



# TAX POLICY

## 1. INTRODUCTION

Mips AB (publ) is a Swedish registered public limited company listed on Nasdaq Stockholm. Mips specializes in helmet-based safety and is a world leader in this area. Mips' patented helmet safety system is born out of science and research and is based on more than 25 years of research. Mips' mission is to lead the world towards safer helmets, and Mips operates globally through its parent company Mips AB in Sweden and its subsidiaries.

Mips is a reliable, long-term, and responsible company that takes social responsibility seriously and shall always act in accordance with applicable laws and regulations in all countries where it operates, and also transparently balance shareholder interests with societal interests.

## 2. PURPOSE AND GOALS

The purpose of this Tax Policy (the "Policy"), adopted by the Board of Directors, is to ensure a clear framework for tax management within Mips Group. The Policy applies to all companies in the Group and employees, and establishes the principles for compliance and reporting of taxes, transfer pricing, and management of tax risks. The Policy covers all types of taxes, such as corporate tax, withholding tax, VAT, social security contributions, property tax, and customs duties. All taxes and fees should always be paid in accordance with local laws and regulations in the countries where operations are conducted. All relevant taxes should be controlled, reported, and paid correctly and on time.

## 3. FUNDAMENTAL PRINCIPLES

### 3.1 Compliance

Mips shall comply with all applicable national and international tax laws, regulations, and rules in the countries where the Group operates. Compliance with tax rules is both a legal requirement and a matter of responsible business conduct. Compliance with tax rules therefore requires consideration of both the

wording of the legislation and its intent. Tax treaties and rules are followed carefully to ensure correct tax management.

### **3.2 Prudence**

In cases where tax legislation is unclear, prudence should be exercised by acting with great business integrity to maintain Mips' reputation as a taxpayer that complies with laws and regulations, and contributes to society in the countries where operations are conducted.

### **3.3 Transparency**

Mips shall comply with applicable national and international tax reporting requirements and shall act transparently towards tax authorities by promptly providing them with all relevant information requested to assess the Group's compliance with applicable tax rules.

### **3.4 Permanent establishment (PE)**

Mips regularly analyzes its global operations to identify any tax liabilities according to the principles of permanent establishment. Mips strives to minimize the risk of unintentional tax liability in any new jurisdictions in which Mips operates.

### **3.5 Management of tax risks**

Mips operates in various countries with different tax laws and legislative authorities. It is not uncommon for tax legislation, practice, and/or statements from authorities to provide unclear or contradictory answers on how a particular tax issue should be interpreted. In such cases, prudence and transparency should guide all decisions. If necessary, external tax advisors should be consulted for advice, preferably from a larger audit or law firm. Tax risks are identified, evaluated, and managed as part of Mips' overall risk management.

### **3.6 Tax management**

Mips shall conduct its operations in a tax-conscious manner, particularly by avoiding double taxation, protecting its tax claims, and applying tax consolidation in accordance with local legislation.

### 3.7 Tax planning

Mips shall have an ethical, legal, and business-like view on tax, which means that Mips shall not act in gray areas or engage in aggressive tax planning that could jeopardize Mips' reputation or standing. Aggressive tax planning refers to transactions without business substance that solely aim to achieve a tax benefit. Mips shall strive for a tax-efficient structure that is sustainable and follows OECD guidelines for BEPS (Base Erosion and Profit Shifting).

## 4. INVESTMENTS

Mips shall not make investments through countries that are on the EU list of non-cooperative jurisdictions in tax matters (the so-called Black and Grey list). In cases where jurisdictions were previously on the Black or Grey List, a thorough review of the tax setup should be conducted to ensure that the structure is in line with this Policy. Investments through jurisdictions that were "whitelisted" at the time of investment and subsequently placed on the Black or Grey List should not necessarily be divested, but an analysis of the investment and its impact on Mips should be weighed into the decision on how the investment should be handled. Mips' investments must be in line with the company's Trade Compliance Policy and all other Group policies.

## 5. RESPONSIBILITY

Central decisions on tax matters are made by Mips' CFO to ensure that tax-related issues are handled correctly, consistently and in accordance with this Policy. All employees working with tax matters must act in accordance with this Policy.

The Policy shall be subject to an annual review by the Board of Directors and be changed when the Board of Directors or the CFO considers it to be necessary or suitable to ensure that it is in line with current laws and business principles.

Any questions in relation to this Policy may be directed to the CFO.

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