due to the sites leasing their facilities and having energy costs included in the rent. This leads to invoices not always being readily available for sustainability reporting. The estimates are based on a combination of historical primary data from some of the sites and a factor calculated for each facility (based on square footage). Comparison year figures for 2022–2024 have been restated based on the estimates. Similarly, Hiab improved the calculation methodology for resource inflows and is now able to include primary data. The calculation still includes estimates related to the amount of steel used in sold products (for more details, see **Resource inflows** under Resource use and circular economy). Comparison year figures for 2024 have been restated. Due to steps taken by continuing operations to ensure the reliability of these estimates, their level of accuracy is considered good.

In 2025, continuing operations started using theoretical working hours to calculate certain health and safety KPIs. When calculating theoretical working hours, the company uses the following assumptions: working hours defined in employment contracts and local legislation, as well as a standard eight percent overall deduction from total working hours due to absences related to annual leaves and local holidays. For more information, see **Targets and metrics related to own workforce**.

The company's understanding is that it does not have metrics that are subject to a high level of measurement uncertainty. However, Hiab acknowledges that the forward-looking information it discloses related to, for example, achieving targets or planned action in coming years, may be uncertain.

Key performance indicators (KPIs) disclosed in this sustainability statement cover two entities: continuing operations and discontinued operations. Continuing operations include Hiab without MacGregor for the full year 2025. Discontinued operations include MacGregor for 1 January–31 July 2025. Comparison year data is provided for both entities for the full year 2024. This consequently means that, for discontinued operations, there is no comparability between 2024 and 2025 figures in this statement. Figures for continuing operations cover 13 production sites and 70 non-production sites (includes customer support centres, offices and one competence centre). Figures for discontinued operations cover two production sites and 42 non-production sites. Unless otherwise specified, "Hiab" in this statement includes both continuing and discontinued operations. "Standalone Hiab" refers to continuing operations. Most disclosed KPIs are not validated by an external body other than Hiab's assurance provider Ernst & Young Oy. However, continuing operations utilise third-party verified life cycle assessments (LCAs) when calculating certain indicators (explained under **Gross scopes 1, 2, 3 and total GHG emissions** as well as **Resource inflows**).

Energy consumption KPIs for discontinued operations are disclosed as if no renewable or nuclear sources were used, which may not reflect the reality of MacGregor's energy consumption. Certificates for these sources become available at year-end. As the sale of MacGregor was completed on 31 July 2025, the certificates could not be considered in Hiab's 2025 annual reporting or assurance process. This also impacts the market-based scope 2 emissions disclosed for discontinued operations.

The total employee headcount given for continuing operations differs between the Sustainability statement and Financial statements of the Financial review for 2024 due to excluding corporate administration and support functions for discontinued operations that year. These employees were included in the Financial statements of 2024, and they were moved to discontinued operations in the beginning of 2025. Hence, the difference does not exist in 2025 total headcounts.

According to Hiab's sustainability accounting approach, newly acquired or built sites are included in the company's environmental and safety figures after a reasonable period of time has passed since the implementation of the company's Environment, Health and Safety (EHS) management practices. Unless required earlier for specific, material reasons, this implementation is typically completed after the first full operational year. During 2025, three new non-production sites in the Netherlands were added to the reporting boundary, while three sites were removed from the boundary (one production site in Italy and two non-production sites in France and Finland). As in previous years, some sites were not able to provide data, resulting in missing reports. However, the missing reports were from sites with light operations, having a non-material impact on the consolidated figures.

For the majority of the reporting year, the most senior role responsible for sustainability matters in the Hiab Leadership Team (HLT) was Executive Vice President (EVP) Strategy and Sustainability. Due to changes in the HLT in December 2025, this responsibility was transferred to EVP Business Excellence. To reflect Hiab's year-end status, the company refers to EVP Business Excellence in the relevant sections of this statement.

Disclosures incorporated by reference

The following information is incorporated by reference to other parts of Hiab's annual report:

- The compatibility of climate scenarios with climate-related assumptions made in financial statements (E1 IRO-1 AR 15): Reference to Internal control, risks and risk management in the Board of Directors' report.
- Energy intensity based on net revenue (E1-5 paragraph 43): Reference to note 2.2 Revenue recognition in the consolidated financial statements
- GHG intensity based on net revenue (E1-6 paragraph 55): Reference to note 2.2 Revenue recognition in the consolidated financial statements
- Characteristics of the undertaking's employees (S1-6 paragraph 50 (a)): Reference to Personnel in the Financial information section of the Board of Directors' report.

GENERAL INFORMATION

Sustainability governance at Hiab

Hiab's dedicated controls and procedures related to the management of sustainability-related impacts, risks and opportunities are described in this section.

Board of Directors

Hiab's Board of Directors (BoD) consists of eight non-executive members, of which seven (88 percent) are independent of the company. Seven members (88 percent) are independent of significant shareholders. In the proposals made to the Annual General Meeting 2025, it was still the duty of the BoD's Personnel and Remuneration Committee (PRC), formerly the Nomination and Compensation Committee (NCC), to ensure that candidates for members of the BoD possess the competences required for the needs of the company. The Annual General Meeting 2025 resolved to establish a Shareholders' Nomination Board, to which this responsibility was assigned, and which will present its first proposals to the Annual General Meeting in 2026. When selecting its current BoD members, Hiab placed emphasis on certain sustainability-specific factors in their experience, especially with three members. These factors included strong expertise in personnel matters; experience gained in another sustainability-frontrunner company; and extensive accounting experience that supports Hiab's goals related to social and governance topics. Four members (50 percent) of Hiab's BoD have prior executive experience relevant to the company's sectors, products and geographic locations. Two members have specific expertise in business conduct-related topics through their experience in legal, compliance and auditing roles in corporations. The resumes of all BoD members are publicly available on Hiabgroup.com. Three members (38 percent) are women and five (63 percent) are men, bringing the ratio of female to male members to 0.6. All eight members are between 54 and 66 years old. Hiab employees or other workers are not represented on the Board of Directors nor the Hiab Leadership Team (HLT).

Hiab's Board of Directors Charter states that the BoD has the responsibility to ensure that sustainability matters are integrated into Hiab's overall business strategy and risk management. The Charter further notes that the BoD nominates one member to be responsible for overseeing the management of sustainability matters. The nominated member is responsible for ensuring that the BoD is updated on sustainability matters and that environmental and social due diligence is observed in decision making. Evaluating trade-offs between sustainability matters, investments and short-term financial performance is an important element of preparing items for decision making, when relevant. The goal is to find an acceptable level of compromise between financial performance and costs and, on the other hand, Hiab's strategic sustainability-related targets.

The BoD confirms Hiab's strategy, monitors its implementation and has oversight of risk management, business plans, related performance objectives and major capital expenditures. It approves Hiab's sustainability targets, cascades them to the CEO and Hiab Leadership Team (HLT) and monitors progress towards the targets. The BoD also approves Hiab's Code of Conduct which defines the ethical standards that the company's directors and employees must follow. Hiab's Ethics and Compliance team updates the BoD annually on the development of the company's compliance programme. The BoD approves Hiab's financial and sustainability statements.

In 2025, the BoD reviewed material sustainability matters as a separate topic four times. During these meetings, the BoD receives updates on the implementation of Hiab's sustainability-related action plans and progress towards targets. The meetings follow an annual cycle that determines the overall theme (environment, social, governance or reporting) for specific topics, focusing on one or more material impact, risk or opportunity. The goal of the annual cycle is to regularly expand the BoD's understanding of sustainability. As needed, these meetings are also used to update the BoD on matters related to due diligence as well as the results and effectiveness of policies, actions, metrics and targets. Depending on the topic, the BoD is briefed either by Hiab's Vice President Sustainability or a relevant leadership team member. In 2025, the BoD's sustainability reviews focused on the status of environmental performance; the setting of science-based climate targets; social sustainability, including non-discrimination; and the status of sustainability-related regulations.

In addition, the BoD receives monthly business updates on financial performance. Several sustainability KPIs and progress towards their annual targets are included in these monthly reports, including safety (industrial injury frequency rate, IIFR) and eco portfolio order intake. Strategy execution updates, which include information on Hiab's eco portfolio development, are part of every BoD meeting.

Audit and Risk Management Committee

Hiab's BoD's Audit and Risk Management Committee's (ARC) duty is to supervise the financial and sustainability reporting executed by the management. The committee also supervises the adequacy and appropriateness of the company's risk management processes and internal audit. Sustainability-related risks are evaluated as part of the company's overall enterprise risk management (ERM) process, and the ARC reviews these evaluations on a quarterly basis. The committee consists of three BoD members and convened five times in 2025. Sustainability-related topics are a regular element on the meeting agendas. Hiab's CEO, CFO, Executive Vice President (EVP) General Counsel, Head of Internal Audit, VP Group Controlling, as well as representatives of the company's auditing firm (for both financial auditing and sustainability assurance) also attend the meetings. In 2025, the ARC examined sustainability matters four times. These sessions focused on the status of annual reporting and the results of Hiab's review of its double materiality assessment. The ARC also receives quarterly updates on all anti-corruption activities, new investigations of potential misconduct and other Code of Conduct matters.

Hiab Leadership Team

The Hiab Leadership Team (HLT) and the CEO are responsible for the implementation of sustainability-related business plans and targets set by the BoD. The HLT decides on resourcing and actions needed to develop, implement and follow up on the plans and targets. Functions supporting these measures include Sustainability, Health and Safety, Human Resources, Ethics and Compliance, Legal, Sourcing, Finance, Research and Development (R&D) and Strategy. The HLT reviews sustainability matters several times per year, as needed, and is updated on such topics by Hiab's EVP Business Excellence (member of the HLT), VP Sustainability or other experts. In addition, the HLT receives monthly business updates on financial performance. Several sustainability KPIs and progress towards their annual targets are included in these monthly reports, such as safety (IIFR) and eco portfolio order intake. The HLT also receives monthly strategy execution updates that include information on Hiab's eco portfolio development.

The HLT has an Ethics panel, where compliance topics are discussed on a quarterly basis. As members of the Ethics panel focus on topics related to business conduct on a regular basis, they have specific expertise in the matter. The HLT also reviews and approves the company's sustainability-related policies.

Hiab's EVP Business Excellence is responsible for overseeing Hiab's sustainability target setting and the implementation of needed actions. As the company's strategy includes climate-related risks and opportunities, the CEO is responsible for assessing and managing them. The HLT is chaired by the CEO, who reports to the BoD on progress and action plans. The HLT also reviews and approves all sustainability updates planned for the BoD and ARC.

Skills and expertise

Both the BoD and HLT have continuous access to Hiab's EVP Business Excellence, the company's EVP General Counsel and other subject matter experts, who provide skills and expertise on all material impacts, risks and opportunities (IROs) when needed. Training on material IROs is organised for the BoD and HLT as needed. In addition, both bodies receive regular updates on Code of Conduct matters, which address the company's identified positive impacts related to detecting, preventing and responding to potential misconduct as well as protecting whistleblowers.

Sustainability Management Team

Hiab's Sustainability Management Team suggests, manages and coordinates group-level sustainability objectives and targets, together with relevant experts in Hiab's business divisions and group functions. The team meets monthly and consists of Hiab's VP Sustainability and four Senior Sustainability Managers. Hiab's VP Sustainability reports to EVP Business Excellence.

Hiab's Sustainability function

Hiab's Sustainability function consists of sustainability experts, VP Sustainability and EVP Business Excellence. The function provides expertise and strategic guidance to business divisions and group functions, both of which are responsible for the day-to-day implementation of key sustainability principles and practices. The Sustainability function is also responsible for the practical implementation of the company's Sustainability Policy through, for example, training and communications.

For more detailed information on the composition and diversity of the administrative, management and supervisory bodies, please see **Diversity metrics** under Targets and metrics related to own workforce.

Sustainability-related incentive schemes

Hiab's Remuneration Policy includes guidance on setting non-financial performance measures that are considered to have strategic importance. These measures, which can include environmental, social and governance ones, can be set for both short and long-term incentive schemes. Incentive schemes are not applicable to members of the Board of Directors.

With short-term incentives, financial performance measures on the group level are decided by the Board of Directors. The targets are applicable to the Hiab Leadership Team as well as business division and functional leadership teams, and they may be cascaded further in the organisation based on business decisions. Environmental, social and governance measures can be incorporated into short-term incentive schemes based on business or line manager decisions. For example, a mandatory safety-related target is set for most Hiab employees to highlight the importance of safety.

With long-term incentives, performance measures applicable to the entire incentive programme population are decided by the Board of Directors. In 2025, one of the long-term share-based incentive programmes aimed at the Hiab Leadership Team and other senior leadership included a climate-related performance criterion: the share of eco portfolio order intake of total order intake. Products and services included in the eco portfolio directly drive climate action through reduced emissions, which are proven by life cycle assessment verified by a third party (for more information about the eco portfolio, see **Strategy**). The criterion applied to all members of the Hiab Performance Share Programme 2023–2025 for its last measurement period of the financial year 2025. The potential maximum reward that can be earned from the programme, based on the eco portfolio criterion, is one-third of the programme's total maximum.

Statement on due diligence

Hiab conducts due diligence to identify, address and track its impacts on people and the environment. In 2025, continuing operations initiated a comprehensive due diligence project to identify Hiab's salient human rights and environmental issues throughout the value chain. The project also aims to create a robust process and action plan for managing the findings, including providing remedy. Hiab plans to use the results of the project in the update of its double materiality assessment during 2026.

Impacts, risks and opportunities related to climate and the environment typically also affect people and society at large. Identifying and addressing these interactions, both positive and negative ones, is known as just transition. During 2025, continuing operations took steps to plan, implement and document efforts related to just transition. The due diligence project is also expected to contribute to this work.

Hiab's processes and actions related to due diligence are explained throughout this sustainability statement as follows:

Core element of due diligence	Location in the Sustainability statement
Embedding due diligence in governance, strategy and business model	• Sustainability governance at Hiab • Sustainability-related incentive schemes • Key policies related to material topics (table and topical standards) • Sustainability and risk management • Hiab's material impacts, risks and opportunities (under relevant topical standards)
Engaging with affected stakeholders	• Sustainability governance at Hiab • Interests and views of stakeholders • Process to identify impacts, risks and opportunities • Key policies related to material topics (table and topical standards) • Engagement with own workforce • Engaging with workers in the value chain
Identifying and assessing adverse impacts	• Statement on due diligence • Hiab's material impacts, risks and opportunities (under relevant topical standards) • Process to identify impacts, risks and opportunities
Taking action to address adverse impacts	• Actions related to climate change • Actions related to resource use and circular economy • Actions related to own workforce • Processes for remedy and channels to raise concerns (Own workforce) • Engaging with workers in the value chain • Management of relationships with suppliers
Tracking the effectiveness of actions and communication	• Targets and metrics related to climate change • Targets and metrics related to resource use and circular economy • Targets and metrics related to own workforce • Non-compliance incidents • Management of relationships with suppliers (target)

Risk management and internal controls over sustainability reporting

Hiab's Sustainability function is responsible for compiling the company's annual sustainability statement. The function collects data through various information management systems, and subject matter experts from across the organisation provide relevant information for the statement and review the content to ensure it is accurate. The experts represent numerous functions, such as Human Resources, Health and Safety as well as Ethics and Compliance.

During 2025, Hiab's Sustainability function, in cooperation with other relevant functions, reviewed the company's sustainability reporting processes for key performance indicators. The company concluded that the processes continue to work well and have sufficient internal controls. Examples of internal controls used in Hiab's reporting processes include automatic system controls, the segregation of duties, access controls, reviews and approvals as well as thoroughly documenting processes and responsibilities. The reporting processes were also evaluated by Hiab's Internal Controls function in 2024, with no major issues identified.

The company has, however, identified some areas of further improvement and needs for additional controls. Two of these risks have been prioritised:

- Data accuracy, especially related to human error when entering data, and the lack of visibility into certain data due to missing invoices. Hiab has implemented system controls to minimise the risk of errors by, for example, activating automatic system controls and segregating duties (one person cannot both submit and approve the same data). In addition, during 2025, continuing operations developed estimates for sites where missing invoices has been an issue. The reasoning for the estimates, the methodology used and the restated historical figures are disclosed in **Basis for preparation** under General information and the relevant topical standards.
- Dependence of certain parts of the reporting process on one person. Hiab continued to implement improvements during the reporting year, such as defining replacements for key roles should they become unavailable.

Hiab's CSRD Steering Group supervises the company's annual sustainability reporting to ensure compliance with the CSRD. The steering group consists of Hiab's CFO, EVP Business Excellence and VP Sustainability. During 2025, the Sustainability function had regular meetings with the steering group on the status of Hiab's sustainability reporting, including updates on potential risks and internal controls. In addition, the Sustainability function gave quarterly updates on the progress of sustainability reporting, including potential risks and internal controls, to Hiab's Board of Directors' Audit and Risk Management Committee (ARC).

GENERAL INFORMATION

Hiab's strategy and business model

Strategy

In 2023, Hiab (then Cargotec) announced its plan to separate its core businesses, Hiab and Kalmar, into two standalone companies. The listing of Kalmar on Nasdaq Helsinki was completed on 1 July 2024. In addition, Cargotec announced in May 2024 that it had started the sales process for MacGregor. The sale of MacGregor to funds managed by Triton was completed on 31 July 2025. Cargotec's General Meeting of shareholders decided in March 2025 that the company's name be changed to Hiab Corporation. The name change was registered with the Finnish Trade Register on 31 March 2025.

In this section of its Sustainability statement, Hiab describes those key elements of its strategy for continuing operations for 2024–2028 that relate to or affect sustainability matters.

Hiab provides smart on-road load handling solutions for customers operating in essential industries, including the construction, waste and recycling, wind power as well as retail and final mile industries. Typical customers include transportation companies, fleet operators, single truck owners, rental companies as well as municipalities and governments. In 2025, Hiab announced a significant three-year frame agreement for loader cranes in off-shore wind parks. This agreement underscores Hiab's commitment to create pioneering solutions that accelerate the transition to renewable energy.

Hiab's vision is to be the number one partner in smart and sustainable load handling solutions. Hiab's strategy is built on profitable growth and a strong foundation, and sustainability matters are integrated in both elements. A key enabler of Hiab's strategy is helping customers achieve their sustainability goals through, for example, product innovation and low-emission material sourcing. In addition, Hiab's strong foundation is built by maintaining a "Safety and Employees First" culture through a people strategy that prioritises easiness, empowerment and excellence.

A key element in implementing Hiab's strategy is to set and pursue ambitious targets for reducing greenhouse gas emissions. During 2025, Hiab submitted its science-based climate targets for validation by the Science Based Targets initiative (SBTi). The targets, which are also part of Hiab's strategic performance targets, are presented in detail under the topical standard **Climate change**.

Hiab's significant sustainable solutions are highlighted in its eco portfolio. The eco portfolio mostly includes taxonomy-aligned products and services, but certain services that do not meet the taxonomy-aligned criteria may also be included. Nevertheless, products and services included in the eco portfolio need to fulfil Hiab's criteria related to either climate change mitigation (climate solutions) or the transition to a circular economy (circular solutions). By increasing the sales of low-emission and circular solutions, Hiab aims to not only achieve its climate targets but also to grow its business without increasing emissions. This is why Hiab has committed in its strategy to increase the share of eco portfolio sales of total sales to 50 percent during the strategy period of 2024–2028. While Hiab expects the demand for low-emission and other sustainable solutions to increase in the future, and even though the total cost of ownership of these solutions is often lower than with traditional alternatives, the original investment is typically higher. Customer willingness to make this investment and demand in general can vary between markets and customer categories. On the other hand, by developing a strong low-emission portfolio, Hiab can enter new markets for growth. During 2025, Hiab added several new solutions into its eco portfolio. These additions are introduced under **Actions related to climate change** (Downstream).

Hiab is also aware of challenges related to resource depletion and the use of virgin raw materials. To tackle these challenges, Hiab seeks to expand its service offering from traditional maintenance and spare parts sales to providing intelligent solutions throughout the equipment life cycle. Hiab has a target to reach EUR 700 million in service sales by 2028 (EUR 469 million in 2025).

Hiab's significant group of sustainable solutions consists of eco portfolio sales. In 2025, total sales for continuing operations totalled EUR 1,556 million (EUR 1,647 million in 2024). Eco portfolio sales totalled EUR 572 million (including part of service sales through circular solutions), representing 37 percent of total sales (29 percent). Of the eco portfolio sales, circular solutions (services) represented 63 percent, whereas circular solutions (equipment) represented 37 percent. In 2025, eco portfolio sales increased in the circular solutions category compared to 2024 but decreased in the climate solutions category.

The significant markets of continuing operations include Europe, Middle East and Africa (EMEA) as well as the Americas, representing 50 percent and 43 percent of total sales in 2025, respectively. No changes in the significant markets occurred during the reporting period.

Standalone Hiab has operations in 21 countries, consisting of 13 production sites and 70 non-production sites. At the end of 2025, continuing operations employed 4,053 people, with the following geographical split: 2,999 people in EMEA, 148 in Asia and Pacific and 906 in the Americas. Globally, the network of sales and service locations hosted by continuing operations enables deliveries to approximately 100 countries.

Business model and value chain

As Hiab's business model is based on asset-light operations where the focus is mostly on the assembly of equipment, the company is highly dependent on its suppliers and their ability to deliver components on time. To secure the reliable and smooth supplier network that is essential to the company's success, Hiab prefers long-term and localised supplier relationships. Globally, the company works with thousands of suppliers that are chosen using various selection criteria, including quality, reliability, delivery, sustainability and price. For more information on Hiab's sustainability criteria for suppliers, see **Management of relationships with suppliers** under Business conduct.

Hiab helps its customers run their business in an efficient manner by combining equipment, service and software. The company's global network enables it to be close to its customers nearly anywhere in the world. Hiab also offers extensive service plans to ensure the reliable performance of its equipment and to maximise its life cycle. By increasing the sales of low-emission and circular solutions, Hiab can also help customers achieve their sustainability targets. In addition, through collaboration with partners (dealers and importers) who sell Hiab's products and solutions on behalf of the company, Hiab can reach and serve an even wider network of customers. Partners are also in a key position when increasing customer awareness of the company's sustainable solutions.

In the hands of its customers, Hiab's equipment benefits society at large by keeping load handling running across essential industries. By continuously increasing the efficiency of its solutions and optimising maintenance, the company can help save energy and resources, which reduces the strain of the logistics industry on the environment. Hiab also benefits society by employing people, often in non-urban areas where employment is otherwise scarcely available, and by always conducting business in an ethical manner.

Overview of Hiab's value chain, inputs and outputs

	Upstream	Own operations	Downstream
Input	Producers of raw materials, such as steel, rubber, oil and minerals Suppliers of steel structures, hydraulics (valves and cylinders) and electric components Suppliers of other materials, products and services Outsourced manufacturing (suppliers of finished goods)	The labour of Hiab's employees, such as assembly, servicing and support functions Investments in research and development	The labour of Hiab's dealers, importers and other sales partners
Output	Benefits to society through trade and employment Potential negative impacts on people (e.g. labour rights) and the environment (e.g. local biodiversity)	Benefits to society through employment provided and taxes paid Benefits to employees and workers through learning opportunities and improved safety Less harm to the environment through improvements in operations Potential negative impacts on people (e.g. health and safety) and the environment (e.g. waste, GHG emissions)	Benefits to customers and society through products, solutions and services Benefits to investors through increased value of the company and shareholder returns Benefits to the environment through low-emission solutions Potential negative impacts on people (e.g. health and safety) and the environment (e.g. GHG emissions)

Interests and views of stakeholders

The purpose of Hiab's engagement with stakeholders is to understand their needs and expectations. This understanding is essential for Hiab's success, because it enables the company to identify value creation opportunities and to adjust its strategy and business model, when necessary. The company's stakeholder engagement includes actively responding to information requests and proactively providing information on its website, during meetings and exhibitions, in social media and through various forms of direct communication.

Hiab's key stakeholders are its employees, customers and their employees, investors as well as suppliers and their employees. The company identifies its key stakeholders based on both their potential influence on Hiab and Hiab's potential impact on them. Other important stakeholder groups include partners and dealers, authorities, research and educational institutions, industry associations, local communities, non-governmental organisations as well as the media.

Hiab's existing understanding of its key stakeholders was confirmed during the company's double materiality assessment in 2023. Two specifications were made based on the results of the assessment: customer employees (end-users as value chain workers) and supplier employees (value chain workers). Local communities were not identified as a key stakeholder group and thus are not included in the following table. Hiab's Leadership Team (HLT) and Board of Directors (BoD) approved the results of the assessment which included information about stakeholders and their views. The HLT and BoD are informed of the sustainability-related views and interests of affected stakeholders as needed.

Key stakeholder	Examples of engagement	Connection to strategy and business model
Employees	• Regular discussions in both 1-on-1 and team meetings between managers and their team members • Townhall and personnel meetings • Human resources information systems for processing information • Intranet for distributing information and creating engagement • Annual and monthly employee engagement surveys • Annual target, performance and development discussions • Learning platforms and newsletters for training and collaboration • Reporting channels for safety incidents and violations of the Hiab Code of Conduct • Targeted emails • Hiab's recognition programme (anyone can nominate): quarterly and annual recognitions in several categories connected to Hiab's strategy.	• Strong leadership and an inclusive way of working are enablers of Hiab's strategy. They drive innovation and growth, as people feel safe to demonstrate their know-how. • Hiab's vision is to become an Employees First company as part of its People strategy. • A culture of continuous improvement and learning • Equal opportunities • Safer working conditions lead to more efficient operations • Zero tolerance for discrimination
Customers and their employees	• Collecting customer feedback • Maintaining an active dialogue through direct meetings, marketing, extranet, newsletters and social media • Visiting customers to understand their business and needs • Third party screenings to ensure that the customer is a legitimate, non-sanctioned entity	• Improving product safety for end-users with new innovations • Innovating low-emission and sustainable solutions • Aligned sustainability targets • Risk mitigation: avoid litigation related to safety incidents
Investors	• Communication on company performance, including annual and quarterly reporting • Events and meetings • Processing and responding to investor requests • Social media	• Investor interest in sustainable solutions and investments impact decision making • Prepared to answer investor and advisor questions and inquiries • Sustainability plays a key role in Hiab's strategy, equity story and performance targets, which are communicated to the financial markets.
Suppliers and their employees	• Supplier self-assessments, including dialogue around needed improvements • Audits, including employee interviews and follow-ups according to corrective action plans • Site visits • Business review calls and meetings • Sharing educational materials and providing training • Supplier engagement as part of responsible sourcing programme • Third party screenings to ensure that the supplier is a legitimate, non-sanctioned entity	• Proactively secure access to low-emission steel • Aligned sustainability targets • Risk mitigation: avoid negative impacts on the environment and human rights, including health and safety

GENERAL INFORMATION

Hiab's material impacts, risks and opportunities

In the table below, Hiab discloses the list of material topics that the company identified in its 2023 double materiality assessment and reviewed in 2024 and 2025. The impacts, risks and opportunities (IROs) related to these topics are also included. The interaction between material IROs as well as Hiab's strategy and business model is explained under the relevant topical ESRS later in this statement. This includes information on the resilience of Hiab's strategy and business model in terms of addressing material IROs as well as their current and anticipated effects on the company's strategy and business model.

The UN Sustainable Development Goals (SDGs) serve as a global call to action to create a better future for people and the planet. The goals address key challenges such as poverty, inequality, climate change and environmental degradation. Hiab has identified four SDGs where its contribution is most significant. These SDGs are marked under the relevant material topic in the following table.

ESRS	Material topic	Impact materiality[1]	Financial materiality[2]
Environmental information			
ESRS E1 Climate change	Climate change mitigation Energy SDG 11 Sustainable cities and communities SDG 13 Climate action Time horizon: long term (5+ years)	+ Hiab's low-emission solutions help reduce emissions in customer operations. (D) + Optimising the supply chain leads to shorter distance to suppliers, resulting in reduced fuel consumption and lower emissions. (U) – Energy and fossil fuels are used throughout Hiab's value chain. (A)	**Only transition risks identified as material.** + Hiab's offering meets customer demand for sustainable solutions, resulting in increased eco portfolio sales. (D) + Hiab wins market leadership through investments in R&D and sourcing (sustainable solutions developed and competitive advantage created faster). (A) – Not meeting emission reduction targets, leading to a need for further investments supporting emission reductions. (A) – Market demand for low-emission equipment grows faster than Hiab can develop its offering through R&D, resulting in reduced market share for these solutions. (D) – Scarce availability and high costs of materials critical to the decarbonisation of Hiab's portfolio. (U, D) – Customer demand and willingness to pay becomes uncertain due to the higher prices of low-emission products compared to conventional ones. (D) – Increased competition. Competitors advance faster in providing new, low-emission technologies. (D)
ESRS E5 Resource use and circular economy	Resources inflows	– Hiab's business is based on assembling equipment that is very material intensive and requires large amounts of finite resources, including steel. (U)	– Demand for components (e.g. batteries) used in electric vehicles is expected to increase, resulting in limited availability and potential price increases. (U)
	Resource outflows	– The quantity of outflow is similar to inflow. (D)	
	Waste	– Hiab's activities are very material intensive, and high-value materials become waste throughout the value chain. (A)	
	SDG 12 Responsible production and consumption Time horizon: continuous		

ESRS	Material topic	Impact materiality[1]	Financial materiality[2]
Social information			
ESRS S1 Own workforce	Working conditions: • Health and safety Equal treatment and opportunities for all: • Gender equality and equal pay for work of equal value • Measures against violence and harassment in the workplace • Diversity • Training and skills development SDG 8 Decent work and economic growth Time horizon: continuous	+ Hiab ensures the safety of employees by assessing the risk of injuries and identifying ways to mitigate them. (O) – Hiab's business can pose risk to the health and safety of people assembling and servicing its equipment, if instructions are not followed. (O) + Training enables employees to develop as experts and learn new skills, which increases the motivation to work efficiently and safely. (O) – Employee motivation and wellbeing is likely to decrease if discrimination, harassment or bullying occurs. Affected people may suffer direct impacts to their mental health, and career prospects can be limited for those who are discriminated against. (O)	N/A
ESRS S2 Workers in the value chain	Working conditions: • Health and safety • Adequate wages Other work-related rights: • Forced labour SDG 8 Decent work and economic growth Time horizon: continuous	– Hiab's business has potential negative impacts on people's health and safety throughout the value chain. (A) – Supplier employees may face negative impacts related to, for example, recruitment fees and non-compliance with minimum wages. (U)	– Recurring pandemics. (U)
Governance information			
ESRS G1 Business conduct	Corporate culture Corruption and bribery: • Prevention and detection, including training Protection of whistleblowers Management of relationships with suppliers, including payment practices Time horizon: continuous	+ Hiab has robust practices in place for detecting, preventing and responding to potential misconduct, guidelines for ethical behaviour and channels for whistleblowing. With these efforts, Hiab can reduce and address risks related to ethical business. (O) + Hiab can prevent various risks related to supply chains by screening large suppliers operating in high-risk geographies and by imposing strict requirements on suppliers. (U)	N/A

[1] Within impact materiality, (+) indicates a positive impact while (–) indicates a negative one.
[2] Within financial materiality, (+) indicates a financial opportunity while (–) indicates a financial risk
(U) = IRO takes place in upstream
(O) = IRO takes place in own operations
(D) = IRO takes place in downstream
(A) = IRO takes place in all parts of value chain

Non-material topics

In this section, Hiab provides a brief description of the conclusions of its materiality assessment for non-material topics.

Pollution as well as water and marine resources

In its 2023 double materiality assessment, Hiab screened its business activities and sites related to pollution on a high level. The company estimated at the time that there was a material negative impact related to air pollution in its value chain. However, in its annual review of the assessment in 2024, Hiab determined that the topic is not material.

The topic of water and marine resources was also evaluated in Hiab's 2023 double materiality assessment. As Hiab's business model is based on asset-light, assembly-focused operations, water consumption in the company's own operations is minimal. In addition, even though the manufacturing of Hiab's main raw material, steel, requires large quantities of water, most of it is reused or returned to source. The topic was not found to be material for the company.

When evaluating the materiality of pollution as well as water and marine resources, Hiab did not consult affected communities.

Regardless of their non-materiality to the company, Hiab continues to monitor water consumption and the generation of air pollution at its sites, and to take action when needed. In 2025, the total consumption of municipal water for continuing operations (production sites and competence centre) was 30,649 m^3. The weight of emissions to air was as follows (covers those production sites and competence centres that have local requirements for the specific indicator):

Emission to air	Weight, tonnes
Nitrogen oxides (NO_x)	1.5
Particulate matter (PM)	0.5
Sulphur oxides (SO_x)	0.4
Volatile organic compounds (VOCs)	74.8

Biodiversity and ecosystem services

Through its internal screening of production sites, double materiality assessment and a biodiversity screening commissioned during 2024, Hiab has developed a preliminary understanding of its impacts and risks related to biodiversity. Potentially affected communities have not been consulted. In its internal production site screening in 2023, Hiab identified one site in Taranto, Italy, that is located in a Natura 2000 area. Hiab discontinued operations at the Taranto site during 2025. In the 2025 annual review of its double materiality assessment, Hiab concluded that its overall impacts, risks and opportunities related to biodiversity are not material at the moment. Hiab remains committed to monitoring biodiversity-related impacts, risks and opportunities and acting upon them as needed. For more details, see **Changes to material IROs**.

Affected communities

The topic of affected communities was evaluated in Hiab's 2023 double materiality assessment. While there are impacts related to the local communities around the mines where some of the minerals and components used in Hiab's products originate from, they were not found to be material for the company.

Consumers and end-users

The end-users of Hiab's equipment are a key stakeholder group for the company. However, as these end-users are employees of the company's customers, there is significant overlap with S2 Workers in the value chain. Due to this overlap, Hiab concluded in the 2025 annual review of its double materiality assessment that S4 Consumers and end-users is not a material standard for the company. For more details, see below.

Changes to material IROs

Hiab reviewed its double materiality assessment results in 2025 to determine whether the identified material impacts, risks and opportunities (IROs) were still valid. Due to the company's increased maturity in evaluating material topics, the review resulted in some changes to material IROs. These changes, which were also reviewed by the Hiab Leadership Team and the Board of Directors' Audit and Risk Management Committee, are explained in the below table.

Topic	Reason for change
Removed: E4 Biodiversity and ecosystems	Due to an improved understanding of the topic, Hiab aligned the scoring of the scale (harmfulness) and irremediability for all E4 impacts. Similarly, Hiab adjusted the magnitude of the financial risk of the topic, because the risk is related more to climate change impacts than biodiversity. These changes resulted in lower overall scores for E4 IROs, leading to the standard no longer exceeding the materiality threshold.
Added: S2 Workers in the value chain • Forced labour • Adequate wages	Hiab adjusted the scoring of the sub-sub topics Forced labour and Adequate wages. As incidents related to both topics are actual findings in Hiab's supplier audits, the likelihood of them was changed from "potential" to "actual." This automatically increased the scoring of both topics, causing them to exceed the materiality threshold. For more details on the findings, see **Workers in the value chain**.
Removed: S4 Consumers and end-users	The health and safety of the end-users of Hiab's equipment remains material to the company. However, as these end-users are workers in the company's value chain (as customer employees), and because health and safety is a material topic for Hiab also under S2 Workers in the value chain, all disclosures related to the health and safety of end-users are already covered under S2. For these reasons, Hiab determined that S4 Consumers and end-users is not a material standard for the company.

Process to identify material impacts, risks and opportunities

Hiab (then Cargotec) conducted a double materiality assessment (DMA) in 2023 to verify its material impacts, risks and opportunities (IROs). The DMA remained valid for 2025 annual reporting, with changes made to specific IROs during the standard annual review of the assessment (see **Changes to material IROs**). Hiab aims to conduct a revision of its DMA during 2026.

In 2023, Cargotec's DMA was conducted individually for each business area, including Hiab, to ensure that they could benefit from the results when determining their sustainability agendas as standalone companies after the planned separation of Cargotec's business areas was complete. The business area results were consolidated on group level. The assessment process was supported and evaluated by an external expert organisation, and the results were approved by the company's leadership team and Board of Directors. The assessment covered the company's entire value chain over the short, medium and long-term time horizons, from both an impact and a financial perspective.

Hiab considers a topic material from an impact perspective when it has actual or potential, positive or negative material impacts on people or the environment. This covers both the company's own operations and the value chain, including the impacts of its products and services as well as business relationships. A topic is material from a financial perspective if it generates risks or opportunities that impact (or could reasonably be expected to impact) the company's financial position or performance, cash flows, access to finance, or cost of capital. The assessment also noted that dependencies on natural, human and social resources can be sources of financial risks or opportunities.

Hiab's DMA in 2023 had four phases: understanding the context for impacts, identifying IROs, assessing the identified IROs as well as setting thresholds for determining material IROs. During the process, the company thoroughly evaluated its business model, global presence, products and services (including materials used), value chain and business relationships in the upstream and downstream as well as affected stakeholders. To do this, the company conducted comprehensive desktop research and value chain mapping. The company used assumptions when assessing the likelihood and irremediability of impacts related to human rights.

Topic-specific considerations

Climate change

The largest share of Hiab's greenhouse gas (GHG) emissions originate from the use phase of its equipment, representing 59 percent of the company's total GHG emissions in 2025. The share of emissions originating from the supply chain was 39 percent. Emissions from Hiab's own operations represented only two percent of total emissions. These emissions are described in detail later in this statement under **Targets and metrics related to climate change**.

Hiab (then Cargotec) conducted a climate scenario analysis in 2021 to evaluate the climate resilience of its strategy and business model. The results of the analysis were used during the company's DMA in 2023 to identify climate change-related IROs. Continuing operations consider the results of the climate scenario analysis to remain largely valid, and it was used to inform the company's climate mitigation transition plan during 2025 (for more information, see **Transition plan for climate change mitigation**). Hiab has initiated the update of its climate scenario analysis.

The climate scenario analysis helps to secure the strategic relevance of Hiab's climate action, and to understand the potential financial impacts that climate change may have on its business, in both favourable and unfavourable circumstances. In the favourable scenario, the world achieves the objectives of the Paris Agreement and manages to limit global warming to 1.5ºC. This scenario follows the carbon emission pathway RCP 2.6 of the IPCC 5th Assessment report (SSP1-2.6 of the IPCC 6th Assessment Report) and the Sustainable Development Scenario of the International Energy Agency. In the unfavourable scenario, the world continues business as usual, leading to a global warming of 4ºC. The scenario is based on the IPCC RCP 8.5 carbon emissions pathway.

The climate scenario analysis covers Hiab's short (less than one year), medium (1-3 years) and long-term time horizons (3-30 years), with the long-term time horizon extending to 2050. These time horizons are not aligned with the ESRS time horizons because the analysis was conducted prior to the publication of the ESRS. The scenario analysis considers policy, legal, technological and societal aspects. Some clear development paths, such as increased digitalisation, electrification and renewable energy, are acknowledged in both the favourable and unfavourable scenarios. They are also integrated into Hiab's strategy, which builds trust in the resilience of the strategy, regardless of the future warming pathway. The impacts of the scenarios and assumptions used are compatible with the company's financial information. Under **Internal control, risks and risk management** in the Board of Directors' report, Hiab states that it is exposed to climate-related risks via environmental, regulatory and technological developments as well as its commitment to reduce emissions.

The scenario analysis confirms that Hiab has strong potential to help its customers' operations become more sustainable by providing solutions that enable emission reductions. This is supported by the EU Taxonomy regulation's position that manufacturing is a key enabler of greenhouse gas emission reductions in other sectors. The demand for such enabling solutions is expected to increase, resulting in increased eco portfolio sales for Hiab.

However, as the demand for low-emission technologies and solutions increases, many uncertainties and transitional risks exist. Hiab's low-emission solutions are developed based on new and emerging technology, electrification, automation and digitalisation, which rely on continuous technological innovations and developments. The demand for such products and services also presents market-related risks, as it is dependent on conditions in specific geographies. For example, the extent of charging networks for electric equipment, and the availability of fossil-free electricity to power them, vary greatly between regions and countries.

In addition to the above-mentioned transition risks, the climate scenario analysis identified physical risks, which all have a long-term time horizon due to the nature of strategic supply chain planning and product design. While not currently considered material for Hiab, these are risks that the company monitors closely to ensure it has an up-to-date understanding of them at all times.

Physical risk (climate-related hazard)	Impact	Mitigation / opportunity
Acute Heat waves Extreme weather events, such as hurricanes, storms and floods **Chronic** Heat stress Rising sea levels	**Business disruption** Disruptions in the supply chain may cause negative impacts on Hiab's production capacity and revenues. For example, suppliers located in areas of under-developed infrastructure are especially vulnerable to extreme weather events, as their operations and facilities may be severely damaged. In addition, the ability of local society to help rebuild may be lowered. An extreme weather event in one region may also cause delays in other regions that trickle down and compromise timely deliveries to customers.	Up-to-date business continuity plans
	New requirements for products Heat waves and heat stress require considerations for people's health and safety, as operating conditions may become more challenging.	Opportunity to develop solutions that improve the climate resilience of customer operations. Automation, robotisation, digitalisation and remote services reduce or remove the need to be physically present.

Other required considerations

When identifying material IROs related resource use and circular economy, Hiab did not use a specific screening of its assets and activities nor conduct consultations with affected communities. When evaluating material IROs related to business conduct matters, Hiab included the company's global operations and value chain in full. This entailed various locations around the world, several industries (such as steel manufacturing and customer operations in various sectors) and many potential sustainability topics specific to those locations and industries.

Impact materiality

In its 2023 DMA, Hiab used input from previous risk and impact assessments and conducted interviews with 21 representatives of internal stakeholders (own employees) and one representative of an external stakeholder (financial institution) to identify its actual and potential impacts (positive and negative) on people and the environment. Input from internal subject matter experts, scientific research, market trends and peer benchmarks were also part of the assessment. The identified impacts, both positive and negative ones, were evaluated based on severity (scale, scope, irremediability) and likelihood, and mapped against the European Sustainability Reporting Standards (ESRS). Irremediability was only evaluated for negative impacts. The evaluation was done with subject matter experts representing several functions in the company and its business areas, such as Human Resources, Sustainability, Health and Safety, Sourcing as well as Ethics and Compliance, and covered the entire value chain. The combination of severity and likelihood determined the materiality of the impact.

Hiab's most significant negative environmental and social impacts take place in the operations of its suppliers and other business partners. As finite resources, such as steel and minerals, are used in the manufacturing of Hiab's equipment, the company focused specifically on negative impacts arising from the mining industry and the extraction of these materials. In addition, Hiab paid special attention to specific geographies, as the company has numerous suppliers in countries that present heightened risk of adverse human rights impacts.

Financial materiality

Hiab screened and identified the financial risks and opportunities of the identified impacts. The company used input from existing risk assessment tools and conducted interviews and workshops with its Finance, Strategy and Risk Management functions as well as other subject matter experts. The company prioritised those risks and opportunities that were most likely expected to affect the company's operating profit. The identified risks and opportunities were linked to relevant ESRS sub-topics but not to the value chain. Once the risks and opportunities were identified, they were evaluated by subject matter experts based on magnitude (level of financial impact on operating profit, ranging from nominal to catastrophic) and likelihood. As sustainability-related risks are also evaluated in of the company's general enterprise risk management (ERM) process, the ERM's assessment methodology and prioritisation were used when assessing risks in the double materiality assessment. The combination of the likelihood of occurrence as well as the potential magnitude of the financial risk or opportunity determined its materiality.

Consolidation, thresholds and management processes

Once impacts, risks and opportunities were identified and assessed on business-area level, the results were consolidated on group level, prioritised based on their scoring and given thresholds. In setting the criteria for the thresholds, the company considered a range of factors, including but not limited to, the significance of the impact on stakeholders, potential financial implications and the strategic importance of the impacts, risks and opportunities. As risks and opportunities seemed to score lower overall, the threshold for determining financial materiality was set lower than for impact materiality to ensure that risks and opportunities also exceed the materiality threshold.

Nearly all of Hiab's material sustainability matters have been prioritised in the company's management processes for many years. This is evident in the policies and practices documented by Hiab in relation to employee engagement, climate action, health and safety, responsible sourcing, payment practices as well as ethics and compliance. The topic of circular economy is somewhat emerging but even there, Hiab has governance and action plans in place. For more information about these policies, processes and practices, see the relevant topical standards in this statement.

Sustainability and risk management

In the past, as Cargotec, the company included climate as the only sustainability-related topic in its ERM process. In 2025, Hiab expanded this process to include sustainability considerations more comprehensively by incorporating social and regulatory aspects. This enables a more thorough evaluation of risks related to sustainability.

Hiab's ERM process for group functions, including Sustainability, includes two review periods per year. During these reviews, functions assess and validate the most significant risks associated with their operations by taking into account factors such as the likelihood and financial impact of each risk. Risks are prioritised based on their scores, and the top five risks are presented to the Hiab Leadership Team.

Sustainability due diligence is a crucial part of Hiab's mergers and acquisitions (M&A) process. During the process, Hiab, for example, conducts environmental analyses and assesses potential human rights risks.

In addition, Hiab's business divisions and functions have integrated management systems that address topics such as quality, environmental concerns as well as health and safety. All systems incorporate risk assessments at the asset level, which include considerations of the potential short-term impacts of climate change at each location.

Key policies related to material topics

Hiab's key policies related to its material impacts, risks and opportunities are described in the below table. Additional topic-specific information about the policies, as well as related instructions and guidelines, is provided under the relevant topical standards.

Policy	Applicability	General objectives	Relevant material ESRS	Stakeholders included in creation or updates	Most senior role responsible for implementation	Approval	Accessibility
Code of Conduct (CoC) and other Ethics and Compliance policies	Hiab employees and leadership	Set the foundation for ethical business conduct	All	Internal subject matter experts and employee representatives	EVP General Counsel	Board of Directors (CoC), Hiab Leadership Team or CEO	Hiabgroup.com and/or internally on Hiab's intranet (CoC in 19 languages)
Sustainability Policy	Hiab employees, suppliers and other business partners, as defined in BPCoC	Lays out commitments for material sustainability topics	All	Internal subject matter experts	EVP Business Excellence	Hiab Leadership Team	Hiabgroup.com and internally on Hiab's intranet
Business Partner Code of Conduct (BPCoC)	External business partners (focus mostly on supply chain)	Sets sustainability requirements for business partners	Climate change Resource use and circular economy Workers in the value chain Business conduct	Internal subject matter experts Responsible Business Alliance[1]	President, Loader Cranes, Light and Medium	Hiab Leadership Team	Hiabgroup.com and internally on Hiab's intranet
Employment Policy and other HR policies	Hiab employees[2]	Define basic employment principles and workplace practices	Own workforce	Selected topics discussed with employee representatives	EVP People and Culture	Hiab Leadership Team	Internally on Hiab's intranet

[1] When creating the BPCoC, Hiab benchmarked the Code of Conduct of the Responsible Business Alliance (RBA), which is a cross-industry coalition promoting responsible business conduct in global supply chains.

[2] Enforcement subject to local legislation.

Table of disclosure requirements and data points derived from other EU legislation

ESRS disclosure requirement	Data point derived from other EU legislation	Location in the statement
General information		
BP-1, BP-2		Basis for preparation
GOV-1	Paragraphs 21 (d) and (e)	Sustainability governance at Hiab
GOV-2		Sustainability governance at Hiab
GOV-3		Sustainability-related incentive schemes
GOV-4	Paragraph 30	Statement on due diligence
GOV-5		Risk management and internal controls over sustainability reporting
SBM-1	Paragraphs 40 (d) i-iv (not material)	Strategy, Business model and value chain
SBM-2		Interests and views of stakeholders
SBM-3		Hiab's material impacts, risks and opportunities Interaction with strategy and business model (under topical standards)
IRO-1		Process to identify material impacts, risks and opportunities
IRO-2		Table of disclosure requirements and data points derived from other EU legislation
Environmental information		
E1-1	Paragraphs 14, 16 (g)	Transition plan for climate change mitigation
E1-2		Policies related to climate change
E1-3		Actions related to climate change
E1-4	Paragraph 34	Targets and metrics related to climate change
E1-5	Paragraphs 37, 38, 40–43	Energy consumption and mix
E1-6	Paragraphs 44, 53–55	Gross scopes 1, 2, 3 and total GHG emissions
E1-7	Paragraph 56	Not material
E1-8		Not material
E1-9	Paragraphs 66, 66 (a), 66 (c), 67 (c), 69	Phase-in requirement, not included
E2-1, E2-2, E2-3		Not material
E2-4	Paragraph 28	Not material
E3-1	Paragraphs 9, 13, 14	Not material
E3-2, E3-3		Not material
E3-4	Paragraphs 28 (c), 29	Not material
ESRS 2 – IRO-1 – E4	Paragraphs 16 (a) i, (b), (c)	Not material
E4-1		Not material
E4-2	Paragraphs 24 (b), (c), (d)	Not material
E4-3, E4-4, E4-5, E4-6		Not material
E5-1		Policies related to resource use and circular economy
E5-2		Actions related to resource use and circular economy
E5-3		Targets and metrics related to resource use and circular economy

ESRS disclosure requirement	Data point derived from other EU legislation	Location in the statement
E5-4		Resource inflows
E5-5	Paragraphs 37 (d), 39	Resource outflows, Waste
Social information		
ESRS 2 – SBM-3 – S1	Paragraphs 14 (f), (g)	“Interaction with strategy and business model” under Own workforce
S1-1	Paragraphs 20, 21, 22, 23	Policies related to own workforce
S1-2		Engagement with own workforce
S1-3	Paragraph 32 (c)	Processes for remedy and channels to raise concerns
S1-4		Actions related to own workforce
S1-5		Targets and metrics related to own workforce
S1-6, S1-7		Characteristics of employees and non-employee workers
S1-8		Not material
S1-9		Diversity metrics
S1-10, S1-11, S1-12		Not material
S1-13		Training and skills development
S1-14	Paragraphs 88 (b), (c), (e)	Health and safety
S1-15		Not material
S1-16	Paragraphs 97 (a), (b)	Remuneration metrics
S1-17	Paragraphs 103 (a), 104 (a)	Incidents, complaints and severe human rights impacts
ESRS 2 – SBM-3 – S2	Paragraph 11 (b)	“Interaction with strategy and business model” under Workers in the value chain
S2-1	Paragraphs 17, 18, 19	Policies related to workers in the value chain
S2-2, S2-3		Engaging with workers in the value chain
S2-4	Paragraph 36	Actions related to workers in the value chain
S2-5		Targets and metrics related to workers in the value chain
S3-1	Paragraphs 16, 17	Not material
S3-2, S3-3		Not material
S3-4	Paragraph 36	Not material
S3-5		Not material
S4-1	Paragraphs 16, 17	Not material
S4-2. S4-3		Not material
S4-4	Paragraph 35	Not material
S4-5		Not material
Governance information		
G1-1	Paragraphs 10 (b), (d)	Business conduct policies and corporate culture
G1-2		Management of relationships with suppliers
G1-3		Detecting and responding to potential misconduct, Preventing non-compliance
G1-4	Paragraphs 24 (a), (b)	Non-compliance incidents

ESRS disclosure requirement	Data point derived from other EU legislation	Location in the statement
G1-5		Not material
G1-6		Payment practices

Environmental information

Climate change

The following impacts, risks and opportunities (IROs) related to climate change are considered material for Hiab.

ESRS	Material topic	Impact materiality[1]	Financial materiality[2]
ESRS E1 Climate change	Climate change mitigation Energy Time horizon: long term (5+ years)	+ Hiab's low-emission solutions help reduce emissions in customer operations. (D + Optimising the supply chain leads to shorter distance to suppliers, resulting in reduced fuel consumption and lower emissions. (U) – Energy and fossil fuels are used throughout Hiab's value chain. (A)	**Transitional risks only** + Hiab's offering meets customer demand for sustainable solutions, resulting in increased eco portfolio sales. + Hiab wins market leadership through investments in R&D and sourcing (sustainable solutions developed and competitive advantage created faster). – Not meeting emission reduction targets, leading to a need for further investments supporting emission reductions. – Market demand for low-emission equipment grows faster than Hiab can develop its offering through R&D, resulting in reduced market share for these solutions. – Scarce availability and high costs of materials critical to the decarbonisation of Hiab's portfolio. – Customer demand and willingness to pay becomes uncertain due to the higher prices of low-emission products compared to conventional ones. – Increased competition. Competitors advance faster in providing new, low-emission technologies;

[1] Within impact materiality, (+) indicates a positive impact while (–) indicates a negative one.
[2] Within financial materiality, (+) indicates a financial opportunity while (–) indicates a financial risk.
(U) = IRO takes place in upstream
(O) = IRO takes place in own operations
(D) = IRO takes place in downstream
(A) = IRO takes place in all parts of value chain

Interaction with Hiab's strategy and business model

Climate change mitigation is a key element in Hiab's strategy and business model. Hiab operates in the load handling sector which has a significant carbon footprint, as the majority of the equipment used in the industry still runs on fossil fuels. Hiab's biggest climate impact and, consequently, mitigation potential, lies in its value chain: greenhouse gas (GHG) emissions originating from the company's supply chain and the use phase of its equipment constituted 98 percent of Hiab's total emissions in 2025. By reducing emissions in these parts of the value chain and thus, helping customers become more sustainable, Hiab has the opportunity to transform its industry and contribute to the 1.5°C degree pathway of the Paris Agreement.

Hiab (then Cargotec) conducted a climate scenario analysis in 2021. The analysis and its results are described under **Process to identify material impacts, risks and opportunities** in General information.

Transition plan for climate change mitigation

As part of Cargotec, Hiab had a GHG emission reduction target and decarbonisation roadmap in place for many years. The company's decarbonisation efforts are showcased by the achievement of a 21 percent reduction in value chain emissions in 2024 compared to 2023 for continuing operations.

Hiab created a climate mitigation transition plan (CMTP) for continuing operations in 2025. In this section, the company describes the targets, levers and other elements of the plan in the context of continuing operations. The plan does not apply to discontinued operations.

Reducing GHG emissions while seizing the opportunities that come with climate change mitigation are key elements in Hiab's strategy and performance targets, including a target to increase the share of eco portfolio sales of total sales (see **Hiab's strategy and business model** under General information). This means that forecasting and monitoring eco portfolio sales is a critical element of the company's financial planning. Hiab's CMTP supports the company strategy and re-enforces Hiab's commitment to ensure that its business is compatible with the ambitions of the Paris Agreement to limit global warming. The CMTP has been approved by the Hiab Leadership Team.

Targets

Hiab's updated science-based targets for reducing GHG emissions, which were submitted for validation to the Science Based Targets initiative (SBTi) in 2025, are one of the best indicators of the company implementing its policy commitments on climate change. The targets are compatible with a cross-sector emission pathway of limiting global warming to 1.5°C, in line with the Paris Agreement.

	Scopes 1 and 2	Scope 3
Near-term target	-50% by 2030[1]	-25% by 2030[1]
Long-term target	-90% by 2040[1]	-90% by 2050[1]

[1] Compared to a 2022 base year.

With these targets, Hiab aims to reach net-zero emissions in its own operations by 2040 and in all parts of the value chain (scopes 1, 2 and 3) by 2050. Net-zero is achieved through the combination of a minimum of 90 percent emission reduction and the offsetting of any remaining emissions through compensation and recovery initiatives. Hiab will decide on the best methods for neutralising the remaining emissions at a later stage, once all reduction opportunities have been exhausted.

Key levers and their financial effects

Hiab has identified many key levers and actions for implementing its CMTP and achieving its science-based targets.

Due to Hiab's asset-light operations, which focus mainly on assembly, emissions from the company's own operations are minor (approx. two percent of total GHG emissions in 2025). The majority of these emissions originate from the consumption of electricity and natural gas at Hiab's facilities and the fuel used by the company's service fleet.

Hiab's biggest potential to mitigate climate change and achieve its science-based target lies in the value chain, as that is where the company's climate-related impacts, risks and opportunities are most significant. In 2025, 98 percent of Hiab's GHG emissions originated from the value chain (39 percent from the supply chain and 59 percent from equipment use phase).

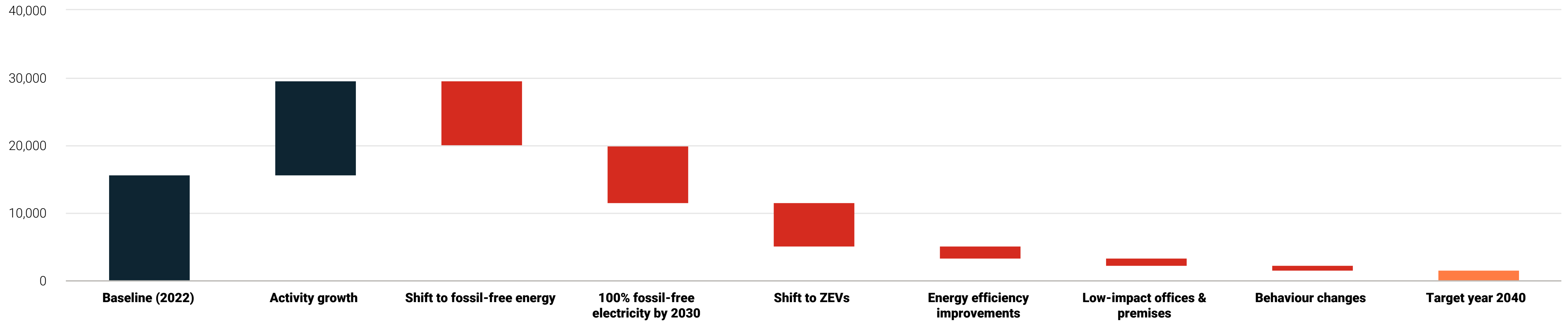
The levers for each part of the value chain are presented in the following table. The financial effect for each lever has been estimated in the context of its location in the value chain. For example, the financial effect of "shift to zero-emission vehicles" is estimated to be "highest" within Hiab's own operations, not in the context of the company's full value chain. It is also to be noted that these estimates represent Hiab's current understanding of the proportional impact of each lever over the course of the CMTP. As the CMTP stretches as far as the year 2050, the estimates include several uncertainties by default. The estimates are also not indicators of concrete funding or investment plans (neither CapEx nor OpEx). As Hiab's CMTP was only approved in late 2025, such plans have not yet been made.

Key lever	Financial effect
Supply chain (scope 3 upstream)	
Shift to low-emission steel as well as renewable and recycled materials	Highest
Product light-weighting and material efficiency	Medium
Logistics: Truck electrification, shift to more sustainable and efficient transportation methods, shift to low-carbon fuels	Medium
Own operations (scopes 1 and 2)	
Shift to fossil-free energy	High
100% fossil-free electricity by 2030	Highest
Shift to zero-emission vehicles (ZEVs)	Highest
Improve energy efficiency	Medium
Aim for low-impact offices and premises	Medium
Changes in human behaviour	Low
Use of sold products (scope 3 downstream)	
Decarbonize use-phase energy sources	Highest
Use-phase energy efficiency and operational optimisation	Medium
Low-carbon fuels when electrification is challenging	Highest
Other levers (scope 3)	
Business travel, commuting, activities related to fuel and energy, waste and end-of-life	Low

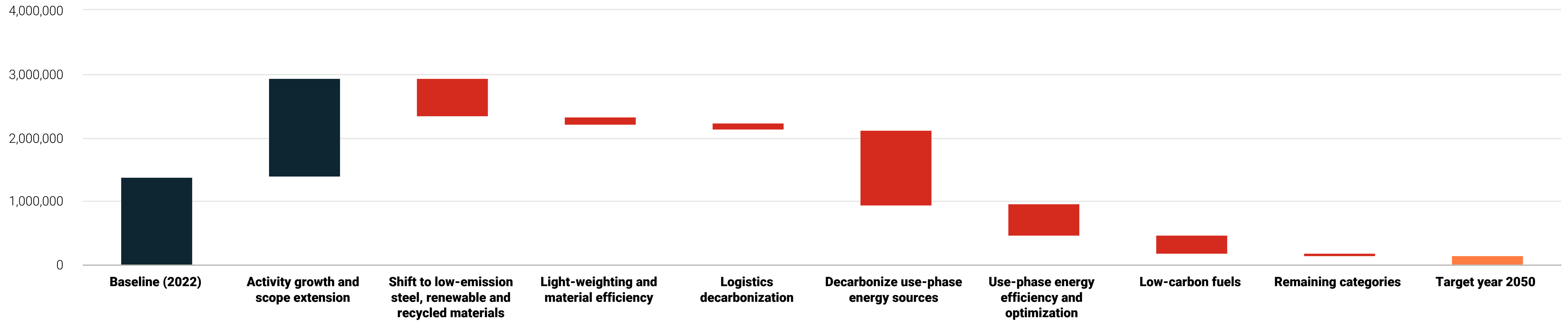
Actions taken in 2025 that are related to these levers are described under **Actions related to climate change**.

The following charts show the significance of each of the various levers in achieving Hiab's emission reduction targets. The business growth estimate included in the chart represents only one possible scenario. It is not a forward-looking statement or an estimate of business growth potential.

Impacts of scope 1 and 2 climate transition levers (tCO2-eq.)



Impacts of scope 3 climate transition levers (tCO2-eq.)



Assumptions and dependencies

When creating its CMTP, Hiab used several assumptions to identify the key levers. In the company's own operations, these assumptions include:

- The share of renewable electricity gradually increases to 100 percent globally and green hydrogen is adopted widely, while high-emission energy sources are phased out or reduced significantly.
- Personal and heavy-duty vehicles shift to electrification and hydrogen, and industrial processes transition to low-carbon alternatives.
- Global energy efficiency improves, while energy demand stabilises despite economic growth.
- Carbon pricing mechanisms, regulations and government incentives drive decarbonisation and fleet electrification. Investments in clean energy as well as support for developing countries increase.
- Carbon capture and storage (CCS) as well as afforestation and reforestation projects are deployed on a large scale.
- Science-based net-zero targets become the global standard.

In the value chain, assumptions include:

- The decarbonisation of the global energy system enables low use-phase emission intensity for electrified products.
- Low-emission steel becomes more available and affordable.
- Global logistics move towards low-emission fuels and electrification.
- Science-based net-zero targets become the global standard.

In its CMTP, Hiab has identified some potential locked-in GHG emissions related to its assets (physical sites), diesel-powered equipment and fleet as well as the steel used in its products. Hiab does not foresee these locked-in emissions jeopardising the achievement of its climate targets, as the company addresses them in the CMTP. Hiab is not excluded from the EU Paris-aligned Benchmarks.

Under **Process to identify material impacts, risks and opportunities** (Topic-specific considerations), Hiab describes the current status of its climate scenario analysis. This information and the identified transition risks were used when creating Hiab's CMTP.

Hiab is committed to considering the principles of just transition in its sustainability work. This means, among other things, that Hiab will monitor and address any impacts that the levers and actions identified in the CMTP may have on other material topics, including people, throughout the value chain. Hiab aims to identify these impacts and dependencies as part of its due diligence project and double materiality assessment during 2026.

Progress

Progress towards Hiab's science-based climate targets and other metrics relevant to climate change mitigation are presented under **Targets and metrics related to climate change** (especially Gross scopes 1, 2, 3 and total GHG emissions). Actions to implement the company's CMTP are presented under **Actions related to climate change**.

The share of eco portfolio sales of Hiab's total sales was 37 percent in 2025 (29 percent in 2024). As the eco portfolio is a key factor in enabling business growth without increasing emissions, this development indicates that the company's product mix is moving in the right direction. The increase in sales is partly due to Hiab's updated eco portfolio criteria, which took effect in January 2025 (figures for previous years have not been restated). After the update, zero-emission installations were added in the portfolio under climate solutions (equipment), and maintenance and spare parts were added under circular solutions (services). While this expanded the portfolio and enabled more sales growth, eco portfolio sales would have also increased without the update, due to growing customer demand for low-emission solutions.

In addition to the change in scope, the updated criteria also requires higher emission reductions for equipment than before.

Policies related to climate change

Hiab's Code of Conduct (CoC) reinforces the company's commitment to act on climate change mitigation and reduce greenhouse gas emissions to limit global warming to 1.5°C. While Hiab's Legal and Compliance function holds the ultimate responsibility for the implementation of the CoC as a whole, various roles in different functions and operations are responsible for the implementation of specific commitments, such as those related to climate and the environment.

Hiab's Sustainability Policy lays out the company's objectives for mitigating adverse impacts on the environment and promoting energy efficiency throughout the value chain. Hiab's ambition to mitigate climate change by providing energy efficient and low-emission solutions is communicated in the policy. In addition, the Sustainability Policy states that Hiab seeks ways to adapt to the challenges that climate change may bring, promotes the use of renewable energy and supports its partners in setting emission reduction targets.

In Hiab's Business Partner Code of Conduct (BPCoC), business partners are expected to actively monitor, report, set targets for and strive to reduce greenhouse gas emissions in their own operations and value chain. They are also required to measure the carbon footprint of their own products and services and to mitigate their negative impact on the climate. In 2025, Hiab updated the BPCoC to further strengthen its requirements related to providing carbon footprint data. The BPCoC is part of the company's contracts with suppliers and general purchase conditions.

Policy implementation is monitored by tracking Hiab's progress towards its climate targets, which takes place through various analyses and actions. This work is described throughout this Climate change section.

Actions related to climate change

During 2025, Hiab initiated a comprehensive impact assessment that covers the company's full value chain, from raw material sourcing and manufacturing to product delivery and end-of-life management. The goal is to identify, evaluate and mitigate potential human rights and environmental risks, including those related to climate change, and to uncover opportunities for positive impact. The findings will also inform many other initiatives, including Hiab's double materiality assessment review and Enterprise Risk Management process. The impact assessment will continue throughout 2026.

The levers for implementing Hiab's climate mitigation transition plan (CMTP) are introduced in detail under **Transition plan for climate change mitigation** (Key levers and their financial effects). In this section, the company describes the most important actions within key levers that were taken by continuing operations during 2025.

Upstream

Out of the key levers identified for the supply chain, Hiab focused on the shift to low-emission steel as well as material efficiency and light-weighting during 2025.

In the supply chain, the manufacturing of steel for Hiab's equipment is the biggest single source of greenhouse gas emissions. Hiab aims to secure early access to low-emission steel and to re-engineer the company's equipment, so that it is possible to use less steel or switch to alternative materials in manufacturing. The company's ambition to increase the share of low-emission or recycled steel used in its manufacturing is reflected in Hiab's strategic partnership with the steel manufacturer SSAB, with the intention to introduce fossil-free steel to the load handling industry. In 2025, the share of recycled steel in Hiab's total purchased steel was 26 percent (21 percent in 2024, for more details on this KPI, see **Resource inflows** under Resource use and circular economy). The impact of switching to low-emission steel in the long-term time horizon is proven by Hiab's life cycle assessment calculations. In 2025, Hiab also continued to encourage suppliers to increase the share of fossil-free energy used in their operations.

During 2025, Hiab introduced an updated process for new product development where environmental topics are part of the evaluation criteria every time a new product is being developed. This Design for Sustainability (DfS) approach integrates considerations into product design that reduce negative environmental impacts during the product's life cycle. These considerations include the prioritisation of material type and efficiency, light-weighting and production methods that minimise greenhouse gas emissions. The impact of this improvement takes place in the long-term time horizon.

Own operations

Out of the key levers identified for Hiab's own operations, the company focused on the electrification of the company fleet and energy efficiency improvements during 2025. The impacts of all listed actions will take place in the long-term time horizon.

During 2025, parts of Hiab's fleets in Norway, Finland and Sweden transitioned from hybrid vehicles to fully electric models. This change is estimated to result in an annual reduction of approximately 12 tonnes of CO_2-equivalents. In Italy, Hiab replaced 38 percent of its fleet with low-emission vehicles, leading to an estimated annual reduction of approximately 39 tonnes of CO_2-equivalents. Hiab also updated its global policies to further support the decarbonisation of its vehicle fleet.

During the year, Hiab's sites in Zaragoza, Spain, and Raisio, Finland, made important improvements to increase energy efficiency. As both sites already purchase 100 percent renewable electricity, the projects primarily reduce the volumes and cost of purchased energy, rather than greenhouse gas emissions.

At the Zaragoza production site, the completed projects, which include a full LED lighting upgrade, hydraulic pump replacements and improved dock insulation, are expected to result in a combined annual electricity saving of approximately 93 megawatt hours. Additionally, a project to install batteries to store excess solar power will allow the site to consume approximately 80 megawatt hours more of self-generated energy annually. The battery storage also supports the site's adaptation to climate change, as production can continue even if the electricity grid is compromised due to, for example, extreme weather conditions.

At the Raisio customer support centre, Hiab completed a project where a total of 180 solar panels were installed and taken into use. The panels are expected to cover approximately 22 percent of the site's annual electricity consumption, based on a five-year consumption average.

Hiab's production site in Stargard, Poland, successfully completed a project in 2025 that enables the production of electric cranes and ensures the safe and compliant handling of lithium-ion batteries. This initiative marks further progress in the electrification of Hiab's product offering and responds to the increasing customer and investor interest in low-emission solutions.

During the year, Hiab announced it will invest EUR 19 million in the expansion and modernisation of its MULTILIFT demountables facility in Raisio, Finland. Among other improvements, Hiab will reduce energy consumption through energy-efficient solutions and pursue sustainable building certification.

Downstream

Hiab's biggest potential to mitigate climate change lies in the use phase of sold equipment. Here, greenhouse gas emissions are high due to the long use phase of the equipment by customers and the use of diesel engines to operate the equipment. Hiab's research and development focuses on investments that enable the innovation of new low-emission products and service solutions. These solutions are included in the company's eco portfolio. Eco portfolio solutions are designed to help both Hiab and its customers to achieve ambitious climate targets. Products and services included in the eco portfolio need to fulfil criteria related to either climate change mitigation (climate solutions) or the transition to a circular economy (circular solutions). The development and sales of the eco portfolio plays a vital role in supporting the separation of emissions growth from revenue growth.

In 2025, out of the key levers identified for the use phase of Hiab's products and services, the company focused mainly on use-phase energy efficiency.

During the year, Hiab launched several new eco portfolio solutions, as listed below. The impacts of the launches will take place in the long-term time horizon.

- Upgrades to two mid-range loader crane models by changing the type of hydraulic system used. The improvement in hydraulic efficiency reduces use phase emissions by 35 percent compared to previous models.
- Increasing the share of low-emission steel in the structure of the MULTILIFT Ultima ZERO hooklift from 25 percent to 40 percent. This reduces emissions in the hooklift's sourcing phase by 19 percent. Together with Hiab's Performance Package, which reduces fuel consumption, and an optional variable pump, which improves hydraulic efficiency, this new model reduces emissions over the life cycle of the hooklift by 25 percent compared to the conventional model.
- Expanding the availability of Hiab's Engine Control feature to additional truck manufacturing customers. This feature, which must be separately customised for each customer's fleet, reduces life cycle emissions by 26 percent by turning off the truck engine when not in active use.

Hiab's Design for Sustainability (DfS) approach in new product development (NPD), introduced in 2025, encourages Hiab's business divisions to develop more low-emission and circular solutions by integrating related criteria into the general NPD process. This means that sustainability must be considered in all product development projects. Hiab also has an internal ambition for all business divisions to develop new eco portfolio solutions.

Hiab believes that further developing a low-emission offering is the only way to remain competitive in the future. However, the company acknowledges that its planned actions for product and service development are dependent on market situation as well as customers' preferences and willingness to purchase low-emission products.

Targets and metrics related to climate change

Hiab's science-based targets for reducing greenhouse gas (GHG) emissions in its operations and value chain are described under **Transition plan for climate change mitigation** (Targets).

Hiab's targets cover scope 1 and 2 (market-based) emissions as well as scope 3 emissions related to purchased goods and services, fuel- and energy-related activities, transportation and distribution (upstream and downstream), waste generated in own operations, business travel, employee commuting, use of sold products as well as end-of-life treatment of sold products. The scope 3 emissions included in the target boundary cover 100 percent of the company's total scope 3 emissions. The target boundary includes biogenic emissions and removals from bioenergy feedstocks. As the targets and base year were fully updated in 2025, no such organisational changes took place during the year that would have impacted the baseline value.

The methodology for defining Hiab's climate targets is based on the science-based criteria of the Science Based Targets initiative (SBTi). When setting the targets, the company relied on version 5.3 of the SBTi's Near-Term Criteria and version 1.3 of the Net-Zero Standard Criteria. The current criteria can be found on the SBTi website. Hiab's sustainability function provided scenarios and subject matter expertise in the target-setting process. External stakeholders were not included.

Progress towards Hiab's science-based target is monitored on an annual basis. In 2025, Hiab's combined scope 1 and 2 emissions increased by 22 percent compared to 2024. Scope 1 emissions increased by 30 percent due to growing service fleet activity and the integration of paint shops into the production sites of continuing operations in three locations. Reducing emissions from the service fleet and improving energy efficiency are both included in Hiab's climate change mitigation plan, which helps mitigate these emissions in the future. The increase in scope 1 emissions was balanced by an 11 percent decrease in scope 2 emissions (market-based) compared to 2024. This decrease was mainly due to the increased use of fossil-free energy, complemented by lower grid emission factors in certain countries.

In 2025, Hiab's scope 3 emissions decreased by 16 percent compared to 2024 and by 35 percent compared to the 2022 base year. The decrease was mainly due to reduced sales and manufacturing, but increased eco portfolio sales and reduced supply chain emissions also contributed to the development. While this is a significant decrease in emissions, Hiab acknowledges that its emissions still grow and reduce in line with its economic activity, despite the company's efforts to separate these developments from each other through, for example, its eco portfolio.

Hiab's emission intensity (total GHG emissions per net revenue) improved with a 11 percent reduction compared to 2024. This improvement was partly due to increased eco portfolio sales. Hiab does not currently offset emissions, use carbon credits, engage in greenhouse gas removals or apply internal carbon pricing to achieve its climate targets.

Historically, electricity has been one of the biggest contributors to GHG emissions from Hiab's own operations, which is why the company aims to increase the share of fossil-free electricity in its energy consumption. The target for continuing operations is to reach a 90 percent share by 2028. At the end of 2025, this share was 73 percent. Relevant internal subject matter experts, such as QEHS managers in the company's business divisions, have been consulted when setting this target. Going forward, as the share of fossil-free electricity continues to grow and related emissions reduce, Hiab may consider setting targets for other energy sources, as well.

Energy consumption and mix

Due to delays in supplier invoicing, Hiab has used estimates for the last quarter of 2025 for energy indicators. As the estimates are applied to the company's own energy consumption, they also affect its direct and indirect emissions (scopes 1 and 2). The estimates are based on corresponding data from the last quarter of 2024. In addition, continuing operations started applying estimates for those non-production sites in the United States that are missing energy consumption data. Comparison year figures for 2024 have been restated based on the estimates. For more information, see **Basis for preparation** under General information. Hiab operates in the high climate-impact sector of manufacturing, which is also the sector used to determine the company's energy intensity KPIs.

Energy consumption (MWh)	Continuing operations		Discontinued operations	
	2025	2024	1 Jan–31 Jul 2025	2024
Fossil sources (total)	**61,774**	49,705	4,457[1]	5,240
Coal and coal products	–	–	–	–
Petroleum products (diesel, gasoline, kerosene, LFO, liquified petroleum gas)	29,678	24,156	1,030	1,208
Natural gas	23,429	16,290	450	645
Other fossil sources	–	–	–	–
Acquired non-renewable electricity	7,133	9,619	2,438[1]	3,019
Acquired non-renewable heat	1,534	1,728	539[1]	972
Nuclear sources (total)	**–**	2,087	– [1]	605
Renewable sources (total)	**23,072**	18,430	– [1]	1,526
Biofuels (pellets, biodiesel)	84	234	–	–
Self-generated solar energy	862	452	–	2
Acquired renewable electricity	18,002	14,450	– [1]	1,400
Acquired renewable heat	4,124	3,293	– [1]	124
Total energy consumption	**84,846**	70,223	4,457[1]	7,371
Energy intensity (MWh/MEUR)[2]	54.5	42.6	9.2	9.3
Share of nuclear sources in total energy consumption (%)	–	3%	– [1]	–
Share of renewable sources in total energy consumption (%)	27%	26%	– [1]	–
Share of fossil-free electricity of total electricity consumption (%)[3]	73%	69%	– [1]	–

[1] Figures may not reflect reality, as certificates for the renewable and nuclear energy sources of discontinued operations could not be considered in Hiab's 2025 annual reporting or assurance process.

[2] Hiab's energy intensity is calculated as total energy consumption in relation to company revenue (2025: EUR 1,556 million for continuing operations). See note 2.2 Revenue recognition in the consolidated financial statements.

[3] Fossil-free electricity includes renewable and nuclear sources.

Gross scopes 1, 2, 3 and total GHG emissions

Continuing operations started applying estimates for those non-production sites in the United States that are missing energy consumption data (for more information, see **Basis for preparation** under General information). As this change also impacts the scope 1 and 2 greenhouse gas emissions of continuing operations, comparison year emission figures for 2022—2024 have been restated based on the estimates.

When calculating emissions for the scope 3 category for end-of-life emissions, continuing operations utilise information in relevant life cycle assessments (LCAs). The LCAs are validated by a third party.

The share of contractual agreements of Hiab's energy consumption related to scope 2 emissions (market-based) was 26 percent in 2025. The share of bundled instruments related to this energy consumption was 21 percent, while the share of unbundled instruments was 5 percent. All such contractual instruments were Guarantees of Origin for renewable energy.

Tonnes of CO_2-equivalents	Continuing operations[1]									Discontinued operations[1]	
	Base year 2022	2023	2024	2025	% 2025/2024	% 2025/2022	Target 2030	Target 2040	Target 2050	1 Jan–31 Jul 2025	2024
Scope 1 emissions	10,800	9,900	9,700	12,600	30%	17%				365	455
Scope 2 emissions (location-based)	6,100	5,900	5,400	5,800	7%	-5%				350	632
Scope 2 emissions (market-based)[2]	4,700	2,900	2,800	2,500	-11%	-47%				1,316	1,427
Total scope 1 and 2 emissions (market-based)	15,500	12,800	12,400	**15,100**	22%	-3%	-50%	-90%		N/A	N/A
Scope 3 emissions[3]	1,365,800	1,354,100	1,054,300	**882,800**	-16%	-35%	-25%		-90%	293,891	702,586
Purchased goods	344,400	397,600	337,100	318,300	-6%	-8%				191,535	446,621
Fuel- and energy-related activities	4,400	4,100	4,000	4,900	23%	11%				626	821
Transportation and distribution	52,300	49,700	40,900	40,200	-2%	-23%				7,002	18,303
Waste generated in own operations	120	140	90	70	-22%	-42%				N/A	N/A
Business travel	1,200	1,900	2,000	2,000	—	67%				1,939	1,989
Employee commuting	10,100	10,500	10,100	9,600	-5%	-5%				N/A	N/A
Use of sold products	947,200	884,300	655,500	503,200	-23%	-47%				92,789	234,852
End-of-life treatment of sold products	6,100	5,900	4,600	4,300	-7%	-30%				N/A	N/A
Total emissions (location-based)[3]	1,382,700	1,369,900	1,069,400	901,200	-16%	-35%				294,606	703,673
Total emissions (market-based)[2, 3]	1,381,300	1,366,900	1,066,800	**897,900**	-16%	-35%				295,572	704,468
Emission intensity (location-based) (tCO_2e/MEUR)[3, 4]	876	767	649	579	-11%	-34%				884	605
Emission intensity (market-based) (tCO_2e/MEUR)[2, 3, 4]	875	765	648	577	-11%	-34%				885	607
Biogenic emissions[5]	20	40	60	20						—	—

[1] Hiab's updated science-based targets for reducing greenhouse gas emissions apply only to continuing operations. The targets cover more scope 3 emission categories than the company's previous targets, which is why not all categories are disclosed for discontinued operations. In addition, changes in emissions are not disclosed in percentage for discontinued operations due to the lack of comparability between 2024 and 2025.

[2] Figures for discontinued operations related to market-based scope 2 emissions may not reflect reality, as certificates for the renewable and nuclear energy sources of discontinued operations could not be considered in Hiab's 2025 annual reporting or assurance process.

[3] Due to correcting manual errors in 2024 reporting and improvements to the automated scope 3 calculation, scope 3 emissions have been restated for 2023 and 2024, also affecting total emissions and emission intensity for the same year.

[4] Hiab's emission intensity is calculated as Hiab's total greenhouse gas emissions in relation to company revenue (2025: EUR 1,556 million for continuing operations). See note 2.2 Revenue recognition in the consolidated financial statements. When calculating the emission intensity for the 2022 base year, the company has used the published revenue for Hiab business area (as part of Cargotec at that time).

[5] All Hiab's biogenic emissions are related to the company's scope 1 emissions, as they originate from the biodiesel used at the company's sites. Hiab does not have sufficient visibility into biogenic emissions in scopes 2 or 3.

Emissions accounting

Hiab's environmental data is collected through the company's sustainability reporting system. Energy consumption is reported at the company's sites within the reporting boundary, based on invoices and continuous measurement.

Greenhouse gas emissions (GHG), direct and indirect, are calculated based on energy consumption. Hiab applies the operational control method outlined in the GHG Protocol's Corporate Accounting and Reporting Standard as well as the financial control method required by the European Sustainability Reporting Standards. Scope 3 emission data is reported in accordance with the GHG Protocol's Corporate Value Chain (scope 3) Accounting and Reporting Standard. The share of primary data in the scope 3 emissions of continuing operations was 4.8 percent in 2025 (discontinued operations are excluded because they are not covered by the reporting boundary of Hiab's climate targets).

Gross GHG emissions are presented as tonnes of CO_2 equivalents. Hiab uses global warming potential (GWP) values for the 100-year time horizon, covering carbon dioxide (CO_2), nitrous oxide (N_2O) and methane (CH_4). Direct (scope 1) emission factors are derived from the GHG Protocol version 3. Indirect (scope 2) location-based emission factors are derived from the International Energy Agency's (IEA) Emission Factors (2025 Edition). These emission factors are updated every year after a new version has been published. Indirect market-based emissions are calculated based on emission factors from contractual agreements, the latest update of the European Residual Mixes and average grid emission factors from the IEA.

Regarding scope 3 emissions, Hiab has screened all emission categories against its GHG inventory. Based on the screening, the company has excluded categories where it has no material emissions. Relevant categories for continuing operations include:

- Category 1 — Purchased goods and services: Separate calculation methodologies are applied for direct and indirect purchases. For direct purchases, a "hybrid" calculation approach is applied based on the GHG Protocol. A mixture of methodologies is used depending on data availability. Supplier-specific data or weight data of sourced materials are used to calculate the emissions. When these data sources are not available, the company relies on a spend-based approach. Emission factors are obtained using Sphera's LCA for Experts tool and the ecoinvent database. For indirect purchases (which account for a minor share of all purchases), spend data is applied and calculated using US Environmental Protection Agency's (EPA) emission factors.
- Category 3 — Fuel- and energy-related activities: Covers upstream emissions for fuel, electricity and heating as well as transmission and distribution losses for electricity and heating. DEFRA emission factors are used to calculate the relevant emissions in this category.
- Categories 4 and 9— Transportation and distribution: Calculation is based on spend data, using the EPA emission factor dataset.
- Category 5 — Waste generated in own operations: Tonnes of waste generated in different categories is tracked across Hiab's sites. This is used to calculate emissions using factors provided by DEFRA.
- Category 6 — Business travel: Air and rail travel emissions data originates from the company's travel agency. Car use emissions are calculated using kilometres driven by employees in Finland and extrapolated for the whole company. Emissions from accommodation are calculated using spend amounts and EPA's emission factors.
- Category 7 — Employee commuting: Regular employee commuting emissions are calculated using headcount data for all countries where the company has employees. Hiab uses ecoinvent emission factors for countries where average commuting distance data is publicly available. In other countries, the company uses DEFRA emission factors to calculate emissions based on headcount.
- Category 11 — Use of sold products: Product-specific information and emission factors for diesel and electricity (location-based) are used. When calculating emissions from this category, scope 1 and 2 emissions are accounted for over the products' expected lifetime.
- Category 12 — End of life treatment: Emissions are calculated using the volumes of those main materials (such as steel and aluminium) that are part of the sold product during the year. Emission factors are obtained using Sphera's LCA for Experts tool and the ecoinvent database.

The categories of Use of sold products and Purchased goods and services represent 93 of Hiab's scope 3 emissions and 92 percent of the company's total emissions (including scopes 1 and 2).

ENVIRONMENTAL INFORMATION

Resource use and circular economy

The following impacts, risks and opportunities (IROs) related to resource use and circular economy are considered material for Hiab.

ESRS	Material topic	Impact materiality[1]	Financial materiality[2]
ESRS E5 Resource use and circular economy	Resource inflows Resource outflows Waste Time horizon: continuous	– Hiab's business is based on assembling equipment that is very material intensive and requires large amounts of finite resources, including steel. (U) – The quantity of outflow is similar to inflow. (D) – Hiab's activities are very material intensive and high-value materials become waste throughout the value chain. (A)	– Demand for components (e.g. batteries) used in electric vehicles is expected to increase, resulting in limited availability and potential price increases.

[1] Within impact materiality, (+) indicates a positive impact while (–) indicates a negative one.
[2] Within financial materiality, (+) indicates a financial opportunity while (–) indicates a financial risk.
(U) = IRO takes place in upstream
(O) = IRO takes place in own operations
(D) = IRO takes place in downstream
(A) = IRO takes place in all parts of value chain

Interaction with Hiab's strategy and business model

In identifying its IROs related to resource use and circular economy, Hiab relies on its existing understanding of the matter. The company foresees many opportunities to contribute to a circular economy while capturing profitable growth through new business models and solutions. For example, circular solutions, such as repair services and the sale of used equipment, are already part of the company's eco portfolio. At the same time, Hiab acknowledges that its operations are highly dependent on finite resources, and that advancing circularity throughout the value chain can help ensure that the company's business remains resilient and competitive.

The depletion of natural resources and increasing demand for low-emission solutions may impact the availability and price of materials and components that are crucial for production. As a result of the electrification trend, the demand for minerals used in, for example, battery production is expected to increase. Limited availability and the potential rise in battery prices pose a market risk, as price increases can impact direct costs. This can also impact the overall demand for low-carbon solutions.

Policies related to resource use and circular economy

Hiab's Sustainability Policy addresses topics related to the transition to a circular economy by, for example, promoting resource efficiency, rethinking material flows and giving preference to materials that are better for the environment. The policy also includes a commitment to seek ways to minimise waste production and pollution in the value chain and to promote resource efficiency in the supply chain. While transitioning away from virgin materials or the use of renewable materials are not specifically mentioned in the policy, Hiab is committed to increasing the use of recycled steel in the assembly of its equipment, and has already taken steps to do so. Renewable materials are not currently relevant.

Hiab's Code of Conduct reinforces the company's commitment to mitigate adverse impacts on the environment and improve the environmental performance of its offering, operations and raw material sourcing.

Hiab's Business Partner Code of Conduct requires suppliers and other business partners to monitor, control and appropriately treat solid waste generated in their operations. They are also expected to reduce waste generation and their use of natural resources. Through its supplier self-assessments, Hiab regularly tracks how suppliers address these topics and if they have been included in the suppliers' own environmental policies. In 2025, Hiab initiated a pilot of onsite environmental audits for high-risk suppliers. The audits also include topics related to the circular economy, such as resource use and waste management. In total, four such audits were conducted during the year.

Policy implementation is monitored by tracking Hiab's progress related to various analyses and actions. This work is described throughout this section.

Actions related to resource use and circular economy

During 2025, Hiab continued the conceptualisation of circularity. This included creating an action plan, benchmarking as well as conducting current state and gap analyses. Hiab also began defining the vision, mission statement, ambition level and roadmap for its future work related to resource use and circular economy.

At the moment, Hiab primarily allocates human resources to the implementation of actions related to resource use and the circular economy. No separate financial resources have been allocated to this work.

Upstream

Hiab's policy commitment to rethink material flows and give preference to materials that are better for the environment is exemplified in the company's efforts to increase the share of recycled steel in its manufacturing. In 2025, this share was 26 percent (21 percent in 2024, more details can be found under **Resource inflows**).

In addition, customer orders for the MULTILIFT Ultima hooklift doubled during 2025. The hooklift is made partly from recycled steel that is produced using fossil-free electricity. During the year, the share of recycled steel in the MULTILIFT Ultima was also increased from 25 to 40 percent.

During 2025, continuing operations initiated a pilot to extend the scope of third-party onsite supplier audits to also cover environmental topics, such as climate change, hazardous substances, waste management and resource use. Non-compliance was found in all four audits conducted, and the suppliers in question received tailored corrective action plans, where needed actions are mutually agreed with the supplier. 62 percent of the audit findings were related to the use and conservation of resources as well as waste management. Examples of findings include improper storage of hazardous substances as well as risk of soil and groundwater contamination.

Own operations

Hiab's Eksjö production site in Southern Sweden uses both cast iron (40 percent of metal used) and scrap metal (60 percent) in its manufacturing of different valves. For its cast iron, the site operates a closed-loop process in which excess iron is collected and turned into briquettes that are then reused in manufacturing. Typically, approximately 14 percent of the total cast iron used in the foundry is removed as excess iron, which in 2025 translated into more than 22 tonnes being removed and reused in the process. In addition to excess iron, defective valves are also reused in the foundry. This brings the share of internally recycled cast iron up to 30 percent of total iron used.

The Eksjö site also has an initiative to create a closed loop system for the scrap metal used in its manufacturing process. With this initiative, the site supplies scrap metal from Bispgården, another Hiab production site in Sweden. In 2025, the site received approximately 48 tonnes of scrap metal from Bispgården, which represented 23 percent of total purchased scrap metal. The goal is to supply at least half of Eksjö's scrap metal internally.

Downstream

Hiab's Exchange Parts Programme continued in 2025. The service offers customers a discount on Hiab-approved exchange components when used components are returned. The exchange parts are backed by the same 12-month warranty as Hiab's original components. Returned parts are assessed by Hiab's customer support centres to identify which ones can be repaired and reused, and the remaining parts are properly disposed of by Hiab. Initial customer feedback on the programme has been very positive. In its first phase, the programme focus was on cylinders. During 2025, Hiab started work on expanding to additional product categories.

Targets and metrics related to resource use and circular economy

As maintenance, the sale of spare parts and other life-cycle services keep Hiab's equipment in use for longer, growing the company's service business is a key element in its transition to a circular economy. This is also an essential component of Hiab's strategy, and the company has set several targets for it. Examples of these targets include reaching EUR 700 million in service sales and achieving 50,000 maintenance contracts, both by the end of the current strategy period in 2028 (EUR 469 million and over 25,000 contracts in 2025). Hiab also plans to further clarify its approach to circular business models during 2026. In addition, the company monitors and strives to increase the share of recycled steel in the manufacturing of its equipment as part of its climate mitigation transition plan (for more information, see **Actions related to climate change** and **Resource inflows**).

Resource inflows

The most important raw material sourced by Hiab is steel, which is used in the manufacturing of all the company's equipment, including structures and hydraulics (valves and cylinders). Other significant resource inflows include aluminium, hydraulics and electric components. Many of these materials and items are linked to the extraction of critical minerals, such as cobalt, tin and gold. Biological raw materials are not relevant in Hiab's resource inflows.

As Hiab's business model is based on asset-light operations where the focus is mostly on the assembly of equipment, water consumption in the company's own operations is minimal. In addition, even though the manufacturing of steel requires large quantities of water, most of it is reused in production or returned to source. Water consumption is not considered a material topic for Hiab.

Resource inflows	Continuing operations		Discontinued operations	
	2025	2024	1 Jan–31 Jul 2025	2024
Total purchased steel (tonnes)	62,677	64,947	26,940	91,104
Recycled materials (steel, in tonnes)	16,544	13,438	2,333	5,131
Share of recycled materials (steel) of total purchased steel (%)	26 %	21 %	9 %	6 %

For continuing operations, the total amount of materials includes steel only. In 2025, Hiab improved the calculation methodology for this KPI and is now able to also use primary data in the calculation. For those Hiab sites that do not have accurate primary data on the total amount of steel purchased, the company estimates this information based on the number of manufactured products at the site and life cycle assessments (LCAs) regarding the amount of steel in each product. The LCAs, which are validated by a third party, enable Hiab to estimate the amount of steel purchased during the year. In the calculations, the company assumes that 30 percent of sourced steel becomes scrap at Tier 1 supplier level. For the share of recycled steel, Hiab uses primary data received directly from steel suppliers and the sourcing contracts Hiab has with them. Comparison year figures for 2024 have been restated to reflect the updated methodology.

For discontinued operations, the total amount of materials includes the total weight of steel in products manufactured by suppliers of steel structure and steel fittings. For this purpose, MacGregor collected the volume data of 19 of its top suppliers, which represents approximately 95 percent of the total weight. MacGregor does not have data on other materials besides steel, because hydraulics, electrical parts or other components are typically not measured by weight in MacGregor's systems. However, the share of other materials besides steel in resource inflows is minor. The share of recycled steel of total purchased steel is based on MacGregor's internal monitoring sheet which is updated according to information received from key suppliers.

Resource outflows

The key products that come out of Hiab's manufacturing processes include various lifting equipment, such as hooklifts, tail lifts, forklifts and loader cranes. The company's products are designed to support circular principles, such as durability and repairability. The equipment is designed to stay in use for years, even decades, which requires the use of durable materials and regular repairs and upgrades. A typical Hiab machine is made with roughly 80 percent steel, which is a highly durable material. Steel can also be recycled almost indefinitely, and the global recycling rate of available steel is approximately 90 percent.

Hiab also offers maintenance and other services that help keep its equipment in operation for longer, improve energy efficiency and optimise performance. These services include inspections, repairs, upgrades, take-back programmes, automation and digitalisation. Renting out equipment and selling second hand goods is another part of the company's offering. These types of business models contribute to a "sharing economy" where customers are not required to own all their equipment.

Hiab does not currently have an adequate understanding of the industry average for product durability, but in its life cycle assessment calculations, the company uses an assumption for the average time its equipment remains in use. This assumption varies between products, with an estimated lifetime of 5–7 years for forestry and recycling cranes as well as 10–15 years for other equipment. Hiab is currently reviewing relevant standards and rating systems for the repairability of its products. The company does not have full visibility into the share of total recyclable content in its products or their packaging. However, based on product specifications, Hiab estimates that the share of steel in its equipment is approximately 80 percent. Steel is a highly recyclable and widely recycled material. Similarly, one of the main materials used for Hiab's product packaging is wood pallets, which are also highly recyclable and widely recycled.

Waste

The waste data disclosed in this section is based on records received from contractor companies. Due to delays in supplier invoicing, Hiab has used estimates for waste indicators for the last quarter of 2025. The estimates are based on corresponding data from the last quarter of 2024. For more information, see **Basis for preparation** under General information.

Hiab does not have full visibility into what typical waste streams look like in the company's sector. However, it is likely that relevant streams include hazardous substances (such as paints, lubricants and chemicals), scrap metal and plastics. Hiab's own waste composition consists of hazardous liquids and solids, aluminium, bio waste (compost), cardboard, construction waste, electronic waste (WEEE), glass, paper, plastics, rubber, wood, scrap metal, mixed waste and unspecified non-hazardous waste. Many of Hiab's sites are focused on increasing the share of recycled waste while reducing the amount of total waste and looking for circular options.

Waste (tonnes)	Continuing operations		Discontinued operations	
	2025	2024[1]	1 Jan–31 Jul 2025	2024
Hazardous waste	**560**	641	3	14
Diverted from disposal:	174	160	2	7
Preparation for reuse	–	–	–	–
Recycled	174	160	2	7
Other recovery operations	–	–	–	–
Directed to disposal:	386	481	1	7
Landfilled	155	219	–	–
Incinerated	152	171	–	7
Other disposal operations	79	90	1	–
Non-hazardous waste	**5,689**	6,200	16	56
Diverted from disposal:	3,952	4,304	6	48
Preparation for reuse	–	–	–	–
Recycled	3,952	4,304	6	48
Other recovery operations	–	–	–	–
Directed to disposal:	1,738	1,896	9	9
Landfilled	784	1,020	–	–
Incinerated	656	642	4	9
Other disposal operations	297	234	5	–
Total amount of waste generated	**6,249**	6,841	19	70
Total amount of non-recycled waste	2,123	2,377	10	15
Share of non-recycled waste of total waste (%)	34 %	35 %	53 %	21 %

[1] The reporting coverage for waste indicators was expanded for continuing operations in 2025 to include 32 non-production sites in addition to production sites. Waste indicators for 2024 have been restated to reflect this change and may therefore be significantly higher than reported in the company's 2024 Sustainability statement. For discontinued operations, only production sites are included.

ENVIRONMENTAL INFORMATION

Disclosures pursuant to the EU Taxonomy regulation

The EU Taxonomy regulation establishes a classification system to define economic activities that substantially contribute to environmental sustainability. The regulation applies to Hiab and requires the disclosure of the share of EU Taxonomy eligible and aligned revenue, capital expenditures and operating expenditures. Out of the six environmental objectives of the EU Taxonomy, Hiab considers its solutions to be eligible under the objectives of climate change mitigation and transition to a circular economy.

The EU Taxonomy refers to the so-called NACE codes to support in determining the taxonomy eligibility of a company's economic activities. The NACE codes relevant to Hiab's economic activities of equipment, services and software are C28 Manufacture of machinery and equipment; C33 Repair and installation of machinery and equipment; and J62 Computer programming, consultancy and related activities.

Hiab's equipment falls under 3.6. Manufacture of other low carbon technologies and is partly reported as eligible due to its contribution to the objective of climate change mitigation. Hiab's services are reported eligible under the following taxonomy activities: 4.1 Provision of IT/OT data driven services; 5.1 Repair, refurbishment and remanufacturing; 5.2 Sale of spare parts; 5.4 Sale of second-hand goods; and 5.5 Product-as-a-service and other circular use- and result-oriented service models. The majority of Hiab's services contribute to the objective of transitioning to a circular economy by, for example, extending the lifetime of the company's equipment and promoting resource efficiency throughout the value chain.

Assessment of alignment

In order for an economic activity to be considered taxonomy-aligned, it must meet the regulation's criteria for substantial contribution and Do No Significant Harm (DNSH) as well as comply with minimum safeguards. Substantial contribution and the DNSH criteria are assessed on a product level, whereas the minimum safeguards are assessed on Hiab group level. Hiab's activities that meet all of the Taxonomy criteria (substantial contribution, DNSH and minimum safeguards) are considered sustainable and thus, taxonomy-aligned.

To prove substantial contribution to climate change mitigation under 3.6., Hiab conducts product life cycle assessment (LCA) studies to prove life-cycle greenhouse gas emission savings. The LCAs compare the company's low-emission equipment to the best performing alternative, which typically is a diesel-powered version of the same equipment with the same functionality and capacity. The LCAs are conducted for equipment that is considered representative of the entire product group, so that the results can be generalised. The studies follow the ISO 14067 standard and are reviewed by an independent third party. As the technical screening criteria leaves room for interpretation, Hiab leans on its eco portfolio definition when determining which products meet the criteria and have sufficient emission reductions to be reported as taxonomy-aligned.

Hiab contributes substantially to circular economy objectives through a range of activities that extend product lifetime, retain value and reduce material use. Under 5.1, Hiab's repair, refurbishment and remanufacturing services prolong the technical lifetime of lifting and handling equipment, supported by waste management guidance. Under 5.2, Hiab's sale of spare parts enables equipment repair and upgrades, with packaging requirements fulfilled together with suppliers. Hiab also resells second-hand equipment under 5.4, thereby reducing the need for new production. Under 5.5, Hiab's rental services for cranes, truck-mounted forklifts and hooklifts promote shared-use models and higher utilization rates. All activities have been assessed against the relevant DNSH criteria.

To ensure compliance with the DNSH criteria, Hiab has analysed the potential impacts its operations related to taxonomy-aligned products may have on other environmental objectives. Based on the analysis, Hiab has concluded that its activities do not cause significant harm to water and marine resources, as nearly no process water is used at Hiab's production sites. Regarding biodiversity and ecosystems, Hiab has mapped its sites against biodiversity-sensitive areas, and in 2025, the company discontinued operations at the only site located in such an area. As for climate change adaptation, Hiab has analysed the risks related to its own operations and supply chain as part of its climate scenario analysis (for more details, see **Topic-specific considerations** under Process to identify material impacts, risks and opportunities). In its own operations, these risks were considered minor due to the company's asset-light operational model. On the other hand, this type of operational model means that Hiab is highly reliant on its global network of suppliers, and the risk of supply interruptions is growing due to increasing climate change-related physical risks. Therefore, in the supply chain, the risk is considered high in the short-term and very high in the long-term. Compliance with pollution and chemical use regulations is ensured through Hiab's responsible sourcing programme. Hiab has identified certain hazardous substances in its products, but to the company's knowledge, there are currently no other suitable alternative substances or technologies available on the market to replace them. In addition, Hiab promotes circularity throughout its operations by, for example, using recycled raw materials, reusing components where feasible and recycling materials and waste.

Even though Hiab's environmental impacts beyond climate and circularity are minimal, the company has comprehensive management processes in place that cover other environmental topics, such as waste management and pollution. These processes are mainly implemented through ISO 14001-certified environmental management systems, which in 2025 covered 82 percent of Hiab's production sites (based on headcount). The management systems require Hiab to assess and address the potential and actual impacts that its activities, products and services have on the environment. If negative impacts are identified, appropriate controls and improvement plans, including relevant target setting, are implemented and maintained. This helps Hiab ensure its activities do no significant harm to the environment.

Hiab has conducted an internal analysis of its policies and processes and also examined them during its double materiality assessment (DMA) in 2023. A light analysis is conducted each year during the annual review of the DMA. Based on the findings, the company believes it complies with the EU Taxonomy's minimum safeguards on human rights, bribery/corruption, taxation and fair competition. Hiab aims to conduct a full revision of its DMA during 2026, which will also include a thorough review of policies and processes. Policies, such as Hiab's Code of Conduct, Sustainability Policy and Business Partner Code of Conduct, set the foundation for responsible business conduct. Hiab's Employees First culture is also a strong element in the company's strategy. Relevant processes and indicators, such as the gender pay gap and board gender diversity, support the implementation of the policies. Detailed descriptions of these policies, processes and indicators are available throughout this Sustainability statement. In addition to supporting Hiab's commitment to minimum safeguards, they also ensure alignment with the OECD Guidelines for Multinational Enterprises, the UN Global Compact, the UN Guiding Principles on Business and Human Rights, the Declaration of the International Labour Organisation (ILO) on Fundamental Principles and Rights at Work, and the International Bill of Human Rights.

Assessment of eligibility

Activities that have the potential to be aligned with specific substantial contribution criteria, but do not currently have a life cycle assessment (LCA) in place nor meet the DNSH criteria, are considered taxonomy-eligible.

Taxonomy KPIs

Hiab discloses the share of environmentally sustainable economic activities that align with the EU Taxonomy criteria using turnover, capital expenditures (CapEx) and operating expenditures (OpEx) KPIs.

The turnover KPI represents the taxonomy-aligned proportion of Hiab's product and service turnover recognised in accordance with the IFRS.

The capital expenditures KPI represents the proportion of the capital expenditure associated with taxonomy-aligned activities. Capital expenditures consist of additions to tangible and intangible assets, including right-of-use assets related to leases, considered before depreciation, amortisation and any re-measurements, including those resulting from revaluations and impairments, for the relevant financial year and excluding fair value changes. Additionally, capital expenditures include the corresponding additions resulting from business combinations.

The operating expenditures KPI represents the proportion of the operating expenditure associated with taxonomy-aligned activities. Taxonomy operating expenditures consist of direct non-capitalised costs related to research and development, renovation measures, short-term leases, maintenance and other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment that are necessary to ensure the continued and effective production of taxonomy-aligned products and services.

To the extent the capital and operating expenditures relate to assets and processes that are associated with taxonomy-eligible activities, such as manufacturing, provision of services, or R&D, they are considered taxonomy eligible. The taxonomy-aligned portion of capital and operating expenditures associated with taxonomy-aligned economic activities are estimated by using the ratio of aligned turnover in comparison to the eligible turnover as the allocation key. This is because typically these expenditures cannot be allocated clearly to a single activity. No expenditure has been reported as taxonomy-aligned based on a CapEx plan.

Double counting of the disclosed amounts has been avoided with the following precautions:

- Turnover related to each aligned activity is based on reported revenue from external transactions, and presented under single contribution criteria and taxonomy activity.
- Capital expenditure related to aligned activities is based on financial reporting compiled from entities having relevant activities. Taxonomy-aligned CapEx is presented based on estimation under single contribution criteria and taxonomy activity.
- Operating expenditure related to aligned activities is based on financial reporting compiled from entities having relevant activities. Taxonomy-aligned OpEx is presented based on estimation under single contribution criteria and taxonomy activity.

In 2025, Hiab's turnover related to its continuing operations amounted to a total of EUR 1,556 million (note 2.2 Revenue recognition in the consolidated financial statements), of which EUR 449 million was taxonomy-aligned (28.9 percent of total sales).

The share of taxonomy-eligible and taxonomy non-eligible economic activities, as well as taxonomy-aligned and taxonomy-non-aligned economic activities in the total turnover, CapEx and OpEx are presented in the following tables.

Proportion of turnover from products or services associated with taxonomy-eligible and taxonomy-aligned economic activities – disclosure covering year 2025

				Substantial contribution criteria[1]						DNSH criteria[2]									
Economic activities	Code(s)	Absolute turnover (MEUR)	Proportion of turnover (%)	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of turnover in 2024	Category (enabling activity, E)	Category (transitional activity, T)
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
Manufacture of other low carbon technologies	CCM 3.6.	194.54422	12.5%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	13.5%	E	
Repair, refurbishment and remanufacturing	CE 5.1.	87.18876	5.6%	N/EL	N/EL	N/EL	Y	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	5.1%		
Sale of spare parts	CE 5.2.	153.57215	9.9%	N/EL	N/EL	N/EL	Y	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	9.3%		
Sale of second-hand goods	CE 5.4.	12.01776	0.8%	N/EL	N/EL	N/EL	Y	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.8%		
Product-as-a-service and other circular use- and result-oriented service models	CE 5.5.	2.05226	0.1%	N/EL	N/EL	N/EL	Y	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	—		
Turnover of environmentally sustainable activities (taxonomy-aligned) (A.1)		449.37515	28.9%	12.5%	—	—	16.4%	—	—	—	—	—	—	—	—	—	28.8%		
Of which enabling		449.37515	28.9%	12.5%	—	—	16.4%	—	—	Y	Y	Y	Y	Y	Y	Y		E	
Of which transitional		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																			
Provision of IT/OT data driven services	CE 4.1.	1.70037	0.1%	—	—	—	N	—	—										
Turnover of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		1.70037	0.1%	—	—	—	0.1%	—	—										
Total (A.1 + A.2)		451.07552	29.0%	12.5%	—	—	16.5%	—	—										
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES (B)																			
Turnover of taxonomy-non-eligible activities		1,105.26108	71.0%																
Total (A + B)		1,556.33660	100.0%																

[1] Y - Yes, taxonomy-eligible and taxonomy-aligned activity with the relevant environmental objective; N - No, taxonomy-eligible but not taxonomy-aligned activity; EL – Eligible, taxonomy-eligible activity; N/EL – Not Eligible, taxonomy non-eligible activity
[2] Y - Yes, The activity meets the DNSH criteria; N - No, The activity does not meet the DNSH criteria

Proportion of capital expenditure (CapEx) from products or services associated with taxonomy-eligible and taxonomy-aligned economic activities – disclosure covering year 2025

				Substantial contribution criteria[1]						DNSH criteria[2]									
Economic activities	Code(s)	Absolute Capex (MEUR)	Proportion of capex (%)	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of capex in 2024	Category (enabling activity, E)	Category (transitional activity, T)
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
Manufacture of other low carbon technologies	CCM 3.6.	2.96951	5.4%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	6.8%	E	
Repair, refurbishment and remanufacturing	CE 5.1.	3.94190	7.2%	N/EL	N/EL	N/EL	Y	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	7.3%		
Sale of spare parts	CE 5.2.	6.94317	12.6%	N/EL	N/EL	N/EL	Y	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	13.3%		
Sale of second-hand goods	CE 5.4.	0.54334	1.0%	N/EL	N/EL	N/EL	Y	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1.1%		
Product-as-a-service and other circular use- and result-oriented service models	CE 5.5.	0.09278	0.2%	N/EL	N/EL	N/EL	Y	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.2%		
Capex of environmentally sustainable activities (taxonomy-aligned) (A.1)		14.49071	26.4%	5.4%	–	–	–	–	–	–	–	–	–	–	–	–	28.7%		
Of which enabling		14.49071	26.4%	5.4%	–	–	–	–	–	Y	Y	Y	Y	Y	Y	Y		E	
Of which transitional		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–			T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																			
Provision of IT/OT data driven services	CE 4.1.	0.07688	0.1%	–	–	–	EL	–	–										
CapEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		0.07688	0.1%	–	–	–	0.1%	–	–										
Total (A.1 + A.2)		14.56759	26.5%	5.4%	–	–	21.1%	–	–										
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES (B)																			
CapEx of taxonomy-non-eligible activities		40.39451	73.5%																
Total (A + B)		54.96210	100.0%																

[1] Y - Yes, taxonomy-eligible and taxonomy-aligned activity with the relevant environmental objective; N - No, taxonomy-eligible but not taxonomy-aligned activity; EL – Eligible, taxonomy-eligible activity; N/EL – Not Eligible, taxonomy non-eligible activity
[2] Y - Yes, the activity meets the DNSH criteria; N - No, the activity does not meet the DNSH criteria

Proportion of operating expenditures (OpEx) from products or services associated with taxonomy-eligible and taxonomy-aligned economic activities – disclosure covering year 2025

				Substantial contribution criteria[1]						DNSH criteria[2]									
Economic activities	**Code(s)**	**Absolute opex (MEUR)**	**Proportion of opex (%)**	**Climate change mitigation**	**Climate change adaptation**	**Water and marine resources**	**Circular economy**	**Pollution**	**Biodiversity and ecosystems**	**Climate change mitigation**	**Climate change adaptation**	**Water and marine resources**	**Circular economy**	**Pollution**	**Biodiversity and ecosystems**	**Minimum safeguards**	**Taxonomy-aligned proportion of opex in 2024**	**Category (enabling activity, E)**	**Category (transitional activity, T)**
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
Manufacture of other low carbon technologies	CCM 3.6.	3.65498	6.4%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1.8%	E	
Repair, refurbishment and remanufacturing	CE 5.1.	1.65922	2.9%	N/EL	N/EL	N/EL	Y	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	3.3%		
Sale of spare parts	CE 5.2.	2.92251	5.1%	N/EL	N/EL	N/EL	Y	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	6.0%		
Sale of second-hand goods	CE 5.4.	0.22870	0.4%	N/EL	N/EL	N/EL	Y	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.5%		
Product-as-a-service and other circular use- and result-oriented service models	CE 5.5.	0.03906	–	N/EL	N/EL	N/EL	Y	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1%		T
OpEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		8.50446	14.8%	6.4%	–	–	–	–	–	–	–	–	–	–	–	–	11.7%		
Of which enabling		8.50446	14.8%	6.4%	–	–	–	–	–	Y	Y	Y	Y	Y	Y	Y		E	
Of which transitional		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–			T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																			
Provision of IT/OT data driven services	CE 4.1.	0.03236	0.1%	–	–	–	EL	–	–										
OpEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		0.03236	0.1%	–	–	–	0.1%	–	–										
Total (A.1 + A.2)		8.53682	14.9%	6.4%	–	–	8.5%	–	–										
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES (B)																			
OpEx of taxonomy-non-eligible activities		48.88618	85.1%																
Total (A + B)		57.42300	100.0%																

[1] Y - Yes, taxonomy-eligible and taxonomy-aligned activity with the relevant environmental objective; N - No, taxonomy-eligible but not taxonomy-aligned activity; EL – Eligible, taxonomy-eligible activity; N/EL – Not Eligible, taxonomy non-eligible activity

[2] Y - Yes, the activity meets the DNSH criteria; N - No, the activity does not meet the DNSH criteria

Nuclear and fossil gas related activities

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
Row	**Fossil gas related activities**	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Social information

Own workforce

The following impacts, risks and opportunities (IROs) related to own workforce are considered material for Hiab.

ESRS	Material topic	Impact materiality[1]	Financial materiality[2]
ESRS S1 Own workforce	Working conditions: • Health and safety	+ Hiab ensures the safety of employees by assessing the risk of injuries and identifying ways to mitigate them. (O) – Hiab's business can pose risk to the health and safety of people assembling and servicing its equipment, if instructions are not followed. (O)	N/A
	Equal treatment and opportunities for all: • Gender equality and equal pay for work of equal value • Measures against violence and harassment in the workplace • Diversity • Training and skills development	+ Training enables employees to develop as experts and learn new skills, which increases the motivation to work efficiently and safely. (O) – Employee motivation and wellbeing is likely to decrease if discrimination, harassment or bullying occurs. Affected people may suffer direct impacts to their mental health, and discrimination can limit career prospects for those who are discriminated against. (O)	
	Time horizon: continuous		

[1] Within impact materiality, (+) indicates a positive impact while (–) indicates a negative one.
[2] Within financial materiality, (+) indicates a financial opportunity while (–) indicates a financial risk.
(U) = IRO takes place in upstream
(O) = IRO takes place in own operations
(D) = IRO takes place in downstream
(A) = IRO takes place in all parts of value chain

Interaction with Hiab's strategy and business model

Health and safety

The health and safety of Hiab's employees is a fundamental element of the company's way of working, and Hiab is committed to providing a harm-free workplace where people feel safe. The company continuously assesses its operations to identify, analyse and control the risk of injuries and ill health, and to seize opportunities to improve safety.

Hiab's business model is based on assembling, operating and servicing load handling equipment and offering related services. This type of work may pose a safety risk if performed incorrectly. As part of its business model, Hiab uses feedback from its employees, external workforce and customers to improve the safety of its equipment, services and ways of working. Hiab also continuously raises awareness of safe behaviour and best practices in its own operations.

Hiab's potential negative impact on human health and safety applies to all employees and external workforce. However, the company's incident statistics show that employees and workers who assemble and service the company's equipment face the biggest risk of personal injury. This type of work poses risks of individual incidents, such as ill health, minor and severe injuries (especially hand injuries) and, in very rare instances, even fatalities.

Depending on the improvement measures, Hiab's positive impact on human health and safety (improved safety) affects different groups of employees and external workforce. For example, a minor process improvement at a production site would only impact the people working at the site, whereas updating global safety instructions would impact all workers.

Equal treatment and opportunities for all

Empowering and engaging with employees and providing opportunities to improve their skills are essential enablers of Hiab's strategy, as feeling included encourages individuals to share their knowledge. This includes embracing different perspectives to meet diverse customer needs. In addition, Hiab's mentoring programme is designed to help employees from all backgrounds to develop professionally, while creating opportunities to learn from colleagues across the organisation.

As an employer, Hiab impacts the way employees experience their workplace, both physically and psychologically and thus, has the responsibility to ensure that people feel safe coming to work as they are and express themselves freely. The company has zero tolerance for discrimination and harassment in all their forms, which includes efforts to ensure fairness in all processes. To strengthen these commitments, Hiab has signed the Diversity Charter Finland, which is an EU-wide initiative for companies that commit to non-discrimination and equal opportunities, while recognising individual skills and needs. Hiab is also preparing to implement the EU Pay Transparency Directive, which will enhance the company's ability to ensure equitable compensation for all.

Hiab has not yet developed a full understanding of the scope of people negatively affected by discrimination, harassment or bullying. However, the company acknowledges that all employees and workers — whether employed directly by Hiab or by a third party — may be subject to such individual misconduct, and the risk may also vary between regions. Hiab continuously strengthens its understanding of these risks via the company's Code of Conduct (CoC) training and by reviewing reports filed through Hiab's SpeakUp line or to Human Resources.

Through training, Hiab can have a positive impact on its own workforce, as learning new information and skills increases work motivation. Training is provided widely to all Hiab's employees, ranging from technical know-how to high-level understanding of, for example, relevant regulation and the company strategy. While training is available to all employees, some roles, such as assembly technicians, do not have a company email address and thus cannot access Hiab's online learning platform individually. These employees receive training in different ways and on different topics than, for example, office employees.

Although not considered financially material, Hiab's climate transition plan presents risks and opportunities in the form of skills development. For example, electrification requires new expertise in product safety and equipment maintenance, as the technical properties of electric equipment differ from their traditional counterparts. Hiab must ensure that its workforce has the competencies needed to cover these requirements.

Forced and child labour

None of Hiab's operations are at significant risk of incidents of compulsory, forced or child labour. For more details about the risk of such risk in Hiab's supply chain, see **Workers in the value chain**.

Policies related to own workforce

The "People and society" section of Hiab's Code of Conduct (CoC) covers topics such as human trafficking, child and forced labour, health and safety, diversity as well as anti-discrimination. The CoC states that Hiab does not tolerate discrimination based on gender, gender identity, sexual orientation, race, religion, nationality, age, physical ability or any other similar characteristic.

Hiab's Sustainability Policy covers the company's material social topics related to human rights, health and safety, accident prevention as well as non-discrimination and equal opportunity. The policy's section on human rights describes Hiab's high-level approach to human rights due diligence, including remedy for adverse impacts on people and engagement with affected stakeholders, including the company's own workforce. The Sustainability Policy confirms Hiab's commitment to respecting the principles of the UN Global Compact, the OECD's Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the International Bill of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work.

Hiab's Employment Policy describes the mission, goals and development processes specific to human resources (HR) and covers topics such as anti-harassment, non-discrimination and equal opportunity. Other global internal HR policies and instructions cover many additional topics, such as recruitment and internal transfer, learning and development, performance, total remuneration and job title as well as global mobility. The company does not have a specific policy commitment related to inclusion or positive action for employees from vulnerable groups, as such groups have not been identified so far.

All employees are in the scope of the aforementioned policies and instructions. Policy implementation is monitored by tracking the results of various surveys and personal development processes as well as acting on the findings. These surveys, processes and ways of working are described throughout this Own workforce section.

At Hiab, the most important procedure to ensure that discrimination is prevented and mitigated, and that equal opportunity and inclusion are advanced in general, is the Performance and Development Plan (PDP) process. The process is built around annual milestones, such as performance and development discussions. Throughout this process, managers are trained and guided on how to lead discussions with their team members and treat them with fairness when, for example, evaluating performance. In addition, recruitment processes include features that help prevent discrimination, such as restricting access to applicants' resumes to as few people as possible. The process is streamlined for all employees to strengthen equity and to ensure fairness.

If incidents of discrimination are detected, Hiab applies its general investigation process to act upon them. For more details about the process, see **Detecting and responding to potential misconduct** under Business conduct.

Implementing policy commitments related to health and safety

To support the implementation of its policy commitments related to health and safety, Hiab has created several related guidelines for its employees. The Hiab Health and Safety Code describes the requirements for Hiab employees to promote a positive safety culture and to prevent accidents.

The Hiab Take 5 procedure helps employees identify and mitigate safety hazards in daily tasks. Hiab strongly promotes this process by, for example, including it as the first topic in all internal presentations. Take 5 materials are available to all employees via the company's online learning platform and intranet.

Hiab also has an HSE Handbook that describes the minimum requirements for health, safety and the environment (HSE) at Hiab's sites. In addition, specifically built for Hiab's Services operations, the Hiab Services Safe System Of Work (SSOW) describes the minimum safety requirements and procedures for customer service sites.

Hiab's Team Safety Self Assessment is a concept where managers are required to evaluate their approach to occupational health and safety. The goal is to identify weak points and improvement opportunities in a site's safety-related ways of working to help prioritise needed actions.

Hiab's safety management systems are described in detail under **Reporting and remedy process for health and safety incidents** later in this Own workforce section

Engagement with own workforce

Hiab promotes dialogue within the company. Cooperation between management and personnel is based on local legislation and organised on Hiab group and country level. All employees have the right to join a trade union of their choice and to bargain collectively. Hiab ensures that employee representatives are not subject to discrimination and have access to their fellow employees. Interaction between management and personnel takes place both directly with employees and through their representatives, depending on the topic. The company has not yet identified vulnerable groups within its workforce for whom specific engagement should be planned and executed.

Direct engagement occurs through annual and monthly employee engagement surveys as well as the company's PDP process. The surveys provide valuable information on employees' work-related thoughts on various topics, such as work-life balance, wellbeing, leadership and team climate. The survey findings also help evaluate the effectiveness of Hiab's engagement with employees. Managers follow up on the findings in team sessions to collect feedback and set up action plans, with special focus on improvement areas. The annual employee engagement survey, Compass, reaches all employees through email, kiosks and site support, while the monthly survey is accessible to those with a company email address. The response rate for the Compass survey was 84 percent in 2025. Moreover, Hiab uses people analytics, dashboards and metrics to better support human resources processes and to achieve desired outcomes and targets.

Hiab's PDP process is a tool for leaders and employees to drive performance and development. The process includes mandatory discussions between employees and their line managers regarding performance targets and personal development, which are held three times per year. In addition, the company strongly encourages regular feedback as part of daily leadership. The PDP process is supported by Hiab's human resources information system, where performance targets and development objectives are documented, their progress is tracked and end results confirmed. Performance targets are mandatory for all eligible employees (those with a company email address, excluding technical labourers). In 2025, approximately 98 percent of these employees had such targets set. Hiab also strives to ensure that everyone has a personal development plan. In 2025, 79 percent of employees had active development objectives in place. In addition, the company hosts a learning platform where employees can expand their knowledge on various topics (for more details, see **Actions related to own workforce**).

Due to the separation of Cargotec's business areas and the company's name change to Hiab, the company continued to take action in 2025 to ensure that managers and employees stayed up-to-date on the related planning, progress and change management. Updates were shared and discussed in, for example, line manager training sessions, team meetings, project meetings, personnel webcasts and internal articles. Hiab also organised an extensive onboarding programme for those employees who moved from Cargotec group functions to Hiab during the year. These sessions offered information on Hiab's strategy, business, divisions and functions. In addition, the company organised several information sessions to the wider Hiab organisation about the principles and ways of working of a stock-listed company.

Hiab engages with employee representatives through, for example, national and local trade unions, personnel representatives and works councils, in accordance with local legislation. Local personnel representatives and works councils are kept informed of any projects or changes that may significantly impact Hiab's employees or their working conditions, and they are included in negotiations as required by local legislation. In addition, management and locally elected Hiab Personnel Meeting representatives (corresponding to Hiab's European Works Council) hold frequent virtual meetings and meet face-to-face annually at the Hiab Personnel Meeting in Europe. The goal is to promote an open dialogue and exchange of information between Hiab's management and employees in Europe.

During 2025, Hiab continued to hold negotiations with works councils in Finland due to organisational changes resulting from the separation of Cargotec's business areas.

Hiab evaluates the effectiveness of its engagement with employees through, for example, its annual and monthly employee engagement surveys. Dialogue between line managers and employees, during PDP and other discussions, is another important channel to receive feedback on employee engagement.

Hiab's EVP People and Culture and dedicated Business HR roles in the company's divisions have the ultimate operational responsibility for ensuring that employee engagement happens and that results inform the company's approach.

Engagement related to health and safety

At Hiab, employee healthcare is organised locally in each operating country, as regulations vary between countries. Personal health information is treated confidentially and in accordance with the law. Hiab has an Information Security Policy in place.

The majority of Hiab's employees are represented in local occupational health and safety committees. Some customer support centres do not have committees due to their small size. The purpose of the committees, which include representatives of both employees and the employer (and, on occasion, Hiab's local health care provider), is to enhance cooperation between Hiab and its employees on health and safety topics and monitor progress towards related targets.

Hiab also engages with employees on health and safety topics through training. Health and safety training is part of the company's induction process and provided throughout the organisation. E-learning platforms support continuous training, and task-specific training is provided to enable employees to perform their work safely and in a correct manner. As the workers most at risk of negative health and safety impacts (people assembling and servicing Hiab's equipment) typically do not have a company email address, Hiab ensures that there is sufficient training available in person. In addition, Hiab encourages employees to report health and safety-related concerns.

Hiab evaluates the effectiveness of its health and safety-related employee engagement by monitoring trends in reported concerns, such as frequency rates and the closure time of reported cases. The most senior role responsible for ensuring that employee engagement related to health and safety takes place is President, Demountables and Defence.

Processes for remedy and channels to raise concerns

Hiab's employees can report their concerns and potential misconduct through a variety of channels, including to their own manager or local or group-level HR. In addition, employees can report concerns to Hiab's Ethics and Compliance team, or through the company's SpeakUp line. Hiab's SpeakUp line is an externally hosted reporting tool that allows anonymous reporting and can be accessed by both internal and external stakeholders. The SpeakUp line and reports filed through it are managed by Hiab's Ethics and Compliance team. The team also receives direct reporting from managers and the line organisation. Hiab's annual mandatory Code of Conduct training is used to raise awareness of the SpeakUp line and other grievance channels, and the company's annual employee engagement survey measures how comfortable employees feel reporting their concerns (Code of Conduct index, 86 percent for continuing operations in 2025).

Hiab's Ethics and Compliance team is responsible for building and promoting the compliance programme, including reporting channels. Measures include mandatory annual Code of Conduct training, employee communications, training sessions as well as meetings between the Ethics and Compliance team, business area leadership teams and high-risk personnel.

Hiab does not require that a person reporting a concern has firm evidence of misconduct when filing the report, but the report must be filed in good faith. The company never imposes sanctions or other disciplinary measures on a person who files a report in good faith. Human resources is responsible for monitoring and reacting to attempts to sanction or disadvantage people who have raised a concern. In addition, Hiab has established procedures for upholding whistleblower rights in countries where local reporting channels are required.

All reported cases are evaluated confidentially and investigated according to the company's Speak-Up and Non-Retaliation Instructions. For details on the approach, see **Detecting and responding to potential misconduct** under Business conduct.

Hiab evaluates the effectiveness of its reporting channels based on, for example, trends in reporting volumes. In Hiab's view, increases in reports filed indicate that people are aware of and trust the channels, while significant decreases may indicate the opposite.

If a case was identified where Hiab caused or contributed to a negative impact on people in its own workforce, the company would apply its case-specific approach to remedy and corrective action. The details of the case, the needs of the impacted person(s) and local legislation would determine the adequate means of remedy. At the same time, Hiab is committed to not hindering an impacted person's access to other forms of remedy, such as legal proceedings. Where relevant, Hiab can also cooperate with others to provide appropriate remedy to impacted people. The effectiveness of the provided remedy may be evaluated based on, for example, feedback from the impacted person(s) or third-party expert organisations.

Reporting and remedy process for health and safety incidents

As health and safety is an operational and local topic managed by Hiab's business areas and individual sites, the reporting and remedy processes for it differ from other material social topics. Reporting accidents, near-misses and safety concerns is promoted throughout the organisation, so that improvements to existing ways of working can be made as swiftly and efficiently as possible. Employees have the right and obligation to stop any hazardous work without fear of retaliation.

All employees and external employees can report safety concerns through established reporting channels (digital and in-person). All reports are reviewed, and appropriate action is determined and taken by the responsible manager. Monitoring trends in the number of reported concerns helps Hiab evaluate the effectiveness of its health and safety-related channels, and whether employees are aware of and trust the channels.

When a safety concern or injury is reported, the potential seriousness of the case determines the investigation process. Investigation findings result in preventive and corrective actions. Immediate corrective actions can include stopping the work until a safe way of working has been defined. Long-term corrective actions can include improvements to working methods, changes to safety procedures and re-training. In addition, when an employee is not able to perform their regular duties due to illness or injury, Hiab offers an opportunity to take on other tasks. This option enables the employee to receive a salary and be part of the work community instead of being absent for an extended period. Employees who suffer a work-related injury or illness can seek compensation from insurance or compensation funds provided by the employer. This is coordinated locally based on local legislation.

Actions related to own workforce

At the moment, Hiab primarily allocates human resources to the implementation of actions related to its workforce. No separate financial resources have been allocated to this work.

Human rights

Through the company's Code of Conduct, Sustainability Policy and Business Partner Code of Conduct, Hiab strives to ensure that relevant human rights considerations are integrated into all parts of the value chain. The Hiab Leadership Team (HLT) and Board of Directors (BoD) are directly involved in setting the company's human rights priorities and monitoring progress. In 2025, the HLT confirmed the overall human rights priorities of continuing operations. The BoD reviewed and approved the priorities, and its oversight of Hiab's human rights work was confirmed.

In 2025, Hiab's Sustainability and Human Resources (HR) functions worked together to ensure that relevant human rights principles, such as non-discrimination and equal opportunity, are integrated into the company's People Strategy. In addition, the Sustainability function held sessions with Hiab's local HR representatives to ensure a shared understanding of the company's human rights commitments and to harmonise company efforts across diverse geographical and cultural contexts.

During the year, Hiab initiated a comprehensive impact assessment across the value chain to identify and evaluate any actual or potential risks and opportunities related to both people and the environment. The impact assessment will continue throughout 2026.

Health and safety

In Hiab's daily operations, the ISO 45001 health and safety management system provides guidance on how to manage the company's safety impacts. In 2025, the ISO 45001 certification coverage at Hiab's production sites, based on headcount, was 76 percent. The headcount covers all employees and external contractors that are included in Hiab's personnel register, such as temporary workers and long-time contractors. In addition to the ISO 45001 system, Hiab has implemented a health and safety reporting system across the organisation, including non-production sites.

Hiab prevents unsafe working conditions by continuously improving the work environment by, for example, conducting regular risk assessments. In addition, employees are empowered to stop and say no to unsafe situations.

At Hiab, health and safety activities are planned, implemented and monitored based on identified safety concerns. Global actions are reviewed and approved by the company's Safety Steering Team. The steering team, which includes representatives from each business division, convenes eight times per year. Actions are managed on site level by responsible managers. The evaluation of which activities to implement is typically based on safety risk scores. The activity is reactive when it is related to safety incidents that occurred and proactive when related to identified concerns. Hiab also relies on internal audits and the experience of its safety professionals to determine which actions are needed and effective. The effectiveness of Hiab's safety management actions is primarily evaluated by monitoring the progress of Hiab's injury frequency rates, which include the industrial injury frequency rate (IIFR, measuring the number of lost time injuries per million hours worked) and Total Recordable Incident Frequency (TRIF, measuring the number of recordable injuries per million hours worked).

In 2025, Hiab took several actions to support the implementation of its health and safety-related commitments. The primary purpose of most of these actions was to deliver positive impacts.

Hiab continued the Step Challenge, where the goal is to increase the amount of movement in employees' daily routine, change habits in the long term and to improve team spirit. The challenge lasted for one month and was open to all Hiab employees, with more than 1,000 colleagues participating.

The company renewed its global safety risk assessment process to expand employee engagement and participation by clearly outlining that the assessments shall be conducted by cross-functional teams.

Hiab also continued its proactive approach to identify safety hazards by inviting all sites to submit safety concerns in the online health and safety reporting tool, including findings from daily checks and safety walks. During the year, more than 27,000 concerns and 4,000 inspections were registered in the tool.

All the actions listed above are continuous and, by nature, affect all employees, contractors, visitors and other people visiting Hiab's sites. They simultaneously mitigate negative impacts and deliver positive impacts for the company's workforce.

Hiab's programme for Line Management Safety Self-Assessment, which was launched in 2024, continued and was expanded in 2025. One improvement area identified in the assessment was uncertainty regarding health and safety expectations and responsibilities. In response, Hiab developed a global standard operating procedure (SOP) and training materials on understanding safety responsibilities and expectations. The programme targets line managers at Hiab and will continue in 2026. Training on the topic began for managers in the last quarter of the year.

Equal treatment and opportunities for all

Hiab seeks to ensure that its practices do not cause or contribute to material negative impacts on its workforce by focusing on actions related to non-discrimination and equal opportunity as well as skills development. Actions taken in 2025 are described below.

Non-discrimination and equal opportunity remain priorities in Hiab's People Strategy, as the company intends to further embed these principles across the organisation. While Hiab did not carry out separate initiatives specifically focused on non-discrimination or equal opportunity during 2025, these principles were integrated into ongoing inclusion efforts across HR practices, communication and training. Examples of these efforts include sharing best practices and stories from different teams to highlight inclusion in action, as well as offering research and insights on related topics. Employees and managers were given guidance on creating inclusive environments and responding appropriately in everyday situations. Inclusion topics were also actively discussed in training sessions and workshops. The company will continue strengthening its work in this area in 2026.

During 2025, Hiab took several steps to improve the accessibility and quality of learning opportunities for employees. The primary purpose of these actions was to deliver positive impacts for employees. For example, the company built and promoted a repository of essential content within its learning platform and streamlined virtual onboarding materials for new employees. In addition, Hiab ran 18 virtual sessions on topics such as the company strategy, wellbeing, personal competence development and artificial intelligence (AI). The sessions were open to all employees who had access to a computer. Hiab also promoted learning opportunities available in external libraries. These actions, as well as all mandatory training on topics such as the Hiab Code of Conduct and information security, will continue in 2026.

Throughout the year, Hiab continued to raise awareness on the company's sustainability agenda by launching dedicated, mandatory training for all employees. In addition to endorsing the related e-learning course, Hiab organised in-person sessions on the topic for employees without access to the online learning platform. The target was to achieve a 90 percent completion rate during 2025. At the end of the year, the completion rate was 86 percent. In addition, Hiab trained 97 employees on working with high-voltage batteries in electric cranes and certified 12 technicians to work with high-voltage electric vehicles, and the company will continue the training going forward. This demonstrates Hiab's commitment to ensuring that its workforce has the skills it needs to advance the electrification of the company's product offering. Electrification is a key lever in Hiab's climate transition plan.

During the year, Hiab continued to roll out a leadership development programme for managers. The company also launched interview training for managers, which aims to further strengthen the hiring process and improve the candidate experience. Among other topics, the training addresses inclusion and unconscious bias, which empowers managers to uphold the principles of non-discrimination and equal treatment throughout the hiring process. In addition, Hiab introduced a company-wide mentorship programme, designed to create cross-functional and cross-divisional connections. The goal of the programme is to facilitate knowledge transfer and collaboration across the organisation, while supporting the development and growth of employees. The development of the leadership development programme, interview training and mentorship programme will continue during 2026.

In 2026, other focus areas with training and skills development will be cyber security and encouraging employees to use Hiab's available AI tools for personal competence development.

The aforementioned actions related to training and skills development cover all the employees of continuing operations. However, online training is not always available to those employees who do not have a company email address. Mandatory training is provided for these employees as in-person classroom training.

Within equal treatment and opportunities for all, Hiab evaluates which actions are needed and the effectiveness of such actions and initiatives primarily through its monthly and annual surveys. Together with the company's many grievance channels, these surveys help the company ensure that its actions do not contribute to material negative impacts on its workforce. Cases related to harassment and discrimination that were reported through Hiab's SpeakUp channel during 2025 are disclosed under **Incidents, complaints and severe human rights impacts**. In five substantiated cases, the company implemented remedy through, for example, discussions, disciplinary action and even termination of employment for the wrongdoer.

Targets and metrics related to own workforce

Hiab has not yet set targets for its material impacts, risks and opportunities related to equal treatment and opportunities for all. However, the company plans to develop measurable targets for the topic as part of the next review of its People Strategy during the current strategy period. This work will build on ongoing improvements in diversity data, pay transparency and employee survey results. Hiab's targets for health and safety are explained later in this section.

The unit used for reporting personnel-related KPIs is headcount (as reported on 31 December 2025). All HR data is derived from Hiab's online system for employee information, except for KPIs related to training and skills development, which are collected from Hiab's online learning platform. In addition, information on non-guaranteed hours for employees in the United States originates from the local payroll system. Unless otherwise stated, HR-related indicators include permanent and temporary employees as well as supervised workers.

Health and safety data is collected through Hiab's global safety management tool, which is implemented across the organisation. Lagging indicators, such as the IIFR and TRIF rates, are used to retrospectively track Hiab's success in safety. Leading indicators, such as reported safety concerns, time for solving the reported concerns and number of inspections completed, are used to track proactive safety activities. In 2025, continuing operations started using theoretical working hours to calculate certain health and safety KPIs, such as the IIFR, instead of collecting actual working hours locally. The new methodology increases transparency, as all data is collected and coordinated in one database. When calculating theoretical working hours, the company uses the following assumptions: working hours defined in employment contracts and local legislation as well as a standard eight percent overall deduction from total working hours due to absences related to annual leaves and local holidays.

Unless otherwise stated, the KPIs presented below do not include discontinued operations. This is due to challenges related to the way in which headcount is calculated (at year end or on a specific date, not as a rolling figure).

Characteristics of employees and non-employee workers

Hiab's continuing operations employed 4,053 people at the end of 2025 (31 December 2024: 4,137). This information can also be found under **Personnel** in the Financial information section of the Board of Directors' report). Key metrics on Hiab's workforce are presented in the following tables.

Number of employees by contract type and region	Continuing operations							
	2025				2024			
	AMER	APAC	EMEA	Total	AMER	APAC	EMEA	Total
Number of permanent employees	902	141	2,830	3,873	898	144	2,899	3,941
Number of temporary employees	4	7	169	180	5	7	184	196
Number of non-guaranteed hours employees	538	—	12	550	560	—	23	583
Number of full-time employees	897	146	2,873	3,916	894	147	2,954	3,995
Number of part-time employees	9	2	126	137	9	4	129	142
Total own employees	**906**	**148**	**2,999**	**4,053**	**903**	**151**	**3,083**	**4,137**

Employee turnover	Continuing operations	
	2025	2024
Number of employees leaving the company[1]	588	607
Employee turnover rate (%)[2]	15 %	15 %

[1] Includes own permanent employees. Includes all causes for termination (voluntary and involuntary termination, retirement, death).
[2] Includes the same employees and causes as above. Divided by number of own permanent employees (as of 31 December of reporting year).

Key employee figures	Continuing operations	
	2025	2024
Number of employees	**4,053**	**4,137**
– Women	878	869
– Men	3,175	3,268
– Aged under 30	518	543
– Aged 30–50	2,122	2,168
– Aged over 50	1,413	1,426
Permanent employees	**3,873**	**3,941**
– Women	825	807
– Men	3,048	3,134
Temporary employees	**180**	**196**
– Women	53	62
– Men	127	134
Non-guaranteed hours employees	**550**	**583**
– Women	65	77
– Men	485	506
Full-time employees	**3,916**	**3,995**
– Women	829	821
– Men	3,087	3,174
Part-time employees	**137**	**142**
– Women	49	48
– Men	88	94
External workforce[1]	**185**	**121**
– Women	47	24
– Men	138	97
Total workforce	**4,238**	**4,258**

[1] In addition to its own employees, Hab has an external workforce that includes temporary employees, consultants and agency temps. Typically, these external workers are on a temporary, full-time contract. The external workforce does not include subcontractors where Hiab only purchases predefined deliverables, such as products, or an ongoing service that is solely managed by the supplier (no Hiab line manager appointed) and where the work may be performed by anyone provided by the supplier.

Number of own employees by gender and countries with at least 10% of total workforce	Continuing operations	
	2025	2024
United States	**782**	**799**
– Women	125	130
– Men	657	669
Poland	**515**	**526**
– Women	172	172
– Men	343	354
Finland	**458**	**508**
– Women	118	130
– Men	340	378
Sweden	**433**	**427**
– Women	91	84
– Men	342	343

Diversity metrics

Composition of top management[1] and employees by gender and age group (%)	Continuing operations							
	Hiab Leadership Team				Employees			
	2025		2024[2]		2025		2024	
By gender	**number**	**%**	**number**	**%**	**number**	**%**	**number**	**%**
– Men	6	50 %	6	75 %	3,175	78 %	3,268	79 %
– Women	6	50 %	2	25 %	878	22 %	869	21 %
By age group								
– Aged under 30	–	–	–	–	518	13 %	543	13 %
– Aged 30–50	5	42 %	–	–	2,122	52 %	2,168	52 %
– Aged over 50	7	58 %	8	100 %	1,413	35 %	1,426	34 %

[1] At Hiab, top management refers to the Hiab Leadership Team.
[2] Diversity metrics for the leadership team in 2024 reflect the Cargotec Leadership Team in place at the time, prior to the company's name change in 2025.

Training and skills development

Performance reviews and training hours	Continuing operations	
	2025	2024
Employees receiving regular performance and career development reviews (%)	**99 %**	**93 %**
– Women	98 %	92 %
– Men	99 %	93 %
Average number of training hours per employee[1]	**11.2**	**7.2**
– Women	10.7	5.2
– Men	11.4	7.8

[1] Includes employees who have completed training during the reporting year, not all Hiab employees.

Employees who do not have access to the company's human resource information system (mainly workers at production and service sites) are covered by a local performance and development plan process.

The average number of training hours per employee only includes courses completed on or through Hiab's learning platform. As Hiab does not currently have sufficient visibility of training completed outside the platform, the figure excludes most training that employees may have completed on another online platform or locally in person. Training hours per employee are calculated based on the estimated time of completion for each e-learning course and learning session, not the actual time spent doing the training.

Health and safety

The 2025 target for Hiab's continuing operations was to achieve an industrial injury frequency rate (IIFR, number of injuries per million hours worked) of below 2.8. The company's mid-term target is to achieve an IIFR of below 2.0 by 2028. All employees as well as external contractors who are included in Hiab's personnel register are in scope of the target. Hiab's IIFR target does not have a baseline, as progress is monitored through continuous year-on-year improvement. Progress against the target is monitored monthly and disclosed externally each quarter in Hiab's interim reporting.

Hiab's targets for health and safety are defined based on historical IIFR data and information on future development within the company. These factors help the company build an understanding of realistic but ambitious improvement potential, leading to the annual improvement target. They are also aligned with Hiab's policy commitment to continuously work towards zero accidents and to always prioritise safe working conditions. Hiab's health and safety committees, which consist of employee representatives, are consulted when setting the targets. Progress towards the targets is reviewed locally with these committees, but also more widely in town halls and quarterly webcasts. In addition, every employee who reports a safety incident or near-miss contributes to the target performance. Reporting also provides valuable feedback on what actions to focus on to improve the performance.

At the end of 2025, the IIFR for continuing operations was 1.7 (2024: 2.8), meaning the target was achieved. The IIFR improved at production sites to 2.7 (4.2) and at non-production sites to 0.5 (2.0). In addition to the IIFR, Hiab's safety performance is monitored with a number of other key performance indicators. The company's safety figures cover its own employees as well as certain external contractors, such as temporary workers and long-time contractors, that are included in Hiab's personnel register. They exclude subcontractors due to missing information on working hours. Unlike with most other metrics related to Hiab's own workforce, the company's required health and safety indicators include discontinued operations for 1 January—31 July 2025.

Hiab's total recordable injury frequency rate (TRIF) covers fatalities, lost time injuries, medical treatment injuries and restricted work cases. The company's mid-term target is to achieve a TRIF of below 6.0 by 2028.

Work-related injuries and ill health	Continuing operations		Discontinued operations	
	2025	2024	1 Jan–31 Jul 2025	2024
Industrial injury frequency rate (IIFR, all operations)[1]	1.7	2.8	2.4	1.8
Total recordable injury frequency rate (TRIF)[1]	4.7	7.6	4.3	3.8
Number of recordable work-related accidents	37	57	9	13
Own workers covered by health and safety management system based on legal requirements and/or recognised standards (%)[2]	100 %	71 %	100 %	100 %
Number of fatalities as a result of work-related injuries and ill health	–	–	–	–
Number of cases of recordable work-related ill health	5	10	–	1
Number of days lost to to injuries, accidents, fatalities and work-related ill health[3]	184	652	154	463

[1] These indicators are disclosed as rolling 12 months, except for discontinued operations for 1 January—31 July 2025 which are disclosed as year-to-date.
[2] In 2024, this figure only included ISO 45001 coverage. In 2025, the figure for continuing operations also includes all safety management systems in use at production sites that are based on legal requirements. The figures for discontinued operations include ISO 45001-certified production sites.
[3] For continuing operations, this KPI includes those cases of ill health that have been revealed during injury investigations or voluntarily shared with the company's Health and Safety function.

Due to privacy regulations, access to Hiab's data on work-related ill health cases is strictly limited to specific roles, mainly within Human Resources. Cases disclosed in this statement include those that have been revealed during injury investigations, and those that have been voluntarily shared with the company's Health and Safety function. In 2025, Hiab's continuing operations recorded five cases of ill health. As is typical to recordable ill-health cases at Hiab, the most common root cause to the cases was fatigue to the back or shoulders caused by manual handling.

In addition to required KPIs, Hiab voluntarily discloses more detailed injury information for continuing operations in the following tables.

Number of lost-time injuries (LTIs) by body part	2025	2024
Back	–	–
Eyes	1	–
Feet	1	1
Hands	7	18
Head	2	–
Legs	–	1
Multiple parts or whole body	2	1
Neck	–	–
Thorax	–	–
Total	**13**	**21**

Number of lost-time injuries (LTIs) by type	2025	2024
Abrasion / cut / scratch	3	7
Bone fracture	1	5
Burn injury	1	1
Concussion	1	1
Contusion / bruise	4	3
Electric shock	–	–
Eye injury	1	–
Hearing loss	–	–
Heatstroke / hypothermia	–	–
Loss of consciousness	–	–
Loss of limb	–	–
Poisoning / chemical exposure	–	–
Sprain / strain / dislocation	2	1
Whiplash injury	–	–
Other	–	2
Total	**13**	**20**

Remuneration metrics

Gender pay gap and total remuneration	Continuing operations	
	2025	2024
Gender pay gap, based on average gross hourly pay level (%)	8.0 %	8.3 %
Total remuneration ratio Ratio of highest paid individual's (CEO) annual base salary to median annual base salary for all employees (excluding CEO)	14.48	16.76

The figure for the gender pay gap disclosed in 2025 provides a high-level overview of the situation. Hiab is building its capability to report on the gender pay gap to the level required by the EU's Pay Transparency Directive, and will have a significantly enhanced reporting capability from 2026 onwards.

The total remuneration ratio is calculated using the base salary instead of total remuneration due to the current availability of data.

Incidents, complaints and severe human rights impacts

No severe human rights issues or incidents connected to Hiab's own workforce were reported during 2025. Discrimination incidents, including harassment, are collected through the central grievance channel SpeakUp. As incidents may also be reported through other channels, such as local Human Resources (HR) representatives, Hiab has developed a process in which all incidents that have been reported to HR are collected centrally through SpeakUp. For more detailed information about complaints that were reported and investigated in 2025, see **Non-**

compliance incidents under Business conduct. Unlike with most other metrics related to Hiab's own workforce, Hiab's indicators for this topic include discontinued operations for 1 January—31 July 2025.

Hiab was not ordered to pay any fines, penalties nor compensation related to discrimination incidents or complaints during 2025.

Incidents, complaints and severe human rights impacts (number)	Continuing operations		Discontinued operations	
	2025	2024	1 Jan–31 Jul 2025	2024
Reported discrimination complaints, including harassment[1, 2]	7	5	–	–
Partly or fully substantiated discrimination incidents, including harassment[1, 2]	5	4	–	1
Severe human rights incidents	–	–	–	–

[1] Includes reports files through SpeakUp only.
[2] According to Hiab's definition, direct discrimination occurs when an individual is treated less favourably than others based on gender, gender identity, sexual orientation, race, religion, nationality, age, physical ability or any other similar characteristic. Indirect discrimination occurs when an apparently neutral rule disadvantages a person or group sharing the same characteristics. By harassment, Hiab means any unwanted behaviour that makes someone feel uncomfortable, such as rude comments, inappropriate jokes, physical touch or threats.

SOCIAL INFORMATION

Workers in the value chain

The following impacts, risks and opportunities (IROs) related to workers in the value chain are considered material for Hiab.

ESRS	Material topic	Impact materiality[1]	Financial materiality[2]
ESRS S2 Workers in the value chain	Working conditions: • Health and safety • Adequate wages Other work-related rights: • Forced labour Time horizon: continuous	– Hiab's business has potential negative impacts on people's health and safety throughout the value chain. (A) – Supplier employees may face negative impacts related to, for example, recruitment fees and non-compliance with minimum wages. (U)	– Recurring pandemics (U)

[1] Within impact materiality, (+) indicates a positive impact while (–) indicates a negative one.
[2] Within financial materiality, (+) indicates a financial opportunity while (–) indicates a financial risk.
(U) = IRO takes place in upstream
(O) = IRO takes place in own operations
(D) = IRO takes place in downstream
(A) = IRO takes place in all parts of value chain

Interaction with Hiab's strategy and business model

Hiab's business model is based on providing, operating and servicing heavy load handling equipment. This means that Hiab works with an extensive and complex network of suppliers to purchase, for example, steel structures, battery minerals and various components. A supplier base of this magnitude and complexity comes with a heightened risk related to supplier employees' health and safety as well as their working conditions. On the other hand, the type of work conducted by customer employees (operating heavy equipment) poses risks to human health and safety, if the machinery is operated incorrectly. Due to the nature of these impacts, they contribute to Hiab's strategy through risk mitigation: addressing potential negative impacts on human rights help the company avoid supply chain disruptions and reputational damage which, in turn, enables the smooth implementation of the company strategy.

Health and safety

Hiab has health and safety requirements for its suppliers and other business partners in its Business Partner Code of Conduct. The requirements include obligations for providing related training and instructions and having procedures in place for addressing occupational injuries and illnesses. Hiab also engages with suppliers to improve their safety performance.

The findings of the company's supplier engagement reveal widespread issues with, for example, emergency preparedness and chemical handling. These types of shortcomings can lead to cases of ill health, minor and severe injuries or even fatalities for supplier employees. As commonly is the case in industrial operations, supply chain workers also experience individual health and safety incidents. Through supplier self assessments and site audits, Hiab has documented health and safety-related findings in all geographical regions and supplier categories. Based on common knowledge of high-risk work environments, Hiab's understanding is that supplier workers most at risk are those who work in production. For information on how Hiab addresses these impacts through its responsible sourcing programme, see **Actions related to value chain workers**.

At the other end of the value chain, providing safe equipment to customers is an essential part of staying competitive, and thus, a key part of Hiab's strategy. Hiab complies with all relevant product safety standards and regulations, with the EU Machinery Directive being the main regulation for protecting the operator and the people in the vicinity of the equipment. In addition, as part of its business model, the company uses feedback from customers to improve the safety of its equipment through, for example, design.

The end-users of Hiab's products are typically customer employees who operate the company's equipment, and the negative impacts are related to individual health and safety incidents, if the equipment is used incorrectly. Based on customer feedback and media reports, operators of heavy machinery are at risk of ill health, minor and severe personal injuries as well as, in very rare cases, fatalities. While the root cause of the injury is typically not directly related to Hiab's equipment, it may be linked to it through, for example, inadequate training on the customer's side. To conduct their tasks in a safe manner, equipment operators are dependent on accurate and accessible product information. Hiab has the responsibility to provide product training and an instruction manual with each piece of equipment delivered, and it is the customer's responsibility to ensure that operators are properly informed to avoid the unsafe use of the equipment. In addition, many of Hiab's equipment include automatic features that increase the safety of the operator. Such features include monitors that require the operator to buckle their seat belt before being able to operate the equipment, and side doors that prevent the driver from falling out of the cabin. For more information, see **Actions related to value chain workers**.

Forced labour and adequate wages

Hiab's supplier audits reveal widespread negative impacts for supplier employees related to missing employment contracts, mandatory recruitment fees and excessive overtime. Such findings are considered indicators of working conditions that may, in the worst case, point to forced labour. Similarly, audits reveal findings related to inaccurate payment records and non-compliance with minimum wage requirements, which are considered infringements of adequate wages. Hiab has documented these findings in all geographical regions and supplier categories, but they are more typical in locations outside the European Union and the United States. Hiab has not identified groups of people that would be more at risk of these impacts compared to other groups. For information on how Hiab addresses these impacts, see **Actions related to value chain workers**.

While there is a widespread risk of child labour in certain parts of Hiab's mineral supply chain, these issues have not been identified as material impacts for the company. This is due to measures taken to ensure that minerals used in Hiab's supply chain are not extracted using child or forced labour, and that they are not used to finance conflicts. Through its membership in the Responsible Minerals Initiative (RMI), Hiab has access to various tools that help increase the transparency of the origin of conflict and battery minerals used in the supply chain, such as cobalt, natural graphite, nickel and lithium. The Responsible Minerals Assurance Process (RMAP) for auditing smelters and refiners is one such tool. For more information, see **Management of relationships with suppliers** under Business conduct.

Pandemics

Hiab considers recurring pandemics a material financial risk to its business. Pandemics can lead to large numbers of value chain workers contracting an infectious illness, especially those working in close proximity to others. This, in turn, may lead to material flow disruptions. The COVID-19 pandemic, for example, caused disruptions in Hiab's supply chain, which resulted in reduced production capacity. Disruptions such as these could endanger the timely and efficient implementation of Hiab's strategy, which is why pandemics are regularly considered in the company's Enterprise Risk Management (ERM) process and business continuity plans. The risk is currently considered low due to the low likelihood of occurrence.

Policies related to workers in the value chain

Hiab's Business Partner Code of Conduct (BPCoC) covers partners in all parts of the company's value chain, as defined in the document. However, the focus of the BPCoC is mostly on the supply chain. The BPCoC has requirements for Hiab's partners related to human rights, such as health and safety and minimum wages. It also explicitly prohibits all forms of modern slavery, including forced and child labour and human trafficking. Engagement-wise, the BPCoC expects Hiab's partners to treat their employees with fairness, dignity and respect as well as to provide the opportunity for employees to report their concerns. In addition, the requirements state that business partners must take the necessary steps to provide remedy for any potential non-compliance. The BPCoC is founded on the principles of the UN Universal Declaration of Human Rights, the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, and the UN Convention against Corruption. It also further strengthens Hiab's commitment to the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

To align its commitment to respecting human rights with requirements for its business partners, Hiab added several related requirements into the BPCoC in 2025. Examples of these additions include ethical recruitments, land rights and the use of security forces.

During on-site audits conducted in 2025, Hiab documented 91 incidents (of which 22 for discontinued operations during 1 January—31 July 2025) that could be considered cases of non-respect of the international principles listed above. These incidents were found mostly in countries outside Europe, and they were related to topics such as insufficient fire alarms, missing employment contracts, delayed wages and excessive overtime. All suppliers with such findings received corrective action plans for improving their practices. For more details about corrective action plans, see **Actions related to workers in the value chain**.

Hiab's Sustainability Policy includes a commitment to respect internationally recognised human rights throughout the value chain and engage with impacted people to ensure adequate remedy. The company does not have a specific policy to address pandemics, as they are not considered a top priority risk due to the low likelihood of occurrence.

Engaging with workers in the value chain

Grievance channels

In its Business Partner Code of Conduct, Hiab requires that its suppliers and other partners maintain a reporting mechanism that gives their employees and other stakeholders an opportunity to raise concerns. Business partners must also ensure that appropriate procedures are in place to handle such cases, and be committed to correcting any non-compliance. Information on the existence of a grievance channel is requested in supplier self-assessments commissioned by Hiab. The matter is also checked during Hiab's onsite audits of potential new suppliers and selected existing suppliers as well as during the sustainability onsite audits of high-risk suppliers conducted by a third party.

Hiab's own channel, SpeakUp, is available to all value chain workers for reporting concerns and potential misconduct. Hiab promotes the SpeakUp line to its sales third parties, such as dealers and agents, through training that takes place during onboarding and/or monitoring as well as through the company's Business Partner Code of Conduct. The company also promotes the SpeakUp line to suppliers as an option. A more detailed description of the investigation process of reports filed through the SpeakUp line can be found in **Prevention and detection of noncompliance** under Business Conduct. More information about non-retaliation against those who report concerns can be found under **Business conduct policies and corporate culture**.

In addition to the SpeakUp line, workers in the value chain can report their concerns and observations directly to their Hiab contact. Hiab also has an internal channel for reporting serious incidents related to its equipment that have occurred at customer sites and that the customer has shared with the company.

Hiab evaluates the effectiveness of its reporting channels based on, for example, trends in reporting volumes. In Hiab's view, increases in reports filed indicate that people are aware of and trust the channels.

Supply chain workers

Supplier employees in the upstream value chain are interviewed as part of onsite audits conducted on Hiab's behalf by a third party. Suppliers for these audits are selected through a risk-based evaluation, which is conducted annually by Hiab's Sustainability function, in cooperation with the company's Sourcing organisation. The evaluation is based on factors such as low or missing self-assessment results from previous years and the supplier's location in high-risk countries. Supplier audits provide valuable third-party information on, for example, the health and safety conditions as well as general working conditions at supplier sites.

The third-party audits also function as a form of engagement with supply chain workers, as they help understand how people are impacted by Hiab's business. In addition, the company uses audit findings to evaluate the effectiveness of its reporting channels and whether supplier employees are aware of and trust them. The company's Sourcing and Sustainability functions, and ultimately their respective representatives in the Hiab Leadership Team, have the responsibility to ensure that the engagement happens. Hiab evaluates the effectiveness of the engagement by, for example, following the progress of its supplier sustainability self-assessment scores, following up on non-compliance findings of on-site audits, reviewing corrective action plans and validating the closure of planned improvement actions. For more detailed information about the self-assessment and Hiab's supplier onboarding and engagement processes, see **Management of relationships with suppliers** under Business Conduct.

The most senior role responsible for ensuring that supplier engagement happens at Hiab is President, Loader Cranes, Light and Medium.

Equipment operators

Hiab uses customer engagement and feedback to gain insight into the health and safety of customer employees in the downstream value chain. These workers are typically the operators of Hiab's equipment and, in most cases, do not provide information to Hiab directly. Feedback on safety features or incidents related to Hiab's equipment is used to identify potential improvement areas in, for example, product design. It also helps Hiab evaluate the effectiveness of its customer engagement and overall product safety. Ensuring that the engagement takes place is the responsibility of the company's sales function and its respective representatives in each business division's leadership team. The frequency of this engagement varies depending on the specific customer relationship. In interactions with customers, the goal is to build a comprehensive understanding of the customer's business and what is important to them. Safety is a highly valued topic for many customers. However, the manner in which Hiab's sales organisation interacts with customers on safety varies between individual customers.

In addition, Hiab offers basic product training for customer employees when the equipment is delivered. If separately requested by the customer, Hiab can provide more in-depth safety training for equipment operators.

In 2025, Hiab revised its operating standards for company-owned workshops as well as Hiab's dealers and service partners to further strengthen safety requirements. The requirements stipulate, for example, that all dealer personnel operating trucks and equipment hold a valid driving licence and receive proper training to ensure safe operation. The operating standards also set requirements for testing the equipment after repairs to verify that it functions safely. If a partner does not meet the requirements during a Hiab assessment, they are expected to take corrective actions to achieve compliance. During the year, Hiab carried out 182 partner assessments.

Remedy

If a case were identified in which Hiab had caused or contributed to a human rights violation, the company would apply its case-specific approach to remedy and corrective action. The details of the case, the needs of the impacted persons and local legislation would determine the adequate means of remedy. At the same time, Hiab is committed to not hindering an impacted person's access to other forms of remedy, such as legal proceedings. Where relevant, Hiab can also cooperate with others to provide appropriate remedy to impacted people. The effectiveness of the provided remedy may be evaluated based on, for example, feedback from the impacted persons or third-party expert organisations.

Actions related to workers in the value chain

At the moment, Hiab primarily allocates human resources to the implementation of actions related to workers in the value chain. No separate financial resources have been allocated to this work.

Supply chain workers

Material impacts related to workers in Hiab's supply chain are managed in the company's responsible sourcing programme. One of the most important goals of this programme is to help the company avoid causing or contributing to material negative impacts on value chain workers.

Hiab selects suppliers for third-party audits based on several factors, as explained in the previous section. During 2025, Hiab commissioned 13 third-party onsite supplier audits (of which four by discontinued operations during 1 January—31 July 2025) that focused on human rights, including health and safety, forced labour as well as adequate wages. Non-compliances was found in twelve (of which four for discontinued operations) of these audits, and the suppliers in question received tailored corrective action plans, where needed actions are mutually agreed with the supplier. Approximately 75 percent of the audit findings for continuing operations were related to health and safety, labour conditions or wages, such as cases of insufficient fire alarms, missing employment contracts and excessive overtime. For discontinued operations, approximately 52 percent of findings were related to health and safety, where one was a so-called zero-tolerance case of locked emergency exits. During 2025, Hiab also followed up on the findings of third-party supplier audits from previous years.

Hiab evaluates the effectiveness of its actions related to supplier audit findings by reviewing corrective action plans. The plans define timelines for closing the specific findings for each supplier, and evidence of such improvement is validated by Hiab's supplier development team. Hiab follows up on the progress of the plans through discussions with the suppliers and has a target to validate the proper closure of all non-compliance cases.

Another way to evaluate the effectiveness of actions taken to improve the sustainability performance of suppliers is through the company's supplier self-assessments. Improved scores are often an indicator of the supplier's improved performance and actions taken. Before a new score is granted, the third party that hosts the self-assessment platform validates all evidence provided by the supplier. These score improvements also form the basis for Hiab's target for responsible sourcing. For more details on the target, see **Management of relationships with suppliers** under Business Conduct.

Equipment operators

Hiab’s research and development function continuously evaluates and improves the safety of the company’s equipment through product development. The company’s Health and Safety function is also included in this work, which continued in 2025.

All of the product launches listed in this section deliver long-term positive impacts to the safety of equipment operators and people moving around the equipment.

During the year, Hiab’s tail lift business launched several new solutions. A new DEL tail lift was introduced in Spain that features a system for unfolding the platform on only one side of the truck. This eliminates the need for tail lift operators to walk behind the truck and, consequently, where the platform moves, which significantly improves the safety of the operator. Hiab also improved the safety of all DEL column lifts by increasing the range of adjustment for the torsion springs that help counterbalance the weight on the platform. The improvement enables equipment operators to adjust the springs as they wear over time, which maintains the essential counterbalance. This significantly reduces or even eliminates the need for operators to manually lift heavy loads.

In 2025, Hiab’s ZEPRO tail lift brand launched an improved anti-slip and anti-noise coating in 2025. By increasing the friction on the platform's surface, the coating provides a more secure footing for operators, especially in wet or adverse conditions, while simultaneously reducing noise.

Hiab’s tail lift business will continue to renew operator and installation manuals for all product lines in 2026 to further improve the safety of customer operations. The company also plans to launch, for example, wrap-around fences for some of its product lines.

During 2025, Hiab introduced a function for its MOFFETT truck-mounted forklifts that eliminates the need for the driver to climb onto the forklift mounted on the rear of a truck or trailer. Instead, drivers can use mounting buttons positioned on the kerb side. This means that the driver does not need to stand on an active roadside or behind the forklift, thereby significantly improving their safety.

Hiab also introduced several safety improvements to its loader cranes offering. The company’s Engine Control feature minimises the rotational speed of the crane engine, which reduces noise exposure for equipment operators. As prolonged exposure to high-decibel noise can lead to permanent hearing loss, stress and increased fatigue, this feature improves operator health. Another new feature shows the operator the crane’s actual lifting capacity based on its current stability. By removing the need for manual calculations, this technology reduces the risk of human error and helps the operator make better assessments before each lift, which improves safety. In addition, Hiab introduced mobile elevated platforms that enable the use of personnel baskets, allowing crane operators to be safely lifted to elevated work areas.

No severe human rights issues or incidents connected to Hiab’s upstream or downstream value chain were reported during the year.

Pandemics

Hiab considers recurring pandemics a significant financial risk to its business. Pandemics can lead to large numbers of value chain workers falling ill and, consequently, cause disruptions in the supply chain. The risk is regularly evaluated in its enterprise risk management (ERM) process and business continuity planning. In the ERM process, pandemics has also been identified as a risk for Hiab’s own employees. In 2025, no actions were taken on the topic, as pandemics were not considered a top priority risk due to the low likelihood of occurrence.

Targets and metrics related to workers in the value chain

In the upstream part of its value chain, Hiab’s target for responsible sourcing is to improve the overall score in supplier sustainability self-assessments. Human rights, including the health and safety and working conditions of supplier employees, are included in the self-assessment. For more details on the target, see **Management of relationships with suppliers** under Business Conduct.

In the downstream part of the value chain, Hiab does not currently have sufficient visibility into the health and safety of customer employees to set a target for the topic. However, Hiab actively uses customer feedback on safety features or incidents related to its equipment to identify potential improvement areas.

Governance information

Business conduct

The following impacts, risks and opportunities (IROs) related to business conduct are considered material for Hiab.

ESRS	Material topic	Impact materiality[1]	Financial materiality[2]
ESRS G1 Business conduct	Corporate culture Corruption and bribery: • Prevention and detection, including training Protection of whistleblowers	+ Hiab has robust practices in place for detecting, preventing and responding to potential misconduct, guidelines for ethical behaviour and channels for whistleblowing. With these efforts, Hiab can reduce and address risks related to ethical business. (O)	N/A
	Management of relationships with suppliers, including payment practices Time horizon: continuous	+ Hiab can prevent various risks related to supply chains by screening big suppliers operating in high-risk geographies and imposing strict requirements on suppliers. (U)	

[1] Within impact materiality, (+) indicates a positive impact while (–) indicates a negative one.
[2] Within financial materiality, (+) indicates a financial opportunity while (–) indicates a financial risk.
(U) = IRO takes place in upstream
(O) = IRO takes place in own operations
(D) = IRO takes place in downstream
(A) = IRO takes place in all parts of value chain

Interaction with Hiab's strategy and business model

Hiab considers its impacts related to business conduct to be positive. Thanks to its robust practices for detecting, preventing and responding to potential misconduct, the company can reduce and address risks related to ethical business. Hiab's Code of Conduct, training on related topics, various guidelines for ethical behaviour and channels for whistleblowing are essential parts of these practices.

Similarly, Hiab's responsible sourcing programme helps the company identify and mitigate various risks related to the supply chain. As part of the programme, Hiab imposes strict requirements for suppliers, conducts audits and supports suppliers in improving their sustainability performance, where feasible.

Business conduct policies and corporate culture

Hiab's Code of Conduct (CoC) is the company's main instrument in setting and implementing an ethical corporate culture, as it helps to make informed decisions and find more information when in doubt. The content of the CoC is updated as needed to reflect changes in the regulatory landscape, internal company transformations and evolving risks. The CoC includes an extensive section on anti-corruption and anti-bribery and is consistent with the UN Convention against Corruption. It also includes an expectation for leaders to ensure that their teams are sufficiently trained to deal with ethical dilemmas. While Hiab's EVP General Counsel is the most senior role responsible for the implementation of the CoC as a whole, the company's Ethics and Compliance team within the Legal and Compliance function has the main responsibility for promoting an ethical corporate culture, mainly in the form of training and communication.

The purpose of the company's SpeakUp and Non-Retaliation Instruction is to encourage employees and other stakeholders to raise concerns related to suspected non-compliance with Hiab's Code of Conduct, other policies or relevant laws and regulations. The Speak-Up and Non-Retaliation Instruction states that Hiab never imposes sanctions or other retaliation measures on a person who is filing the report in good faith. The non-retaliation protection also applies to those who have refused to act unethically, even if that led to loss of business. The instructions apply to anyone who reports on a concern, including the employees of Hiab, its business units and subsidiaries globally. Human Resources is responsible for monitoring and reacting to attempts to sanction or disadvantage people who have raised a concern. In addition, reporting through the company's SpeakUp channel can be done anonymously, and all investigations are conducted by individuals with no connection to the suspected misconduct. Hiab has also established procedures for upholding whistleblower rights in countries where local reporting channels are required. These measures further protect the whistleblower against retaliation.

Hiab updated its global Speak-Up and Non-Retaliation Instruction in 2025. Among other updates, the revised instructions further clarify the investigation process, define retaliation in practical terms and provide practical guidance on structuring a report.

Hiab's Anti-Corruption Policy, Business Partner Code of Conduct, Export Controls Policy, Trade Sanctions Policy, as well as instructions related to third party sales, gifts and hospitality as well as conflicts of interest, further guide the company's efforts against unethical or corrupt business practices. The practical implementation of these policies and instructions is guided by Hiab's compliance programme which is based on the principles of detecting, preventing and responding to potential misconduct. They are all approved by top leadership (CEO, HLT or BoD, depending on the document).

In 2025, Hiab updated its global Instruction for Gifts and Hospitality. The revised instructions clarify related rules, align terminology with the Hiab Code of Conduct and harmonise thresholds for acceptable gifts. They also specify that any deviations must be reviewed by the Ethics and Compliance team and approved by Hiab's CEO.

Hiab's commitment to uphold the highest level of ethical behaviour is also documented in the company's Sustainability Policy. The policy confirms Hiab's approach to not tolerating corrupt practices or retaliation, reporting compliance concerns, objectively investigating incidents and providing appropriate remedy of substantiated cases.

To further strengthen its corporate culture, Hiab focuses on preventing, detecting and responding to potential non-compliance with regulations and the company's Code of Conduct. These focus areas are further described below.

Detecting and responding to potential misconduct

Hiab employees can report their concerns and potential misconduct through a variety of channels, including to their own manager, local or group-level Human Resources, Hiab's Ethics and Compliance (E&C) team, or through the company's SpeakUp line. The SpeakUp line is an externally hosted reporting tool for anonymous reporting that can also be accessed by external stakeholders.

All suspected misconduct, including cases related to corruption and bribery, is subject to review and a potential investigation. The need for an investigation is assessed by experienced experts in Hiab's E&C team. To secure the anonymity of people reporting through the company's SpeakUp line throughout the investigation process, the E&C team submits follow-up questions via the channel, when needed.

All suspected incidents of misconduct, regardless of the reporting channel or whether reported by an employee or a value chain worker, are handled promptly and confidentially by people specifically appointed by the E&C team. The team may conduct investigations on its own or assign them to other authorised employees or functions, such as Human Resources, IT or Health and Safety. The person or team assigned to conduct the investigation must not be closely associated with the case, the reporting person (when identity is known) or the suspected wrongdoer. All investigations are conducted in an objective and neutral manner and in compliance with applicable laws and regulations. The person or team responsible for the investigation can access all relevant documents, systems and premises and is allowed to conduct any interviews necessary. All employees are expected to cooperate in an investigation. The employee suspected of misconduct is given an opportunity to respond to the allegations.

Hiab has a case-by-case approach to remedy. In confirmed cases of misconduct, the E&C team agrees with relevant management team members on appropriate actions, such as improved controls, training, disciplinary actions or termination of third-party relationships. Appropriate and adequate means of remedy are determined based on the details of the case, the needs of the affected persons and local legislation. The Hiab Leadership Team has an Ethics panel that discusses compliance topics regularly and reviews the need for remedy.

Preventing non-compliance

Hiab's E&C team strives to prevent non-compliance by conducting risk assessments, proactively advising business divisions, sharing information, organising training and conducting internal investigations.

During 2025, Hiab conducted a comprehensive company-wide compliance risk assessment to strengthen its understanding of risks related to business ethics. The assessment covered all key risk areas for compliance topics, including ethical culture, anti-corruption and trade compliance. The E&C team used data from various sources, such as sales and human resources statistics, non-compliance incidents, SpeakUp reports, employee interviews as well as a dedicated survey that was distributed to approximately 200 employees. Risks identified during the assessment mostly confirmed Hiab's existing understanding of its risk exposure. However, as global economic dynamics constantly evolve, so do the related risks, and Hiab's updated risk assessment also identified potential new risk exposures. Targeted mitigation measures were designed for all identified risks.

Training

Through e-learning courses, Hiab trains its employees on ethics and compliance-related topics, including corruption and bribery, and provides exercises and examples that help employees with ethical dilemmas. The courses are accessible to employees who have a personal company email address and access to the company intranet. Onsite training workshops on Code of Conduct topics are arranged for employees without an email address or access to the intranet.

In 2025, anti-corruption remained a core component of the mandatory annual Code of Conduct e-learning course for all employees. The training clarified key concepts related to corruption, highlighted warning signs of corrupt practices and offered clear guidance on how employees can uphold Hiab's anti-corruption principles. At the end of the year, the completion rate for the training was 97 percent for continuing operations.

Hiab considers the following functions to be most at risk of non-compliance: Sales, Marketing, Sourcing, Human Resources, General Management, Finance and Risk Management. In 2025, these functions received the same Code of Conduct e-learning training as the rest of Hiab's employees. The completion rate for the e-learning within functions-at-risk was 99 percent for continuing operations.

During the year, Hiab's E&C team conducted a comprehensive training programme covering 449 employees, including in-person sessions at eight Hiab sites in Europe and North America. The goal of the programme was to raise awareness on key topics, such as anti-corruption, export controls and whistleblowing, and to empower employees to recognise, prevent and appropriately respond to misconduct. These targeted sessions were organised with local employees who work in high-risk functions. Some related online sessions were also organised with certain functions, such as Human Resources.

In 2025, Hiab delivered export control training to 41 Hiab employees. The goal of the training was to raise awareness on advanced components and technologies that may fall within the scope of the export control regimes that Hiab operates under.

In addition to personnel training, the company's Board of Directors (BoD) receives an annual update on compliance, which includes anti-corruption topics. The Hiab Leadership team receives a similar update on a quarterly basis. Ethics and compliance is also a regular topic in the BoD's Audit and Risk Committee meetings.

Prevention and detection of corruption or bribery (%)	Continuing operations		Discontinued operations	
	2025	2024	1 Jan–31 Jul 2025[1]	2024
The percentage of functions-at-risk covered by training programmes	99 %	97 %	N/A	98 %
Hiab Code of Conduct training completion	97 %	95 %	N/A	99 %

[1] Hiab does not include this data in its 2025 reporting, as discontinued operations initiated and completed their Code of Conduct training after the sale was closed.

Non-compliance incidents

Incidents of non-compliance (number)	Continuing operations		Discontinued operations	
	2025	2024	1 Jan–31 Jul 2025	2024
Reports filed	40	38	5	3
Initiated investigations by Ethics and Compliance[1], of which:	9	7	5	3
Conflict of interest	1	–	1	–
Workplace environment	2	2	1	–
Export controls or sanctions	–	–	1	–
Unethical business conduct, financial integrity and other policy violations	6	5	2	3
Completed investigations by Ethics and Compliance[2], of which:	6	8	–	6
Partly or fully substantiated[3]	5	5	–	1
Initiated investigations by Human Resources	17	11	–	–

[1] Includes cases reported late in the previous year where Hiab was only able to initiate the investigation after the year-end.
[2] Includes cases opened prior to the reporting year but completed during the year.
[3] For discontinued operations, open investigations may have led to substantiated cases after the sale was closed. These outcomes are not visible in this indicator for discontinued operations.

Hiab did not receive any convictions or fines for violating anti-corruption and anti-bribery laws during 2025. There were no breaches of anti-corruption or anti-bribery procedures and standards that the company would have needed to address.

Management of relationships with suppliers

Through its purchasing power, Hiab can influence suppliers and support them in improving their performance related to, for example, human rights and the environment. The main policies and processes to support the company's responsible sourcing programme include:

- Hiab's Business Partner Code of Conduct (BPCoC)
- Supplier approval and contracting
- Supplier engagement and audits
- SpeakUp line (accessible to both internal and external stakeholders).

Hiab's responsible sourcing programme focuses on identifying and mitigating sustainability risks in the supply chain. The programme has four key priority areas:

- Decarbonise supply chain
- Reduce hazardous substances
- Source critical minerals responsibly
- Sustainability due diligence and continuous improvement via sustainability assessments.

While Hiab is still expanding its responsible sourcing programme, the company has identified and addressed some of the most commonly found risks in its supply chain. In supplier self-assessments, the most common finding is that suppliers do not have sufficient responsible sourcing practices, such as code of conduct documentation and its implementation, to manage their own suppliers. During audits, the most common risks are related to health and safety requirements and incidents related to certain labour rights. Examples of such risks realising in Hiab's supplier audits can be found under **Actions related to workers in the value chain**. In general, Hiab has identified that the highest risks related to value chain workers typically exist in countries outside Europe.

During the company's supplier approval process, new potential suppliers must meet pre-requirements and pass an audit conducted by Hiab before they can be approved as suppliers. The pre-requirements include committing to the BPCoC, an integrity assessment conducted by Hiab and a supplier sustainability self-assessment on a third-party platform. In Hiab's audits, approximately 20 percent of the checklist questions are related to the supplier's management of labour and human rights, anti-corruption and the environment.

If any non-compliance of Hiab's BPCoC is found during assessments or audits, for new suppliers or existing ones, the company decides on corrective measures and timeframes together with the supplier. The priority is always to collaborate with the supplier to improve their sustainability performance. However, if the partner is unwilling to take the mutually agreed corrective action, Hiab has the right to not approve the new supplier or terminate an existing contract.

When following up on the requirements of its BPCoC, one of Hiab's most important tools is the supplier self-assessment. The self-assessment platform is provided by a third party, which Hiab uses to evaluate the sustainability-related maturity level of its suppliers. The assessment is mandatory for the potential direct suppliers of materials to the company's production sites. Existing key direct suppliers take it annually, if they have a low score or the assessment has an update. The assessment questionnaire includes the following topics: company management, human rights and working conditions, health and safety, business ethics, the environment, responsible supply chain management as well as the responsible sourcing of minerals. These topics are aligned with both legal obligations and the requirements set in Hiab's BPCoC. The assessment is standardised by the third party to reduce the administrative burden of suppliers.

Hiab supports suppliers with driving decarbonisation in their operations and improving their own supplier management processes. To do this, the company shares information, tools and best practices on relevant topics. Hiab also organises on-demand training sessions in all priority areas of its responsible sourcing programme.

In 2025, continuing operations initiated a pilot to extend the scope of third-party onsite audits to cover topics beyond human rights. In total, continuing operations conducted nine audits during the year, of which four focused solely on social topics, while one covered topics related to both social and governance topics. Four were comprehensive ESG audits, covering environmental (E), social (S) and governance (G) topics. The findings of these audits are described under **Actions related to resource use and circular economy**, **Policies related to workers in the value chain** as well as **Actions related to workers in the value chain**.

During the year, Hiab launched training on the company's sustainability priorities, including topics related to responsible sourcing. More details on the training can be found under **Actions related to own workforce**. In addition, the responsible sourcing experts in Hiab's Sustainability function provide onboarding training to all new employees of the company's Sourcing organisation. The experts also educate Hiab's Sourcing Leadership Team on, for example, developments in global regulations related to supply chains.

While Hiab does not directly source minerals from mines, smelters or refiners, the company can play a role in addressing related conflicts, human rights abuses and environmental issues through strong multi-stakeholder partnerships. For example, Hiab is a member of the cross-industry association Responsible Minerals Initiative (RMI) which supports responsible mineral sourcing globally by developing business practices. The RMI provides tools for increasing the transparency of the origin of conflict and battery minerals used in the value chain, including a due diligence tool and the Responsible Minerals Assurance Process (RMAP) for auditing smelters and refiners.

Hiab has identified sourcing categories and suppliers whose products present the highest risk of containing critical minerals. As part of its due diligence, the company requests these suppliers to provide information on the smelters and refiners they work with. Hiab aims to only purchase minerals that come from RMI-audited smelters and refiners that have a conformant or active status. In 2025, the company continued its due diligence efforts related to conflict minerals (tungsten, tantalum, tin and gold) and battery minerals. In addition to cobalt, Hiab expanded the scope of battery minerals in its responsible programme to include nickel, natural graphite and lithium. The company also increased the scope of engaged suppliers within these topics by 11 percent compared to 2024. Hiab's Conflict Minerals Reporting Template (CMRT) and Extended Minerals Reporting Template (EMRT) are available at Hiabgroup.com.

Hiab's long-term goal is to minimise and eventually eliminate hazardous substances from its products. The company uses an industry-led blockchain web database that helps communicate legal obligations to the authorities regarding the EU's Regulation on the Registration, Evaluation, Authorisation and restriction of CHemicals (REACH) via the SCIP platform, the Restriction of Hazardous Substances in Electrical and Electronic Equipment (RoHS) and other regulations. The database also supports related dialogue with suppliers.

The 2025 external target for the responsible sourcing of Hiab's continuing operations was to have at least 90 percent of key suppliers complete the sustainability self-assessment and reach a combined average score of 61 percent or above. The target was achieved. Hiab defines the scope of the target (list of key suppliers), while the data for the calculation originates from the self-assessment platform which is provided by a third party. Hiab's leadership and other internal stakeholders are widely consulted in setting the target, but affected people (supply chain workers) have not been included in the target setting. For 2026, the target is to have at least 90 percent of key suppliers complete the sustainability self-assessment and reach a combined average score of 62 percent or above. The company primarily seeks to expand the number of suppliers completing the self-assessment, even if this means that the average score improves more slowly. In 2025, the number of suppliers completing the assessment increased by 25 percent compared to 2024.

In addition to the external target, Hiab's internal monitoring includes several other related targets for Hiab's Sustainability and Sourcing functions. These targets are tied to the incentives of both functions. The responsible sourcing experts of Hiab's Sustainability function present progress towards the targets to the Responsible Sourcing steering committee, and they have regular reviews with Hiab's Sourcing organisation, including VP Sourcing. In addition, the experts escalate issues to leadership if there are deviations from the plan.

Responsible sourcing target	Continuing operations		Discontinued operations	
	2025	2024	1 Jan–31 Jul 2025	2024
90 percent of key suppliers complete sustainability self-assessment and reach combined average score of 61 percent or above	98% suppliers coverage, average score 66%	95% supplier coverage, average score 66%	91% supplier coverage, average score 68%	93% supplier coverage, average score 62%

Payment practices

Hiab does not have one standard set of payment terms. Instead, the company uses multiple different payment terms with its suppliers, where the payment time varies between 0 and 150 days. Because of this, the company cannot provide a description of its standard payment terms.

For direct procurement, Hiab's target payment term is 90 days which, consequently, is the default payment term included in the company's standard purchasing agreements. For indirect procurement, the target payment term is 60 days net for continuing operations (45 days for discontinued operations). However, Hiab always negotiates payment terms with suppliers individually.

Payment practices	Continuing operations		Discontinued operations	
	2025	2024	1 Jan–31 Jul 2025	2024
The average time the undertaking takes to pay an invoice from the date when the contractual or statutory term of payment starts to be calculated (number of days)	52	54	65	54
The percentage of payments aligned with payment terms (payment-on-time ratio)	83 %	76 %	78 %	76 %
Legal proceedings outstanding for late payments (number)	—	—	—	—

Due to not having standard payment terms, related KPIs are not material for Hiab. Instead, the company discloses its payment-on-time ratio KPI, which is used to monitor how much the actual payment date differs from the payment term agreed with the supplier. This ratio is calculated based on the number of invoices paid before or on the payment due date. Those payment terms agreed with suppliers that are not available in the company's master data are set as "due immediately" by default and consequently excluded from the calculation. Invoices set as "due immediately" represent approximately five percent of the total number of invoices.

While Hiab does not have a specific policy in place for preventing late payments to suppliers, including small and medium-sized suppliers, the company's ambition is to continuously improve its payment-on-time ratio. Hiab set a strategic objective for this work in 2022, and several development initiatives have resulted in continuous improvement since then.

Internal control, risks and risk management

Internal control and risk management

The objective of Hiab’s internal control is to ensure that the Company’s operations are efficient and profitable, that risk management is adequate and appropriate and that financial and other information produced is reliable. Hiab’s internal control is based on the Company’s Code of Conduct and Internal Controls Framework. With respect to the financial reporting process, these are supported by policies and guidelines, as well as with established processes and communication across the organisation. Hiab’s Internal Control Policy, approved by the Board of Directors, specifies the applicable control principles, procedures and responsibilities. Control activities, which occur throughout the organisation at all levels and functions, help to ensure that necessary actions are taken to address risk while achieving the Company’s objectives. The purpose of these control measures is to detect, prevent and correct any errors and deviations across business operations and financial reporting. Internal controls are owned by the individuals performing the Company’s operations and every employee is responsible for ensuring that the framework is effective in achieving the Company’s mission.

Hiab's Internal Audit function serves as an independent and objective assurance and advisory service provider, designed to enhance operational efficiency and add value to Hiab and its businesses. As an integral part of the corporate governance process, Internal Audit supports the organization by employing a systematic methodology for objectively evaluating and improving the effectiveness of governance, risk management and control processes. The Internal Audit Charter, approved by the Board of Directors, defines the Internal Audit mandate, scope, authority and reporting lines.

Hiab’s risk management is guided by the Enterprise Risk Management Policy, approved by the Board of Directors. It specifies the objectives and principles of risk management as well as the process and responsibilities involved. Risk management is to be naturally built into all business decisions and plans. The core principle is continuous, systematic and preventive action taken to identify risks, define the Company’s risk appetite, assess and handle risks and, if they materialise, deal with them effectively.

The Board of Directors defines Hiab’s overall risk appetite and ensures that the organisation has sufficient risk management and control. The President and CEO and the Leadership Team are responsible for the methods, implementation and supervision of risk management. Hiab’s risk management is spread across business units and group support functions that assign responsibility for risk management and that are in charge of identifying, managing and reporting risks. The Risk Management function is responsible for reporting any findings to the President and CEO and the Leadership Team and reports quarterly to the Board’s Audit and Risk Management Committee on the risk reviews, identified risks and mitigation plans.

Hiab’s Enterprise Risk Management (ERM) process includes comprehensive sustainability considerations through incorporating environmental, social and regulatory aspects to the process. Financial risks, such as currency, interest rate, liquidity, credit and counterparty risks, are managed centrally by the Group Treasury and reported to the management and the Audit and Risk Management Committee on a regular basis. The Board of Directors’ report includes an estimate on the Company’s main risks and uncertainties as well as short term risks.

Short-term risks and uncertainties

Developments in the global economy have a direct effect on Hiab’s operating environment and customers’ willingness to invest. Changes in the global economy and supply chains, geopolitical and trade tensions and wars, energy availability, tariffs and sanctions can have further impact on the demand of Hiab’s solutions.

Ongoing trade and geopolitical tensions currently represent the most significant risks in Hiab's operating environment. The situation elevates the uncertainty surrounding the global growth outlook and has particularly impacted the US market. The impacts have been evident in the US through slower customer decision-making, which has negatively affected Hiab's orders received and sales. Furthermore, the situation is complicating the management of procurement costs and product pricing, and increasing the risks associated with Hiab's investment decisions. Sudden changes in customs regulations have created uncertainty regarding the final amount of import duties payable, thereby also complicating product pricing decisions.

A significant portion of Hiab's solutions sold in the US are assembled domestically, but a large part of the components are sourced globally. Hiab might not be able to pass on the entire cost increase from imposed and potential new tariffs on Hiab's solutions or their components to its customers. Higher prices could also lead to lower demand of these solutions. Hiab's management is actively monitoring this volatile situation and mitigating the impacts through measures such as exploring alternative suppliers, making price adjustments, and planning factory capacity to align with demand.

A reduction in demand may lead to lower production volumes and force Hiab to restructure its operations or write-off assets. Conversely, given the ongoing volatility, Hiab may choose to maintain its capacity for rapid production scaling, which could result in under absorption of production capacity which could result in lower profitability. Lower demand could also lead to intensified price competition.

Hiab is currently planning to evolve its operating model, a programme targeting lower cost level and closing its manufacturing site in Bispgården, Sweden. The planned actions can include risks related to delivery performance, costs and the retention of skilled personnel, for example.

A significant share of Hiab’s orders are from the United States. Even though cash flows are hedged for the existing order book, the weakening of the US dollar could in the longer term weaken Hiab’s results. Similarly, a stronger dollar can improve Hiab’s results.

Hiab's financial risks related to climate change and other sustainability topics are presented in detail in Hiab's Sustainability statement. The company is exposed to environmental risks via market development, changes in regulations and technology as well as its commitment to reduce greenhouse gas emissions. Examples of these risks include competitors providing low-emission technologies faster; limited availability and high costs of critical minerals and components; as well as customers' willingness to pay becoming uncertain due to the higher prices of low-emission products. In addition, achieving Hiab's climate targets requires a transition phase that causes risks which can have significant financial effects if realised. These effects include, for example, substantial investments that support emission reductions as well as additional costs related to the introduction of new technologies, the realisation of project risks and new types of warranty defects.

Evaluation of the financial impacts of climate change on Hiab is complicated because the occurrence and timing of the resulting effects are difficult to predict, let alone quantify. Reaching the company's emission reduction targets requires efforts in every aspect of Hiab's business.

Hiab is involved in certain legal disputes. The interpretation of international agreements and legislation may weaken the predictability of the end results of legal disputes. Further, Hiab is involved in governmental business with specific requirements. Failing to comply with such requirements may lead to penalties or exclusion from government tenders. Ongoing tensions in global trade elevate compliance risks related to trade and export control regulation. Failure to comply with product safety regulations or other product liability related claims could result in legal disputes and negatively impact Hiab's reputation and financial performance.

Risks regarding Hiab’s acquisitions are related to, for example, the knowledge of local markets, authority processes, customers, corporate culture, integration, costs, achieving targets, as well as key employees.

Information security risks are also materially related to Hiab’s operations. A cyber attack on systems that are critical to the operations of the company, its customers or suppliers can disrupt operational stability, lead to a decrease in sales and damage Hiab's reputation, for example.

More information on risks is available at www.hiabgroup.com, under Investor Relations > Governance.

Share capital and incentive programmes

Share capital, own shares and share issues

Hiab Corporation’s share capital totalled EUR 20,000,000 at the end of December 2025. The number of class B shares was 55,182,079, while the number of class A shares totalled 9,526,089.

At the end of December 2025, Hiab held a total of 189,515 own class B shares, accounting for 0.29 percent of the total number of shares and 0.13 percent of the total number of votes. The number of outstanding class B shares totalled 54,992,564.

On 26 March 2025, the company's Board of Directors decided on a directed share issue related to the reward payments for share-based incentive programmes. In the share issue, 594,535 own class B shares held by the company were transferred on 3 April 2025 without consideration to the key employees participating in the following share-based incentive programmes per the programme-specific terms and conditions:

- Performance Share Programme 2020–2024, Performance Period 2022—2024
- Performance Share Programme 2023–2025 (payment of 2023—2024 earnings to programme participants whose employment terminates as part of Cargotec's transformation)
- Performance Share Programme 2024–2026 (payment of 2024 earnings to programme participants whose employment terminates as part of Cargotec's transformation)
- Restricted Share Programme 2020–2024, Engagement Period 2022–2024, 3rd instalment
- Restricted Share Programme 2023–2025, 2nd instalment
- Restricted Share Programme 2024–2026, 1st instalment
- Restricted Share Unit Programme 2023—2025

The decision on the directed share issue was based on the authorisation granted to the Board of Directors by the Annual General Meeting on 26 March 2025. According to the authorisation, the Board of Directors can decide on a share issue amounting to a maximum of 952,000 class A shares and 5,448,000 class B shares.

Share-based incentive programmes

During the financial year 2025, no new share-based incentive programmes were established.

The following share-based incentive programmes established by the Board of Directors during the past financial years were in operation during 2025:

- Performance share programme 2023–2025 (announced on 2 February 2023, adjustments announced on 7 August 2024). For the measuring period 2025, the potential reward will be based on eco portfolio share in orders received. The number of active participants in the programme at the end of the fourth quarter was 32 with a total maximum reward opportunity of approximately 110,000 company's class B shares.
- Performance share programme 2024–2026 (announced on 20 December 2023, adjustments announced on 7 August 2024). For the measuring period 2025–2026 the potential reward will be based on the service gross profit. The number of active participants in the programme at the end of the fourth quarter was 34 with a total maximum reward opportunity of approximately 103,000 company's class B shares.
- Performance share programme 2025–2027 (announced on 19 December 2024). For the measuring period 2025–2027 the potential reward will be based on earnings per share (EPS). The programme targets approximately 70 selected key employees, with a total maximum reward opportunity of approximately 90,000 company's class B shares.
- Restricted share programme 2023–2025 (announced on 2 February 2023, adjustments announced on 7 August 2024). The number of active participants in the programme at the end of the fourth quarter was two with the maximum reward opportunity of approximately 6,000 company's class B shares.
- Restricted share programme 2024–2026 (announced on 20 December 2023, adjustments announced on 7 August 2024). The number of active participants in the programme at the end of the fourth quarter was two with undelivered maximum reward opportunity of approximately 6,000 company's class B shares.
- Restricted share programme 2025–2027 (announced on 19 December 2024). The maximum number of the company’s class B shares that can be paid based on the programme is approximately 10,000. The programme does not have any active participants.

Governance

Board of Directors, President and CEO

Hiab’s Annual General Meeting appoints the members of the Board of Directors upon the proposal of the Shareholders’ Nomination Board and the Board of Directors appoints the Company’s President and CEO.

Leadership Team

On 31 December 2025, the company's Leadership Team consisted of:

- Scott Phillips, President and Chief Executive Officer (CEO)
- Mikko Puolakka, Executive Vice President, CFO
- Michaël Bruninx, President, Services
- Hermanni Lyyski, President, Demountables and Defence
- Jenny McGeough, President, Loader Cranes, Heavy and Superheavy
- Barry McGrane, President, Truck Mounted Forklifts
- Martin Saint, President, Tail Lifts
- Magdalena Wojtowicz-Tokarz, President, Loader Cranes, Light and Medium
- Kimberly Allan, Executive Vice President, Business Excellence
- Ghita Jansson-Kiuru, Executive Vice President, People and Culture
- Birgitte Skade, Executive Vice President, Marketing and Communications
- Taina Tirkkonen, Executive Vice President, General Counsel

Decisions taken at the Annual General Meeting

Annual General Meeting was held on 26 March 2025 in Helsinki, Finland. All resolutions presented in the notice to the AGM 2025 published on 12 February 2025 were approved.

The Annual General Meeting approved that Article 1 of the Articles of Association is amended so that the company’s new name is Hiab Oyj and Hiab Corporation in English. The meeting also approved proposed amendments to Articles 2, 5, 9 and 12.

The meeting adopted the financial statements and consolidated financial statements, approved the remuneration policy and the remuneration report 2024, and granted discharge from liability to the members of the Board of Directors and to the President and CEO for the financial year 1 January–31 December 2024. The Annual General Meeting authorised the Board of Directors to decide on the repurchase of the company's own shares, share issues, and on donations.

The meeting approved a dividend distribution of EUR 1.19 per class A share and EUR 1.20 for each outstanding class B share. The dividend payment day was 4 April 2025. The meeting also authorised the Board of Directors to decide on an additional dividend in the amount of EUR 1.56 per each class A share and EUR 1.57 per each outstanding class B share. The payment of the additional dividend is subject to the closing of the sale of the MacGregor business to funds managed by Triton, as announced by the company on 14 November 2024. The Board of Directors intends to resolve on the additional dividend in its meeting scheduled for 29 September 2025. As announced on 29 September 2025, the Board of Directors of Hiab decided on the additional dividend according to the authorisation. The dividend was paid to a shareholder who on the record date of the dividend payment, 2 October 2025, was registered in the company’s shareholder register maintained by Euroclear Finland Ltd. The dividend payment day was 9 October 2025.

The number of the Board members was confirmed at eight (8). Eric Alström, Raija-Leena Hankonen-Nybom, Ilkka Herlin, Jukka Moisio, Tuija Pohjolainen-Hiltunen, Ritva Sotamaa and Luca Sra were re-elected as Board members. Casimir Lindholm was elected as a new Board member, whose term of office commenced as of 1 April 2025, in accordance with his wish. The meeting also confirmed the yearly remuneration of the Board of Directors.

The Annual General Meeting re-elected the accounting firm Ernst & Young Oy as the company’s auditor, and the authorised sustainability assurance audit firm Ernst & Young Oy as the sustainability reporting assurance provider. The fees to the auditors and sustainability reporting assurance providers were decided to be paid according to an invoice approved by the company.

The Annual General Meeting approved the establishment of a Shareholders’ Nomination Board and that its charter is adopted. The Shareholders’ Nomination Board is responsible for preparing proposals to the Annual General Meeting, and if necessary, to the Extraordinary General Meeting, on the number, election, and remuneration of the members of the Board of Directors.

On 26 March 2025, the company published stock exchange releases on the decisions taken at the AGM as well as the Board of Directors’ organising meeting. The notice, stock exchange releases and presentations of the members of the Board of Directors are available on Hiab’s website at www.hiabgroup.com.

Organisation of the Board of Directors

On 26 March 2025, the Board of Directors elected by the Annual General Meeting elected in its organising meeting Jukka Moisio as Chair of the Board. Casimir Lindholm was elected as Vice Chair of the Board and his term of office commenced on 1 April 2025, in accordance with his wish. The Board also elected the Chairs and the members for the Audit and Risk Management Committee as well as the Personnel and Remuneration Committee (former Nomination and Compensation Committee). Taina Tirkkonen, Executive Vice President, General Counsel, was selected to act as Secretary to the Board from 1 April 2025 onwards, taking over the responsibility from Outi Aaltonen.

The Board of Directors elected among its members Eric Alström, Raija-Leena Hankonen-Nybom and Tuija Pohjolainen-Hiltunen as members of the Audit and Risk Management Committee. Raija-Leena Hankonen-Nybom was elected as Chair of the committee.

Nomination and Compensation Committee was renamed to Personnel and Remuneration Committee. Board members Casimir Lindholm, Jukka Moisio and Ritva Sotamaa were elected to the Committee. Jukka Moisio was elected as Chair of the committee.

Board of Directors' authorisations

The Annual General Meeting of 26 March 2025 authorised the Board of Directors to decide on the repurchase and/ or on the acceptance as pledge of shares in the company with non-restricted equity. Altogether no more than 6,400,000 shares in the company may be purchased and/or accepted as pledge, of which no more than 952,000 are class A shares and 5,448,000 are class B shares. The authorisation is effective until the next Annual General Meeting, however no longer than 18 months, and it will supersede the previous one.

The Annual General Meeting of 26 March 2025 authorised the Board of Directors to decide on the issuance of shares as well as the issuance of options and other special rights entitling to shares referred to in chapter 10 section 1 of the Limited Liability Companies Act. The authorisation is effective until the next Annual General Meeting, however no longer than 18 months, and it will supersede the previous one.

Shareholder's Nomination Board

Hiab's Shareholders' Nomination Board ("Nomination Board") was appointed on 6 June in accordance with the Charter of the Nomination Board approved by the company's Annual General Meeting held on 26 March 2025.

The Nomination Board consists of four (4) members. According to the Charter of the Nomination Board, the members of the Nomination Board are appointed as follows: the two largest shareholders of class A shares are entitled to appoint one (1) member each, and the two largest shareholders of class B shares who do not own any class A shares, are entitled to appoint one (1) member each.

According to the Charter of the Nomination Board, the number of votes held by each shareholder of all shares in the company are determined based on the shareholders' register of Hiab as per the situation on the first banking day of June each year.

On 15 September, Mariatorp Oy, who is one of the four shareholders entitled to appoint a member to the Nomination Board, has notified the company of a change of the appointed member. Mariatorp Oy now appoints Ilona Herlin to replace Heikki Herlin in the Nomination Board.

Following the change, the members of Hiab's Nomination Board are:

- Ville Herlin (appointed by Wipunen Varainhallinta Oy)
- Ilona Herlin (appointed by Mariatorp Oy)
- Markus Aho, Deputy CEO, Chief Investment Officer, Varma Mutual Pension Insurance Company (appointed by Varma Mutual Pension Insurance Company)
- Rami Vehmas, Chief Equity Officer, Ilmarinen Mutual Pension Insurance Company (appointed by Ilmarinen Mutual Pension Insurance Company)

Shareholders' Nomination Board's proposals to the Annual General Meeting

On 19 December 2025, Hiab announced the Shareholders' Nomination Board's proposals to the Annual General Meeting to be held on 24 March 2026. Please refer to the stock exchange release for more information.

Loans, liabilities and commitments to related parties

Hiab had no loans, liabilities or commitments to its related persons and their related parties on 31 December 2025.

Board of Directors' proposal on the distribution of profit

The parent company's distributable equity on 31 December 2025 was EUR 695,544,248.90. The Board of Directors proposes to the Annual General Meeting convening on 24 March 2026 that of the distributable profit, a dividend of EUR 1.16 for each of the 9,526,089 class A shares and EUR 1.17 for each of the 54,992,564 (31 December 2025) outstanding class B shares be paid for the financial period ended 31 December 2025, totalling EUR 75,391,563.12.

The dividend shall be paid to shareholders who on the record date for dividend distribution, 26 March 2026, are registered as shareholders in the company's shareholder register maintained by Euroclear Finland Ltd. The dividend payment date proposed by the Board of Directors is 2 April 2026.

The remaining distributable equity, EUR 620,152,685.78, will be retained and carried forward.

No significant changes have occurred in Hiab's financial position after the end of the financial year. Liquidity is at a healthy level and the proposed distribution of dividend poses no risk on the company's financial standing.

Events after the reporting period

On 5 January, Hiab announced that it had completed the acquisition of the Brazilian crane manufacturer ING Cranes, announced on 26 November 2025. The acquisition significantly enhances Hiab's presence in Brazil, complementing its current portfolio in the market. The acquired operations will be included in Hiab's financial reporting for the first time in the first quarter of 2026. ING Cranes' sales in 2024 amounted to approximately EUR 50 million.

On 20 January, Hiab announced plans to evolve its operating model to drive scalability and customer focus and provided an update on programme targeting lower cost level. The planned evolution of the operating model would be a crucial step to drive long-term scalability and customer focus. The company would realign its structure of six divisions into three business areas. The planned change would strengthen Hiab's position as the technological leader in on-road load handling and ensure resilience of the company.

The proposed new structure is planned to be effective during the second quarter of 2026, at which point the strategic realignment into three business areas would be fully operational subject to work council negotiations in relevant jurisdictions. In addition to three business areas, Hiab would continue to have five functions with leaders reporting to President and CEO, Scott Phillips.

Due to the plans, as of 1 April 2026, Hiab Leadership Team will consist of:

- Scott Phillips, President and CEO,
- Mikko Puolakka, Executive Vice President, CFO
- Michaël Bruninx, President, Services
- Hermanni Lyyski, President, Delivery Solutions
- Magdalena Wojtowicz-Tokarz, President, Lifting Solutions
- Kimberly Allan, Executive Vice President, Business Excellence
- Ghita Jansson-Kiuru, Executive Vice President, People and Culture
- Birgitte Skade, Executive Vice President, Marketing and Communications
- Taina Tirkkonen, Executive Vice President, General Counsel

Hiab also provided update on a programme targeting EUR 20 million lower cost level in 2026 compared to 2025. Initial estimates indicate that subject to works council negotiations in relevant jurisdictions, the planned measures could result in the reduction of approximately 480 roles globally, of which approximately 60 is expected to impact on operations in Finland. The detailed consequences of these planned changes will be communicated and, where necessary, negotiated locally as the plans progress. More information is available in the stock exchange release published on 20 January 2026.

On 11 February, the Board of Directors resolved to establish two new share-based incentive programmes for key employees of the group. The programmes include a Performance Share Programme 2026–2028 and Restricted Share Programme 2026–2028 as a complementary structure for specific situations. More information on the programmes is available in the stock exchange release published on the date.

Outlook for 2026

Hiab estimates its comparable operating profit margin in 2026 to be above 13.0 percent (2025: 13.7 percent).

Annual General Meeting 2026

The Annual General Meeting of Hiab Corporation will be held on Tuesday, 24 March 2026.

Key figures

Key financial figures

Among the below presented key figures, consolidated statement of income and other key figures reflect continuing operations for the years 2025, 2024 and 2023. These key figures for the years 2022 and 2021 present total Group including Kalmar and MacGregor. More information is disclosed under note 7.3 Discontinued operations.

Consolidated statement of income and other key figures		2025	2024	2023	2022	2021
Sales	MEUR	1,556	1,647	1,787	4,089	3,315
Sales to outside of Finland	MEUR	1,526	1,605	1,753	4,021	3,244
Operating profit	MEUR	208	217	219	106	356
% of sales	%	13.3%	13.2%	12.3%	2.6%	10.7%
Comparable operating profit	MEUR	213	217	219	316	215
% of sales	%	13.7%	13.2%	12.3%	7.7%	6.5%
Profit before taxes	MEUR	202	213	205	79	333
% of sales	%	13.0%	13.0%	11.5%	1.9%	10.0%
Profit for the period	MEUR	151	155	153	23	247
% of sales	%	9.7%	9.4%	8.6%	0.6%	7.4%
Depreciation, amortisation and impairment	MEUR	42	44	41	204	117
Wages and salaries	MEUR	264	275	270	608	611
Capital expenditure in intangible assets and property, plant and equipment	MEUR	55	66	45	81	64
Capital expenditure in customer financing	MEUR	—	—	—	32	16
Capital expenditure, total % of sales	%	3.5%	4.0%	2.5%	2.8%	2.4%
Orders received	MEUR	1,481	1,509	1,466	4,862	4,427
Order book	MEUR	534	648	799	3,541	2,847
Research and development costs	MEUR	37	39	35	100	102
% of sales	%	2.4%	2.3%	1.9%	2.4%	3.1%
Average number of employees		4,104	4,252	4,535	11,405	11,232
Number of employees 31 Dec		4,053	4,234	4,477	11,526	11,174

The below presented key figures of Consolidated balance sheet include continuing and discontinued operations in all presented periods. More information is disclosed under note 7.3 Discontinued operations.

Consolidated balance sheet		2025	2024	2023	2022	2021
Equity	MEUR	1,010	1,027	1,754	1,528	1,547
Total assets	MEUR	1,628	2,450	4,376	4,189	4,027
Interest-bearing net debt	MEUR	-209	-186	179	378	414
Net working capital	MEUR	249	54	329	286	184
Return on equity (ROE)	%	16.1%	2.0%	21.2%	1.5%	17.3%
Return on capital employed (ROCE)	%	17.8%	7.1%	19.9%	4.6%	14.5%
Equity to asset ratio	%	62.8%	47.6%	43.8%	39.2%	40.6%
Gearing	%	-20.7%	-18.1%	10.2%	24.8%	26.8%
Interest-bearing net debt / EBITDA		-0.7	-0.5	0.3	1.2	0.9
Cash flow from operations before financing items and taxes	MEUR	308	582	544	231	169

Share-related key figures

		2025	2024	2023	2022	2021
Basic earnings per share[1]	EUR	2.34	2.40	2.35	0.37	3.82
Diluted earnings per share[1]	EUR	2.34	2.39	2.35	0.37	3.82
Equity per share	EUR	15.65	16.04	27.25	23.69	23.95
Dividend per class B share[2, 3]	EUR	1.17	2.77	2.15	1.35	1.08
Dividend per class A share[2, 3]	EUR	1.16	2.75	2.14	1.34	1.07
Total dividends[2, 3]	MEUR	75	178	138	87	70
Dividend per earnings, class B share[1, 2, 3]	%	49.9%	115.3%	91.3%	364.3%	28.2%
Dividend per earnings, class A share[1, 2, 3]	%	49.6%	114.9%	91.2%	362.7%	28.0%
Effective dividend yield, class B share[2, 3]	%	2.4%	5.4%	4.1%	3.3%	2.5%
Price per earnings, class B share[1]		21.13	21.26	22.39	111.51	11.46
Development of share price, class B share						
Average share price	EUR	48.02	57.39	45.68	34.82	44.70
Highest share price	EUR	61.20	82.90	55.15	48.46	52.80
Lowest share price	EUR	34.38	41.26	35.28	24.90	33.60
Closing price at the end of period	EUR	49.52	51.08	52.70	41.32	43.84
Market capitalisation 31 Dec[4]	MEUR	3,195	3,266	3,389	2,689	2,828
Market capitalisation of class B shares 31 Dec[5]	MEUR	2,723	2,779	2,887	2,271	2,409
Trading volume, number of class B shares traded	('000)	22,110	22,464	22,331	44,306	36,795
Trading volume, number of class B shares traded	%	40.1%	40.7%	40.5%	78.5%	66.2%
Weighted average number of class A shares[6]	('000)	9,526	9,526	9,526	9,526	9,526
Number of class A shares 31 Dec[6]	('000)	9,526	9,526	9,526	9,526	9,526
Weighted average number of class B shares[5]	('000)	54,839	54,658	54,957	54,953	54,950
Number of class B shares 31 Dec[5]	('000)	54,993	54,398	54,775	54,957	54,957
Diluted weighted average number of class B shares[5]	('000)	54,951	54,922	55,125	55,148	55,043

Trading information is based on Nasdaq Helsinki Ltd statistics.

[1] The years 2023-2025 present Continuing operations and the years 2021-2022 total Group including Kalmar and MacGregor.
[2] Financial year 2025 figures are Board's proposal.
[3] Financial year 2024 figures include the additional dividend paid in October 2025 subject to the closing of the sale of MacGregor business.
[4] Including class A and B shares, excluding treasury shares.
[5] Excluding treasury shares.
[6] No dilution on class A shares.

Calculation of key figures

IFRS key figures

Basic earnings per share (EUR)	=	Profit attributable to the shareholders of the parent company / Average number of outstanding shares during the period
Diluted earnings per share (EUR)	=	Profit attributable to the shareholders of the parent company / Average number of diluted outstanding shares during the period

Alternative performance measures

According to the ESMA Guidelines on Alternative Performance Measures, an Alternative Performance Measure (APM) is understood as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework. In addition to IFRS key figures, Hiab uses the following alternative performance measures:

Key figure		Definition	Reason for use	Reconciliation
Operating profit (MEUR and % of sales)	=	Sales - cost of goods sold - selling and marketing expenses - research and development expenses - administration expenses - restructuring costs + other operating income - other operating expenses + share of associated companies' and joint ventures' result	Operating profit is used to measure business profitability. It describes the profitability of the business before taking into account financial items and taxes.	Statement of income
Comparable operating profit (MEUR and % of sales)	=	Operating profit excluding items significantly affecting comparability	Comparable operating profit is used to monitor and forecast profit development and set related targets. It is calculated by excluding items significantly affecting comparability from operating profit, which makes it easier to compare the profitability of the business at different time periods.	Note 2.1 Segment information
Items significantly affecting comparability (MEUR)	=	Items significantly affecting comparability include costs related to the programme targeting lower cost level, restructuring costs, mainly capital gains and losses, gains and losses related to acquisitions and disposals, acquisition and integration costs including during years 2020-2022 costs related to the merger plan with Konecranes Plc, impairments and reversals of impairments of assets, insurance benefits, and expenses related to legal proceedings.	Factor used to calculate Comparable operating profit.	Note 2.1 Segment information
Cash flow from operations before financing items and taxes	=	Profit for the period + depreciation, amortisation and impairment + finance income and expenses + taxes + other adjustments + changes in net working capital	Represents cash flow from operations after income from sales less operating expenses. Measures the company's ability to meet its financial commitments, including interest payments, taxes, investments, and equity and debt payments. Used to monitor and forecast business performance.	Statement of cash flows
Interest- bearing net debt/EBITDA, last 12 months	=	Interest-bearing net debt / EBITDA, last 12 months	Used to measure corporate capital structure and financial capacity.	Note 8.1 Financial risk management

Key figure		Definition	Reason for use	Reconciliation
Interest- bearing net debt (MEUR)	=	Interest-bearing liabilities (non-current interest-bearing liabilities + current portion of interest-bearing liabilities + current other interest-bearing liabilities) - interest-bearing receivables (non-current and current loans receivable and other interest-bearing assets) - cash and cash equivalents +/- foreign currency hedge of corporate bonds	Interest-bearing net debt represents Hiab's indebtedness. Used to monitor capital structure and as a factor to calculate Interest-bearing net debt / EBITDA and Gearing.	Note 8.1 Financial risk management
EBITDA (MEUR), last 12 months	=	Operating profit + depreciation, amortisation and impairment, last 12 months	Factor used to calculate Interest-bearing net debt / EBITDA.	Note 8.1 Financial risk management
Net working capital (MEUR)	=	Inventories + operative derivative assets + accounts receivable + contract assets + other operative non-interest-bearing assets - provisions - operative derivative liabilities - pension obligations - accounts payable - contract liabilities - other operative non-interest-bearing liabilities	Net working capital is used to follow the amount of capital needed for the business to operate. It does not include financing items, taxes nor non-current assets. Used also as a factor to calculate Operative capital employed.	Note 5.1 Net working capital
Operative capital employed (MEUR)	=	Goodwill + intangible assets + property, plant and equipment + investments in associated companies and joint ventures + share investments + net working capital	Operative capital employed refers to the amount of capital needed for the business to operate and generate profits. It does not include taxes or finance income and expenses. Used to measure the efficiency with which the capital is used.	Note 2.1 Segment information
Investments	=	Additions to intangible assets and property, plant and equipment including owned assets and right- of-use assets, excluding assets acquired through business combinations	Investments refer to money used to acquire long-term assets. Used as a factor in cash flow calculation.	Note 6.2 Intangible assets; note 6.3 Property, plant and equipment
Return on equity (ROE) (%), last 12 months	= 100 x	Profit for the period, last 12 months, excluding Fair value gain from the Demerger / Total equity (average for the last 12 months)	Represents the rate of return that shareholders receive on their investments.	Profit for the period: Statement of income; Total equity: Balance sheet; Fair value gain from the Demerger: note 7.3 Discontinued operations
Return on capital employed (ROCE) (%), last 12 months	= 100 x	Profit before taxes + finance expenses, last 12 months / Total assets - non-interest-bearing debt (average for the last 12 months)	Represents relative profitability or the rate of return that has been received on capital employed requiring interest or other return.	Profit before taxes and finance expenses: Statement of income; Total assets and non-interest-bearing debt: Balance sheet
Operative return on capital employed (operative ROCE) (%), last 12 months	= 100 x	Operating profit, last 12 months / Operative capital employed (average for the last 12 months)	Represents relative business profitability that has been received on operative capital employed requiring interest or other return.	Profit before taxes and finance expenses: Statement of income; Total assets and non-interest-bearing debt: Balance sheet
Non-interest-bearing debt	=	Total assets - total equity - non-current interest-bearing liabilities - current portion of interest-bearing liabilities - current other interest-bearing liabilities	Used as a factor to calculate Return on capital employed (ROCE).	Balance sheet
Equity to asset ratio	= 100 x	Total equity / Total assets - contract liabilities	Used to measure solvency and describe the share of the company's assets financed by equity.	Balance sheet

Key figure		Definition	Reason for use	Reconciliation
Gearing (%)	= 100 x	Interest-bearing net debt / Total equity	Represents the company's indebtedness by measuring the amount of interest-bearing debt in proportion to equity capital. Some of Hiab's loan agreements include a covenant restricting the corporate capital structure, measured by gearing.	Note 8.1 Financial risk management

In the calculation of the balance sheet related key figures the assets held for sale and liabilities related to assets held for sale are included in the applicable account groups, even though in the balance sheet they are presented on one row.

Share-related key figures

Key figure		Definition
Equity / share (EUR)	=	Total equity attributable to the shareholders of the parent company / Number of outstanding shares at the end of the period
Dividend / share (EUR)	=	Dividend for the period / Number of outstanding shares at the end of the period
Dividend / earnings (%)	= 100 x	Dividend for the period / share / Basic earnings per share
Effective dividend yield (%)	= 100 x	Dividend / share / Closing price for the class B share at the end of the period
Price / earnings (P/E)	=	Closing price for the class B share at the end of the period / Basic earnings per share
Average share price (EUR)	=	EUR amount traded during the period for the class B share / Number of class B shares traded during the period
Market capitalisation at the end of the period	=	Number of class B shares outstanding at the end of the period x closing price for the class B share at the end of the period + Number of class A shares outstanding at the end of the period x closing day average price for the class B share
Trading volume	=	Number of class B shares traded during the period
Trading volume (%)	= 100 x	Number of class B shares traded during the period / Average weighted number of class B shares during the period

Key exchange rates for euro

Closing rates	31 Dec 2025	31 Dec 2024
SEK	10.822	11.459
USD	1.175	1.039

Average rates	2025	2024
SEK	11.073	11.423
USD	1.124	1.083

Shares and shareholders

Hiab Corporation's class B shares are quoted on the Nasdaq Helsinki Large Cap list with the trading code HIAB. The trading started on 1 June 2005 as Cargotec Corporation and continued as Hiab Corporation on 1 April 2025. The shares are registered in the book-entry securities system maintained by Euroclear Finland Ltd., which also maintains the official shareholder register of Hiab Corporation.

Share-related key figures 2021–2025, EUR

	2025	2024	2023	2022	2021
Basic earnings per share*	2.34	2.40	2.35	0.37	3.82
Equity per share	15.65	16.04	27.25	23.69	23.95
Dividend per class B share**	1.17	2.77	2.15	1.35	1.08
Dividend per class A share**	1.16	2.75	2.14	1.34	1.07
Effective dividend yield, class B share, %**	2.4 %	5.4%	4.1%	3.3%	2.5%
Price per earnings, class B share	21.1	21.3	22.4	111.5	11.5
Development of share price, class B share					
Average share price	48.02	57.39	45.68	34.82	44.70
Highest share price	61.20	82.90	55.15	48.46	52.80
Lowest share price	34.38	41.26	35.28	24.90	33.60
Closing price at the end of period	49.52	51.08	52.70	41.32	43.84

*The years 2023-2025 present Continuing operations and the years 2021-2022 total Group including Kalmar and MacGregor.

**Financial year 2025 figures are Board's proposal. Financial year 2024 figures include the additional dividend paid in October 2025 subject to the closing of the sale of MacGregor business.

Shares and share capital

Hiab has two classes of shares, of which class B shares are listed and class A shares are unlisted. At the Annual General Meeting, each class A share is assigned one vote, as is each block of ten class B shares, with the provision that each shareholder is entitled to at least one vote. The total number of votes attached to all shares was 15,039,723 at the end of 2025.

On 31 December 2025, share capital, fully paid and entered in the trade register, totalled EUR 20,000,000. There were 55,182,079 class B shares and 9,526,089 class A shares at the end of December 2025.

Dividend distribution

In dividend distribution, class B shares earn a higher dividend than class A shares. The difference between dividends paid on the two classes of shares is a minimum of one (1) cent and a maximum of two and a half (2.5) cents.

Dividend proposal

The Board of Directors proposes to the Annual General Meeting (AGM), that of the distributable profit, a dividend of EUR 1.16 for each class A shares and EUR 1.17 for each class B shares outstanding be paid for the financial year 2025.

Own shares and share issue

On 26 March 2025, the company's Board of Directors decided on a directed share issue related to the reward payments for share-based incentive programmes. In the share issue, 594,535 own class B shares held by the company were transferred on 3 April 2025 without consideration to the key employees participating in the following share-based incentive programmes per the programme-specific terms and conditions:

- Performance Share Programme 2020–2024, Performance Period 2022—2024
- Performance Share Programme 2023–2025 (payment of 2023—2024 earnings to programme participants whose employment terminates as part of Cargotec's transformation)
- Performance Share Programme 2024–2026 (payment of 2024 earnings to programme participants whose employment terminates as part of Cargotec's transformation)
- Restricted Share Programme 2020–2024, Engagement Period 2022–2024, 3rd instalment
- Restricted Share Programme 2023–2025, 2nd instalment
- Restricted Share Programme 2024–2026, 1st instalment
- Restricted Share Unit Programme 2023—2025

The decision on the directed share issue was based on the authorisation granted to the Board of Directors by the Annual General Meeting on 26 March 2025. According to the authorisation, the Board of Directors can decide on a share issue amounting to a maximum of 952,000 class A shares and 5,448,000 class B shares.

At the end of 2025, Hiab held a total of 189,515 own class B shares, accounting for 0.29 percent of the total number of shares and 0.13 percent of the total number of votes. The number of outstanding class B shares totalled 54,992,564.

Share price development and trading

In 2025, Hiab's class B share price decreased by 3 percent, from EUR 51.08 to EUR 49.52. Over the same period, the OMX Helsinki Benchmark Cap Index increased by 31 percent.

At the end of 2025, the total market value of class B shares, calculated using the closing quotation of class B shares of the last trading day of the year, was EUR 2,723 (2024: 2,779) million, excluding own shares held by the company. Hiab's year-end market capitalisation, in which unlisted class A shares are valued at the average price of class B shares on the last trading day of the year, was EUR 3,195 (3,266) million, excluding own shares held by the company.

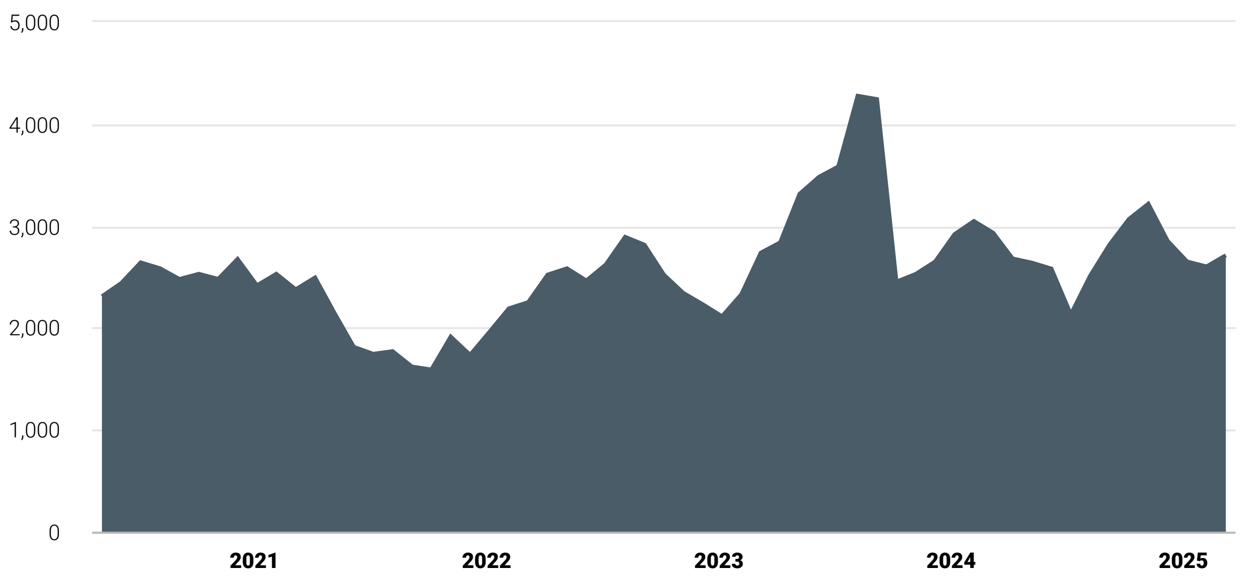
Market capitalisation, class B shares

The class B share closed at EUR 49.52 (51.08) on the last trading day of 2025 and the volume weighted average price for the financial period was EUR 48.02 (57.39) on Nasdaq Helsinki Ltd. The highest quotation for 2025 was EUR 61.20 (82.90) and the lowest EUR 34.38 (41.26). In 2025, a total of 22 (22) million class B shares were traded on Nasdaq Helsinki Ltd, corresponding to a turnover of EUR 1,062 (1,289) million. The average daily trading volume of class B shares was 88,439 (89,499) shares or EUR 4 (5) million. In addition, class B shares were traded in several alternative marketplaces.

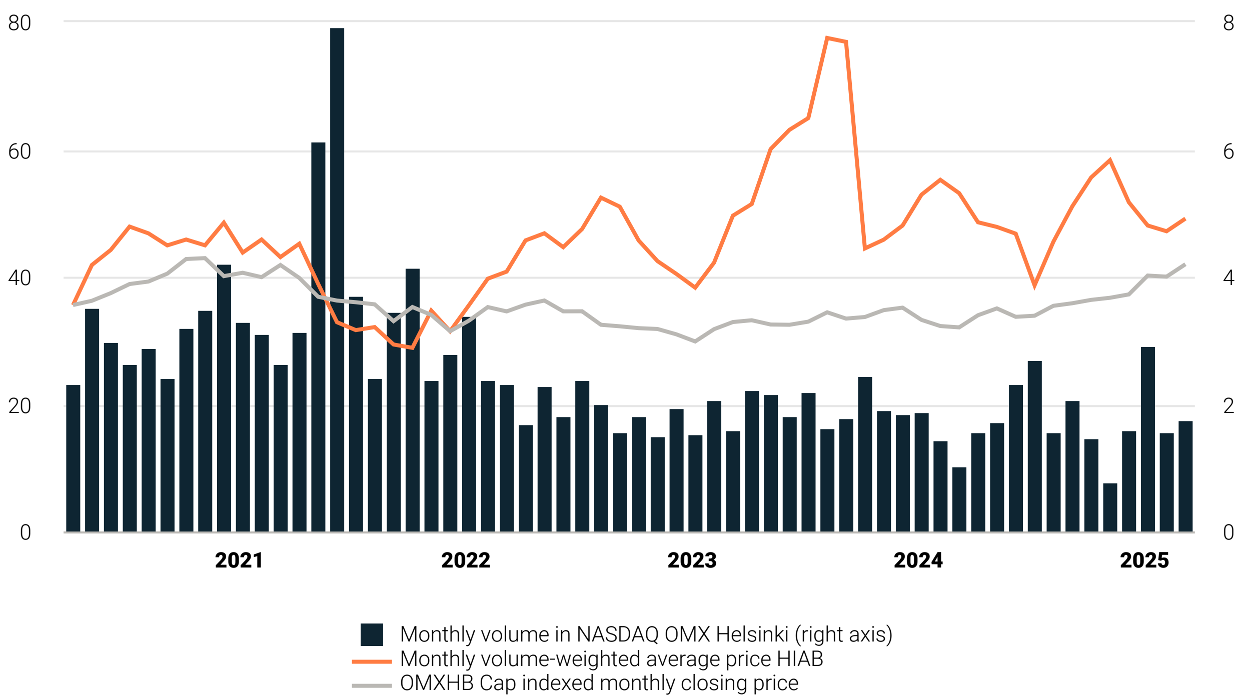
Upon the completion of the Demerger 30 June 2024, the shareholders of former Cargotec received as demerger consideration one (1) new share of the corresponding share class (i.e., class A or class B) in Kalmar for each class A and class B share owned in former Cargotec, which had a negative impact on the share price on 1 July 2024.

Information on the Hiab class B share price is available on Hiab's website www.hiabgroup.com/en/investor-relations.

Market capitalisation, class B shares, MEUR



Share price, EUR
Monthly volume, number of million shares



Shareholders

At the end of 2025, Hiab had 36,406 (34,722) registered shareholders, the largest shareholder being Wipunen varainhallinta oy. Ilkka Herlin was the largest owner when including shares owned directly as well as through companies in which a controlling interest is held. There were 17,329,732 (19,833,458) nominee-registered shares, representing 26.78 (30.65) percent of the total number of shares, which corresponds to 11.58 (13.19) percent of all votes.

A monthly updated list of major shareholders is available on Hiab's website at www.hiabgroup.com/en/investor-relations/shares/.

Shareholder	Class A shares	Class B shares	Shares total	Shares total, %	Votes total	Votes total, %
Wipunen varainhallinta oy	2,940,067	6,200,000	9,140,067	14.13	3,560,067	23.67
Mariatorp Oy	2,940,067	5,000,000	7,940,067	12.27	3,440,067	22.87
Pivosto Oy	2,940,067	4,000,000	6,940,067	10.73	3,340,067	22.21
KONE Foundation	705,888	1,232,454	1,938,342	3.00	829,133	5.51
Varma Mutual Pension Insurance Company		1,606,707	1,606,707	2.48	160,670	1.07
Ilmarinen Mutual Pension Insurance Company		1,549,300	1,549,300	2.39	154,930	1.03
Elo Mutual Pension Insurance Company		945,000	945,000	1.46	94,500	0.63
Evli Finnish Small Cap Fund		580,000	580,000	0.90	58,000	0.39
The State Pension Fund		550,000	550,000	0.85	55,000	0.37
Nurminen Minna Kirsti		337,135	337,135	0.52	33,713	0.22
OP-Finland		326,503	326,503	0.50	32,650	0.22
Veritas Pension Insurance Company Ltd.		248,000	248,000	0.38	24,800	0.16
OP-Finland Small Firms Fund		237,822	237,822	0.37	23,782	0.16
Sigrid Jusélius Foundation		222,800	222,800	0.34	22,280	0.15
Evli Finland Select Fund		190,000	190,000	0.29	19,000	0.13
Hiab Oyj		189,515	189,515	0.29	18,951	0.13
Nordea Nordic Small Cap Fund		189,123	189,123	0.29	18,912	0.13
Blåberg Anna Karolina		182,745	182,745	0.28	18,274	0.12
Herlin Olli Ilkka Julius		175,000	175,000	0.27	17,500	0.12
Nordea Pro Finland Fund		166,853	166,853	0.26	16,685	0.11
Total	**9,526,089**	**24,128,957**	**33,655,046**	**52.01**	**11,938,981**	**79.38**

Nominee registered			17,329,732			
Other owners			13,723,390			
Total number of shares issued on 31 Dec 2025			**31,053,122**			

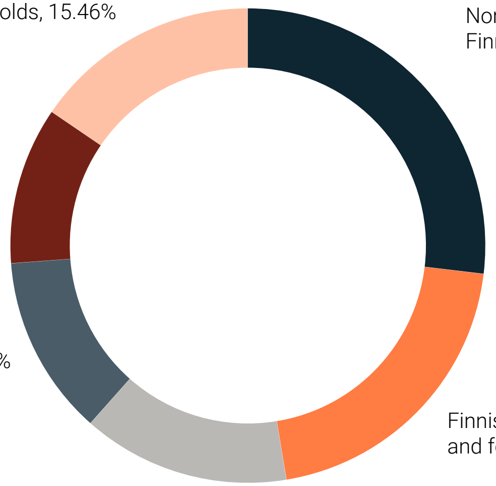
Based on ownership records of Euroclear Finland Ltd.

Share distribution on 31 December 2025

Number of shares	Number of shareholders	% of shareholders	Total shares	% of total number of shares
1 - 100	23 077	63.39	908 926	1.41
101 - 500	9 791	26.89	2 357 713	3.64
501 - 1,000	1 836	5.04	1 388 086	2.15
1,001 - 10,000	1 545	4.24	3 890 636	6.01
10,001 - 100,000	121	0.33	3 610 459	5.58
100,001 - 1,000,000	27	0.07	6 176 442	9.55
> 1,000,000	8	0.02	46 181 108	71.37
Total	**36 406**	**100.00**	**64 702 885**	**99.71**
of which nominee registered	11	0.00	17 329 732	26.78
In the joint book-entry account			5 283	0.01
Number of outstanding shares on 31 Dec 2025			**64 708 168**	**99.72**
Own shares on 31 Dec 2025	1	0.00	189 515	0.29
Total number of shares on 31 Dec 2025			**64 708 168**	**100.00**

Based on ownership records of Euroclear Finland Ltd.

Breakdown by shareholder category on 31 December 2025



Based on ownership records of Euroclear Finland Ltd.

Board and management shareholding

On 31 December 2025, the aggregate shareholding of the Board of Directors, the CEO and companies in which they have a controlling interest was 2,940,067 (2,940,067) class A shares and 6,446,373 (6,223,878) class B shares, which correspond to 14.51 (14.16) percent of the total number of all shares and 23.83 (23.68) percent of all votes.

The CEO Scott Phillips is a participant in the following share-based incentive programmes: Performance Share Programme 2023-2025, Performance Share Programme 2024-2026, Performance Share Programme 2025-2027, Restricted Share Programme 2023-2025 and Restricted Share Programme 2024-2026.

Up-to-date information on the shares held by the Board of Directors and management is available on Hiab's website at www.hiabgroup.com/en/investor-relations.

Additional information:

Corporate Governance statement 2025

Remuneration statement 2025

CV's of Board members (hiabgroup.com)

CVs of the Leadership Team (hiabgroup.com)

Financial statements

Consolidated financial statements (IFRS)

Consolidated statement of income

MEUR	Note	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Sales	2.1, 2.2	**1,556.3**	**1,647.3**
Cost of goods sold		-1,087.2	-1,168.7
Gross profit		**469.1**	**478.6**
Gross profit, %		30.1%	29.1%
Selling and marketing expenses		-90.8	-95.7
Research and development expenses		-36.7	-38.5
Administration expenses		-131.2	-133.7
Other operating income	2.4	2.2	7.0
Other operating expenses	2.4	-4.9	-0.5
Operating profit	2.1, 2.3, 2.4, 3.1	**207.6**	**217.1**
Operating profit, %		13.3%	13.2%
Finance income	2.5	9.1	14.6
Finance expenses	2.5	-14.6	-18.3
Profit before taxes		**202.2**	**213.4**
Profit before taxes, %		13.0%	13.0%
Income taxes	4.1	-51.0	-58.4
Profit for the period, continuing operations		**151.2**	**155.0**
Profit for the period, discontinued operations	7.3	13.2	912.5
Profit for the period		**164.4**	**1,067.5**
Profit for the period attributable to:			
Shareholders of the parent company		164.0	1,066.7
Non-controlling interest		0.4	0.8
Total		**164.4**	**1,067.5**

MEUR	Note	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Earnings per share for profit attributable to the shareholders of the parent company:	2.6		
Basic earnings per share, EUR			
Continuing operations		2.34	2.40
Discontinued operations		0.21	14.22
Diluted earnings per share, EUR			
Continuing operations		2.34	2.39
Discontinued operations		0.21	14.16

The notes are an integral part of the consolidated financial statements.

Consolidated statement of comprehensive income

MEUR	Note	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Profit for the period		**164.4**	**1,067.5**
Other comprehensive income			
Items that cannot be reclassified to statement of income:			
Actuarial gains (+) / losses (-) from defined benefit plans	3.4	5.0	-1.3
Taxes relating to items that cannot be reclassified to statement of income	4.1	-1.1	0.3
Items that can be reclassified to statement of income:			
Gains (+) / losses (-) on cash flow hedges		28.7	-27.1
Gains (+) / losses (-) on cash flow hedges transferred to statement of income		-15.5	14.6
Translation differences*		-25.1	71.4
Taxes relating to items that can be reclassified to statement of income	4.1	-1.2	2.3
Share of other comprehensive income of associates and JV, net of tax		–	0.7
Other comprehensive income, net of tax		**-9.2**	**60.9**
Comprehensive income for the period		**155.2**	**1,128.4**

MEUR	Note	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Comprehensive income for the period attributable to:			
Shareholders of the parent company		154.9	1,127.6
Non-controlling interest		0.3	0.8
Total		**155.2**	**1,128.4**
Comprehensive income for the period attributable to Shareholders of the parent company:			
Continuing operations		128.0	222.6
Discontinued operations	7.3	26.8	904.9
Total		**154.9**	**1,127.6**

*In 2025, translation differences include EUR 8.1 million of translation differences transferred as costs to the statement of income due to disposal of MacGregor business, see note 7.1 Acquisitions and disposals of businesses. In 2024, translation differences include EUR 73.1 million of translation differences transferred as costs to the statement of income in connection with the partial demerger, see note 7.3. Discontinued operations.

The notes are an integral part of the consolidated financial statements.

Consolidated balance sheet

ASSETS, MEUR	Note	31 Dec 2025	31 Dec 2024
Non-current assets			
Goodwill	6.1	234.9	240.1
Intangible assets	6.2	16.5	23.2
Property, plant and equipment	6.3	168.5	159.1
Deferred tax assets	4.2	129.1	82.1
Other non-interest-bearing assets	5.3, 8.2	1.2	2.0
Total non-current assets		**550.2**	**506.5**
Current assets			
Inventories	5.2	284.8	333.8
Loans receivable and other interest-bearing assets*	8.2	0.3	0.3
Income tax receivables		32.0	31.5
Derivative assets	8.2, 8.5	4.2	6.0
Accounts receivable	5.3, 8.2	250.8	240.8
Contract assets	2.2, 5.3	2.0	1.5
Other non-interest-bearing assets	5.3	44.0	99.0
Cash and cash equivalents*	8.2, 8.3	459.7	439.1
Total current assets		**1,078.0**	**1,152.0**
Assets held for sale	7.1	**–**	**791.6**
Total assets		**1,628.2**	**2,450.1**

*Included in interest-bearing net debt.

The notes are an integral part of the consolidated financial statements.

EQUITY AND LIABILITIES, MEUR	Note	31 Dec 2025	31 Dec 2024
Equity attributable to the shareholders of the parent company			
Share capital		20.0	20.0
Translation differences		-10.1	14.9
Fair value reserves		-0.1	-12.0
Retained earnings		1,000.2	1,002.5
Total equity attributable to the shareholders of the parent company	3.2, 8.6	**1,010.0**	**1,025.4**
Non-controlling interest		–	1.9
Total equity		**1,010.0**	**1,027.3**
Non-current liabilities			
Interest-bearing liabilities*	8.2, 8.4, 9.1	76.1	220.9
Deferred tax liabilities	4.2	5.9	11.7
Pension obligations	3.4	24.5	25.4
Provisions	5.5	0.2	0.3
Other non-interest-bearing liabilities	5.4, 8.2	2.9	10.0
Total non-current liabilities		**109.6**	**268.2**
Current liabilities			
Interest-bearing liabilities*	8.2, 8.4, 9.1	174.7	148.6
Provisions	5.5	36.7	38.2
Income tax payables		26.1	50.1
Derivative liabilities	8.2, 8.5	2.0	6.1
Accounts payable	5.4	151.7	158.9
Contract liabilities	2.2, 5.4	20.5	24.3
Other non-interest-bearing liabilities	5.4, 8.2	97.0	126.8
Total current liabilities		**508.5**	**552.9**
Liabilities associated with assets held for sale	7.1	**–**	**601.7**
Total equity and liabilities		**1,628.2**	**2,450.1**

Consolidated statement of changes in equity

		Attributable to the shareholders of the parent company								
MEUR	Note	Share capital	Share premium	Translation differences	Fair value reserves	Reserve for invested unrestricted equity	Retained earnings	Total	Non-controlling interest	Total equity
Equity 1 Jan 2025		**20.0**	**—**	**14.9**	**-12.0**	**—**	**1,002.5**	**1,025.4**	**1.9**	**1,027.3**
Profit for the period							164.0	164.0	0.4	164.4
Cash flow hedges					11.9			11.9	—	11.9
Translation differences				-25.0				-25.0	-0.1	-25.1
Actuarial gains and losses from defined benefit plans	3.4, 4.1						4.0	4.0	—	4.0
Comprehensive income for the period*		**—**	**—**	**-25.0**	**11.9**	**—**	**168.0**	**154.9**	**0.3**	**155.2**
Dividends paid	8.6						-177.8	-177.8	-0.5	-178.4
Share-based payments	3.2						7.5	7.5		7.5
Other changes							—	—	-1.7	-1.7
Transactions with owners of the company		**—**	**—**	**—**	**—**	**—**	**-170.3**	**-170.3**	**-2.2**	**-172.5**
Equity 31 Dec 2025		**20.0**	**—**	**-10.1**	**-0.1**	**—**	**1,000.2**	**1,010.0**	**—**	**1,010.0**

*Net of tax

The notes are an integral part of the consolidated financial statements.

		Attributable to the shareholders of the parent company								
MEUR	Note	Share capital	Share premium	Translation differences	Fair value reserves	Reserve for invested unrestricted equity	Retained earnings	Total	Non-controlling interest	Total equity
Equity 1 Jan 2024		**64.3**	**98.0**	**-56.4**	**-2.5**	**35.3**	**1,613.6**	**1,752.3**	**1.5**	**1,753.8**
Profit for the period							1,066.7	1,066.7	0.8	1,067.5
Cash flow hedges					-9.5			-9.5	–	-9.5
Translation differences				71.3				71.3	0.1	71.4
Actuarial gains and losses from defined benefit plans	3.4, 4.1						-1.0	-1.0	–	-1.0
Comprehensive income for the period*		**–**	**–**	**71.3**	**-9.5**	**–**	**1,065.7**	**1,127.6**	**0.8**	**1,128.4**
Effect of the partial demerger		-44.3	-98.0			-26.0	168.3	–		–
Fair value of net assets distributed to the owners	7.3						-1,698.2	-1,698.2		-1,698.2
Dividends paid	8.6						-138.2	-138.2	-0.4	-138.6
Treasury shares acquired						-9.3	-18.7	-28.0		-28.0
Share-based payments	3.2						9.9	9.9		9.9
Transactions with owners of the company		**-44.3**	**-98.0**	**–**	**–**	**-35.3**	**-1,676.8**	**-1,854.4**	**-0.4**	**-1,854.9**
Equity 31 Dec 2024		**20.0**	**–**	**14.9**	**-12.0**	**–**	**1,002.5**	**1,025.4**	**1.9**	**1,027.3**

*Net of tax

The notes are an integral part of the consolidated financial statements.

Consolidated statement of cash flows

MEUR	Note	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Net cash flow from operating activities			
Profit for the period		164.4	1,067.5
Depreciation, amortisation and impairment	2.3, 7.3	58.9	270.6
Finance income and expenses	2.5, 7.3	8.0	14.6
Income taxes	4.1	55.4	80.9
Non-cash adjustments related to partial demerger		–	-1,039.7
Change in non-interest bearing receivables		39.7	116.4
Change in non-interest bearing liabilities		-35.7	-5.8
Change in inventories		27.2	91.5
Change in net working capital		31.2	202.1
Other adjustments		-10.4	-13.6
Cash flow from operations before finance items and taxes		**307.5**	**582.3**
Interest received		11.3	19.4
Interest paid		-10.9	-26.6
Dividends received		–	1.8
Other finance items		20.7	-3.5
Income taxes paid		-139.4	-97.3
Net cash flow from operating activities		**189.3**	**476.1**
Net cash flow from investing activities			
Acquisitions of businesses, net of cash acquired	7.1	–	-17.9
Proceeds from disposal of businesses, net of cash disposed	7.1	52.4	2.5
Investments in intangible assets and property, plant and equipment	6.2, 6.3	-17.3	-44.2
Proceeds from sale of intangible assets and property, plant and equipment	2.4, 6.2, 6.3	0.6	21.6
Cash flow from investing activities, other items		0.0	21.5
Net cash flow from investing activities		**35.7**	**-16.5**

MEUR	Note	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Net cash flow from financing activities			
Treasury shares acquired		–	-28.0
Repayments of lease liabilities	8.4	-29.7	-40.9
Repayments of long-term borrowings	8.4	-125.0	-100.0
Repayments of short-term borrowings	8.4	–	-4.0
Dividends paid	8.6	-178.4	-138.6
Net cash flow from financing activities		**-333.0**	**-311.5**
Change in cash and cash equivalents		**-108.0**	**148.1**
Cash and cash equivalents, and bank overdrafts 1 Jan	8.3	579.2	680.8
Effect of exchange rate changes		-11.5	-2.1
Cash and cash equivalents, and bank overdrafts distributed to the owners		–	-247.7
Cash and cash equivalents, and bank overdrafts 31 Dec		**459.7**	**579.2**
Cash and cash equivalents, and bank overdrafts included in the net assets held for sale at 31 Dec	7.1	–	140.1
Bank overdrafts 31 Dec	8.3	0.0	0.0
Cash and cash equivalents 31 Dec		**459.7**	**439.1**

Consolidated statement of cash flows includes cash flows from the continuing and the discontinued operations.

The notes are an integral part of the consolidated financial statements.

Notes to the consolidated financial statements

1. Accounting principles

1.1 Accounting principles for the consolidated financial statements

General information

Hiab Corporation (1927402-8) is a limited liability company domiciled in Helsinki, Finland. The registered address is Itämerenkatu 25, 00180 Helsinki, Finland. Hiab Corporation and its subsidiaries form the Hiab Group (later referred to as Hiab or Group). Hiab Corporation's (Cargotec Corporation until 31 March 2025) class B shares are quoted on Nasdaq Helsinki since 1 June 2005.

Hiab develops and manufactures load-handling equipment and provides related services to essential industries worldwide. The product portfolio covers loader cranes, truck-mounted forklifts, forestry and recycling cranes, demountables and hooklifts, roll-off cable hoists, and tail lifts, marketed under a range of specialised brands.

These consolidated financial statements were approved for publishing by the Board of Directors on 11 February 2026. Pursuant to the Finnish Limited-Liability Companies Act, the shareholders have the right to approve or reject the financial statements in the Annual General Meeting held after their publication. The Annual General Meeting also has the right to amend the financial statements.

Changes in the group structure and reporting

Cargotec's continuing operations consisted of Hiab's business at the beginning of the year, which resulted in segment reporting being updated accordingly. At the beginning of April Cargotec Corporation's name was changed to Hiab Corporation. MacGregor was presented as a discontinued operation since November 2024, and its sale was finalised on 31 July 2025. Information about MacGregor is presented in notes 7.1 Acquisitions and disposals of businesses, and 7.3 Discontinued operations.

To provide a basis for comparison, Hiab published its reclassified financial information of continuing operations for all quarters of 2023 and the first three quarters of 2024 separately, as well as for the full year 2023 on 7 January 2025.

As of 1 January 2025, Hiab has two reporting segments, Equipment and Services. Hiab published its reclassified financial information of reportable segments and Group administration for all quarters of 2024, as well as for the full year 2024 on 28 March 2025.

Accounting principles in the consolidated financial statements

Hiab Corporation's consolidated financial statements have been prepared according to the IFRS Accounting Standards as adopted by the European Union. The IAS and IFRS accounting standards as well as SIC and IFRIC interpretations valid on 31 December 2025 have been used in preparation of the financial statements.

The consolidated financial statements include the parent company Hiab Corporation and those subsidiaries in which the parent exercises control. Subsidiaries have been listed in note 7.2 Group companies. Consolidation principles related to subsidiaries, and acquisitions and disposals are presented in the note section 7. Group structure.

The consolidated financial statements are prepared under the historical cost convention except for certain classes of financial instruments, cash-settled components of share-based payments, and funds invested in post-employment defined benefit plans which are measured at fair value.

The consolidated financial statements are presented in euros, which is the functional and reporting currency of the parent company. Financial information is presented in millions of euros and business transactions are based on historical cost convention unless otherwise stated. All figures presented have been rounded which may cause, for example, the sum of individual figures to deviate from the presented sum total.

Hiab describes the accounting principles in conjunction with relevant note or note section. Refer to the following table for a list of accounting principles and financial statement note or note section in which they are presented.

Accounting principle	Note or note section
Segment reporting	2.1 Segment information
Revenue recognition, and contract assets and liabilities	2.2 Revenue recognition
Impairments	2.3 Depreciation, amortisation and impairment charges
Government grants	2.4 Other operating income and expenses
Interest income and expense	2.5 Finance income and expenses
Earnings per share	2.6 Earnings per share
Share-based payments	3.2 Share-based payments
Pension obligations	3.4 Post-employment benefits
Income taxes and Pillar 2	4. Income taxes
Inventories	5.2 Inventories
Accounts receivable and contract assets	5.3 Accounts receivable and other non-interest-bearing assets
Provisions	5.5 Provisions
Goodwill	6.1 Goodwill
Intangible assets, and research and development costs	6.2 Intangible assets
Property, plant and equipment	6.3 Property, plant and equipment
Consolidation principles, effect of changes in foreign exchange rates, business acquisitions and disposals, non-current assets held for sale and discontinued operations	7. Group structure

Accounting principle	Note or note section
Financial assets, cash and cash equivalents, financial liabilities, offsetting financial assets and liabilities, derivative financial instruments and hedge accounting, profit distribution and treasury shares	8. Capital structure and financial instruments
Leases	9.1 Leases
Contingent liabilities and commitments	9.2 Contingent liabilities and commitments

New or amended IFRS accounting standards and interpretations from 2025

Amendments to IAS 21, Lack of Exchangeability

The amendment helps to identify a situation where the currency cannot be considered freely exchangeable and instructs in these situations to take this into account in the exchange rate used in reporting and to provide additional information on the matter. The amendments became effective on 1 January 2025 and had no impact on Hiab's reporting.

New or amended IFRS accounting standards and interpretations from 2026

Amendments to IFRS 9 and IFRS 7, Amendments to the classification and measurement of financial instruments

The amendments include guidance for determining whether cash flows of financial instruments tied to environmental, social, and governance (ESG) objectives are considered to be ordinary payments of principal and interest. Amendments also include certain additional disclosure requirements. Amendments become effective on 1 January 2026 and are not expected to impact Hiab's reporting.

Amendments to IFRS 9 and IFRS 7, Contracts referencing Nature-dependent Electricity

Electricity production is nature-dependent when its generation depends on uncontrollable natural conditions such as weather. Contracts referencing nature-dependent electricity are contracts to buy or sell electricity produced for example from wind or solar energy, and financial instruments that reference such electricity. The amendment clarifies how hedge accounting can be applied to such contracts and sets certain disclosure requirements. Amendments become effective 1 January 2026 and are not expected to impact Hiab's reporting.

IFRS 18 Presentation and disclosure in financial statements

The standard introduces a standardised structure for the statement of profit and loss, and certain improvements to the statement of cash flows. The standard also provides additional guidance on aggregation and disaggregation of data in financial statements and introduces disclosure requirements related to management-defined performance measures. The standard will become effective on 1 January 2027 and will change the presentation of Hiab's financial statements, in particular the statement of income, as the standard provides more detailed and partly new guidance on how income and expenses are to be presented across the different categories of statement of income. However, the adoption of the standard is not expected to have a significant financial impact compared with the current presentation.

IFRS 19 Subsidiaries without public accountability: disclosures

The standard defines limited reporting requirements that a subsidiary can apply in its own IFRS reporting, if certain conditions are met, instead of the presentation requirements of the normal IFRS accounting standards. The standard is becoming effective on 1 January 2027 and has no impact on Hiab's reporting.

Amendments to IAS 21, Translation to a Hyperinflationary Presentation Currency

Amendments clarify how an entity translates its results and financial position when its presentation currency is that of a hyperinflationary economy. Amendments become effective 1 January 2027 and are not expected to impact Hiab's reporting.

1.2 Estimates and assumptions requiring management judgement

When preparing consolidated financial statements, management has to make estimates and assumptions that impact the reported income and expenses, values of presented assets and liabilities, and presented disclosures regarding contingent assets and liabilities. In addition, management judgement may be required in applying the accounting principles.

Estimates and assumptions requiring management judgment are based on management's historical experience and best knowledge of events and other factors, including expectations of future events, that are considered reasonable. The actual amounts may differ significantly from the estimates used in the financial statements. Hiab monitors changes in estimates, assumptions and the factors affecting them using multiple internal and external sources of information. Changes in estimates and assumptions are recognised in the financial period the estimate or assumption is changed. The most significant items in the consolidated statements, which require the management's estimates and involve uncertainty, are presented in the following notes, or note sections:

Estimates and assumptions requiring management judgement	Note or note section
Revenue recognition	2.2 Revenue recognition
Defined benefit plans	3.4 Post-employment benefits
Income taxes	4. Income taxes
Inventories	5.2 Inventories
Expected credit losses	5.3 Accounts receivable and other non-interest-bearing assets
Provisions	5.5 Provisions
Impairment testing	6.1 Goodwill 2.3 Depreciation, amortisation and impairment charges
Amortisation and depreciation periods	6.2 Intangible assets 6.3 Property, plant and equipment
Business acquisitions and disposals, and assessment of control	7. Group structure
Fair value of financial assets and liabilities	8. Capital structure and financial instruments
Leases	9.1 Leases

1.3 Prevailing economic uncertainty

The global economy and cargo flow dynamics have a direct impact on Hiab’s operating environment and customers’ investment decisions. Uncertainties arising from economic conditions, supply chain shifts, geopolitical developments, sanctions, trade disputes, and technological or regulatory changes can all impact the global movement of goods, affecting component availability and pricing, as well as demand for Hiab solutions.

In the prevailing market situation, demand for Hiab’s solutions has varied regionally. A weakening economic outlook and rising uncertainty may lead customers to postpone or cancel orders, seek price reductions, or face financial difficulties, potentially including insolvency. These factors, combined with reduced production volumes, could negatively impact Hiab’s sales and profitability. In addition, a deteriorating economic environment can increase inventory obsolescence and credit losses related to customer receivables.

Furthermore, economic uncertainty driven by current trade policies has adversely affected Hiab, complicating the management of procurement costs and product pricing, and increasing the risks associated with Hiab's investment decisions. During the financial year, U.S. steel tariffs were subject to significant changes in both scope and tariff rates. In August 2025, the scope was expanded to its broadest extent, at which point many of Hiab’s finished products also became subject to the tariffs. The tariff changes led to unexpected price changes and increased uncertainty, which had a negative impact on customer demand and order intake. The changes also increased operational and administrative complexity for the Group’s U.S. operations. In particular, determining and declaring the correct tariff level requires extensive data collection from suppliers regarding the steel content and value of imported goods. This process is ongoing, has increased administrative burden, and has resulted in temporary overpayments of tariffs. There is also uncertainty regarding the amount and timing of refunds of excess tariff payments.

Hiab is also exposed to financial risks due to climate change. Risks are caused by, for example, changes in the environment and regulations, adoption of new technologies, and emission reduction commitments. Managing these risks and achieving the set goals requires success across Hiab's entire organization, from product development to procurement, manufacturing to sales, and from administration in leading the change process. Failure to manage these risks could adversely affect Hiab's business.

2. Financial performance

2.1 Segment information

Accounting principles

Segment reporting

The reporting segments are aligned with how the chief operating decision-maker monitors the business. The chief operating decision-maker, responsible for resource allocation and segment performance oversight, is identified as Hiab's Board of Directors together with the Chief Executive Officer. Segment reporting is based on the operational framework, with the Equipment segment combining operating segments Lifting Equipment and Delivery Equipment. These aggregated operating segments share similarities in long-term economic performance, product nature, production processes, customer bases, and distribution methods. No aggregation is performed within the Services segment.

The accounting principles used for internal management reporting and segment reporting are consistent with those applied in the preparation of the consolidated financial statements. Segment financial performance is evaluated based on external sales and comparable operating profit. Comparable operating profit is specifically used to track and forecast profitability, as well as to set related performance targets.

Hiab develops and manufactures load-handling equipment and provides related services to essential industries worldwide. The Equipment segment's business includes load handling equipment, such as HIAB, EFFER and ARGOS loader cranes, MOFFETT and PRINCETON truck-mounted forklifts, LOGLIFT forestry cranes, JONSERED recycling cranes, MULTILIFT skiploaders and hooklifts, GALFAB roll-off cable hoists, and tail lifts under the ZEPRO, DEL and WALTCO brands. The Services segment's business includes solutions supporting the use and productivity of Hiab equipment. The product range includes maintenance and installation services, spare parts and accessories, digital services, and refurbished equipment.

Reporting segments

Segment results

Sales in the reporting segments comprise both equipment and service revenues. Segment performance is assessed using comparable operating profit. Hiab published its reclassified financial information of reportable segments and Group administration for the full year 2024 on March 2025. Finance income and expenses, taxes and certain group administrative costs are not allocated to the segments. No single customer accounted for more than 10% of the company's total revenue during the year or the comparative period.

1 Jan-31 Dec 2025 MEUR	Equipment	Services	Group administration	Total
Sales	1,087.7	468.6	–	1,556.3
Depreciation and amortisation	21.5	17.8	2.3	41.6
Impairment charges	–	–	0.1	0.1
Comparable operating profit	**140.1**	**108.9**	**-36.1**	**212.9**
% of sales	12.9 %	23.2 %	–	13.7 %

1 Jan-31 Dec 2024 MEUR	Equipment	Services	Group administration	Total
Sales	1,185.1	462.2	–	1,647.3
Depreciation and amortisation	21.5	16.8	3.9	42.2
Impairment charges	1.4	–	0.5	1.9
Comparable operating profit	**155.4**	**99.5**	**-37.7**	**217.1**
% of sales	13.1 %	21.5 %	–	13.2 %

Items affecting comparability

Items affecting comparability include costs related to the announced programme targeting lower cost level. These items are reported in the statement of income either in administration expenses or other operating expenses.

MEUR	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Operating profit	**207.6**	**217.1**
Costs of programme targeting lower cost level	5.2	–
Comparable operating profit	**212.9**	**217.1**

Orders

	Orders received		Order book	
MEUR	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024	31 Dec 2025	31 Dec 2024
Equipment	1,010.5	1,059.0	475.6	590.2
Services	470.3	449.5	58.5	57.6
Total	**1,480.8**	**1,508.5**	**534.1**	**647.8**

Information divided by geographical area

Sales are reported by customer location, while assets are reported by the location of the assets. The geographical areas are based on the main market areas.

Sales, continuing operations

MEUR	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Finland	30.0	42.2
Other EMEA (Europe, Middle East, Africa)	755.0	761.7
Northern America	611.9	685.1
Other Americas	49.8	50.0
Asia-Pacific	109.6	108.3
Total	**1,556.3**	**1,647.3**

Non-current assets and goodwill*

MEUR	31 Dec 2025	31 Dec 2024
Finland	31.7	17.4
Other EMEA (Europe, Middle East, Africa)	99.4	106.5
Americas	48.3	51.6
Asia-Pacific	5.5	6.7
Goodwill	234.9	240.1
Total	**419.9**	**422.4**

*Excluding financial instruments and deferred tax assets. Goodwill has not been allocated to geographical areas.

2.2 Revenue recognition

Accounting principles

Revenue recognition

Sales represent revenue from products and services, reported net of sales taxes, rebates, and the impact of foreign currency translation. Revenue recognition is generally assessed on a per-contract basis, unless multiple contracts are so closely related that they effectively constitute a single arrangement. Within each contract, revenue is recognized separately for each distinct product or service. A product or service is considered a distinct performance obligation if it can be separated from other deliverables in the contract and the customer can benefit from it either separately or with other readily available resources. As a result, a single agreement that includes multiple deliverables may give rise to one or more separate components of revenue.

The transaction price is determined based on the amount expected to be received from the customer, taking into account the contract price and the impact of any variable components. The transaction price is then allocated to identified distinct products or services in proportion to their relative fair values, which are typically derived from list prices or estimated production costs and margins, depending on the nature of products or services.

Revenue is recognized separately for each distinct product or service, either over time or at a specific point in time, depending on the nature of the deliverable and when control is transferred to the customer. For sold equipment, control is typically transferred at a point in time when the associated risks and rewards are passed to the customer, usually defined by the applicable delivery terms. For services, control is generally transferred over time as the service is performed.

If a customer contract is expected to result in a loss, the associated costs are estimated using the same principles applied to provisions, and the expected loss is recognized immediately in the income statement.

Revenue from the sale of equipment without significant customization is recognized at a point in time when risks and rewards of ownership have been substantially transferred to the customer and the company no longer retains control or authority over the product.

For sales without delivery or installation, revenue is recognized when the goods are handed over or otherwise made available to the customer. For standard products sold with delivery but without installation, the timing of revenue recognition is determined by the applicable delivery terms (Incoterms).

When products are sold together with installation service, the timing of revenue recognition depends on the complexity of the installation. With complex installations, the installation service is considered an integral part of the product offering, and revenue for both the product and installation is recognized upon completion of the installation. With non-complex installations that are typically of short duration and low value, the installation does not affect the timing of revenue recognition for the related product.

Revenue from service contracts is recognized using the percentage-of-completion method when the outcome of the contract can be reliably estimated. The stage of completion is determined based on the proportion of contract costs incurred to date relative to the total estimated contract costs (cost-to-cost method).

For longer-term, but low-value service contracts, the percentage of completion is not assessed on an individual contract basis. Instead, revenue is recognized based on general estimates of how costs are typically incurred and services delivered over contracts of similar duration. For continuous services or those involving an indefinite number of deliverables, such as digital services and extended warranties, revenue is recognized on a straight-line basis over the contract period. Revenue from short-term service orders is recognized when the service is rendered.

If the outcome of a service contract cannot be reliably estimated, project costs are expensed as incurred, and revenue is recognized only to the extent that the related costs are expected to be recovered. Any expected losses on contracts are recognized as expenses immediately.

Hiab provides customer financing solutions to selected customer segments and distribution channels. In these arrangements, Hiab facilitates financing for customers or dealers, either directly or in collaboration with a financing partner.

Sales made under customer finance arrangements are recognized as ordinary sales when Hiab does not retain significant residual value risk or interest. If significant residual value risk or interest is retained, the transaction is accounted for either as an operating lease or a finance lease, depending on the level of risk or interest retained and the specific characteristics of the transaction.

Contract assets and liabilities

Contract assets represent unbilled receivables arising from customer contracts where revenue is recognized over time. These unbilled receivables reflect the amount of revenue recognized for work performed that exceeds the cumulative invoiced amounts and any recognized losses. Contract assets are presented on the balance sheet as other non-interest-bearing receivables. Contract liabilities consist of advances received from customers and represent prepayments or invoiced amounts that exceed the revenue recognized to date. They are recorded on the balance sheet as advances received. Contract receivables and liabilities are determined separately for each customer contract.

Estimates and assumptions requiring management judgement

Revenue recognition

Revenue recognition may involve judgment and estimation. For example, judgment may be required in identifying separate performance obligations, assessing the expected impact of variable price components on transaction price, and concluding the timing of revenue recognition.

Hiab revenue MEUR	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Equipment sales	1,087.7	1,185.1
Service sales	468.6	462.2
Total sales	**1,556.3**	**1,647.3**
Recognised at a point in time	1,530.3	1,630.1
Recognised over time	26.0	17.3

Contract assets and liabilities

Contract assets MEUR	2025	2024
Contract assets 1 Jan	1.5	47.3
Translation differences	-0.3	-0.9
Unbilled revenue recognised less transfers to receivables	-3.3	-28.7
Assets held for sale and distributed to the owners*	4.1	-16.1
Contract assets 31 Dec	**2.0**	**1.5**

Contract liabilities MEUR	2025	2024
Contract liabilities 1 Jan	24.3	374.5
Translation differences	2.1	-3.3
Revenue recognised from contract liability on 1 Jan	-130.5	-210.2
Cash received/paid less revenue recognised	110.6	252.3
Liabilities associated with assets held for sale and distributed to the owners*	13.9	-389.1
Contract liabilities 31 Dec	**20.5**	**24.3**

*Additional information disclosed in notes 7.1 Acquisitions and disposals of businesses, and 7.3 Discontinued operations

Contract-based assets and liabilities at the reporting date are not expected to be long term.

Transaction price allocated to remaining performance obligations related to customer contracts

Transaction price allocated to remaining performance obligations related to ongoing customer contracts is on the reporting date EUR 534.1 (31 Dec 2024: 647.8) million, of which 94% (93%) is expected to be recognised as revenue during the next 12 months.

2.3 Depreciation, amortisation and impairment charges

Accounting principles

Impairments

The book values of assets are reviewed for potential impairment on each balance sheet date. Should any indication arise, the asset is tested for impairment. Impairment testing determines the recoverable amount of an asset. The recoverable amount of items of property, plant and equipment, intangible assets, and goodwill is the fair value less costs to sell, or, if higher than that, the cash flow-based value in use. If the recoverable amount of a single asset cannot be reliably determined, the need for impairment is assessed on the lowest level of the cash generating unit (CGU) that is mainly independent of the other units, and whose cash flows are separately identifiable from the cash flows of the other units.

An impairment loss related to goodwill is recognised in the statement of income when the carrying amount of the CGU exceeds its recoverable amount. Impairment loss is first allocated to goodwill and then to other assets on a pro rata basis. Impairment losses recognised for goodwill cannot be subsequently reversed.

An impairment loss related to other assets is recognised in the statement of income when the carrying amount of an asset exceeds its recoverable amount. A previously recognised impairment loss is reversed only if there has been a significant change in the estimates used to determine the recoverable amount. The impairment loss can only be reversed to the extent that the carrying value of an asset is returned to a level where it would have been without the recognised impairment loss.

Estimates and assumptions requiring management judgement

Impairment testing

Intangible assets and property, plant and equipment are tested for impairment every time there is any indication of impairment. In assessing impairment, both external and internal sources of information are considered. External sources include a significant decline in market value that is not the result of the passage of time, normal use of the assets or increase in interest rate. Internal sources of information include evidence of obsolescence of, or physical damage to, an asset. If the carrying amount of an asset exceeds the amount that is recoverable from its use or sale, an impairment loss is recognised immediately so that the carrying amount corresponds to the recoverable amount.

Depreciation, amortisation and impairment by function, continuing operations

MEUR	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Cost of goods sold	26.3	28.7
Selling and marketing expenses	4.2	3.7
Research and development expenses	1.7	1.7
Administration expenses	9.5	9.3
Other operating expenses	0.1	0.5
Total	**41.7**	**44.0**

Depreciation, amortisation and impairment charges by asset type are disclosed in notes 6.1 Goodwill, 6.2 Intangible assets, and 6.3 Property, plant and equipment.

2.4 Other operating income and expenses

Accounting principles

Government grants

An unconditional government grant is recognised in the statement of income when the grant becomes receivable. Other government grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and Hiab will comply with the conditions associated with the grant, and are then recognised in the statement of income on a systematic basis over the period during which the costs related to grant are incurred.

Other operating income, continuing operations

MEUR	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Gain on disposal of businesses	0.5	–
Gain on disposal of intangible assets and property, plant and equipment	0.3	1.9
Rental income	0.1	0.2
Other income	1.3	4.9
Total	**2.2**	**7.0**

Other operating expenses, continuing operations

MEUR	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Loss on disposal of intangible assets and property, plant and equipment	0.2	0.0
Other expenses	4.7	0.4
Total	**4.9**	**0.5**

Operating profit includes exchange rate differences on forward contracts designated as cash flow hedges, total EUR 3.7 (2024: -0.9) million, of which EUR 3.1 (-0.3) million in sales and EUR 0.7 (-0.5) million in cost of goods sold. The exchange rate differences related to the portion of ineffective hedges, which are booked in other operating income and expenses, had no effect on the operating profit (2024: no effect).

In addition, operating profit includes EUR -1.8 (2024: 0.8) million of exchange rate differences arising from unhedged sales and purchases, and from hedges of sales and purchases for which hedge accounting is not applied.

Audit fees

MEUR	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Audit	2.2	3.7
Sustainability statement assurance	0.1	0.1
Tax advice	0.0	0.0
Other services	0.5	1.4
Total	**2.9**	**5.2**

The table above presents the fees to Ernst & Young globally including both continuing and discontinued operations, Kalmar companies are included to it until the demerger date 30 June 2024. In 2025, Ernst & Young Oy’s non-audit fees were EUR 0.6 (2024: 1.5) million.

2.5 Finance income and expenses

Accounting principles

Interest income and expense

Interest income and expense on financial instruments measured at amortised cost are accrued in the statement of income using the effective interest method. When hedge accounting is applied to a forward exchange contract, the amortisation of initial value of forward points and subsequent change in the value related to forward points are recognised separately in the statement of income. Arrangement and commitment fees related to interest-bearing liabilities are recognised separately as an expense if they cannot be included in the amortised cost of interest-bearing debt.

Finance income, continuing operations

MEUR	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Interest income on financial assets measured at amortised cost	9.1	14.6
Other finance income	0.0	0.0
Total	**9.1**	**14.6**

Finance expenses, continuing operations

MEUR	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Interest expenses on financial liabilities measured at amortised cost	4.4	6.1
Interest expenses on leases	4.7	4.3
Forward contracts interest component	2.1	5.6
Other finance expenses	2.3	1.5
Exchange rate differences, net	1.1	0.7
Total	**14.6**	**18.3**

Exchange rate differences included in finance income and expenses, continuing operations

MEUR	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Exchange rate differences on interest-bearing receivables and loans	-16.4	5.1
Exchange rate differences on derivative instruments	15.3	-5.8
Total	**-1.1**	**-0.7**

2.6 Earnings per share

Accounting principles

Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the shareholders of the parent company by the weighted average number of shares outstanding during the period.

Diluted earnings per share is calculated by taking into account potential dilutive ordinary shares related to equity-settled share-based incentive schemes. The shares granted under the incentive schemes are contingently issuable, and therefore, considered as options when calculating the diluted earnings per share. Shares and share options are dilutive when their subscription price, including the value of the employee's yet undelivered service, is lower than the average share price during the reporting period. Dilutive effect is the difference between the number of shares to be issued and the number of shares that would have been issued at the average share price of the reporting period.

	Note	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Profit attributable to the shareholders of the parent company, continuing operations, MEUR		150.8	154.2
Weighted average number of shares during financial period, ('000)*		64,360	64,178
Basic earnings per share, continuing operations, EUR		**2.34**	**2.40**

	Note	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Profit attributable to the shareholders of the parent company, discontinued operations, MEUR		13.2	912.5
Weighted average number of shares during financial period, ('000)*		64,360	64,178
Basic earnings per share, discontinued operations, EUR		**0.21**	**14.22**

	Note	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Profit attributable to the shareholders of the parent company, continuing operations, MEUR		150.8	154.2
Weighted average number of shares during financial period, ('000)*		64,360	64,178
Effect of share-based incentive programmes, ('000)	3.2	117	270
Diluted weighted average number of shares during financial period, ('000)		64,477	64,448
Diluted earnings per share, continuing operations, EUR		**2.34**	**2.39**

	Note	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Profit attributable to the shareholders of the parent company, discontinued operations, MEUR		13.2	912.5
Weighted average number of shares during financial period, ('000)*		64,360	64,178
Effect of share-based incentive programmes, ('000)	3.2	117	270
Diluted weighted average number of shares during financial period, ('000)		64,477	64,448
Diluted earnings per share, discontinued operations, EUR		**0.21**	**14.16**

*Due to the lock-up period of certain share-based payment programmes, the average number of shares used in the earnings per share calculation differs from the average amount of outstanding shares presented in the share-related key figures.

3. Compensation and benefits

3.1 Personnel expenses

MEUR	Note	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Wages and salaries		252.3	243.1
Equity-settled share-based payments	3.2	7.5	9.2
Cash-settled share-based payments	3.2	4.2	22.9
Pension costs	3.4	31.9	28.7
Other statutory employer costs		35.7	33.1
Total		**331.5**	**337.0**

Continuing operations

The average number of employees in 2025 amounted to 4,104 (2024: 4,252). Employees at the end of 2025 amounted to 4,053 (4,234). Information on key management compensation is presented in note 3.3 Management remuneration.

3.2 Share-based payments

Accounting principles

Share-based payments

Hiab Corporation has share-based incentive plans which include incentives paid as shares or in cash. The benefits granted in accordance with the incentive plan are measured at fair value at the grant date and are expensed on a straight-line basis over the vesting period. The fair value of the equity-settled incentives is based on the market price of the share at the grant date. Equity-settled incentives include benefits paid in shares and the portion of share benefits that is used to pay income taxes if Hiab has an obligation to withhold them. The share-based payments settled with equity instruments are not revalued subsequently, and the cost of these arrangements is recognised as an increase in equity. The cash-settled share-based incentives are valued at fair value at each closing until the settlement date and recognised as a liability.

The expensed amount of the benefits is based on the group's estimate of the amount of benefits to be paid in accordance with the fulfilment of service and performance-based vesting conditions at the end of the vesting period. Market conditions and non-vesting conditions are considered in determining the fair value of the benefit. Instead, the non-market criteria, like profitability or increase in sales, are not considered in measuring the fair value of the benefit but are taken into account when estimating the final amount of benefits. The estimate is updated at each closing date and changes in estimates are recorded through the statement of income.

Performance share programmes

Performance share incentive programmes are designed for members of the Leadership Team and other key personnel to enhance the strategy execution, align the interests of leaders with those of shareholders, and to retain key individuals. Each programme has a three-year vesting period, divided into three annual performance measurement periods. Rewards are contingent upon meeting a three-year service requirement and achieving specific financial performance targets, which are defined separately for each year and programme.

Rewards are granted and settled in Hiab class B shares, with Hiab covering the associated taxes and tax-related expenses. Payments are made at the end of each three-year period, based on the fulfilment of the vesting conditions.

Performance share incentive programmes	Initial number of participants	Initial number of shares granted	Expected total cost of the programme on grant date, MEUR	Program status on 31 Dec 2025
Performance share programme 2025–2027	65	83,240	3.4	Vesting
Performance share programme 2024–2026	94	195,290	13.0	Vesting
Performance share programme 2023–2025	98	194,200	9.1	Vesting
Performance share programme 2020–2024	188	867,280	23.3	Ended

Restricted share programmes

Restricted share-based incentive programmes are targeted at key individuals selected by the Board of Directors to support key executive recruitments and provide an additional share reward mechanism for specific targeted situations or projects to benefit driving the result and to retain key individuals. Each programme has a three-year duration, with rewards subject to a three-year service condition. The earned rewards are paid in three equal annual instalments.

Shares awarded for the first and second instalments are subject to a restriction period, during which they may not be sold, transferred, pledged, or otherwise disposed of. Additionally, financial performance criteria may be applied for the first year of the engagement period. The rewards are granted and settled in Hiab class B shares, with Hiab covering the related taxes and tax-related expenses.

Restricted share incentive programmes	Initial number of participants	Initial number of shares granted	Expected total cost of the programme on grant date, MEUR	Program status on 31 Dec 2025
Restricted share programme 2024–2026	6	6,570	0.9	Vesting
Restricted share programme 2023–2025	8	15,880	0.9	Vesting
Restricted share programme 2020–2024	10	21,090	1.0	Ended

Restricted share unit programmes

Restricted share unit programmes are targeted at members of the Leadership Team and other key personnel and designed to retain and motivate selected key individuals in driving a significant transformation of the organisation. The rewards are conditional upon the achievement of strategic objectives set by the Board of Directors, as well as continued employment throughout the performance period.

The reward under the 2023–2025 programme was paid at the beginning of 2025. The reward for the 2022–2024 programme was paid in two instalments: the first in spring 2023 and the second in spring 2024. Shares received as part of the reward may not be sold, transferred, pledged, or otherwise disposed of during a restriction period, which ends six months after the date of payment. Rewards are granted and settled in Hiab class B shares, with Hiab covering the related taxes and tax-related expenses.

Restricted share unit incentive programmes	Initial number of participants	Initial number of shares granted	Expected total cost of the programme on grant date, MEUR	Program status on 31 Dec 2025
Restricted share unit programme 2023–2025	48	267,500	19.6	Ended
Restricted share unit programme 2022–2024	55	106,450	5.5	Ended

Reconciliation of outstanding share awards

	2025	2024
Number of shares subject to vesting conditions on 1 Jan	879,383	810,602
Shares granted during the period	83,240	211,870
Shares forfeited during the period	-92,256	-211,820
Shares vested during the period	-600,699	-173,053
Shares additionally granted due to the partial demerger	–	444,149
Shares transferred in the partial demerger	–	-202,365
Number of shares subject to vesting conditions on 31 Dec	269,668	879,383

Impact of share-based payments on financial statements

	Recognised as cost during the period*		Recognised as provision on 31 Dec	
MEUR	2025	2024	2025	2024
Performance share programme 2025–2027	0.9	–	0.5	–
Performance share programme 2024–2026	3.0	2.6	1.8	1.3
Performance share programme 2023–2025	4.1	4.2	3.4	2.9
Performance share programme 2020–2024	–	7.0	–	4.8
Restricted share programme 2024–2026	0.2	0.2	0.1	0.2
Restricted share programme 2023–2025	0.1	0.4	0.1	0.2
Restricted share programme 2020–2024	–	0.4	–	0.2
Restricted share unit programme 2023–2025	3.7	20.0	–	18.5
Restricted share unit programme 2022–2024	–	0.9	–	–
Total	**12.0**	**35.8**	**5.9**	**28.1**

*The cost related to the equity-settled reward in 2025 amounted to EUR 7.5 (2024: 9.8) million and was recognised in equity.

3.3 Management remuneration

The top management comprises the Board of Directors and the Leadership Team. The remuneration paid or payable to the CEO and the Leadership team based on the work performed consists of the following:

	The President and CEO*		Other members of the Leadership Team	
MEUR	**1 Jan-31 Dec 2025**	**1 Jan-31 Dec 2024**	**1 Jan-31 Dec 2025**	**1 Jan-31 Dec 2024**
Wages, salaries and other short-term employee benefits	1.6	1.6	4.9	5.3
Share-based payments	2.9	6.8	4.5	15.8
Termination benefits	1.2	–	1.9	–
Total	**5.7**	**8.4**	**11.2**	**21.1**

* Includes remuneration of Scott Phillips as of 1 Apr 2025 and Casimir Lindholm until 31 March 2025 as the President and CEO.

The composition of the Group's Leadership Team has changed during 2025 and 2024. The remuneration of the Leadership Team members is included in the compensation information from the appointment date or until the end of the membership. On 31 December 2025, Leadership Team consisted of President and CEO Scott Phillips and eleven (31 Dec 2024: CEO Casimir Lindholm and seven) other members.

The President and CEO and members of the Leadership Team are participants in the share-based incentive programmes. The table below summarises the number of class B shares paid to them based on these programmes.

	The President and CEO *		Other members of the Leadership Team	
Number of class B shares paid	**2025**	**2024**	**2025**	**2024**
Share-based incentive programmes	27,136	11,891	63,329	33,597
Restricted share unit programmes	109,080	6,898	218,160	12,950
Restricted shares incentive programmes	–	–	13,436	5,648
Total	**136,216**	**18,789**	**294,925**	**52,195**

* Casimir Lindholm received incentive payments related to his time as the CEO in 2025, and Mika Vehviläinen in 2024. Current CEO Scott Phillips did not receive any payments from long-term incentive programmes during 2025 or 2024 related to his time as CEO.

Further information on the incentive programmes is presented in note 3.2 Share-based payments.

Casimir Lindholm stepped down from his position as President and CEO on 31 March 2025. The Board of Directors appointed Scott Phillips as President and CEO of Hiab as of 1 April 2025.

The President and CEO pension is provided according to the statutory Finnish Employees Pensions Act, for which a pension cost of EUR 0.5 (2024: 0.2) million was recorded in 2025. Other members of the Leadership Team located in Finland are also entitled to a statutory pension. Retirement age for the Leadership Team members is determined in line with the statutory pension scheme. They have a period of notice of 6 months and are entitled to compensation for termination of employment, corresponding to 6 to 12 months' salary.

No loans, liabilities or commitments were granted to the members of the Group's top management at the end of the financial year 2025 or 2024.

Board of Directors' compensation

1,000 EUR		**1 Jan-31 Dec 2025**	**1 Jan-31 Dec 2024**
Jukka Moisio	Chairman of the Board (as of 26 March 2025), Vice Chairman of the Board (as of 30 May 2024 until 26 March 2025)	187.1	100.7
Casimir Lindholm	Vice Chairman of the Board (as of 1 April 2025)	110.6	–
Eric Alström	Member of the Board (as of 30 May 2024)	104.5	90.7
Raija-Leena Hankonen-Nybom	Member of the Board	111.6	129.3
Ilkka Herlin	Member of the Board, Chairman of the Board (as of 30 May 2024, until 26 March 2025), Vice Chairman of the Board (until 30 May 2024)	87.7	204.2
Tuija Pohjolainen-Hiltunen	Member of the Board (as of 30 May 2024)	126.5	99.7
Ritva Sotamaa	Member of the Board	90.5	109.4
Luca Sra	Member of the Board (as of 30 May 2024)	96.5	80.6
Jaakko Eskola	Chairman of the Board (until 30 May 2024)	–	39.9
Teresa Kemppi-Vasama	Member of the Board (until 30 May 2024)	–	27.8
Tapio Kolunsarka	Member of the Board (until 30 May 2024)	–	28.8
Johanna Lamminen	Member of the Board (until 30 May 2024)	–	24.8
Kaisa Olkkonen	Member of the Board (until 30 May 2024)	–	23.8
	Total	**915.0**	**959.8**

Further information on share ownership of the Board of Directors and key management is available under Shares and shareholders.

3.4 Post-employment benefits

Accounting principles

Pension obligations

Hiab operates various pension plans in accordance with local conditions and practices. The plans are classified either as defined contribution plans or defined benefit plans.

A defined contribution plan is a pension plan under which the group pays fixed contributions into a separate entity with no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Contributions to the defined contribution plans are charged directly to the statement of income in the year to which these contributions relate.

A defined benefit plan is a pension plan under which the group itself has the obligation to pay retirement benefits and bears the risk of change in the value of plan liability and assets. The liability recognised on the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of reporting period less fair value of plan assets. The defined benefit obligation regarding each significant plan is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate or government bonds with approximating terms to maturity and that are denominated in the currency in which the benefits are expected to be paid. The applied discount rates are determined in each country by an external actuary. If an asset is recognised on the balance sheet based on the calculation, the recognition is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Actuarial gains and losses related to remeasurements of a defined benefit plan and the effect of the asset ceiling, if any, are recognised directly in the statement of comprehensive income. Interest and all other expenses related to defined benefit plans are recognised directly in the statement of income.

If a plan is amended or curtailed, the portion of the changed benefit related to past service by the employees, or the gain or loss on curtailment, is recognised directly in the statement of income when the plan amendment or curtailment occurs.

Estimates and assumptions requiring management judgement

Defined benefit plans

The present value of pension obligations is determined on an actuarial basis, using various financial and demographic assumptions. The most significant financial assumption is the discount rate, which is set annually based on the yields of high-quality corporate or government bonds denominated in the currency of the obligation and with maturities that approximate the duration of the pension liability. Other key assumptions include expected salary and pension increases, as well as projected changes in life expectancy.

Hiab has various types of post-employment benefit plans in countries where it operates. Pension arrangements are made in accordance with local regulations and practices in line with the defined contribution pension plans or defined benefit pension plans.

The defined benefit arrangements determine the amount of pension to be paid and the benefits to be paid for disability and at termination of employment. The benefits in these arrangements are usually based on the length of employment and the level of final salary.

The main countries having defined benefit plans are Sweden, Norway and South Korea. The largest plan is in Sweden. The defined benefit pension plans are funded by the relevant group companies to satisfy local statutory funding requirements.

The figures presented in this note represent both continuing and discontinued operations unless otherwise specified.

Summary of the impact of post-employment benefits in the financial statements

MEUR	2025	2024
Present value of unfunded obligations	23.8	53.9
Present value of funded obligations	5.5	27.7
Fair value of benefit plan assets	4.9	31.3
Net liability	**24.5**	**50.3**
Liabilities associated with assets held for sale	–	-51.4
Assets held for sale	–	-26.5
Net liability on balance sheet	**24.5**	**25.4**
Expense related to defined contribution plans, continuing operations	29.7	26.4
Expense related to defined benefit plans and other post-employment benefits, continuing operations	2.1	2.3
Expense in the statement of income, continuing operations	**31.9**	**28.7**
Remeasurement of defined pension benefits and other post-employment benefits	5.0	-1.3
Remeasurement in the statement of comprehensive income	**5.0**	**-1.3**

Expected contributions to defined benefit plan assets during the next reporting period is EUR 3.1 (31 Dec 2024: EUR 4.7) million. The weighted average duration of the defined benefit obligations was 17.4 (17.3) years.

Reconciliation of the net defined benefit obligation

MEUR	Present value of plan obligation	Fair value of plan assets	Total
1 Jan 2025	30.3	-4.8	25.4
Current service cost	2.2	–	2.2
Interest expense (+) / income (-)	1.9	-0.7	1.2
Remeasurements:			
Return on plan assets, excluding interest income	–	0.4	0.4
Actuarial gain (-) / loss (+) from change in financial assumptions	-5.8	–	-5.8
Experience adjustment gain (-) / loss (+)	0.4	–	0.4
Foreign exchange rate gains (-) / losses (+)	0.7	0.9	1.6
Contributions by employer	–	-0.3	-0.3
Benefits paid	-2.8	1.0	-1.8
Settlements	-0.1	-0.1	-0.2
Assets held for sale and associated liabilities*	2.7	-1.2	1.5
31 Dec 2025	**29.4**	**-4.9**	**24.5**

MEUR	Present value of plan obligation	Fair value of plan assets	Total
1 Jan 2024	120.1	-33.5	86.6
Current service cost	3.5	–	3.5
Interest expense (+) / income (-)	3.4	-1.3	2.1
Past service cost	0.0	–	0.0
Remeasurements:			
Return on plan assets, excluding interest income	–	0.3	0.3
Actuarial gain (-) / loss (+) from change in demographic assumptions	-0.1	–	-0.1
Actuarial gain (-) / loss (+) from change in financial assumptions	1.2	–	1.2
Experience adjustment gain (-) / loss (+)	-0.1	–	-0.1
Foreign exchange rate gains (-) / losses (+)	-1.7	-0.2	-1.9
Contributions by employer	–	-0.5	-0.5
Contributions by plan participants	0.0	-0.3	-0.2
Benefits paid	-5.0	1.8	-3.1
Assets held for sale and distributed to the owners, and associated liabilities*	-90.9	28.8	-62.2
31 Dec 2024	**30.3**	**-4.8**	**25.4**

*Additional information disclosed in notes 7.1 Acquisitions and disposals of businesses, and 7.3 Discontinued operations.

Allocation of plan assets and liabilities geographically

MEUR	Sweden	South Korea	Norway	Other countries	Assets held for sale and associated liabilities	Total
Present value of plan liabilities:						
2025	22.5	3.1	1.8	1.9	–	29.4
2024	53.2	5.1	3.6	19.7	-51.4	30.2
Fair value of plan assets:						
2025	–	2.6	1.7	0.5	–	4.9
2024	7.2	4.6	2.6	17.0	-26.5	4.8

Allocation of plan assets

MEUR	2025	2024
Investment funds	2.6	2.6
Qualifying insurance policies	2.2	2.2
Other assets	–	26.5
Assets held for sale	–	-26.5
Total plan assets	**4.9**	**4.8**

Plan assets do not include own equity instruments or other assets used by the entity.

Defined benefit plans: applied actuarial assumptions

%	Sweden		South Korea		Norway		Other countries*	
	2025	2024	2025	2024	2025	2024	2025	2024
Discount rate	3.8	3.1	4.1	3.7	4.0	3.3	3.5	2.7
Expected rate of salary increases	2.0	2.1	5.2	5.4	4.0	3.5	3.3	3.6
Expected pension growth rate	1.7	1.8	n/a	n/a	2.7	1.9	2.6	3.8

*Weighted average

The discount rate is determined separately for each plan and, where available, is based on yields of high-quality corporate bonds denominated in the same currency and with maturities approximating the duration of the plan. In Sweden, the discount rate is derived from Swedish housing market bonds; in Norway, from Norwegian covered bond yields; in South Korea, from high-quality corporate bond yields; and in euro-area countries, from iBoxx index yields.

Sensitivity analysis of the relevant actuarial assumptions' impact on defined benefit obligation

MEUR	2025	2024
0.5%-point increase in the principal assumption		
Discount rate	-2.0	-5.0
Expected rate of salary increases	0.8	1.6
Expected pension growth rate	1.7	4.0
0.5%-point decrease in the principal assumption		
Discount rate	2.2	5.6
Expected rate of salary increases	-0.6	-1.4
Expected pension growth rate	-1.5	-3.6
Change in the life expectancy		
Effect of 1 year increase in the life expectancy	0.8	2.5
Effect of 1 year decrease in the life expectancy	0.2	-2.5

The table above summarises the results of the sensitivity analysis prepared separately for each plan, and for each relevant actuarial variable, by an external actuary. The sensitivity analysis has been prepared for one variable at a time while holding all other variables constant. Regardless of the actual volatility of the given variable, for presentation purposes the analysis has been prepared by assuming a fixed change in the key variable as indicated in table. Consequently, the purpose of the analysis is not to quantify possible or expected change in the defined benefit obligation but to illustrate the sensitivity of the value of obligation to these variables, the fluctuation of which may deviate from the figures presented in practice. The sensitivity analysis covers 95 (31 Dec 2024: 93) percent of the net defined benefit liability recognised on the balance sheet.

The analysis above assesses only the pension liability's sensitivity to given variables without considering the plan assets. Although the changes in the discount rate create the most significant risk to plan based on the sensitivity analysis, in practice, the interest rate sensitivity is partly offset by the plan assets that include investments in bonds. The plan assets also include instruments such as equities and funds that in the near term may be volatile, but on the long run are expected to outperform corporate bond yields. The risks related to asset performance are significant both due to the absolute size of plan assets and due to their relative size compared to plan liability. This risk is mitigated by suitable asset allocation and balancing between risk and return. The defined benefit obligation is determined based on the current best estimate of the life expectancy. If the assumed life expectancy proves to be underestimated, also the recognised plan liability will be insufficient. Uncertainty regarding the reliability of this estimate is also a risk to the plan.

4. Income taxes

Accounting principles

Income taxes

Income taxes in the statement of income include group companies’ taxes based on the taxable income, changes in deferred taxes and adjustments to taxes for previous periods. Income taxes based on the taxable income are calculated by using the local tax rates and laws enacted or substantively enacted at the end of the reporting period. Tax is recognised in the statement of income except to the extent that it relates to items recognised in the statement of other comprehensive income, in which case the tax is presented in the statement of other comprehensive income. Deferred taxes are calculated on the temporary differences between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements and on the non-utilised tax losses and credits. Deferred tax liabilities are recognised in full and deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, non-utilised tax losses or credits can be utilised. Deferred taxes are measured with the tax rates and laws that are enacted or substantively enacted at the end of the reporting period and that are expected to apply when the asset is realised or liability settled. When there is uncertainty over an income tax treatment, Hiab considers uncertain tax positions either separately or together as a group based on the approach that better predicts the resolution of the uncertainty. Recognised income taxes are adjusted where it is considered probable that a tax authority or competent court will not accept an uncertain tax treatment applied by Hiab in an income tax filing. Income taxes are in that case adjusted either based on an estimate of the most likely amount or the expected weighted average value of the final tax amount, taking into account the tax authorities' expected acceptance of the chosen tax treatment.

Pillar 2

Pillar 2 is the OECD's initiative to address tax challenges related to the digitalisation of the global economy by introducing Global Anti-Base Erosion (GloBE) rules and a related 15% global minimum tax. The European Union's Council Directive (EU) 2022/2523 entered into force in December 2022, according to which the EU member states must incorporate the GloBE rules into their domestic legislation by 31 December 2023. Application of Pillar 2 rules has progressively expanded throughout 2025 in Hiab's operation countries.

Hiab has assessed the impact of the regulations on its operations, and concluded that a significant part of its operations meets the safe harbour criteria in financial year 2025, and Pillar 2 top-up tax does not have a significant impact on the Group's income taxes. Hiab has prepared the analysis based on the latest available information on the rules, but there is uncertainty on how the tax authorities in the countries where Hiab operates will interpret the new legislation in practice. Therefore, the impact of the Pillar 2 rules on the Group's income taxes may ultimately differ from Hiab's current assessment.

Hiab has applied the exception provided in IAS 12 paragraph 4A and has not recorded or disclosed any information related to deferred tax assets or liabilities related to Pillar 2 income taxes.

Estimates and assumptions requiring management judgement

Income taxes

Management judgement is required to determine income taxes, uncertain tax positions, deferred tax assets and liabilities as well as the extent to which deferred tax assets can be recognised on the balance sheet.

Hiab is subject to income tax in several jurisdictions where there may be uncertainty over an income tax treatment and the interpretation of tax legislation requires management judgement. Hiab assesses regularly uncertainties related to income tax treatments and where required, adjusts the recognised taxes either to an estimate of the most likely amount or the expected weighted average value of the final tax amount taking into account the tax authorities' expected acceptance of the chosen tax treatment.

4.1 Income tax reconciliation

Taxes in statement of income, continuing operations

MEUR	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Current year tax expense	103.7	93.5
Current year change in deferred assets and liabilities	-55.8	-37.6
Tax expense for previous years	3.0	2.5
Total	**51.0**	**58.4**

Reconciliation of effective tax rate, continuing and discontinued operations

MEUR	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Profit before taxes, continuing operations	202.2	213.4
Profit before taxes, discontinued operations	17.6	-104.7
Tax calculated at Finnish tax rate (20%)	44.0	21.7
Effect of different tax rates in foreign subsidiaries	6.6	2.6
Tax expense for previous years, continuing and discontinued operations	3.6	1.9
Tax-exempt income and non-deductible expenses	0.9	42.9
Realisability of deferred tax assets	0.1	7.9
Withholding tax, non-creditable	1.4	2.9
Change in uncertain tax positions	-1.1	0.5
Pillar 2 income taxes*	—	0.5
Other items	0.0	—
Total taxes in statement of income	**55.4**	**80.9**
Effective tax rate, %**	**25.2%**	**74.4 %**

*Pillar 2 income taxes related to Bulgaria, Estonia, Ireland and Russia in 2024.
**Effective tax rate for continuing operations is 25.2% (2024: 27.4%).

Taxes relating to components of other comprehensive income, continuing and discontinued operations

	1 Jan-31 Dec 2025			1 Jan-31 Dec 2024		
MEUR	Before taxes	Taxes	After taxes	Before taxes	Taxes	After taxes
Cash flow hedges	13.2	-1.2	11.9	-11.8	2.3	-9.5
Translation differences	-25.1	—	-25.1	71.4	—	71.4
Actuarial gains (+) / losses (-) from defined benefit plans	5.0	-1.1	4.0	-1.3	0.3	-1.0
Total other comprehensive income	**-6.9**	**-2.3**	**-9.2**	**58.3**	**2.6**	**60.9**

4.2 Deferred tax assets and liabilities

MEUR	31 Dec 2025	31 Dec 2024
Deferred tax assets and liabilities		
Intangible assets, property, plant and equipment, and inventory	96.5	42.5
Provisions and accruals	11.5	20.8
Tax losses and credits carried forward	15.2	10.4
Other temporary differences	0.0	-3.3
Deferred taxes, net asset on balance sheet	**123.2**	**70.4**
Deferred tax assets on balance sheet*	129.1	82.1
Deferred tax liabilities on balance sheet*	5.9	11.7

* Deferred tax assets and liabilities are offset in accordance with IAS 12.

Reconciliation of deferred taxes

MEUR	2025	2024
Deferred taxes, net asset 1 Jan	70.4	100.3
Recognised in statement of income, continuing and discontinued operations	55.2	23.1
Recognised in other comprehensive income	-2.3	2.6
Translation differences	-1.9	-1.0
Net assets distributed to the owners and assets held for sale*	1.8	-54.6
Deferred taxes, net asset 31 Dec	**123.2**	**70.4**

*Additional information disclosed in notes 7.1 Acquisitions and disposals of businesses and 7.3 Discontinued operations.

Deferred tax assets are recognised for tax losses and credits carried forward to the extent that the realisation of the related tax benefit through future taxable profits is probable, considering expiry dates, if any. Where a recent history of loss exists, Hiab assesses whether that loss arises from factors which are likely to recur. Deferred tax assets are recognized to the extent that they can be offset against deferred tax liabilities or are supported by future profit projections and historical earnings in the relevant jurisdictions.

Unrecognised tax losses, tax credits and temporary differences

MEUR	2025	2024
Expiry within five years	0.3	30.1
Expiry after five years, or no expiry	15.1	459.0
Unrecognised tax losses, tax credits and temporary differences 31 Dec	**15.3**	**489.1**

Unrecognised tax losses, tax credits and temporary differences related mainly to Australia in 2025. Unrecognised tax losses, tax credits and temporary differences related mainly to Norway and Germany in discontinued operations in 2024.

As of 31 December 2025, Hiab didn’t have income tax payables (31 Dec 2024: EUR 1.9 million) to reflect uncertainty related to taxes.

A deferred tax liability on undistributed profits of subsidiaries located in countries where distribution generates tax consequences is recognised when it is likely that the earnings will be distributed in the foreseeable future. On 31 December 2025, Hiab had EUR 1,213.2 (31 Dec 2024: 967.6) million of undistributed profits for which no deferred tax liability was recognised.

5. Net working capital

5.1 Net working capital

MEUR	Note	31 Dec 2025	31 Dec 2024
Inventories	5.2	284.8	333.8
Operative derivative assets		1.1	15.2
Accounts receivable	5.3	250.8	240.8
Contract assets	5.3	2.0	1.5
Other operative non-interest-bearing assets		43.9	99.4
Working capital assets		**582.6**	**690.8**
Provisions	5.5	-36.9	-38.5
Operative derivative liabilities		-1.3	-21.5
Pension obligations	3.4	-24.5	-25.4
Accounts payable	5.4	-151.7	-158.9
Contract liabilities	5.4	-20.5	-24.3
Other operative non-interest-bearing liabilities		-99.1	-135.0
Working capital liabilities		**-333.9**	**-403.7**
Net working capital in the balance sheet		248.7	287.1
Net working capital items included in assets held for sale and associated liabilities*		–	-233.2
Total		**248.7**	**53.9**

*Information about the MacGregor's net assets held for sale and disposed is presented in note 7.1 Acquisitions and disposals of businesses.

Assets and liabilities unallocated to business operations are not included in the net working capital. Unallocated assets comprise of loans and other interest-bearing receivables, cash and cash equivalents, income tax receivables, deferred tax assets, deferred interests, deferred considerations on disposals and derivatives designated as hedges of future treasury transactions. Unallocated liabilities comprise loans and other interest-bearing liabilities, income tax payables, deferred tax liabilities, accrued interests, deferred considerations on acquisitions, dividend liabilities and derivatives designated as hedges of future treasury transactions.

5.2 Inventories

Accounting principles

Inventories

Inventories are valued at acquisition cost or lower estimated net realisable value. The acquisition cost is mainly determined using the weighted average price method. The acquisition cost of inventory includes the purchase price as well as transportation and manufacturing costs. The acquisition cost of self-manufactured finished and work-in-progress products includes raw materials, direct manufacturing wages and other direct expenses, as well as a proportional share of variable manufacturing costs and fixed overheads. The net realisable value is the estimated sales price obtained in the ordinary course of business less the estimated costs of completing and selling the product. If the acquisition cost of the inventory exceeds its net realisable value, an obsolescence provision is recorded in the value of the inventory.

Estimates and assumptions requiring management judgement

Inventories

The inventory obsolescence provision is estimated based on the systematic and continuous monitoring of the inventory. When assessing the amount of obsolescence, the nature, condition and age structure of the inventory and the amounts based on the estimated need are taken into account.

31 Dec 2025 MEUR	Gross value	Obsolescence	Net value on balance sheet
Raw materials and supplies	166.9	-33.8	133.1
Work in progress	28.8	-0.3	28.6
Finished goods	135.6	-15.7	120.0
Advance payments paid for inventories	3.2	–	3.2
Total	**334.6**	**-49.7**	**284.8**

31 Dec 2024 MEUR	Gross value	Obsolescence	Net value on balance sheet
Raw materials and supplies	175.9	-28.0	147.9
Work in progress	46.2	-0.5	45.7
Finished goods	164.9	-25.4	139.5
Advance payments paid for inventories	0.7	–	0.7
Total	**387.7**	**-53.9**	**333.8**

Raw materials and supplies include materials and components needed in the production of equipment as well as spare parts and consumables needed in the service business. Work-in-progress products include semi-finished products, and ongoing service and installation works. Finished goods include finished products from production, purchased finished products, replacement products, and finished products in delivery.

5.3 Accounts receivable and other non-interest-bearing assets

Accounting principles

Accounts receivable and contract assets

Accounts receivable are invoiced customer receivables representing Hiab's rights to consideration in exchange for goods or services that have been transferred to customers when those rights are conditioned only on the passage of time. Contract assets are unbilled customer receivables representing Hiab's rights to consideration in exchange for goods or services that have been transferred to customers when those rights are conditioned on something other than merely the passage of time such as the agreed timing or project milestones for invoicing. Contract assets include mostly unbilled receivables related to customer contracts in which the revenue is recognised on an overtime basis based on the stage of completion and the amount of revenue recognised exceeds the invoicing.

Accounts receivable and contract assets are initially recognised at fair value less expected credit losses and subsequently at amortised cost less expected credit losses. Credit risk is evaluated based on systematic and continuous monitoring of receivables as part of the credit risk control. Credit loss allowance is recognised based on expected credit losses that are measured based on both historical and forward-looking credit loss assessment. The backward-looking credit loss assessment is determined mechanically by using a provision matrix in which the impairment is determined based on risk weights derived from the historical credit losses and ageing of customer receivables. The forward-looking credit loss assessment is determined by a forward-looking analysis under which additional impairment exceeding the first component of credit loss allowance may be recognised for a receivable or group of receivables. Impairments and allowances are recognised in the statement of income under cost of goods sold. Bad debts are written off upon an official announcement of liquidation or bankruptcy confirming that the receivable will not be collected.

Estimates and assumptions requiring management judgement

Expected credit losses

Management judgement and estimates are needed in determining the credit loss allowance. In measuring the component of the credit loss allowance based on historical credit losses, judgement is needed in determining risk levels for different groups of receivables based on their ageing. Judgement and estimation is also needed in assessing sufficiency of the credit loss allowance based on historical credit losses and in increasing the credit loss allowance based on a forward-looking credit loss assessment.

Customer receivables and other non-interest-bearing assets

MEUR	Note	31 Dec 2025	31 Dec 2024
Non-current			
Other non-interest-bearing assets	8.2	1.2	2.0
Current			
Accounts receivable	8.2	250.8	240.8
VAT receivable		25.9	65.4
Contract assets	2.2, 8.2	2.0	1.5
Deferred interests	8.2	0.3	0.4
Receivables related to business combinations and disposals	8.2	0.1	0.4
Other deferred assets		17.7	32.8
Total current		**296.9**	**341.3**
Accounts receivable and other non-interest-bearing assets		**298.1**	**343.4**

Expected credit losses from accounts receivable and contract assets

		Expected credit losses			
31 Dec 2025	Gross value	Based on historical risk assessment	Based on forward-looking risk assessment	Average rate of allowance	Net value on balance sheet
Accounts receivable not due and contract assets	222.8	-0.1	-2.3	-1%	220.4
1–90 days overdue	24.2	-0.1	-0.1	-1%	24.0
91–360 days overdue	6.5	-0.4	-0.6	-16%	5.4
Over 360 days overdue	5.5	-1.5	-0.9	-44%	3.1
Total	**259.0**	**-2.2**	**-3.9**	**-2%**	**252.9**

31 Dec 2024	Gross value	Expected credit losses			Net value on balance sheet
		Based on historical risk assessment	Based on forward-looking risk assessment	Average rate of allowance	
Accounts receivable not due and contract assets	206.4	-0.1	-0.5	0%	205.7
1–90 days overdue	28.1	-0.1	-0.4	-2%	27.5
91–360 days overdue	10.4	-0.6	-2.3	-28%	7.5
Over 360 days overdue	5.0	-1.2	-2.2	-67%	1.7
Total	**249.8**	**-2.0**	**-5.4**	**-3%**	**242.4**

Movement in the loss allowance for accounts receivable and contract assets

MEUR	Credit loss allowance	
	2025	2024
Allowance 1 Jan	7.5	23.7
Translation differences	-0.2	0.1
Increase of allowance	1.0	-0.2
Use of allowance	-0.5	-1.2
Reversed allowance	-2.0	-2.9
Assets held for sale and distributed to the owners*	0.4	-12.0
Other changes	–	0.0
Balance 31 Dec	**6.1**	**7.5**

**Additional information disclosed in notes 7.1 Acquisitions and disposals of businesses and 7.3 Discontinued operations.

Credit losses recognised in the statement of income

MEUR	Credit loss allowance	
	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Movement in the loss allowance during the period	-1.0	-3.1
Directly recognised credit losses	0.3	5.0
Total	**-0.7**	**1.9**

5.4 Accounts payable and other non-interest-bearing liabilities

Accounts payable include open invoices from suppliers, and contract liabilities include mainly advance payments received from customers.

Accounts payable and other non-interest-bearing liabilities

MEUR	Note	31 Dec 2025	31 Dec 2024
Non-current			
Other non-interest-bearing liabilities	8.2	2.9	10.0
Current			
Accounts payable	8.2	151.7	158.9
Contract liabilities	2.2	20.5	24.3
Accrued salaries, wages and employment costs		52.0	72.4
VAT liabilities		18.1	19.0
Accrued interests	8.2	0.7	1.9
Other accrued expenses		26.1	33.5
Total current		**269.2**	**310.0**
Accounts payable and other non-interest-bearing liabilities		**272.0**	**320.0**

5.5 Provisions

Accounting principles

Provisions

A provision is recognised if Hiab has a present legal or constructive obligation arising from a past event, an outflow of economic resources will probably be required to settle the obligation, and the amount of the obligation can be reliably estimated. Provisions are measured at the best estimate of the expenditure required to settle the obligation at the reporting date, taking into account the expected timing of settlement.

Warranty provisions are recognised at the time of sale and measured based on the estimated future costs Hiab expects to incur in fulfilling its warranty obligations. Warranty provisions are determined using a probability-weighted expected value approach, which incorporates historical data on warranty repair costs compared to respective sales volumes, sales volumes during the currently effective warranty period, and the remaining warranty period of products currently under warranty.

Product claim provisions may, for example, be related to damages and injuries in which Hiab product has been involved, or technical defects not under warranty. Product claims provisions are measured based on expected costs arising from the claim settlement by taking into account the claim history, open claims, expected realisation, and the expected cost to settle.

Restructuring costs are expenses incurred when Hiab undertakes a significant reorganisation of its operations, structure, or strategy direction, typically to improve efficiency, reduce costs, exit unprofitable operations, or adapt to changes in market conditions. A restructuring provision is recognised when a detailed plan has been formulated and either communicated to those affected or its implementation has commenced, and when the associated costs can be reliably estimated. Restructuring provisions typically include, for example, costs related to employee terminations, contract cancellations, and the closure or sites.

Onerous contracts are agreements in which the unavoidable costs of fulfilling the contractual obligations exceed the expected economic benefits derived from them. A provision for an onerous contract is recognised when such a loss becomes probable and can be reliably measured, and it is based on the expected net loss from the contract. These provisions may relate to, for example, off-balance sheet lease agreements where the leased asset is no longer in use but the lease cannot be terminated without incurring a penalty, or to committed purchases of goods or services that are no longer required.

Estimates and assumptions requiring management judgement

Provisions

The amount of the provision to be recognized is based on the best estimate of the costs to settle the obligation at the reporting date. The estimate of the financial impact of the past event requires management judgement, which is based on similar events that occurred in the past, and, where applicable, external experts' opinions. Provisions are reviewed regularly and adjusted to reflect the current best estimate when necessary.

2025 MEUR	Product warranties	Claims	Restructuring	Others*	Total
Provisions 1 Jan	23.5	1.1	11.4	2.4	38.5
Translation differences	-0.6	-0.1	-0.1	-0.2	-1.0
Increases	9.9	3.1	0.9	16.1	29.9
Provisions used	-9.7	-0.7	-7.6	-4.8	-22.8
Reversals of provisions	-0.3	-2.4	-0.8	-3.8	-7.2
Liabilities associated with assets held for sale**	-2.1	1.2	1.2	-0.8	-0.5
Provisions 31 Dec	**20.6**	**2.3**	**5.0**	**9.0**	**36.9**

2024 MEUR	Product warranties	Claims	Restructuring	Others*	Total
Provisions 1 Jan	92.2	3.9	30.7	33.7	160.5
Translation differences	0.0	0.1	-0.1	-0.7	-0.7
Increases	17.3	2.7	15.9	24.3	60.2
Provisions used	-15.0	-0.6	-14.6	-20.9	-51.0
Reversals of provisions	-3.4	-1.4	-3.6	-10.4	-18.7
Liabilities associated with assets held for sale and distributed to the owners**	-67.7	-3.6	-17.0	-23.6	-111.8
Provisions 31 Dec	**23.5**	**1.1**	**11.4**	**2.4**	**38.5**

*Includes the movements of onerous contracts related to discontinued operations.
**Additional information disclosed in notes 7.1 Acquisitions and disposals of businesses, and 7.3 Discontinued operations.

MEUR	31 Dec 2025	31 Dec 2024
Non-current provisions	0.2	0.3
Current provisions	36.7	38.2
Total	**36.9**	**38.5**

Provisions for warranties cover the expected expenses related to warranty claims from goods sold in the financial period or earlier with a valid warranty. Warranty periods vary among the products but are mainly from one to two years.

Claims include items related to product claims and related to legal disputes. Provisions for product claims received are made when the value, probability and realisation can be estimated. Provisions are expected to realise mainly within two years.

Provisions for restructuring are based on plans approved and implemented by the management related to restructuring of operations. Provisions are expected to realise mainly within two years.

Provisions for onerous contracts are recognised when it is probable that contract costs will exceed the estimated total contract revenue. The expected loss is recognised as an expense immediately. Provisions for onerous contracts in general realise within two years.

6. Intangible and tangible assets

6.1 Goodwill

Accounting principles

Goodwill

Goodwill is recognised in a business combination based on the difference between the consideration paid and net assets received. It represents the value of unidentified intangible assets and expected future benefits that do not meet the definition of an asset such as the value of acquired workforce, and expected synergies that are considered to be available only for Hiab.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred, the fair value of previously owned interest and the fair value of non-controlling interest over the fair value of the net identifiable assets acquired and liabilities assumed. Subsequently, goodwill is measured at cost less impairment. Impairment losses are recognised in the statement of income, and cannot be subsequently reversed. Goodwill is derecognised when business it relates to is disposed of. The amount of disposed goodwill is determined in relation to the change in the value of the related reporting segment before and after the disposal, based on the value-in-use analysis, or alternatively, based on fair value less cost to sell.

Goodwill is not amortised, but tested for impairment annually, and whenever there are indications of impairment. Impairment testing is performed at the cash generating unit "CGU", or units level. Goodwill is allocated to those units or groups of units, identified in accordance with the operating segments, that are expected to benefit from the business combination.

The determined recoverable amount of a CGU is based on value-in-use calculations. The value-in-use is determined by calculating the present value of the estimated future net cash flows of the tested CGU. The discount rate applied is the weighted average pre-tax cost of capital that reflects the current market view of the time value of money and risks related to the tested unit.

An impairment loss is recognised in the statement of income when the carrying amount of the CGU exceeds its recoverable amount. Impairment loss is first allocated to goodwill and then to other assets on a pro rata basis.

Estimates and assumptions requiring management judgement

Impairment testing of goodwill

In testing goodwill for impairment, the recoverable amounts of the relevant cash-generating units are determined on the basis of value-in-use calculations. These calculations require management to exercise judgment in making estimates and assumptions regarding projected future cash flows and in determining the weighted average cost of capital (WACC) applied in discounting those cash flows.

MEUR	2025	2024
Book value 1 Jan	240.1	878.1
Translation differences	-5.1	-4.2
Companies sold	-0.1	–
Assets held for sale and distributed to owners*	–	-633.8
Book value 31 Dec	**234.9**	**240.1**

*Additional information disclosed in notes 7.1 Acquisitions and disposals of businesses, and 7.3 Discontinued operations.

Goodwill is allocated to the aggregated cash-generating units Lifting Equipment and Delivery Equipment, as well as to the cash-generating unit Services, all of which have been identified as operating segments. The allocation is based on a relative values determined using discounted cash flow technique consistent with fair value measurement principles. Due to the way the operating segments are organised, it has not been possible to define independent cash flows for lower-level product divisions. Consequently, the goodwill impairment test is performed on this level. Lifting Equipment combines cash-generating units related to the loader crane businesses, and the Delivery Equipment combines tail lifts, truck-mounted forklifts, and demountables-related cash-generating units. The cash-generating unit related to the Services business is not combined. Hiab's goodwill was reallocated in 2025 due to changes in the Group's structure, which are described in more detail in note 7.3 Discontinued operations.

MEUR	31 Dec 2025	31 Dec 2024
Lifting Equipment	64.1	–
Delivery Equipment	77.5	–
Services	93.3	–
Total	**234.9**	**240.1**

The recoverable amount of the tested segments is determined by using the value-in-use model in which the value is derived from the forecasted cash flows before taxes. The future cash flow projections used in the calculation are based on the strategic plan approved by the top management and the Board of Directors, taking into account the prevailing risks and uncertainties in the market environment. The forecast period of the calculation is five years. The last year value of the forecast period is derived based on the average development over the past years and the estimated development over the forecasted period, by taking into account the cyclical nature of the cash generating unit's business. The cash flows after the forecast period have been estimated using a growth rate based on an estimate of the long-term growth rate of the industry, keeping the risk-free interest rate used in the calculation as the upper limit. Long-term growth rate of 2.0 (2024: 2.0) percent has been applied in the calculations.

The key assumptions made by the management in the projection relate to market and profitability outlooks. Future growth estimates are based on information available by external market research institutions on market development and timing of business cycles. Additionally, market share and growth potential in both new equipment and service markets have been taken into account when estimating future sales growth. Key factors affecting profitability are sales volume, competitiveness and cost efficiency. The relative share of Services segment from total revenue has also significance in the cash flow projections due to the lower cyclicality and better than average profitability of the services business. Additionally, the utilisation rate of factories and assembly units and their cost competitiveness have a significant impact on profitability. The efficiency improvements over the past years have affected positively in financial performance, and the ongoing profit improvement programmes are expected to further improve the profitability in the coming years. Cash flow projections in the analyses related to Lifting Equipment and Delivery Equipment reflect typical working capital build-up in upturns and release during downturns.

The discount rate used in the impairment testing is the weighted average cost of capital (WACC) reflecting the total cost of equity and debt, and the market risks related to the segment. Components of WACC are a risk-free interest rate based on the average of government bond yields weighted by the sales in respective countries, market risk premium, comparable peer industry beta, gearing, and credit spread. In the impairment testing based on value-in-use, the applied WACC is determined on a pre-tax basis. The pre-tax WACC was 10.2 percent for the Lifting Equipment, 9.8 percent for Delivery Equipment, and 9.7 percent for Services. In 2024, the pre-tax WACC determined for Hiab as a whole was 10.5 percent.

Based on the performed impairment tests, no impairment was recorded in goodwill in 2025 or 2024, and none of the sensitivity analyses prepared depicting reasonably possible scenarios indicated risk of impairment.

6.2 Intangible assets

Accounting principles

Intangible assets

Intangible assets include patents, trademarks, licences, software, capitalised development costs, technologies, acquired order book, and customer relationships. These assets are recognised on the balance sheet at their original cost less cumulative amortisations and impairment losses, if any, except for intangible assets acquired in a business combination which are measured at fair value at acquisition date.

Intangible assets with definite useful lives are amortised on a straight-line basis over their useful lives as follows:

- Developed and acquired technologies 3–10 years
- Customer relationships and trademarks 3–15 years
- Order book 1–5 years
- Others 2–5 years

The assets' useful lives are reviewed, and adjusted if necessary, on each balance sheet date.

Research and development costs

Research and development costs are primarily expensed when incurred. However, development costs are capitalised when certain criteria related to economic and technical feasibility are met, and it is expected that the product will generate future economic benefits. Capitalised development costs include mainly materials, supplies and direct labour costs. The development costs that are once expensed are not subsequently capitalised. Capitalised development costs related to intangible assets are amortised on a straight-line basis over their estimated useful economic life. Unfinished development projects are tested for impairment annually.

Estimates and assumptions requiring management judgement

Amortisation period applied for the intangible assets

The amortisation periods determined for intangible assets and the related amortisation costs recognised in the statement of income are based on management's estimates of the economic useful lives of the assets.

2025 MEUR	Developed technologies	Acquired technologies	Acquired customer relationships and trademarks	Others*	Total
Acquisition cost 1 Jan	62.1	31.2	20.6	1.7	115.6
Translation differences	0.0	0.1	-0.6	0.1	-0.3
Additions	–	0.1	–	1.6	1.8
Disposals and other	-13.8	-10.4	-0.3	-1.5	-25.9
Reclassifications	2.6	0.1	–	-2.7	–
Assets held for sale**	-2.6	4.3	0.1	2.0	3.7
Acquisition cost 31 Dec	**48.3**	**25.4**	**19.9**	**1.3**	**94.8**
Accumulated amortisation and impairment 1 Jan	-54.1	-26.2	-10.7	-1.5	-92.4
Translation differences	-0.1	0.0	0.1	0.0	0.0
Amortisation during the financial period	-1.6	-1.4	-1.9	–	-4.9
Impairment charges	-2.7	–	–	–	-2.7
Disposals and other	13.8	10.4	0.3	1.5	25.9
Assets held for sale**	0.1	-4.3	0.1	0.0	-4.2
Accumulated amortisation and impairment 31 Dec	**-44.6**	**-21.6**	**-12.1**	**0.0**	**-78.3**
Book value 31 Dec	**3.7**	**3.8**	**7.8**	**1.3**	**16.5**

*Includes EUR 1.3 million of intangible assets under construction.
**Additional information disclosed in note 7.1 Acquisitions and disposals of businesses.

2024 MEUR	Developed technologies	Acquired technologies	Acquired customer relationships and trademarks	Others*	Total
Acquisition cost 1 Jan	109.5	95.9	177.4	7.9	390.7
Translation differences	-0.3	-1.4	-2.5	-0.1	-4.4
Additions	1.8	0.4	—	2.4	4.6
Disposals and other	-1.3	-0.4	-2.5	-0.4	-4.6
Reclassifications	2.7	0.1	—	-0.1	2.6
Assets held for sale and distributed to the owners**	-50.2	-63.5	-151.8	-7.9	-273.4
Acquisition cost 31 Dec	**62.1**	**31.2**	**20.6**	**1.7**	**115.6**
Accumulated amortisation and impairment 1 Jan	-93.3	-71.3	-103.2	-4.4	-272.3
Translation differences	0.3	1.1	2.5	0.0	3.8
Amortisation during the financial period	-2.9	-3.3	-6.4	0.0	-12.7
Disposals and other	1.3	0.3	2.5	0.2	4.4
Reclassifications	0.0	0.0	—	—	0.0
Assets held for sale and distributed to the owners**	40.6	46.9	94.0	2.7	184.3
Accumulated amortisation and impairment 31 Dec	**-54.1**	**-26.2**	**-10.7**	**-1.5**	**-92.4**
Book value 31 Dec	**8.0**	**5.0**	**10.0**	**0.2**	**23.2**

*Includes EUR 0.2 million of intangible assets under construction.
**Additional information disclosed in note 7.3 Discontinued operations.

6.3 Property, plant and equipment

Accounting principles

Property, plant and equipment

Property, plant and equipment are recognised on the balance sheet at cost less accumulated depreciations and impairment losses, if any. Impairment losses are described in detail in the accounting principle Impairment disclosed in note 2.3 Depreciation, amortisation and impairment charges. Depreciation is recognised on a straight-line basis to write off the cost less the estimated residual value over the estimated economic useful life of assets as follows:

- Machinery and equipment 2–10 years
- Buildings 5–40 years
- Land and water areas are not depreciated

The assets' residual values and useful lives are reviewed, and adjusted if necessary, on each balance sheet date. The cost of major renovations is included either in the asset's carrying amount or recognised as a separate asset, as appropriate, when future economic benefits are expected from the renovations, and the cost of the renovation can be distinguished from ordinary maintenance and repair costs. Financing costs of tangible assets as borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as a part of the cost of the respective asset. Gains and losses on sales of property, plant and equipment are included in the operating profit.

Estimates and assumptions requiring management judgement

Depreciation periods applied for the items of property, plant and equipment

The depreciation periods determined for items of property, plant and equipment and the related depreciation costs recognised in the statement of income are based on management's estimates of the economic useful lives of the assets.

2025	Owned assets			Right-of-use assets		
MEUR	Land and buildings	Machinery and equipment and others*	Assets under construction	Land and buildings	Machinery and equipment	Total
Acquisition cost 1 Jan	61.1	172.4	4.6	115.0	28.4	381.5
Translation differences	-0.9	-2.6	-0.1	-5.8	-1.4	-10.7
Additions	1.1	9.6	7.2	31.9	9.1	58.8
Disposals and other	-0.1	-9.3	-0.1	-12.8	-5.5	-27.8
Reclassifications	1.4	5.4	-6.5	0.0	0.0	0.3
Assets held for sale**	0.0	-0.5	0.0	-2.0	-0.3	-2.7
Acquisition cost 31 Dec	**62.7**	**175.1**	**5.0**	**126.2**	**30.4**	**399.3**
Accumulated depreciation and impairment 1 Jan	-30.6	-117.1	—	-60.1	-14.5	-222.3
Translation differences	0.3	0.8	—	3.5	0.6	5.3
Depreciation during the financial period	-2.4	-13.3	—	-17.6	-7.6	-40.9
Impairment charges for period	—	—	—	-0.4	—	-0.4
Disposals and other	0.1	8.8	—	11.2	4.6	24.7
Assets held for sale**	-0.1	-0.3	—	2.9	0.2	2.7
Accumulated depreciation and impairment 31 Dec	**-32.6**	**-121.1**	**—**	**-60.5**	**-16.7**	**-230.9**
Book value 31 Dec	**30.1**	**54.0**	**5.0**	**65.7**	**13.7**	**168.5**

*Includes equipment leased to others.

**Additional information disclosed in note 7.1 Acquisitions and disposals of businesses.

2024	Owned assets			Right-of-use assets		
MEUR	Land and buildings	Machinery and equipment and others*	Assets under construction	Land and buildings	Machinery and equipment	Total
Acquisition cost 1 Jan	176.4	502.0	13.8	246.1	77.4	1,015.7
Translation differences	0.5	1.4	0.0	1.3	1.0	4.2
Additions	2.6	43.1	9.6	37.9	14.6	107.9
Disposals and other	-10.0	-48.0	0.0	-7.1	-27.1	-92.2
Reclassifications	1.0	8.5	-14.0	0.0	-0.3	-4.9
Assets held for sale and distributed to the owners**	-109.4	-334.5	-4.8	-163.2	-37.3	-649.2
Acquisition cost 31 Dec	**61.1**	**172.4**	**4.6**	**115.0**	**28.4**	**381.5**
Accumulated depreciation and impairment 1 Jan	-87.4	-314.1	—	-125.6	-43.7	-570.8
Translation differences	-0.3	-0.7	—	-0.7	-0.4	-2.1
Depreciation during the financial period	-3.2	-14.1	—	-24.2	-14.3	-55.8
Impairment charges for period	0.0	-1.4	—	-0.7	—	-2.1
Disposals and other	5.2	41.7	—	5.4	20.5	72.7
Reclassifications	0.0	0.0	—	0.0	0.3	0.3
Assets held for sale and distributed to the owners**	55.2	171.3	—	85.7	23.1	335.4
Accumulated depreciation and impairment 31 Dec	**-30.6**	**-117.1**	**—**	**-60.1**	**-14.5**	**-222.3**
Book value 31 Dec	**30.6**	**55.3**	**4.6**	**54.9**	**13.9**	**159.1**

*Includes equipment leased to others.
**Additional information disclosed in note 7.3 Discontinued operations.

7. Group structure

Accounting principles

Consolidation principles

The consolidated financial statements comprise the financial statements of Hiab's parent company and its subsidiaries in which the parent exercises control. Control is achieved when Hiab is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Generally, there is a presumption that a majority of voting rights results in control. When less than a majority of the voting or similar rights of an investee are held, all relevant facts and circumstances are considered in assessing whether Hiab has control over an investee. Hiab reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes in the relevant elements of control. Consolidation of a subsidiary begins when Hiab obtains control over the subsidiary and ceases when the control is lost. Assets, liabilities, income, and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the shareholders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group’s accounting policies. All intra-group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. In acquiring non-controlling interests’ shares in subsidiaries, the difference between any consideration paid and the share of net assets acquired in the subsidiary is recorded in equity. Gains and losses realised on disposals to non-controlling interests are also recorded in equity. Distribution of net income for the period to the equity holders of the parent company and to non-controlling interests is presented in the statement of income. Equity attributable to non-controlling interest is disclosed as a separate item on the balance sheet.

If the Group loses control over a subsidiary, the related assets (including goodwill), liabilities, non-controlling interest and other components of equity are derecognised and any resulting gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

All intercompany transactions, receivables, liabilities, unrealised profits and distribution of profits within Hiab are eliminated in the consolidated financial statements. The accounting principles of the subsidiaries have been changed, where necessary, to ensure consistency with the principles adopted by the Group.

Foreign currency transactions

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Open foreign currency-denominated monetary receivables and liabilities at the end of the financial period, both intercompany and external, are translated using the exchange rate of the balance sheet date, and the resulting foreign exchange gains and losses are recognised in the statement of income except when hedge accounting is applied. Foreign exchange gains and losses related to normal business operations are treated as adjustments to sales or costs. Exchange rate differences on other hedges relating to business operations are recorded in other operating income and expenses.

Exchange rate gains and losses related to foreign currency hedges designated as hedges of sales and purchases under hedge accounting are first recognised in the statement of comprehensive income, and finally in the statement of income as adjustments to sales and purchases simultaneously with the related transactions. Exchange rate differences on other hedges relating to business operations are recorded in other operating income and expenses. Foreign exchange gains and losses associated with financing are included in financial income and expenses.

Foreign subsidiaries

The stand-alone financial statements of subsidiaries are reported using the currency that best reflects the operational environment of that subsidiary (“the functional currency”). In the consolidated financial statements, the statement of income and the cash flows of subsidiaries whose functional currency is other than the euro are translated into euros using the average exchange rate of the financial period, and the assets and liabilities on the balance sheets are translated into euros at the balance sheet date exchange rate. Translation differences caused by different exchange rates are recognised through the statement of comprehensive income in the cumulative translation differences in equity. Intercompany loan agreements may form a part of net investment if their settlement is neither planned nor probable in the foreseeable future, and thus the exchange rate gains and losses of these contracts are also recognised as translation differences in equity. When applying hedge accounting for a hedge of a net investment in a foreign operation, exchange rate differences on the hedging instrument relating to the effective portion of the hedge are recognised in other comprehensive income, and any ineffective portion is recognised immediately in the statement of income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Translation differences arising are recognised in equity.

Translation differences from acquisition cost eliminations and post-acquisition profits and losses of subsidiaries, associated companies and joint ventures outside the euro area are recognised in the statement of comprehensive income. When a foreign entity or part of it is disposed, accumulated translation differences previously recognised in other comprehensive income are reclassified to the statement of income as a part of the gain or loss on sale.

7.1 Acquisitions and disposals of businesses

Accounting principles

Acquisitions and disposals of businesses

The acquisition method of accounting is used to account for all business combinations in which Hiab obtains control of the acquired business regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a business is the fair value of the assets transferred, the liabilities incurred and the equity interest issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. If a contingent consideration is classified as a financial liability, it is measured at fair value on each reporting date, and the changes in the fair value are recognised in the statement of income. Contingent consideration classified as equity is not revalued.

Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their acquisition date fair values. The share of non-controlling interest of the acquiree is recognised on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

If the aggregate of the consideration transferred, the non-controlling interest in the acquisition and the fair value of the previously held interest exceed the fair value of the net assets acquired, the difference is recognised as goodwill. In an opposite situation, the difference is recognised directly in the income statement.

Businesses acquired during the financial period are included in the consolidated financial statements from the date the control is obtained, and divested businesses until the date the control is lost. When control is lost, all assets and liabilities related to the disposed business are derecognised. Additionally, if relevant, the related hedging result recognised in other comprehensive income and translation differences accumulated in equity are reclassified to the statement of income on disposal.

If a business combination is achieved in stages, the previously held equity interest is revalued at fair value at the acquisition date. Any gains or losses arising from remeasurement are recognised in the statement of income. Acquisition-related costs are expensed as incurred.

Estimates and assumptions requiring management judgement

Business acquisitions

Net assets acquired through business combinations are measured at fair value. The consideration exceeding the value of net assets acquired is recognised as goodwill. The fair value measurement of property, plant, and equipment is based on market values of similar assets, and the fair value measurement of intangible assets is based on expected cash flows and returns. Any conditional elements in the purchase price are measured at fair value based on the present value of the estimated outcome. These valuations require use of judgement, estimates and assumptions.

Business disposals

Sales of businesses require management judgement in determining when the planned transaction is sufficiently probable that the main benefit of the assets to be sold is expected to be derived from their sale rather than their use. When considering this, the management's commitment to the transaction is taken into account and the probability of the transaction being realized is considered. When the management's commitment and certainty about the completion of the transaction is sufficient, the business to be transferred is reported either as a disposal group or as a discontinued operation, depending on its significance for the segment to which it belongs. Evaluating the significance may require management judgement. The change in reporting requires that the assets held for sale are tested for impairment by comparing their book value with the expected sales price less cost to sell. When measuring the profit impact of the sale, the net assets to be transferred include the portion of the goodwill allocated to the sale. The amount of goodwill to be allocated is based on the effect that the business being sold is estimated to have on the recoverable amount of the segment to which it belongs. If the transfer is expected to be loss-making, the value of the assets to be transferred is impaired by starting with the goodwill and then, if necessary, extending the impairment to the group of other non-current assets. For the aforementioned reasons, the processing of business sales includes elements that require use of judgement, estimates and assumptions.

Acquisitions and disposals of businesses in 2025

Hiab made no business acquisitions during 2025.

Sale of MacGregor

In November 2024, Hiab (then Cargotec) entered into an agreement to divest MacGregor to funds managed by Triton at a debt-free price of EUR 480 million. The transaction was estimated to result in a non-deductible loss in taxation. Consequently, goodwill impairments of EUR 200 million and EUR 10 million were recognised in the last quarter of 2024 and the second quarter of 2025, respectively, resulting in net assets disposed of EUR 215.1 million. Impairments were presented in items affecting comparability in the result of discontinued operations. MacGregor was presented as a discontinued operation since the last quarter of 2024 and the divestment was completed on 31 July 2025. Additional information about the transaction is presented in the note 7.3 Discontinued operations.

MacGregor sale result, MEUR	31 Jul 2025
Total consideration	226.9
Net assets disposed of*	-215.1
Transfers from other comprehensive income	-6.2
Transaction costs	-6.7
Result on disposal before tax	**-1.1**
Income tax	–
Result on disposal after tax	**-1.1**
Sales price, received in cash	226.9
Cash and cash equivalents sold, including overdrafts	175.1
Cash flow impact	**51.8**

*After goodwill impairments of EUR 210 million recorded as expense in the Income statement of discontinued operations in prior periods.

The table below presents MacGregor's assets and liabilities at the time of sale and the assets classified as held for sale and related liabilities at the end of 2024.

MacGregor assets and liabilities, MEUR	31 Jul 2025	31 Dec 2024
Goodwill	162.1	172.8
Intangible assets	72.1	71.5
Property, plant and equipment	26.1	26.1
Other investments	29.3	28.8
Inventories	165.7	168.0
Accounts receivable, other non-interest-bearing receivables, and derivative assets	152.1	158.8
Cash and cash equivalents	175.1	140.1
Deferred tax assets	22.9	25.4
Total assets	**805.4**	**791.6**
Accounts payable, other non-interest-bearing liabilities and derivative liabilities	554.5	566.9
Interest-bearing liabilities	22.5	23.7
Deferred tax liabilities	11.6	11.0
Total liabilities	**588.6**	**601.7**
Non-controlling interest	-1.7	-1.9
Net assets disposed of	**215.1**	**–**

Additionally, in May, Hiab sold its service workshop in Lyon, France. The disposal had no material impact on the presented figures.

Acquisitions and disposals of businesses in 2024

Hiab (then Cargotec) made no acquisitions in 2024. During 2024, Kalmar was spun off as a separate listed company and MacGregor was classified as a discontinued operation when the agreement for its sale was signed in November 2024. Further information on these is presented in the note 7.3 Discontinued operations.

7.2 Group companies

Subsidiaries

31 Dec 2025	Country	Shareholding (%) Parent company	Shareholding (%) Group
Hiab Australia Pty Ltd	Australia		100
Hiab Austria GmbH	Austria		100
Hiab Belgium SA	Belgium	100	100
Hiab Brasil Guindastes e Servicos Ltda	Brazil		100
Hiab Bulgaria EOOD	Bulgaria		100
Waltco Lift Inc.	Canada		100
China Crane Investment Holdings Limited	China		100
Zepro Danmark A/S	Denmark		100
Hiab Holding Finland Oy	Finland	100	100
Hiab Finland Oy	Finland		100
Hiab France SAS	France	100	100
Hiab Germany GmbH	Germany		100
Hiab Ireland Limited	Ireland		100
Hiab Italia S.r.l.	Italy		100
Hiab Japan Ltd	Japan		100
Cargotec Advanced Netherlands B.V.	Netherlands		100
Cargotec Holding Netherlands B.V.	Netherlands	100	100
Hiab Benelux B.V.	Netherlands		100
Hiab Norway AS	Norway		100
Cargotec Panama, S.A.	Panama		100
Hiab Poland Sp. z o.o.	Poland		100
Hiab Slovakia Spol. s.r.o.	Slovakia	100	100
Hiab Korea Limited	South Korea		100
Hiab Cranes, S.L. Unipersonal	Spain		100
Hiab AB	Sweden		100
Olsbergs Hydraulics Aktiebolag	Sweden		100
Olsbergs Electronics AB	Sweden		100
Hiab Sweden AB	Sweden		100
Z-Lyften Produktion AB	Sweden		100
Hiab Limited	United Kingdom	100	100
Hiab Holding, Inc.	USA	100	100
Hiab USA Inc.	USA		100

7.3 Discontinued operations

Accounting principles

Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups are classified as held for sale if their carrying amounts are expected to be recovered principally through a sale rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal excluding finance costs and income tax expense. The criteria for held for sale classification is regarded as met when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale is expected to be completed within one year from the date of the classification.

Discontinued operation is a component of an entity representing major line of business that is disposed of, or classified as held for sale. A discontinued operation is excluded from the result of continuing operations and is presented separately in the statement of income as a single item describing the profit or loss of the discontinued operation after taxes. Assets classified as held for sale and associated liabilities are presented separately as current items in the statement of financial position. Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale. Cash flows from a discontinued operation are included in the consolidated statement of cash flows.

Classification of MacGregor as a discontinued operation

Hiab (then Cargotec) announced in November 2024 that it had signed an agreement to sell the MacGregor business area to funds managed by Triton at a debt-free price of EUR 480 million. The sale followed the Company's Board of Directors decision in November 2022 to divest MacGregor in the future and the announcement in May 2024 to start the MacGregor sale process. MacGregor was presented as discontinued operations in accordance with IFRS 5 starting from the fourth quarter of 2024 and the sale was closed on 31 July 2025.

MacGregor was sold at a debt-free price of EUR 480 million and expected to result in a loss of EUR 211,1 million on the transaction that is not deductible in taxation. The loss was mainly recognised as a goodwill impairment, of which EUR 200 million was recognised in the fourth quarter of 2024 and an additional EUR 10 million in the second quarter of 2025. The recognised loss was included in items affecting comparability within the profit for the period from discontinued operations. MacGregor sale loss calculation, and the disposed net assets are disclosed in note 7.1 Acquisitions and disposals of businesses.

The loss from the transaction differed from the goodwill impairment test results performed by MacGregor during 2024. The main reason for the difference was the agreed sales price adjustments related to the definition of net debt and working capital items. Due to the agreed adjustments, the purchase price paid in cash for MacGregor also differed significantly from the debt-free value.

The total cost to separate MacGregor was approximately EUR 19 million that was recorded in items affecting comparability as part of the result of the discontinued operations. Out of the separation costs, EUR 7 million was recognised in 2024 and EUR 12 million in 2025.

Classification of Kalmar as a discontinued operation

Hiab’s (then Cargotec) annual general meeting approved in May 2024 the separation of the Kalmar business area into its own listed company (Demerger). The implementation date of the Demerger was 30 June 2024, after which Kalmar has operated as an independent listed company. As a result of the Demerger, Kalmar business area was presented as discontinued operations in accordance with IFRS 5 Non-current assets held for sale and discontinued operations starting from the first quarter of 2024.

Presentation of discontinued operations

In accordance with the IFRS 5 standard, the net result of discontinued operations is presented in the consolidated statement of income separately from the income and expenses of continuing operations. In Hiab's consolidated balance sheet as of December 31, 2024, MacGregor's balance sheet items were presented in the lines of assets held for sale and related liabilities. The statement of cash flows and the statement of changes in equity include the effects of continuing and discontinued operations. The presented result from discontinued operations includes MacGregor-related revenue and expenses for 2025 up to the closing of the sale, as well as the loss recognised on the sale. The comparative results from discontinued operations presented include MacGregor-related revenue and expenses for the full year of 2024 and Kalmar-related revenue and expenses for the first half of 2024.

Income for the discontinued operations

MEUR	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Sales	**487.1**	**1,650.9**
Cost of goods sold	-374.4	-1,249.4
Gross profit	**112.7**	**401.4**
Selling and marketing expenses	-14.1	-71.4
Research and development expenses	-4.0	-32.0
Administration expenses	-58.4	-138.4
Restructuring costs	0.2	-28.5
Other operating income	4.7	29.3
Other operating expenses	-25.0	-259.0
Share of associated companies' and joint ventures' net result	4.0	4.6
Operating profit	**20.1**	**-93.8**
Finance income	2.2	6.6
Finance expenses	-4.7	-17.5
Profit before taxes of the operations transferred to discontinued operations	**17.6**	**-104.7**
Income taxes	-4.4	-22.5
Profit for the period of the operations transferred to discontinued operations	**13.2**	**-127.2**
Fair value gain recognised from net assets distributed to the owners	–	1,112.7
Translation differences	–	-73.1
Profit for the period, discontinued operations	**13.2**	**912.5**
Other comprehensive income, discontinued operations	13.6	-7.6
Comprehensive income for the period, discontinued operations	26.8	904.9
Comprehensive income for the period attributable to:		
Shareholders of the parent company	26.8	904.9
Non-controlling interest	–	–
Total	**26.8**	**904.9**

Cash flows from discontinued operations

MEUR	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Net cash flow from operating activities	10.2	180.5
Net cash flow from investing activities*	50.3	-8.6
Net cash flow from financing activities	-5.5	-18.9
Net cash flow total	**55.0**	**153.0**

*2025 includes the disposal of the MacGregor business, net of cash sold, further information in note 7.1 Acquistions and disposals of businesses.

Comparable operating profit

MEUR	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Operating profit	**20.1**	**-93.8**
Restructuring costs		
Employment termination costs	-0.1	0.5
Impairments of inventories	-0.1	0.2
Other restructuring costs*	—	27.7
Restructuring costs, total	**-0.2**	**28.5**
Other items affecting comparability		
Sale of MacGregor**	28.2	211.0
Partial demerger	-0.1	53.4
Hiab standalone preparations and Cargotec group closing	12.2	7.0
Other costs	—	0.0
Other items affecting comparability, total	**40.3**	**271.5**
Comparable operating profit	**60.3**	**206.1**

* During the second quarter of 2024, MacGregor settled a dispute with a customer related to an installation vessel pilot project for offshore wind turbines, as a result of which the negative result impact of approximately EUR 29 million related to settlement of the dispute and termination of the project was recorded to restructuring costs.
** Hiab (then Cargotec) signed an agreement to sell MacGregor on 14 November 2024 to funds managed by Triton. The expected loss from the transaction was recognised as a goodwill impairment of EUR 200 million in the fourth quarter of 2024 and an additional EUR 10 million in the second quarter of 2025.

Capital expenditure, depreciation, amortisation and impairment

Capital expenditure, MEUR	2025	2024
Owned assets	1.5	28.0
Right-of-use assets	4.1	18.8
Total	**5.6**	**46.8**

Depreciation, amortisation and impairment, MEUR	2025	2024
Owned assets	12.7	210.9
Right-of-use assets	4.5	15.7
Total	**17.2**	**226.6**

8. Capital structure and financial instruments

8.1 Financial risk management

The comparison period figures presented in this note represent both continuing and discontinued operations unless otherwise specified. Additional information regarding the sale of MacGregor-business is disclosed in note 7.3 Discontinued operations.

Organisation of finance function and financial risk management

The group finance function and financial risk management are conducted according to the Treasury Policy, approved by the Board of Directors. Organisation, responsibilities and principles of financial risk management, monitoring and reporting are defined in the Treasury Policy. Treasury Committee, appointed by the Board, is responsible for Treasury Policy compliance and for organising and monitoring the treasury function. Detailed guidelines for financing functions in accordance with Treasury Policy are defined in Treasury Instructions, approved by the Treasury Committee.

The objectives of the treasury function are to secure sufficient funding for business operations, avoiding financial constraint at all times, to provide business units with financial services, to minimise the costs of financing, to manage financial risks (currency, interest rate, liquidity and funding, credit, counterparty, and operational risks) and to regularly provide management with information on the financial position and risk exposures of the group and its business units.

Group Treasury is responsible for funding at group level, for managing liquidity and financial risks, for providing efficient set up of financing operations and for monitoring business unit financial positions. Group Treasury reports on these matters on a monthly basis. The business units are responsible for hedging their financial risks according to the Treasury Policy and instructions from Group Treasury.

Currency risk

Hiab operates in multiple countries and is, due to its global operations, exposed to risks arising from foreign exchange rate fluctuations. The objective of currency risk management is to hedge operations against changes in exchange rates, thus allowing time for the business units to react and adapt to these. Foreign currency positions arising from contractual cash flows related to sales, purchases and financing, are fully hedged. Other highly probable cash flows may be hedged if deemed necessary by Group Treasury and the business unit. The business units report their risk exposures to Group Treasury and hedge the positions via intercompany forward contracts. In countries where hedging is restricted, foreign currency-denominated loans and deposits may be used as hedging instruments.

Cash flow hedge accounting is generally applied to qualifying foreign currency hedges. Under the applied hedge accounting model, the portion of the fair value change related to a change in the spot rate is recognised in the fair value reserve within equity until the cumulative profit or loss is recycled to the statement of income simultaneously with the hedged item. The portion of the fair value change related to interest rate is excluded from hedge accounting and recognised directly in profit or loss. Hedge accounting is started when a qualifying risk exposure is identified and hedged, and terminated when the hedged item impacts profit or loss. Hedge accounting is not applied when its impact on the consolidated statement of income is deemed insignificant by Group Treasury.

The group is exposed to foreign currency risk arising from both on- and off-balance sheet items. The balance sheet exposure in the table below represents the foreign currency risk arising from the on-balance sheet financial items, while the net exposure reflects the total outstanding foreign currency risk as defined and monitored by Group Treasury.

31 Dec 2025 MEUR	EUR	USD	SEK	GBP	PLN	Others
Balance sheet items	-28.9	20.2	1.3	-3.4	4.6	6.0
Hedges	66.3	-51.2	-9.8	10.5	-4.0	-11.3
Balance sheet exposure	**37.4**	**-31.0**	**-8.5**	**7.1**	**0.6**	**-5.3**
Order book and purchases	-39.4	35.1	10.8	-3.8	-12.4	9.2
Net exposure	**-2.0**	**4.1**	**2.3**	**3.3**	**-11.8**	**3.9**

31 Dec 2024 MEUR	EUR	USD	SEK	GBP	PLN	Others
Balance sheet items	25.6	36.6	-5.6	-5.0	-15.1	-35.2
Hedges	11.7	-325.6	113.7	11.0	8.9	182.3
Balance sheet exposure	**37.3**	**-289.0**	**108.2**	**6.0**	**-6.3**	**147.1**
Order book and purchases	-38.7	303.7	-106.4	-2.6	-16.2	-140.9
Net exposure	**-1.4**	**14.7**	**1.8**	**3.4**	**-22.5**	**6.1**

The foreign currency exposures in the table above include the most important operational currencies of the Group’s business units. In this table, amounts are presented on a gross basis, including foreign currency amounts and the corresponding counter values in local currencies.

Group subsidiaries constantly monitor their foreign currency exposures and report them on a monthly basis to Group Treasury which is responsible for monitoring the overall exposure and arranging hedges for identified exposures. Group Treasury also monitors the translation risk arising from different currencies and, where deemed significant, translation risk positions are hedged and net investment hedge accounting is applied.

Foreign exchange rate fluctuations have an effect on the consolidated income and equity. The effect in the statement of income arises from foreign currency-denominated financial assets and liabilities in the subsidiaries’ balance sheets, including derivatives for which hedge accounting is not applied. The effect on equity arises from derivatives under hedge accounting from which the fair value fluctuations related to changes in exchange rates are recognised in the fair value reserve of the other comprehensive income. Foreign exchange rate impact in the fair value reserve is expected to be offset by the corresponding opposite impact in the value of the hedged item when recognised in the statement of income. The majority of the hedges mature and the hedged cash flows realise within the next year. Group Treasury has recognised the following currency pairs to be the most significant and estimated their impact on profit before tax and on other comprehensive income through sensitivity analysis. Sensitivity analysis assumes that cash is held in subsidiaries' functional currency.

	Profit before taxes, continuing and discontinued operations		Other comprehensive income, continuing and discontinued operations	
MEUR	2025	2024	2025	2024
USD appreciates 10% against euro	0.1	-2.1	-3.0	-9.0
USD depreciates 10% against euro	-0.1	2.1	3.0	9.0

Net investments in non-euro area subsidiaries give rise to translation differences, recognised in the consolidated equity (translation risk). Translation risk is mitigated by managing the capital structure so that the effects of foreign exchange rate fluctuations on debt and equity are balanced. Group Treasury regularly monitors the translation exposure and evaluates the materiality of the risk position. The impact of the translation risk on the Group's gearing is evaluated not to be significant and hedging the translation risk has not been deemed necessary. The below table represents the translation risk arising from both continuing and discontinued operations.

31 Dec 2025					
MEUR	USD	SEK	PLN	GBP	BRL
Translation exposure	133.4	91.8	58.2	50.9	54.4
Translation risk	**133.4**	**91.8**	**58.2**	**50.9**	**54.4**

31 Dec 2024					
MEUR	USD	SEK	PLN	GBP	BRL
Translation exposure	78.0	144.5	63.0	64.4	12.5
Translation risk	**78.0**	**144.5**	**63.0**	**64.4**	**12.5**

Interest rate risk

Fluctuations in market interest rates affect the net interest outflows and the fair values of interest-bearing loans, receivables and derivative instruments. The objective of interest rate risk management is to mitigate the impact of interest rate changes on the statement of income, balance sheet and cash flow. To manage interest rate risk, the duration of the financial portfolio is maintained within the limits set by the Treasury Committee by balancing between fixed and floating rate debt and by using derivative instruments.

On 31 December 2025, the consolidated interest-bearing debt totalled EUR 250.8 (31 Dec 2024: 393.1) million, of which EUR 149.9 (249.6) million were fixed-rate corporate bonds, and EUR 89.1 (102.3) million were lease liabilities. The rest, EUR 11.8 (41.2) million, consisted of fixed and floating rate loans, short term loans, bank overdrafts and other interest-bearing liabilities. On 31 December 2025, the average interest duration of interest-bearing debt excluding lease liabilities was 11 (14) months.

The EUR 460.0 (31 Dec 2024: 579.5) million interest-bearing assets consisted mainly of short-term deposits and bank account balances. The average interest duration of the interest-bearing assets was less than one month (less than one month).

Based on the sensitivity analysis, a one percentage point increase/decrease in the interest rates would have decreased/increased net interest cost by EUR 1.0 (31 Dec 2024: decreased/increased by 2.9) million. The sensitivity in the statement of income is affected by variable rate loans, short term loans, loans receivable, deposits, bank accounts and bank overdrafts. The sensitivity is calculated as an annual effect, assuming that the Group's balance sheet structure remains unchanged.

With respect to all currency forward contracts, the fair value changes related to fluctuations in interest rates are recognised directly in financial income and expenses, and, hence, the changes in short-term market rates may affect financial result also via currency hedging contracts. If the interest rate difference between the euro and the US dollar had widened/narrowed one percentage point, financial net cost would have increased/decreased by EUR 1.4 (31 Dec 2024: increased/decreased by EUR 5.2) million. Effects from other currency pairs are deemed insignificant assuming that the current currency position remains unchanged and there is a similar change in all currency pairs.

Other market risks

In addition to financial risks managed by the treasury function, the Group is exposed to price and supply risks mainly relating to raw material and component purchases. Business units are responsible for identifying and mitigating the risks as well as possible hedging measures. Risks are managed through careful selection of suppliers, long-term cooperation with key suppliers, and contract terms.

Liquidity and funding risks

The objective of liquidity management is to maintain an optimal level of liquidity to fund the business operations at all times while minimising interest and bank costs and avoiding financial distress (liquidity risk).

Liquidity risk is managed by maintaining long-term liquidity reserves that exceed the level of short-term liquidity requirement. On 31 December 2025, the liquidity reserves, including cash and cash equivalents and long-term undrawn credit facilities, totalled EUR 789.7 (31 Dec 2024: 909.2) million. Short-term liquidity requirement covers the repayments of short- and long-term debt within the next 12 months, as well as the strategic liquidity requirement, as determined by the Treasury Committee, which covers the operative funding demand within the following 12 months. On 31 December 2025, repayments of short- and long-term interest-bearing liabilities due within the following 12 months totalled EUR 174.7 (156.4) million, of which EUR 20.6 (26.9) million were leasing liabilities.

On 31 December 2025, the Group held an undrawn EUR 330.0 (31 Dec 2024: 330.0) million long-term revolving credit facility, maturing in December 2029. According to the facility agreement, Hiab has the right to withdraw funds with three business days' notice on agreed terms. Additionally, the Group holds a EUR 150.0 (150.0) million domestic Commercial Paper facility which on 31 December 2025 was unused (unused).

The Group's total liquidity position includes EUR 54.6 (31.1) million of cash and cash equivalents in different currencies subject to currency-related or other regulatory restrictions, and, therefore, these balances may not be utilised outside these countries within a short period of time. Nevertheless, these restricted balances are typically available for immediate use locally in these countries and therefore these balances are included in cash and cash equivalents.

On 31 December 2025, EUR 16.9 (31 Dec 2024: 35.8) million of the accounts payable relate to payables under supplier finance programs, which, depending on the program, extend the payment term from the usual 30-60 days up to 180 days. The Group has supplier finance arrangements with several financial institutions, and payables under these programs are immediately paid to suppliers.

Total liquidity

MEUR	31 Dec 2025	31 Dec 2024
Cash and cash equivalents	459.7	439.1
Committed long-term undrawn revolving credit facilities	330.0	330.0
Repayments of interest-bearing liabilities during next 12 months	-174.7	-148.6
Total liquidity, continuing operations	**615.1**	**620.5**
Assets held for sale*	—	132.2
Total liquidity	**615.1**	**752.8**

* Additional information about MacGregor's sold net assets is disclosed in note 7.1 Acquisitions and disposals of businesses.

The objective of funding risk management is to avoid an untenable large proportion of loans or credit facilities maturing at a time when refunding is not economically or contractually feasible. The risk is minimised by balancing the repayment schedules of loans and credit facilities, as well as retaining flexible credit facility agreements. According to management assessment the Group is in good position regarding liquidity and there are no significant concentrations of risks relating to refunding.

The Group's undrawn EUR 330.0 million revolving credit facility includes a covenant restricting the corporate capital structure. According to the covenant, the ratio of net debt to equity (gearing) must be retained below 125 percent at all times. At the end of the reporting period the gearing was -20.7% (31 Dec 2024: -18.1%) percent. Other interest-bearing debt do not include covenants.

The following tables present the maturity profile of the Group's financial liabilities and derivatives. The figures represent non-discounted contractual cash flows.

Maturities of financial liabilities

31 Dec 2025 MEUR	2026	2027	2028	2029	2030	Later	Total
Derivatives							
Currency forward contracts, outflow	-593.4	–	–	–	–	–	-593.4
Currency forward contracts, inflow	595.5	–	–	–	–	–	595.5
Derivatives, net	**2.1**	**–**	**–**	**–**	**–**	**–**	**2.1**
Interest-bearing liabilities							
Repayments of loans from financial institutions and other interest bearing liabilities	-4.2	-3.7	-2.3	-1.5	-0.1	–	-11.8
Repayments of corporate bonds	-149.9	–	–	–	–	–	-149.9
Repayments of lease liabilities	-20.6	-16.6	-13.8	-11.9	-10.1	-16.0	-89.1
Total interest charges	-5.9	-2.9	-2.0	-1.3	-0.8	-1.1	-14.0
Accounts payable and other non-interest bearing liabilities	-152.4	-2.8	–	–	–	–	-155.2
Total in the balance sheet	**-330.9**	**-25.9**	**-18.1**	**-14.8**	**-11.1**	**-17.2**	**-417.9**

31 Dec 2024 MEUR	2025	2026	2027	2028	2029	Later	Total
Derivatives							
Currency forward contracts, outflow	-3,525.8	–	–	–	–	–	-3,525.8
Currency forward contracts, inflow	3,521.9	–	–	–	–	–	3,521.9
Derivatives, net	**-3.9**	**–**	**–**	**–**	**–**	**–**	**-3.9**
Interest-bearing liabilities							
Repayments of loans from financial institutions and other interest bearing liabilities	-29.5	-2.3	-2.3	-2.3	-2.3	-2.3	-41.2
Repayments of corporate bonds	-100.0	-149.6	–	–	–	–	-249.6
Repayments of lease liabilities	-19.0	-15.3	-11.4	-8.0	-6.5	-18.4	-78.6
Total interest charges	-7.5	-5.2	-2.2	-1.5	-1.0	-1.8	-19.2
Accounts payable and other non-interest bearing liabilities	-160.8	-9.8	–	–	–	-0.1	-170.8
Total in the balance sheet	**-320.8**	**-182.2**	**-15.9**	**-11.9**	**-9.9**	**-22.6**	**-563.3**
Liabilities associated with assets held for sale*	-118.2	-5.7	-3.8	-3.1	-3.9	-3.4	-138.1
Total	**-439.0**	**-188.0**	**-19.7**	**-15.0**	**-13.8**	**-25.9**	**-701.4**

* Additional information about MacGregor's sold net assets is disclosed in note 7.1 Acquisitions and disposals of businesses.

Credit and counterparty risks

The business units are responsible for managing the operational credit risks. Due to the diverse and global clientele, the Group is not exposed to significant credit risk concentrations. Credit risk related to sales contracts is mitigated by using payment terms that are based on advance payments, bank guarantees or other guarantees, and by monitoring the creditworthiness of customers. The credit risk level of open trade receivables is monitored based on payment status, with overdue receivables receiving a higher risk rating and credit loss allowance. Credit risks related to large contracts are shared with financial institutions, insurance companies or export guarantee institutions, where feasible. The off-balance sheet customer finance and operating lease receivables are collateralised, and, therefore, the related credit risk is considered to be low. Additional information on accounts receivable and related credit loss allowances is provided in note 5.3 Accounts receivable and other non-interest-bearing assets.

The Treasury Committee sets financial counterparty limits based on their solvency and creditworthiness. Group Treasury actively reviews counterparty risks and may reject a counterparty with immediate effect if necessary. Only large financial institutions with a high credit rating are accepted as counterparties. Deposits of liquidity reserves and trading in financial instruments are only accepted with counterparties confirmed by the Treasury Committee. The maximum credit risk related to cash and cash equivalents corresponds to their carrying amount. According to management assessment, no significant credit losses are anticipated on the investments of liquidity reserves.

The derivative assets and liabilities are presented at their gross fair values as the IFRS offsetting criteria are not met. The Group has derivative positions with several banks, and related transactions are conducted under the ISDA agreement that allows for settling on a net basis all outstanding items within the scope of the agreement, such as in the event of bankruptcy. At the reporting date, the remaining counterparty risk after net settlement, as allowed by ISDA, was EUR 2.9 (31 Dec 2024: 1.8) million for the Group and EUR 0.7 (4.3) million for the counterparties.

Operational risks of the treasury function

The management of operational risks aims to eliminate losses or increased risk levels due to errors in procedures or insufficient monitoring. The risks are minimised by maintaining high level of proficiency, identifying and documenting routine procedures, and clearly defining responsibilities.

Risks relating to transactions are minimised by conducting regular general assessments and monitoring trading limits, market valuations and daily trade confirmations.

Capital structure management

The goal of capital structure management is to secure operational preconditions at all times and to maintain the optimum capital cost structure. The target capital structure is determined by shareholders and it is regularly monitored by the Board of Directors.

Gearing, calculated as the ratio of net debt to equity, is the key figure monitored in capital structure management. Interest-bearing net debt is calculated as net of interest-bearing liabilities and assets, including cash and cash equivalents. The Group's target is to retain gearing below 50 percent. The elements of gearing are presented in the table below.

MEUR	31 Dec 2025	31 Dec 2024
Interest-bearing liabilities	250.8	369.4
Loans receivable and other interest-bearing assets	-0.3	-0.3
Cash and cash equivalents	-459.7	-439.1
Interest-bearing net debt in balance sheet	**-209.2**	**-69.9**
Assets held for sale*	–	-116.4
Interest-bearing net debt	**-209.2**	**-186.3**
Equity	1,010.0	1,027.3
Gearing	**-20.7%**	**-18.1%**

* Additional information about MacGregor's sold net assets is disclosed in note 7.1 Acquisitions and disposals of businesses.

MEUR	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Operating profit	227.8	123.3
Depreciation, amortisation and impairment	58.9	270.6
EBITDA	**286.7**	**393.9**
Interest-bearing net debt / EBITDA	**-0.7**	**-0.5**

8.2 Financial instruments by measurement category

Accounting principles

Financial assets

Financial assets are classified in accordance with the applied measurement principle as financial assets at amortised cost, fair value through other comprehensive income, or fair value through profit or loss. Financial assets are classified at the initial recognition in accordance with the features and planned use of the asset. Financial assets are presented as non-current when their maturity exceeds one year.

Financial assets are measured at amortised cost if there is no intention to sell the asset and the expected contractual cash flow from it is based on interest and repayment of the principal amount. The loans and receivables measured at amortised cost mostly consist of accounts receivable and cash and cash equivalents. Loan receivables are measured initially at fair value plus transaction costs and less expected credit losses, and subsequently at amortised cost in accordance with the effective interest method. Changes in the amount of expected credit loss are reflected in the expected cash flows included in amortised cost.

Financial assets are measured at fair value through other comprehensive income if the asset can be sold before it matures and the contractual cash flow from it is based on interest and repayment of principal. The financial assets included in the class are measured initially at fair value plus transaction costs and less expected credit losses, and subsequently at fair value less expected credit losses. Equity instruments can be irrevocably classified into this category on initial recognition after which all subsequent fair value changes are recognised in other comprehensive income except dividends that are recognised in the statement of income. In addition, the effective portion of fair value changes related to derivatives under hedge accounting is measured in accordance with this category throughout the hedge relationship.

Financial assets measured at fair value through profit or loss are those financial assets that do not belong to the previous classes, including equity investments, derivative instruments to which no hedge accounting is applied, and financial assets held for trading, or from which the expected contractual cash flows on initial recognition are not solely based on interest and repayment of principal. The transaction costs and subsequent fair value changes of financial assets recognised at fair value through profit or loss are recognised directly in the statement of income.

Purchases and sales of derivative instruments are recognised on the trade date, while transactions in the other financial asset categories are recognised on the settlement date.

A financial asset is derecognised when the contractual rights to the cash flows from the asset expire or are transferred so that the material risks and rewards related to the ownership of the asset are transferred to another party.

Financial liabilities

Financial liabilities are classified as financial liabilities recognised at fair value through profit or loss and as financial liabilities recognised at amortised cost. Financial liabilities are presented as non-current when their maturity exceeds one year.

Financial liabilities recognised at fair value through profit or loss include derivative instruments unless hedge accounting is applied. The transaction costs and subsequent fair value changes of financial liabilities recognised at fair value through profit or loss are recognised directly in the statement of income. Fair value changes related to derivatives under hedge accounting are recognised in the statement of comprehensive income and, subsequently, recycled to the statement of income when hedge accounting is ceased.

Financial liabilities recognised at amortised cost include mainly interest-bearing liabilities and accounts payable. Financial liabilities recognised at amortised cost are initially recognised at fair value less transaction costs, and subsequently, at amortised cost using the effective interest method.

Bought and sold derivative instruments are recognised on the trade date while transactions with the other financial liabilities are recognised on the settlement date.

A financial liability is derecognised when the related obligation is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of income.

Offsetting financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported on the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

Estimates and assumptions requiring management judgement

Fair value of financial assets and liabilities

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The fair value of the over-the-counter derivatives used for hedging is determined by using a commonly applied valuation technique, and by maximising the use of available market prices. In applying these techniques, judgement is used to select the applied method, and where appropriate, to make assumptions that are mainly based on existing market conditions at the reporting date.

The Group recognises impairments on customer receivables at the end of the reporting period based on the expected credit losses. Expected credit loss is estimated based on systematic and continuous follow-up as part of the credit risk control that is based on both historical and forward-looking credit loss assessment. Additional information regarding the impairment of accounts receivable is disclosed in note 5.3 Accounts receivable and other non-interest-bearing assets.

31 Dec 2025 MEUR	Note	Measured at cost or amortised cost	Measured at fair value through other comprehensive income	Measured at fair value through profit or loss	Total
Share investments		–	–	0.0	0.0
Loans receivable and other interest-bearing assets		0.3	–	–	0.3
Derivative assets	8.5	–	0.4	3.9	4.2
Accounts receivable and other non-interest-bearing assets	5.3	254.4	–	–	254.4
Cash and cash equivalents	8.3	459.7	–	–	459.7
Total financial assets		**714.4**	**0.4**	**3.9**	**718.7**
Interest-bearing liabilities	8.4	250.8	–	–	250.8
Derivative liabilities	8.5	–	0.3	1.7	2.0
Accounts payable and other non-interest-bearing liabilities	5.4	155.2	–	–	155.2
Total financial liabilities		**406.0**	**0.3**	**1.7**	**408.0**

31 Dec 2024 MEUR	Note	Measured at cost or amortised cost	Measured at fair value through other comprehensive income	Measured at fair value through profit or loss	Total
Share investments		–	–	0.0	0.0
Loans receivable and other interest-bearing assets		0.3	–	–	0.3
Derivative assets	8.5	–	0.4	5.6	6.0
Accounts receivable and other non-interest-bearing assets	5.3	245.2	–	–	245.2
Cash and cash equivalents	8.3	439.1	–	–	439.1
Total financial assets in the balance sheet		**684.5**	**0.4**	**5.6**	**690.5**
Financial assets held for sale	7.1	270.8	0.7	10.1	281.6
Total financial assets		**955.3**	**1.2**	**15.7**	**972.1**
Interest-bearing liabilities	8.4	369.4	–	–	369.4
Derivative liabilities	8.5	–	1.3	4.8	6.1
Accounts payable and other non-interest-bearing liabilities	5.4	170.8	–	–	170.8
Total financial liabilities in the balance sheet		**540.2**	**1.3**	**4.8**	**546.2**
Liabilities associated with the assets held for sale	7.1	135.5	2.8	10.5	148.8
Total financial liabilities		**675.7**	**4.1**	**15.2**	**695.1**

Financial assets and liabilities measured at fair value through profit and loss consists of foreign exchange forward contracts. Financial assets and liabilities measured at fair value through other comprehensive income include foreign exchange forward contracts subject to hedge accounting. Fair value changes related to derivatives for which hedge accounting is applied are accumulated in other comprehensive income during hedge accounting and recycled to statement of income when hedge accounting related to sales transaction ceases, and to value of inventory when hedge accounting related to purchase transaction ceases. The recurring measurement of derivative instruments at fair value is based on commonly applied valuation methods and uses observable market-based variables based on which these measurements are categorised in the fair value hierarchy as level 2 fair values.The fair values of other instruments measured at fair value through profit or loss are partly based on non-market based variables, and, therefore, these measurements are categorised in the fair value hierarchy as level 3 fair values. Other items are recognised on balance sheet at amortised cost and information about their fair values is presented under each respective note to the extent that the difference between the book value and fair value is significant.

8.3 Cash and cash equivalents

Accounting principles

Cash and cash equivalents

Cash and cash equivalents include cash balances, short-term bank deposits and other short-term liquid investments with original maturities up to three months. Bank overdrafts are included in other current liabilities. In the statement of cash flows, bank overdrafts are deducted from cash and cash equivalents.

MEUR	31 Dec 2025	31 Dec 2024
Cash at bank and on hand	329.7	339.1
Short-term deposits	130.0	100.0
Cash and cash equivalents in the balance sheet	**459.7**	**439.1**
Assets held for sale*	–	140.1
Cash and cash equivalents in total	**459.7**	**579.2**

*Additional information about MacGregor's sold net assets is disclosed in note 7.1 Acquisitions and disposals of businesses.

Cash and cash equivalents include a total of EUR 54.6 (31 Dec 2024: 31.1 of which EUR 21.6 million related to assets held for sale) million worth of cash and cash equivalents in different countries and currencies, which are subject to transfer restrictions but can be used in local business, or transferred with a delay.

Cash and cash equivalents in the statement of cash flows

MEUR	31 Dec 2025	31 Dec 2024
Cash and cash equivalents	459.7	439.1
Bank overdrafts used	0.0	0.0
Cash and cash equivalents in the statement of cash flows	**459.7**	**439.1**

8.4 Interest-bearing liabilities

Book value of interest-bearing liabilities

MEUR	Note	31 Dec 2025	31 Dec 2024
Non-current			
Corporate bonds		–	149.6
Lease liabilities	9.1	68.5	59.6
Other interest-bearing liabilities		7.7	11.7
Total		**76.1**	**220.9**
Current			
Loans from financial institutions		0.0	0.0
Schuldschein loans		–	25.0
Corporate bonds		149.9	100.0
Lease liabilities	9.1	20.6	19.0
Other interest-bearing liabilities		4.1	4.5
Bank overdrafts used		0.0	0.0
Total		**174.7**	**148.6**
Total interest-bearing liabilities in the balance sheet		**250.8**	**369.4**
Liabilities associated with assets held for sale	7.1	–	23.7
Total interest-bearing liabilities		**250.8**	**393.1**

On 31 December 2025, the average interest rates of interest-bearing liabilities were 5.8 (31 Dec 2024: 2.6) percent for long-term liabilities and 2.2 (2.2) percent for short-term liabilities.

The fair values of corporate bonds and other fixed interest rate loans, presented below, are calculated using discounted cash flows with market rates and Hiab Corporation's credit risk as discount factors. The fair values of other interest-bearing liabilities are not materially different from their carrying amounts.

Corporate bonds and other fixed interest rate loans

				Fair value, MEUR		Book value, MEUR	
Loan period	Coupon rate, %	Nominal value		31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
2018–2025	*	25.0	MEUR	–	24.7	–	25.0
2019–2025	Fixed 1.25	100.0	MEUR	–	99.9	–	100.0
2019–2026	Fixed 1.63	150.0	MEUR	149.0	146.0	149.9	149.6

*Interest terms are considered confidential information between the contractual parties.

Reconciliation of interest-bearing liabilities

MEUR	Note	Non-current interest-bearing liabilities including repayments	Lease liabilities and current interest-bearing liabilities	Bank overdrafts used	Total interest-bearing liabilities
1 Jan 2025		290.8	78.6	0.0	369.4
Cash flows		-130.0	-24.7	0.0	-154.7
Additions		2.4	37.4	—	39.8
Translation differences		-1.8	-3.3	0.0	-5.0
Effective yield adjustment		0.2	—	—	0.2
Liabilities associated with assets held for sale and distributed to the owners	7.1	—	1.1	0.0	1.1
Total interest-bearing liabilities, 31 Dec 2025		**161.6**	**89.1**	**0.0**	**250.8**

MEUR	Note	Non-current interest-bearing liabilities including repayments	Lease liabilities and current interest-bearing liabilities	Bank overdrafts used	Total interest-bearing liabilities
1 Jan 2024		673.5	189.3	3.8	866.7
Cash flows		-100.0	-44.9	-3.0	-147.9
Additions		15.5	45.8	—	61.3
Translation differences		0.7	1.3	0.1	2.1
Effective yield adjustment		0.5	—	—	0.5
Liabilities associated with assets held for sale and distributed to the owners	7.1	-299.4	-113.0	-0.9	-413.3
Total interest-bearing liabilities, 31 Dec 2024		**290.8**	**78.6**	**0.0**	**369.4**

8.5 Derivatives

Accounting principles

Derivative financial instruments and hedge accounting

The Group uses mainly currency forwards to hedge from the identified significant market risks. Derivative instruments are initially recognised on the balance sheet at cost, which equals the fair value, and are subsequently measured at fair value on each balance sheet date. Derivatives are classified at the inception either as hedges of binding agreements and future cash flows, in which case cash flow hedge accounting is applied to them, or as derivatives at fair value through profit or loss, when the preconditions for hedge accounting are not fully met. Fair values of foreign currency forward contracts are based on quoted market rates on the balance sheet date.

The fair values of cross-currency and interest rate swaps are calculated as the present value of the estimated future cash flows. Derivative instruments are presented as non-current when their maturity exceeds one year.

Cash flow hedge accounting is mainly applied to hedges of operative cash flows. In addition, hedge accounting is applied to hedges of certain foreign currency denominated borrowings. To qualify for hedge accounting, the company documents the hedge relationship of the derivative instruments and the underlying items, Group's risk management targets and the strategy of applying hedge accounting. When starting hedge accounting and at least in every interim and annual closing, the company documents and estimates the effectiveness of the hedge by measuring the ability of the hedging instrument to offset changes in fair value of the underlying cash flow. Because the critical terms of the hedging instrument are set to match with the hedged item as closely as possible, there is typically no inefficiency.

Fair value changes of hedging instruments under effective cash flow hedge relationship are recognised through the statement of comprehensive income in the fair value reserve of equity, and under effective net investment hedges through the statement of comprehensive income in the translation differences of equity. However, only the exchange rate difference of foreign currency forward agreements is recognised in other comprehensive income whereas the changes in forward points are recognised as financial income or expense in the statement of income. Cumulative gain or loss on the hedge recognised through the statement of comprehensive income in fair value reserve or translation differences is recognised in the statement of income simultaneously with the hedged item. The effective portion of foreign currency forwards hedging sales and purchases is recognised in sales and cost of goods sold, respectively. If the hedged cash flow is no longer expected to materialise, the deferred gain or loss is immediately recognised in the statement of income. If the hedging instrument is sold, expires, is revoked or exercised, or the relation of the hedging instrument and the underlying item is revoked, the cumulative change in the fair value of the hedging instrument remains to be recognised in the fair value reserve and is recycled to the statement of income when the underlying operative item materialises. If effectiveness testing results in ineffectiveness, the ineffective portion of the hedges is recognised immediately in the statement of income.

Changes in the fair values of hedges, for which hedge accounting is not applied, are recognised in the statement of income, either in other operating income and expenses, or financial income and expenses depending on the underlying exposure.

31 Dec 2025 MEUR	Nominal value	Positive fair value	Negative fair value	Net fair value
Current				
Currency forwards, cash flow hedge accounting	196.8	0.4	0.3	0.1
Currency forwards, other	398.1	3.9	1.7	2.2
Total derivatives	**594.9**	**4.2**	**2.0**	**2.3**

31 Dec 2024 MEUR	Nominal value	Positive fair value	Negative fair value	Net fair value
Current				
Currency forwards, cash flow hedge accounting	607.1	0.4	1.3	-0.9
Currency forwards, other	651.7	5.6	4.8	0.8
Total	**1,258.8**	**6.0**	**6.1**	**-0.1**
Assets held for sale and associated liabilities	2,280.0	10.8	13.3	-2.4
Total derivatives	**3,538.9**	**16.8**	**19.3**	**-2.5**

The derivatives have been recognised at gross fair values in the balance sheet even when entered into with a same counterparty, as the netting agreements related to derivatives allow unconditional netting only in the occurrence of credit events, but not in a normal situation. The Group has not given or received collateral related to derivatives from the counterparties.

8.6 Equity

Accounting principles

Profit distribution

Profit distribution includes dividends and donations decided by the Shareholders' Meeting. The distribution of profits proposed by the Board of Directors is recognised as a liability and a deduction of equity once the distribution is approved by Hiab Corporation's shareholders at the Annual General Meeting.

Treasury shares

When the parent company or its subsidiaries purchase shares of Hiab Corporation, the consideration paid and directly attributable costs are recognised as a deduction in equity. When such shares are sold, the consideration received, net of directly attributable transaction costs and income tax effect, is included in equity.

Total equity consists of share capital, translation differences, fair value reserves, retained earnings and non-controlling interest. Until the partial Demerger on 30 June 2024, equity included also share premium and reserve for invested unrestricted equity. On 30 May 2024, the Annual General Meeting resolved on the partial demerger of Hiab (then Cargotec) Corporation in accordance with the demerger plan approved by the Board of Directors and signed on 1 February 2024. According to the demerger plan, in connection with the Demerger, the share capital of Hiab was decreased from EUR 64,304,880 to EUR 20,000,000 and the share premium reserve dissolved. The amount by which the share capital of Hiab was decreased and the amount corresponding to the share premium reserve dissolved, were used to distribute funds to Kalmar. Additionally the reserve for invested unrestricted equity was dissolved and used to distribute funds to Kalmar.

Translation differences include translation differences caused by translation of foreign subsidiaries' financial statements into euro, exchange rate gains and losses from the intercompany loan agreements that form part of a net investment. Fair value reserve includes hedge accounted component of fair value changes of derivatives under hedge accounting. Retained earnings include profit for the period and previous periods. Paid dividends and donations approved by the Annual General Meeting are deducted from retained earnings. Additionally, retained earnings include actuarial gains and losses from defined benefit plans, gains and losses on designated share investments measured at fair value, the cost of equity-settled share-based payments. Share premium included in 2024 the amount exceeding the accounting par value of shares received by the company in connection with share subscriptions if the stock options had been decided on under the old Limited Liability Companies Act (29 Sep 1978/734).

Reserve for invested unrestricted equity included in 2024 transactions with treasury shares and share subscriptions with stock options. After the partial demerger, transactions with treasury shares are included in retained earnings. Share-based payments are described in note 3.2 Share-based payments.

Shares and share capital

According to Hiab's Articles of Association, the company's share capital is divided into class A and class B shares, both without nominal value. Hiab Corporation's class B shares are quoted on Nasdaq Helsinki. Hiab's share capital is fully paid up.

In the Shareholders' Meeting, each class A share carries one vote, as does each set of ten class B shares, with the provision that each shareholder is entitled to at least one vote. According to the Articles of Association, class B shares earn a higher dividend in dividend distribution than class A shares. The difference between dividends paid on the two classes of shares is a minimum of one (1) cent and a maximum of two and a half (2.5) cents.

Number of shares	Class A shares	Class B shares	Total
Number of shares 1 Jan 2025	9,526,089	55,182,079	64,708,168
Number of shares 31 Dec 2025	**9,526,089**	**55,182,079**	**64,708,168**
Treasury shares 31 Dec 2025	–	-189,515	-189,515
Number of shares outstanding 31 Dec 2025	**9,526,089**	**54,992,564**	**64,518,653**
Number of shares 1 Jan 2024	9,526,089	55,182,079	64,708,168
Number of shares 31 Dec 2024	**9,526,089**	**55,182,079**	**64,708,168**
Treasury shares 31 Dec 2024	–	-784,050	-784,050
Number of shares outstanding 31 Dec 2024	**9,526,089**	**54,398,029**	**63,924,118**

Dividend distribution

After 31 December 2025, the following dividends were proposed by the Board of Directors to be paid: EUR 1.16 per each class A share and EUR 1.17 per outstanding class B share, a total of EUR 75.4 million.

The dividend paid in 2025 was EUR 177.8 million (EUR 2.75 per each class A share and EUR 2.77 per each class B share) including additional dividend EUR 101.2 million (EUR 1.56 per each class A share and EUR 1.57 per each class B share) approved by Board of Directors on 29 September 2025 following MacGregor business sale closing. The dividend paid in 2024 was EUR 138.2 million (EUR 2.14 per each class A share and EUR 2.15 per each class B share).

9. Other notes

9.1 Leases

Accounting principles

Leases, Hiab as lessee

Hiab leases property, plant and equipment in most of the countries it operates in under contracts that meet the definition of a lease. Short-term lease agreements, with contractual and expected lease periods not exceeding 12 months, are accounted for as off-balance sheet leases if there is no purchase option. Also long-term lease agreements in which the underlying leased asset is of low value are accounted for as off-balance sheet leases. Expenses related to these leases are recognised in the statement of income as incurred over the lease period.

Lease agreements which do not qualify for the short-term or low-value exemption are recognised on the balance sheet as lease liabilities and right-of-use assets at the commencement of the lease period. Lease liabilities are initially measured at present value by determining the expected reasonably certain lease payments and discounting them with an incremental borrowing rate that is determined separately for the main lease types in each relevant currency. Rent components not directly related to the leased asset are excluded from the lease value on the balance sheet. If a lease has no maturity date, the lease liability is determined based on the enforceable lease period considering the termination rights of both contractual parties. Lease payments are allocated to repayments of lease liabilities and finance charges so that a constant interest rate on the outstanding balance is obtained. Lease liability is included in the interest-bearing liabilities on the statement of financial position, and is measured at amortised cost. Right-of-use assets are initially measured at cost, comprising the initial measurement of the lease liability adjusted by lease advances paid or incentives received, initial direct costs, and estimated dismantling, removal and restoration costs at the end of the lease period, if relevant. Right-of-use assets are included in the property, plant and equipment on the statement of financial position, and they are depreciated over the lease period on a straight-line basis unless the asset is expected to be fully consumed before the end of the lease term or purchased, in which case the depreciation period is determined based on the expected useful life of the asset. An off-balance sheet lease commitment becoming onerous leads to a recognition of a separate loss provision, whereas an on-balance sheet lease becoming onerous leads to an impairment of the related right-of-use asset.

Lease modifications are accounted for either as new lease contracts or as changes in the existing lease contracts depending on the type of the modification. Modifications accounted for as changes in the existing leases, and changes in the estimates applied in lease accounting, such as those related to the use of an option to prolong a lease or to purchase a leased asset, trigger a remeasurement of the lease liability and the right-of-use asset at an updated discount rate. Contractual rent changes tied to indexes also trigger a remeasurement of the lease liability and the right-of-use asset but without a change in the applied discount rate.

Leases, Hiab as lessor

Hiab rents out equipment under contracts that meet the definition of a lease, and are accounted for either as operating or finance leases. In an operating lease the risks and rewards incidental to ownership of an asset remain with the lessor. The leased asset is recognised on the balance sheet according to the nature of the asset. Income from operating leases is recognised on a straight-line basis over the lease term. The depreciation of the leased asset is determined by considering the normal depreciation policy of similar assets in own use and the planned use after the lease period.

In a finance lease, the risks and rewards of ownership are substantially transferred to the lessee. The sales profit is recognised similarly to profit from an outright sale. Finance lease receivables are recognised on the balance sheet at present value. The financial income relating to the finance lease contract is recognised in the statement of income over the lease term so as to achieve a constant interest rate on outstanding balance.

Estimates and assumptions requiring management judgement

Leases

Measurement of the on-balance sheet leases partly requires a use of judgement, in particular, when determining the capitalised lease term. If a lease contract includes an option to prolong or purchase the leased asset, the decision to include or exclude the option in the value of the capitalised lease liability and right-of-use asset is based on an estimate of the likelihood to exercise the option. In practice, the probability to exercise an option is estimated from the needs of the business as part of the real estate management process and taking into account the contractual conditions, leasehold improvements made or needed, and the local market situation. Additional information about the right-of-use assets related to leases is disclosed in note 6.3 Property, plant and equipment.

Hiab leases property and equipment in most of the countries where it operates. Leased properties include land and buildings mainly for use as offices, manufacturing facilities, workshops, and warehouses. The average length of Hiab's property leases on reporting date for continuing operations is 6.2 (2024: 6.3) years and contracts typically include an option or options to prolong, or an option to early terminate the lease. Optional lease periods are reflected in the capitalised value of the leases based on the real estate management process in which the remaining reasonably certain lease period is reassessed on a regular basis, and typically the capitalisation threshold is met, depending on the location and use of the property, from a few months to a couple of years before the end of the ongoing lease period. Leased equipment include mainly vehicles and machines with fixed rents and lease terms. The average length of Hiab's continuing operations equipment leases on reporting date is 3.2 (2024: 2.5) years. Hiab lease agreements typically do not include variable rent elements except for the rent escalation clauses tied to inflation-related indexes. The weighted average discount rate applied to determine the present value of lease liability for continuing operations on reporting date is 5.8 (2024: 7.0) percent.

Hiab as lessee

MEUR	Note	31 Dec 2025	31 Dec 2024
Off-balance sheet leases			
Lease payments related to off-balance sheet leases			
Less than one year		0.9	0.9
One to five years		6.9	0.2
Over five years		23.7	0.1
Total		**31.5**	**1.2**
Off-balance sheet lease commitments on reporting date			
Short-term and low-value leases		0.6	1.2
Leases not yet commenced		30.8	–
Total		**31.5**	**1.2**
On-balance sheet leases			
Lease payments related to on-balance sheet leases			
Less than one year		24.1	31.6
One to five years		58.8	62.2
Over five years		17.2	23.5
Total		**100.0**	**117.3**

MEUR	Note	31 Dec 2025	31 Dec 2024
Present value of lease payments related to on-balance sheet leases	8.4		
Less than one year		20.6	26.9
One to five years		52.4	53.8
Over five years		16.0	21.6
Total		**89.1**	**102.3**
Liabilities directly associated with the assets held for sale	7.1, 7.3	–	-23.7
Total in the balance sheet		**89.1**	**78.6**
Future interest expense related to on-balance sheet leases		10.9	15.0
Right-of-use assets	6.3		
Land and buildings		65.7	70.2
Machinery and equipment		13.7	16.0
Assets held for sale	7.1, 7.3	–	-17.5
Total		**79.3**	**68.7**

MEUR	Note	31 Dec 2025	31 Dec 2024
Leases in the statement of income, continuing operations			
Depreciation related to right-of-use assets	6.3	21.1	23.1
Land and buildings		14.1	12.9
Machinery and equipment		6.9	10.2
Interest expense on lease liabilities	2.5	4.7	4.3
Early termination gain (-) / loss (+)		0.1	-0.2
Impairment related to right-of-use assets	6.3	0.1	0.5
Rent expense from off-balance sheet leases:		4.0	6.6
Portion related to short-term leases		2.3	4.8
Portion related to low-value leases		1.7	1.8
Total		**29.9**	**34.4**

MEUR	Note	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Leases in the statement of cash flows			
Lease payments related to off-balance sheet leases		4.0	6.6
Lease payments related to on-balance sheet leases		30.0	48.0
Total		**33.9**	**54.6**

Hiab had no material lease receivables during the reporting and comparison periods.

9.2 Contingent liabilities and commitments

Accounting principles

Contingent liabilities and commitments

Contingent liabilities are possible obligations whose existence will be confirmed by uncertain future events that are not completely under Hiab's control. Contingent liabilities also include obligations that are not recognised because their values cannot be measured reliably or because their settlement is not probable. Contingent liabilities are not recognised in the statement of financial position but are disclosed unless the possibility of an outflow of economic resources is remote. When an outflow of economic resources becomes probable and can be reliably measured, a liability is recognised in the statement of financial position.

Contingent assets are possible assets whose existence will be confirmed by the occurrence or non-occurrence of uncertain future events that are not wholly within the control of Hiab. Contingent assets are not recognised in the statement of financial position but are disclosed when it is more likely than not that an inflow of benefits will occur. However, when the inflow of benefits is virtually certain an asset is recognised in the statement of financial position.

Commitments relate to agreements or pledges to assume a financial obligation at a future date, or present obligations not recognised in the statement of financial position.

MEUR	Note	31 Dec 2025	31 Dec 2024
Guarantees given on behalf of third parties		12.5	–
Off-balance sheet leases	9.1	31.5	1.2
Capital commitments		9.3	–
Other contingent liabilities		0.4	0.7
Total		**53.6**	**1.9**

The guarantees given on behalf of third parties relate to remaining corporate guarantees issued in favour of the sold MacGregor business. The Group has received full counter-indemnities for these commitments and is expected to be relieved from all related obligations within the next 12 months after closing of the sale of MacGregor.

Commitments related to leases include commitments related to off-balance sheet leases and on-balance sheet leases not yet commenced, and residual value risk related to equipment sold under customer finance arrangements and accounted for as leases.

Capital commitments are contractual obligations relating to the acquisition or construction of property, plant and equipment.

Contingent liabilities are related to guarantees given by Hiab in the ordinary course of business for the delivery of products and services. Guarantees are provided in different ways including direct guarantees, bank guarantees, and performance bonds. Various Group entities are parties to legal actions and claims which arise in the ordinary course of business. While the outcome of some of these matters cannot precisely be foreseen, they are not expected to result in a significant loss to the Group.

In addition, Hiab Corporation has guaranteed obligations of Group companies arising from ordinary course of business. The total amount of these guarantees on 31 December 2025 was EUR 24.9 (31 Dec 2024: 266.6) million.

9.3 Related-party transactions

Hiab's related parties include the parent company Hiab Corporation, and its subsidiaries. Related parties include also the members of the Board of Directors, the CEO, and other members of the Leadership Team, their close family members, and entities controlled directly or indirectly by them. In addition, major shareholders with more than 20 percent ownership of shares or of the total voting rights in the company are included in related parties.

Remuneration to the members of the Board of Directors, the CEO and other members of the Leadership Team is presented in note 3.3 Management remuneration.

Group companies are presented in note 7.2 Group companies.

Hiab did not have material business transactions with its related parties during the reporting or comparison period.

9.4 Events after the reporting period

In January 2026, Hiab acquired 100% of the share capital of ING Indústria Nacional de Guindastes Ltda. (ING Cranes), a Brazilian crane manufacturer. The cash consideration paid at closing amounted to EUR 18.7 million. The final purchase price is subject to adjustments related to working capital and net indebtedness at the closing date, certain indemnification-related adjustments subject to a five-year monitoring period, and a contingent consideration of up to EUR 7.9 million, payable in instalments over three years and conditional upon the achievement of specified performance targets. ING Cranes' revenue for the financial year ended 31 December 2024 amounted to approximately EUR 50 million. The acquisition strengthens Hiab's presence in Brazil and complements its existing product offering in the local market, with approximately 240 employees joining Hiab as part of the transaction.

On 20 January 2026, Hiab communicated a plan to evolve its operating model and an update on the cost-saving programme announced in connection with the third quarter 2025 interim report. Under the programme, Hiab is targeting to reach approximately EUR 20 million lower cost levels in 2026 compared to 2025. With the programme, Hiab aims to proactively adjust to continued uncertainty in the market environment. Initial estimates indicate that, subject to works council negotiations in relevant jurisdictions, the planned measures could result in the reduction of approximately 480 roles globally, of which approximately 60 are expected to impact operations in Finland. The detailed consequences of these planned changes will be communicated and, where necessary, negotiated locally as the plans progress. Hiab currently estimates that total costs related to the programme would amount to approximately EUR 30 million. The costs would be booked as items affecting comparability mainly in 2026. The estimate is subject to change.

Financial statements of the parent company (FAS)

Parent company income statement

EUR	Note	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Sales		**155,628,218.51**	**275,538,900.91**
Administration expenses	3, 4, 5	-173,138,361.78	-289,278,407.16
Other operating income		3,089,006.43	19,602,047.75
Operating loss / profit		**-14,421,136.84**	**5,862,541.50**
Finance income and expenses	6	105,093,297.06	635,614,548.82
Loss / profit before appropriations and taxes		**90,672,160.22**	**641,477,090.32**
Group contributions		23,234,931.98	12,928,516.74
Income taxes	7	-270,352.39	2,383,711.11
Profit for the period		**113,636,739.81**	**656,789,318.17**

Figures are presented according to the Finnish Accounting Standards (FAS).

Parent company balance sheet

EUR	Note	31 Dec 2025	31 Dec 2024
ASSETS			
Non-current assets			
Intangible assets	8	1,887,121.20	5,696,710.95
Tangible assets	9	2,226,953.45	751,154.10
Investments			
Investments in subsidiaries	10	431,012,743.43	634,813,859.29
Other investments	10	–	1,000.00
Total non-current assets		**435,126,818.08**	**641,262,724.34**
Current assets			
Long-term receivables	11, 13	132,476,669.22	143,346,191.26
Short-term receivables	12, 13	555,314,641.49	546,146,046.53
Cash and cash equivalents		378,425,876.33	486,291,878.15
Total current assets		**1,066,217,187.04**	**1,175,784,115.94**
Total assets		**1,501,344,005.12**	**1,817,046,840.28**

EUR	Note	31 Dec 2025	31 Dec 2024
EQUITY AND LIABILITIES			
Equity			
Share capital		20,000,000.00	20,000,000.00
Retained earnings		581,907,509.09	102,930,895.95
Profit for the period		113,636,739.81	656,789,318.17
Total equity	14	**715,544,248.90**	**779,720,214.12**
Liabilities			
Non-current liabilities	13, 15	–	150,000,000.00
Current liabilities	13, 16	785,799,756.22	887,326,626.16
Total liabilities		**785,799,756.22**	**1,037,326,626.16**
Total equity and liabilities		**1,501,344,005.12**	**1,817,046,840.28**

Figures are presented according to the Finnish Accounting Standards (FAS).

Parent company cash flow statement

TEUR	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Operating loss / profit	-14,421	5,863
Adjustments to the operating loss / profit for the period	3,991	-4,804
Change in working capital:		
Change in non-interest-bearing receivables	11,162	-8,995
Change in non-interest-bearing payables	-37,754	7,515
Interest paid	-22,849	-72,038
Interest received	32,738	49,061
Dividends received	22,678	1,600,238
Income taxes paid	-1,164	-3,447
Other finance income and expenses	1,640	7,269
Cash flow from operating activities	**-3,979**	**1,580,662**
Investments to tangible and intangible assets	-1,661	-2,020
Investments to subsidiaries and other companies	-57,854	—
Proceeds from sales of group companies and other companies	335,324	122,240
Other investments	—	20,000
Cash flow from investing activities	**275,809**	**140,220**
Received and paid group contributions	12,929	56,077
Acquisition of treasury shares	—	-27,978
Increase or decrease in loan receivables, net	-44,626	-120,154
Proceeds and repayments of short term borrowings, net	-45,187	-1,297,991
Proceeds from long-term borrowings	—	—
Repayments of long-term borrowings	-125,000	-100,000
Dividends paid	-177,813	-138,202
Cash flow from financing activities	**-379,697**	**-1,628,248**
Change in cash and cash equivalents	**-107,866**	**92,634**
Demerger effect on cash	**—**	**-134,936**
Cash and cash equivalents 1 Jan	486,292	528,594
Cash and cash equivalents 31 Dec	**378,426**	**486,292**

Figures are presented according to the Finnish Accounting Standards (FAS).

Notes to the financial statements of the parent company

1. Accounting principles for the parent company financial statements

Basis of preparation

Hiab Corporation's (1927402-8) financial statements have been prepared in accordance with the Finnish Accounting Standards (FAS).

Foreign currency transactions

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Foreign currency-denominated receivables and payables outstanding at the end of the financial period are revaluated at the exchange rate prevailing on the balance sheet date. Exchange rate gains/losses relating to operations are treated as adjustments to sales and costs. Exchange rate gains/losses associated with financial instruments are included in financing income and expenses.

Revenue recognition

Sales primarily include internal service charges. Revenue from the service sales is recognised when the services have been rendered.

Income taxes

Deferred tax assets and liabilities due to temporary differences between the financial statements and taxation are calculated using the future period's enacted tax rate at the closing date. Total deferred tax liability is included on the balance sheet in full and deferred tax asset at the estimated probable asset value.

Income taxes include a tax expense calculated from the taxable income of the period in accordance with the Finnish tax legislation.

Intangible and tangible assets, amortisation and depreciation

Intangible and tangible assets are stated at original acquisition cost less accumulated amortisation and depreciation, and impairment. Amortisation and depreciation are recognised on a straight-line basis in accordance with a predetermined plan based on the estimated useful economic life of assets. The amortisation and depreciation periods based on expected useful economic lives are as follows:

- Intangible assets 3–10 years
- Other capitalised expenditure 5–10 years
- Machinery and equipment 3–5 years

Investments

Investments in the group companies and joint ventures are measured at acquisition cost less accumulated impairment. Other investments, for which fair value cannot be measured reliably due to non-existent public markets or lack of reliable valuation methods, are also mainly measured at acquisition cost less accumulated impairment.

Loans receivable

Loans receivable include mainly loans to group companies. Loans receivable are initially recognised at fair value, and subsequently measured at amortised cost less impairments in accordance with the effective interest method. Interest income from loans receivable is recognised as financial income based on the effective interest rate.

Cash and cash equivalents

Cash and cash equivalents include cash balances, short-term bank deposits and other short-term liquid investments with maturities up to three months.

Loans payable

Loans payable are initially recognised as a liability on the balance sheet at an amount received. Transaction costs and interests are recognised as finance expense in the income statement by applying the effective interest rate.

Derivative instruments

Derivative instruments are initially recognised on the balance sheet at cost, which equals their fair value, and subsequently they are measured at fair value on each balance sheet date in accordance with the principles of IFRS, as allowed by FAS, and the fair value changes are recognised in the income statement unless hedge accounting is applied. Fair values of currency forward contracts and cross-currency and interest rate swaps are determined by using commonly applied valuation methods and the valuations are based on observable market data for interest rates and currencies. Derivative instruments maturing after 12 months from the balance sheet date are included in the non-current assets and liabilities. Other derivative instruments are included in the current assets and liabilities.

Parent company applies hedge accounting only to hedges of cash flows associated with foreign currency-denominated loans, in which interest rate swap is used as a hedging instrument. To qualify for hedge accounting, the parent company documents the hedge relationship of the derivative instrument and the related hedged item, the company's risk management targets and the hedging strategy. When starting hedge accounting and at least in every interim and annual closing, the company documents and estimates the effectiveness of the hedge by measuring the ability of the hedging instrument to offset changes in fair value of the underlying asset or cash flow with respect to the hedged risk.

Changes in the fair value of effective cash flow hedges are recognised in fair value reserve of the equity. Ineffective portion is recognised immediately in the income statement. Cumulative gain or loss on the hedge deferred to equity is recognised in the income statement as an adjustment to the hedged item during the same period when the hedged item is recognised. Changes in the fair value of hedging instruments relating to operative items that no longer are expected to materialise are recognised immediately in the income statement in other operating income/expenses. If the hedging instrument matures, is sold, the contract is revoked or exercised or the relation of the hedging instrument and the underlying item is revoked, the cumulative change in the fair value of the hedging instrument remains in equity and is recognised in the income statement when the underlying operative item materialises.

Changes in the fair values of hedges, for which hedge accounting is not applied, are recognised in the income statement, either in operative income and expenses or financial income and expenses, depending on the hedged item. Changes in all forward contract fair values due to interest rate changes are always directly recognised in financial income and expenses.

Equity

Equity consists of share capital and retained earnings, deducted with dividends paid and donations approved at the Annual General Meeting. The profit/loss for the period is recorded in retained earnings.

Statutory provisions

Statutory provisions are expenses to which the parent company is committed and that are not likely to generate the corresponding revenue, or losses, which are regarded as evident.

2. Finance risk management

The parent company manages the finance risks of the Group and operates under the same policies and instructions as the Group.

Currency risk

The parent company's treasury function operates as an internal bank for the Group's subsidiaries. The parent company's currency exposure originates mainly from foreign currency funding given to subsidiaries and foreign currency loans taken by the parent company. In addition, the currency position includes internal forward agreements with the subsidiaries and external forward agreements. Foreign exchange differences arising from these transactions are booked in the income statement in the finance items. Furthermore, the parent company invoices the Group companies for the services provided. Foreign exchange differences from these invoices are booked in the parent company's operating profit.

The parent company's open currency exposure on 31 December 2025 was, in absolute terms, EUR 5.0 (31 Dec 2024: 11.9) million.

Interest rate risk

The parent company's interest rate risk originates from external loans and internal loans and deposits. The pricing of intercompany transactions is based on transfer pricing rules, and internal interest income and expenses are eliminated on group level. As a result, interest rate risk is not measured separately on parent company level, and the information presented in the consolidated financial statements regarding interest risk and its management is the same for the parent company.

Liquidity and funding risk

The majority of the Group's derivatives, loans and cash equivalents belong to the parent company. The maturity structure of these finance liabilities is not separately followed on parent company level, because the information presented in the consolidated financial statements provides a fair view of the liquidity and funding risk. Only accounts payable and accounts receivable vary significantly between the parent company and the Group.

Credit and counterparty risk

The parent company's accounts receivable and loans receivable originate mainly from the other Group companies, and the parent company is therefore not exposed to a counterparty risk.

Parent company did not have external loans receivable at the end of 2025 or 2024. Cash and cash equivalents were EUR 378.4 (31 Dec 2024: 486.3) million. The parent company's cash and cash equivalents are held in banks that have a solid credit rating and are approved by the Treasury Committee. More information about the credit risk related to derivative contracts is disclosed in the note 8.1 Financial risk management in the consolidated financial statements.

Operational risks of the treasury function

The treasury function operates as part of the parent company, so it is subject to the same risk management goals as the Group.

3. Personnel expenses

TEUR	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Wages and salaries	20,942	40,316
Pension costs	2,286	3,027
Other statutory employer costs	279	252
Total	**23,507**	**43,595**

Pension benefits of personnel are arranged with an external pension insurance company.

Average number of employees

	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
White-collar	92	134

Key management compensation

Remunerations including fringe benefits paid to members of Hiab's Board of Directors related to their Board work during the financial period totalled EUR 914,979 (2024: 959,769).

The salaries and remunerations paid in 2025 to the current President and CEO (starting from 1.4.2025), including base salary and fringe benefits totalled EUR 679,367 (1,424,749). The President and CEO is entitled to a pension provided according to the statutory Finnish Employees Pensions Act, for which a pension cost of EUR 105,574 was recorded in 2025 (222,688).

The salaries and remunerations paid to the previous CEO (until 31.3.2025) in 2025, including base salary, fringe benefits, short-term incentive payout and taxable income from the earnings of the share-based incentive programmes, totalled EUR 14 336 240. The CEO was entitled to a pension provided according to the statutory Finnish Employees Pensions Act, for which a pension cost of EUR 343 965 was recorded in 2025.

The key management's compensation is described in more detail in note 3.3 Management remuneration, in the consolidated financial statements.

4. Depreciation, amortisation and impairment charges

TEUR	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Planned depreciation and amortisation		
Intangible rights	1,175	2,858
Other capitalised expenditure	—	5
Machinery and equipment	131	14
Total	**1,306**	**2,877**

5. Audit fees

TEUR	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Annual audit	1,068	1,168
Assurance of Sustainability statement	147	111
Other assurance services	17	18
Other services	380	1,318
Total	**1,612**	**2,615**

6. Finance income and expenses

TEUR	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Interest income		
From group companies	24,314	31,875
From third parties	8,380	16,498
Total	**32,695**	**48,373**
Other finance income		
From group companies	111,019	474,997
Dividends from group companies	22,678	1,981,635
Total	**133,697**	**2,456,632**
Interest expenses		
To group companies	-18,687	-54,092
To third parties	-3,148	-14,168
Total	**-21,835**	**-68,260**
Other finance expenses		
From group companies	—	—
To third parties	-4,484	-12,154
Exchange rate differences	-24	-94
Total	**-4,508**	**-12,248**
Reversals of impairments / impairments		
Impairments of investments in subsidiaries	-34,955	-1,788,882
Total	**-34,955**	**-1,788,882**
Total finance income and expenses	**105,093**	**635,615**

7. Income taxes

TEUR	1 Jan-31 Dec 2025	1 Jan-31 Dec 2024
Current year tax expense	809	999
Change in deferred tax asset	-539	-3,383
Total	**270**	**-2,384**

8. Intangible assets

TEUR	Intangible rights	Other capitalised expenditure	Total
Acquisition cost 1 Jan 2025	59,696	12,268	71,964
Additions	50	–	50
Disposals	-13,991	-1,483	-15,474
Transfers between groups	10,192	-10,785	-593
Acquisition cost 31 Dec 2025	**55,947**	**–**	**55,947**
Accumulated amortisation 1 Jan 2025	-54,000	-12,268	-66,268
Accumulated amortisation of reductions and transfers	1,114	12,268	13,382
Amortisation during the period	-1,175	–	-1,175
Accumulated amortisation 31 Dec 2025	**-54,061**	**–**	**-54,061**
Book value 31 Dec 2025	**1,887**	**–**	**1,887**
Acquisition cost 1 Jan 2024	71,722	12,528	84,250
Additions	352	174	526
Demerger	-12,346	-174	-12,520
Disposals	-32	-260	-292
Acquisition cost 31 Dec 2024	**59,696**	**12,268**	**71,964**
Accumulated amortisation 1 Jan 2024	-59,308	-12,494	-71,802
Demerger	8,160	–	8,160
Accumulated amortisation of reductions and transfers	6	231	237
Amortisation during the period	-2,858	-5	-2,863
Accumulated amortisation 31 Dec 2024	**-54,000**	**-12,268**	**-66,268**
Book value 31 Dec 2024	**5,697**	**0**	**5,697**

9. Tangible assets

TEUR	Machinery and equipment	Advance payments and construction in progress	Total
Acquisition cost 1 Jan 2025	1,878	144	2,022
Additions	40	1,570	1,610
Disposals	-715	-48	-763
Transfers between groups	-410	-96	-506
Acquisition cost 31 Dec 2025	**793**	**1,570**	**2,363**
Accumulated depreciation 1 Jan 2025	-1,174	-97	-1,271
Accumulated depreciation of reductions and transfers	1,169	97	1,266
Depreciation during the period	-131	–	-131
Accumulated depreciation 31 Dec 2025	**-136**	**–**	**-136**
Book value 31 Dec 2025	**657**	**1,570**	**2,227**
Acquisition cost 1 Jan 2024	1,313	97	1,410
Additions	706	788	1,494
Demerger	–	-741	-741
Disposals	-141	–	-141
Acquisition cost 31 Dec 2024	**1,878**	**144**	**2,022**
Accumulated depreciation 1 Jan 2024	-1,301	-97	-1,398
Accumulated depreciation of reductions and transfers	141	–	141
Depreciation during the period	-14	–	-14
Accumulated depreciation 31 Dec 2024	**-1,174**	**-97**	**-1,271**
Book value 31 Dec 2024	**704**	**47**	**751**

10. Investments

TEUR	2025	2024
Investments in subsidiaries		
Acquisition cost 1 Jan	3,065,209	3,933,460
Accumulated impairments 1 Jan	-2,430,396	-1,458,852
Additions	209,154	996,772
Disposals	-378,000	–
Demerger	–	-1,047,685
Impairments	-34,955	-1,788,882
Book value 31 Dec	**431,012**	**634,814**

TEUR	2025	2024
Other investments		
Acquisition cost 1 Jan	1	3,559
Disposals	-1	-3,558
Book value 31 Dec	**–**	**1**

Subsidiary companies' full name, country of domicile and parent company's shareholding are disclosed in note 7.2 Group companies, in the consolidated financial statements.

11. Long-term receivables

TEUR	31 Dec 2025	31 Dec 2024
Loans receivable from group companies	119,255	130,293
Deferred tax asset from third parties	13,222	12,682
Deferred assets	–	371
Total	**132,477**	**143,346**

12. Short-term receivables

TEUR	31 Dec 2025	31 Dec 2024
From group companies		
Loans receivable	514,349	458,686
Accounts receivable	1,753	5,430
Derivative assets	1,248	34,766
Deferred assets	23,885	16,659
Total	**541,235**	**515,541**
From third parties		
Accounts receivable	124	1,842
Derivative assets	4,237	16,822
Deferred assets	9,719	11,941
Total	**14,079**	**30,605**
Total current receivables	**555,315**	**546,146**

Deferred assets

TEUR	31 Dec 2025	31 Dec 2024
Group contribution	23,235	12,928
Interest income	832	822
Periodisations	5,395	9,211
VAT receivable	457	2,204
Other accruals	3,685	3,435
Total	**33,604**	**28,600**

13. Derivatives

Fair values of derivative finance instruments

31 Dec 2025 TEUR	Positive fair value	Negative fair value	Net fair value
Group internal currency forward contracts	1,248	1,054	194
Other currency forward contracts	4,237	1,971	2,266
Total	**5,485**	**3,025**	**2,460**

31 Dec 2024 TEUR	Positive fair value	Negative fair value	Net fair value
Group internal currency forward contracts	34,766	26,047	8,719
Other currency forward contracts	16,822	19,328	-2,506
Total	**51,588**	**45,375**	**6,213**

Nominal values of derivative finance instruments

TEUR	31 Dec 2025	31 Dec 2024
Group internal currency forward contracts	237,074	1,751,175
Other currency forward contracts	594,254	3,538,858
Total	**831,327**	**5,290,033**

The derivatives have been recognised at gross fair values on the balance sheet as the netting agreements related to derivatives allow unconditional netting only in the occurrence of credit events, but not in a normal situation. The company has not given or received collateral related to derivatives from the counterparties.

14. Equity

TEUR	2025	2024
Restricted equity		
Share capital 1 Jan	20,000	64,305
Demerger	–	-44,305
Share capital 31 Dec	**20,000**	**20,000**
Share premium account 1 Jan	–	97,992
Demerger	–	-97,992
Share premium account 31 Dec	**–**	**–**
Total restricted equity	**20,000**	**20,000**
Non-restricted equity		
Reserve for invested non-restricted equity 1 Jan	–	51,835
Acquisition of treasury shares	–	-9,269
Demerger	–	-42,566
Reserve for invested non-restricted equity 31 Dec	**–**	**–**
Retained earnings 1 Jan	759,720	440,004
Dividends paid	-177,813	-138,202
Acquisition of treasury shares	–	-18,709
Demerger	–	-180,163
Retained earnings 31 Dec	**581,907**	**102,931**
Profit for the period	113,637	656,789
Total non-restricted equity	**695,544**	**759,720**
Total equity	**715,544**	**779,720**
Distributable equity	**695,544**	**759,720**

15. Non-current liabilities

TEUR	31 Dec 2025	31 Dec 2024
Corporate bonds	–	150,000
Total non-current liabilities	**–**	**150,000**

Corporate bonds and other fixed interest loans

					Book value, TEUR	
Loan period	**Interest**	**Coupon rate, %**	**Nominal value**		**31 Dec 2025**	**31 Dec 2024**
2018–2025	Fixed	*	25,000	TEUR	–	25,000
2019–2025	Fixed	1.25	100,000	TEUR	–	100,000
2019–2026	Fixed	1.63	150,000	TEUR	150,000	150,000

* Interest terms are considered confidential information between the contractual parties.

16. Current liabilities

TEUR	31 Dec 2025	31 Dec 2024
To group companies		
Loans from group companies	614,639	659,817
Accounts payable	954	6,821
Derivative liabilities	1,054	26,047
Accruals	762	4,125
Total	**617,409**	**696,810**
To third parties		
Corporate bonds	150,000	100,000
Schuldschein loans	–	25,000
Bank overdrafts used	–	9
Accounts payable	3,898	9,945
Derivative liabilities	1,971	19,328
Accruals	12,522	36,234
Total	**168,391**	**190,516**
Total current liabilities	**785,800**	**887,326**

Accruals

TEUR	31 Dec 2025	31 Dec 2024
Accrued salaries, wages and employment costs	6,363	7,720
Accrued interests	661	1,896
Other accruals	6,261	30,743
Total	**13,285**	**40,359**

17. Commitments

TEUR	31 Dec 2025	31 Dec 2024
Security for guarantees		
Guarantees given on behalf of group companies	24,905	266,575
Guarantees given on behalf of third parties	12,500	–
Leasing commitments		
Maturity within the next financial period	787	933
Maturity after the next financial period	3,329	3,925
Total	**41,521**	**271,433**

Signatures for Board of Directors’ report and financial statements

We confirm that the financial statements prepared in compliance with the applicable financial statement regulations give a correct and sufficient picture of the assets, liabilities, financial position and profit of both Hiab Corporation and the companies included in its consolidated financial statements. The Board of Directors’ report contains a truthful account of the business development and performance of Hiab Corporation and its consolidated financial statements, as well as a description of the most significant risks and uncertainties. The sustainability report included in the Board of Directors’ report has been prepared in compliance with the reporting standards referred to in Chapter 7 of the Finnish Accounting Act and Article 8 of the Taxonomy Regulation.

Helsinki, 11. February 2026

Jukka Moisio
Chair of the Board

Casimir Lindholm
Vice Chair of the Board

Eric Alström
Member of the Board

Raija-Leena Hankonen-Nybom
Member of the Board

Ilkka Herlin
Member of the Board

Tuija Pohjolainen-Hiltunen
Member of the Board

Ritva Sotamaa
Member of the Board

Luca Sra
Member of the Board

Scott Phillips
President and CEO

The Auditor’s Note

A report on the audit performed has been issued today.

Helsinki, 11. February 2026

Ernst & Young Oy
Authorized Public Accountant Firm

Heikki Ilkka
Authorized Public Accountant

Auditor's report (translation of the Finnish original)

To the Annual General Meeting of Hiab Corporation

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Hiab Corporation (business identity code 1927402-8) for the year ended 31 December, 2025. The financial statements comprise the consolidated balance sheet, statement of income, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes, including material accounting policy information, as well as the parent company's balance sheet, statement of income, statement of cash flows and notes.

In our opinion

- the consolidated financial statements give a true and fair view of the group's financial position, financial performance and cash flows in accordance with IFRS Accounting Standards as adopted by the EU.
- the financial statements give a true and fair view of the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Our opinion is consistent with the additional report submitted to the Audit and Risk Committee.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

In our best knowledge and understanding, the non-audit services that we have provided to the parent company and group companies are in compliance with laws and regulations applicable in Finland regarding these services, and we have not provided any prohibited non-audit services referred to in Article 5(1) of regulation (EU) 537/2014. The non-audit services that we have provided have been disclosed in note 2.4 to the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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.

We have also addressed the risk of management override of internal controls. This includes consideration of whether there was evidence of management bias that represented a risk of material misstatement due to fraud.

Key Audit Matter	How our audit addressed the Key Audit Matter
Revenue recognition The accounting principles and disclosures relating to revenue recognition are included in note 2.2 in the consolidated financial statements. Group's turnover in 2025 amounted to 1 556 million euros consisting of sale of equipment, spare parts and maintenance services to customers. Revenue from sale of equipment and spare parts is recognized at a point in time, when control of the goods is transferred to buyer, typically according to the delivery terms or upon completion of the installation. Revenue from services is typically recognized when the services are rendered. Revenue is a key performance indicator for Hiab Group, which may be an incentive for premature revenue recognition. Revenue recognition was a key audit matter and a significant risk of material misstatement referred to in EU Regulation No 537/2014, point (c) of Article 10(2).	Our audit procedures to address the risk of material misstatement in respect of correct timing of revenue recognition included among others: • Assessment of the compliance of the group's accounting policies over revenue recognition with applicable accounting standards. • Assessment of the revenue recognition process especially relating to timing of revenue recognition and tested controls over revenue recognition process where applicable. • Testing the accuracy of cut-off with analytical procedures and test of details on a transaction level on either side of the balance sheet date. • Analyzing credit notes issued after the balance sheet date. • Assessment of the Group's disclosures in respect of revenues.

Key Audit Matter	How our audit addressed the Key Audit Matter
Valuation of goodwill The accounting principles and disclosures relating to goodwill are included in note 6.1 in the consolidated financial statements. At the balance sheet date December 31, 2025, the value of goodwill amounted to 235 million euros representing 14 % of total assets and 23 % of total equity. After structural changes in the Group, goodwill was reallocated in annual impairment testing for Group's operating segments that consist three separate groups of cash generating units and are Lifting equipment (64 million euros), Delivery equipment (78 million euros) and Services (93 million euros). Reallocation was based on relative values in use of the cash generating units. The impairment testing was based on the management's estimate about the value-in-use for cash generating units. There are a number of assumptions used to determine the value-in-use of the cash generating units, including revenue growth, margins and the discount rate applied on net cash-flows. The estimated value-in-use may vary significantly when underlying assumptions are changed and the changes in above-mentioned individual assumptions may result in an impairment of goodwill. The valuation of goodwill was a key audit matter because the annual impairment testing required management judgment with respect to the key assumptions used and because of the significance of goodwill to the financial statements.	Our audit procedures on valuation of goodwill included among others: • Involvement of our valuation specialists to assist us in evaluating the key assumptions used in impairment testing by comparing management's assumptions to externally derived data and to our independently calculated industry averages, in particular those relating to • the forecasted revenue growth, • the forecasted margin and • the weighted average cost of capital used to discount the net cash-flows. • Testing of the accuracy of the impairment calculations prepared by the management and comparison of the sum of discounted cash flows against Hiab's market capitalization. • Evaluation of the adequacy of disclosures of the impairment testing results.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance on whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice 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 financial statements.
As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, 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 opinion. 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 internal control relevant to the 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 parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or 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 financial statements or, if such disclosures are inadequate, to modify our opinion. 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 the parent company or the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Plan and perform the group audit to obtain sufficient 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 group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Reporting Requirements

Information on our audit engagement

We were first appointed as auditors by the Annual General Meeting on 23 March 2021, and our appointment represents a total period of uninterrupted engagement of 5 years.

Other information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors and the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. We have obtained the report of the Board of Directors prior to the date of this auditor's report, and the Annual Report is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in compliance with the applicable provisions, excluding the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in compliance with the applicable provisions. Our opinion does not cover the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor’s report, we 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.

Other statements based on law

Our responsibility is to, based on our audit, express an opinion on the registration and publication of the income tax report required in Chapter 7 b of the Accounting Act.

The Board of Directors and the Managing Director are responsible for the registration and the publication of the income tax report.

In our opinion, the company has not been obliged to register and publish an income tax report referred to in Chapter 7 b of the Accounting Act for the financial year immediately preceding the financial year.

Helsinki, 11 February 2026

Ernst & Young Oy
Authorized Public Accountant Firm

Heikki Ilkka
Authorized Public Accountant

Assurance report on the sustainability statement (Translation of the Finnish original)

To the Annual General Meeting of Hiab Oyj

We have performed a limited assurance engagement on the group sustainability statement of Hiab Oyj (business identity code 1927402-8) that is referred to in Chapter 7 of the Accounting Act and that is included in the report of the Board of Directors for the reporting period 1.1.–31.12.2025.

Opinion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the group sustainability statement does not comply, in all material respects, with

1) the requirements laid down in Chapter 7 of the Accounting Act and the sustainability reporting standards (ESRS), and
2) the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (EU Taxonomy).

Point 1 above also contains the process in which Hiab Oyj has identified the information for reporting in accordance with the sustainability reporting standards (double materiality assessment).

Our opinion does not cover the tagging of the group sustainability statement with digital XBRL sustainability tags in accordance with Chapter 7, Section 22, Subsection 1(2), of the Accounting Act, because sustainability reporting companies have not had the possibility to comply with that requirement in the absence of requirements for the tagging of sustainability information in the ESEF regulation or other European Union legislation.

Basis for Opinion

We performed the assurance of the group sustainability statement as a limited assurance engagement in compliance with good assurance practice in Finland and with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information.

Our responsibilities under this standard are further described in the Responsibilities of the Authorized Group Sustainability Auditor section of our report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

We draw attention to the fact that the group sustainability statement of Hiab Oyj, prepared in accordance with Chapter 7 of the Accounting Act, has been prepared and assured for the first time for the financial year January 1–December 31, 2024. Our opinion covers the comparative information that has been presented in the group sustainability statement for January 1–December 31, 2024, but not any other comparative information. Our opinion is not modified in respect of this matter.

Authorized Group Sustainability Auditor's Independence and Quality Management

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our engagement, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The Authorized Group Sustainability Auditor applies International Standard on Quality Management ISQM 1, which requires the Authorized Sustainability Audit Firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director of Hiab Oyj are responsible for:

- the group sustainability statement and for its preparation and presentation in accordance with the provisions of Chapter 7 of the Accounting Act, including the process that has been defined in the sustainability reporting standards and in which the information for reporting in accordance with the sustainability reporting standards has been identified,
- the compliance of the group sustainability statement with the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088, and for
- such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of a group sustainability statement that is free from material misstatement, whether due to fraud or error.

Inherent Limitations in the Preparation of a Sustainability Statement

The preparation of the group sustainability statement requires a materiality assessment from the company in order to identify relevant disclosures. This significantly involves management judgment and choices. Group sustainability reporting is also characterized by the fact that reporting of this type of information involves estimates and assumptions, as well as measurement and assessment uncertainty.
The determination of greenhouse gases is subject to inherent uncertainty due to the incomplete scientific data used to determine the emission factors and the numerical values needed to combine emissions of different gases.

When reporting future-related information in accordance with the ESRS standards, the company’s management must present assumptions regarding possible future events and disclose the company's potential future actions related to these events, as well as prepare future-related information based on these assumptions. The actual outcome is likely to differ, as predicted events often do not occur as expected.

Responsibilities of the Authorized Group Sustainability Auditor

Our responsibility is to perform an assurance engagement to obtain limited assurance about whether the group sustainability statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our opinion. 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 decisions of users taken on the basis of the group sustainability statement.

Compliance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) requires that we exercise professional judgment and maintain professional skepticism throughout the engagement. We also:

- Identify and assess the risks of material misstatement of the group sustainability statement, whether due to fraud or error, and obtain an understanding of internal control relevant to the engagement in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Design and perform assurance procedures responsive to those risks to obtain evidence that is sufficient and appropriate to provide a basis for our opinion. 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.

Description of the Procedures That Have Been Performed

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. The nature, timing and extent of assurance procedures selected depend on professional judgment, including the assessment of risks of material misstatement, whether due to fraud or error. 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.

Our procedures included for ex. the following:

- We have interviewed the management of group as well as key personnel responsible for collecting and reporting of the information included in the group sustainability statement.
- Through interviews, we gained an understanding of the group's control environment related to the group sustainability reporting process.
- We evaluated the implementation of the company's double materiality assessment process in relation to the requirements of the ESRS standards, as well as whether the information provided from the double materiality assessment is in material respects in accordance with the ESRS standards.
- We assessed whether the group sustainability statement in material respects meets the requirements of the ESRS standards regarding material sustainability topics:
  - We have tested the accuracy of the information presented in the group sustainability statement by comparing the information on a sample basis to the documentation and records prepared by the company and assessed whether they support the information included in the group sustainability statement.
  - We have on a sample basis performed analytical assurance procedures and related inquiries, recalculations and inspected documentation, as well as tested data aggregation to assess the accuracy of the group sustainability statement.
- Regarding EU Taxonomy data, we gained an understanding of the process by which a company has defined taxonomy-eligible and taxonomy-aligned economic activities, and we assessed the compliance of the information provided.

Helsinki, 11.2.2026

Ernst & Young Oy
Authorized Sustainability Audit Firm

Heikki Ilkka
Authorized Sustainability Auditor

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Business identity code 1927402–8

Hiab (Nasdaq Helsinki: HIAB) is a leading provider of smart and sustainable on road load-handling solutions, committed to delivering the best customer experience every day with the most engaged people and partners. Globally, Hiab is represented on every continent through its extensive network of 3,000 own and partner sales and service locations, enabling delivery to over 100 countries. The company's sales in 2025 totalled approximately EUR 1.6 billion and it employs approximately 4,000 people. www.hiabgroup.com

Annual Report 2025

Hiab Annual Report 2025 consists of the annual review, financial review, corporate governance statement and remuneration report. The financial review consists of the Board of Directors' report, including the sustainability statement, as well as the financial statements, and audit and assurance reports. All documents are available at the company website www.hiabgroup.com > Investor relations > Reports and presentations.