

The Nomination Committee's proposals for the Annual General Meeting 2023 in MilDef Group AB (publ) ("MilDef") as well as information on the proposed members of the Board of Directors and reasoned statement regarding election of members of the Board of Directors and auditor

The Annual General Meeting 2022-05-12 in MilDef resolved that the three largest shareholders in terms of voting rights as per 2022-08-31 and the chair of the Board of Directors, would constitute the Nomination Committee. Should any of these shareholders refrain from participation in the Nomination Committee, the next in order of shareholding shall be offered a seat in the Nomination Committee. On this basis, a Nomination Committee consisting of Marianne Trolle, representing her own shareholding, Ulf Hedlundh, representing Svolder AB, Peter Lundkvist, representing the Third Swedish National Pension Fund (Tredje AP-fonden) and Jan Andersson, Chair of the Board of Directors in MilDef, was established. Ulf Hedlundh was appointed Chair of the Nomination Committee. The ownership structure was reviewed at the turn of the year 2022/2023, which did not cause any change in the Nomination Committee. Shareholders who have wished to leave a proposal to the Nomination Committee have been advised to do so no later than 2023-01-31.

The Annual General Meeting has given the Nomination Committee the task of submitting proposals for chair of the Board of Directors as well as the other board members, and the chair of the Annual General Meeting 2023. The Nomination Committee shall also submit a proposal for fees to the board members, any committees and auditors. The Nomination Committee also proposes the auditors on recommendation from the Board of Directors and its Audit Committee.

MilDef stated in a press release on 2022-11-07 that President and CEO Björn Karlsson intended to leave his position at the next annual general meeting for private reasons. In connection with this, a group of major shareholders led by Marianne Trolle also presented to the Nomination Committee the proposal that Björn Karlsson be elected as the new Chair of the Board of Directors at the 2023 Annual General Meeting. If a departing CEO is immediately or in close connection with his/her resignation proposed as chair of the same company, the Nomination Committee shall, in accordance with the Swedish Corporate Governance Code ("the Code"), provide special justification.

The Nomination Committee has evaluated the work of the Board of Directors. Ahead of the Annual General Meeting 2023 the Nomination Committee has held three meetings and has been in contact on numerous occasions outside of the official meetings. The Nomination Committee has thoroughly discussed the requirements regarding qualifications, experience, distribution in terms of gender and background that can be required from the Board of Directors of MilDef considering the company's current situation and future direction to determine if the current Board of Directors fulfills such requirements. The Nomination Committee has studied the complete outcome of the performed evaluation of the Board of Directors and interviewed all board members to investigate, assess and verify important parts of their work. The general opinion is that the work of the Board of Directors is performed with diligent control and a good sense of business. The chair of the Board of Directors has been notified of the Nomination Committee's conclusions from the evaluation.

MilDef was listed on Nasdaq Stockholm in 2021. At the same time, the Board of Directors was expanded and gained further competence and experience in corporate governance, acquisitions, and the stock market. Against this background, the Nomination Committee found it natural to suggest that the members of the board were to be re-elected at the annual general meeting in 2022. However, additional competence within the field of international business development was already then identified as desirable.

The Articles of Association specifies that the number of board members should be at least three but no more than eight. The Nomination Committee believes that the number of board members can be increased by one from six to seven, while the maximum number of eight is deemed too large for an appropriately functioning Board in a company of MilDef's size and character. The number of women on the Board of Directors constitutes 29 per cent of the board members, which is less than the Code

recommends. Future Nomination Committees are encouraged to consider this. After a comprehensive assessment, the Nomination Committee is of the opinion that the number of members in the Board of Directors should still be increased by one member to seven.

The Nomination Committee proposes that the Annual General Meeting 2023 resolve to elect Björn Karlsson as new Chair of the Board of Directors. It is not common in listed companies to appoint a resigning CEO as chair of the Board of Directors immediately after his/her resignation. However, the Nomination Committee makes the assessment that Björn's long experience in the defense industry, his unique network among customers, his high level of technical competence and knowledge of MilDef's organization, leaders and employees make him suitable as new chair of the Board of Directors. Prior to his assignment as President and CEO of MilDef, Björn has among other things been EVP/CTO at ReadSoft AB, with responsibility for the product portfolio and software development. Björn has many years of board experience and is currently, among other things, Chair of the group companies Handheld Group AB and Sysint AS. He is also a member of the board of SOFF, the Swedish Security and Defence Industry Association. The current Chair of the Board of Directors, Jan Andersson, is proposed to remain as an ordinary member of the Board of Directors.

The Nomination Committee further proposes that the Annual General Meeting elect Bengt-Arne Molin as a new member of the Board of Directors. Bengt-Arne Molin has several years of experience as a board member in high-tech growth companies. He holds a PhD in electronics and has an extensive academic background in both electronics and computer science. Bengt-Arne has had several significant assignments in the business world, including as head of the Swedish part of Sony Ericsson and as EVP/CTO at Axis Communications. Current board assignments include Meltspot AB, Lumeo Technology AB, Auricula AB, Generic Sweden AB and Katam Technologies AB.

Berndt Grundevik has declined re-election as a member of the Board of Directors, but will continue to lead the company's Advisory Board.

The Nomination Committee assesses that all board members are independent of the larger shareholders, except Marianne Trolle and Björn Karlsson. The Nomination Committee further considers Marianne Trolle and Björn Karlsson to be dependent in relation to the company due to current and previous employment. The requirements regarding independent members of the Board of Directors in the Code are therefore fulfilled.

The 2022 Annual General Meeting increased the fees for the members of the Board of Directors in accordance with the Nomination Committee's proposal. The increase was justified based on comparisons with other similarly listed companies. Even though there are many companies with higher fees among Nasdaq's MidCap companies, the Nomination Committee believes that the level should not be raised this year, not least as a mark that it is important that board members' compensation should not be a salary driver. The fee is therefore proposed to continue to be SEK 400,000 for the chair of the board and SEK 200,000 for other board members. The fees for the members in the Audit Committee are, however, proposed to be raised, albeit modestly. This is based on increased work in connection with the change of auditor and change of CFO, since the current CFO has been appointed as the new CEO. Accordingly, the fee to the chair of the Audit Committee is proposed to be adjusted to SEK 100,000 (was 75,000), the fee to member of the Audit Committee SEK 50,000 (30,000), to the chair of the Remuneration Committee SEK 30,000 (unaltered) and to member of the Remuneration Committee 20,000 (unaltered).

The Board of Directors has initiated a procurement of auditor(s) with execution at the Annual General Meeting in 2023. The Board of Directors, as well as the company's Audit Committee, has thereby recommended a change to the registered auditing company Öhrlings PricewaterhouseCoopers AB ("ÖPWC"). The Nomination Committee proposes, like the company's Audit Committee, that ÖPWC be elected as the company's new auditor. If the Annual General Meeting elects ÖPWC as auditor, the auditing company intends to appoint authorized auditor Eric Salander as principal auditor.

The Nomination Committee's proposals

The Nomination Committee proposes that the Annual General Meeting 2023 resolves:

- to appoint Jan Andersson as chair of the Annual General Meeting.
- that the Board of Directors shall consist of seven members.
- that fees to the Board of Directors shall amount to SEK 1,600,000 (1,400,000) where SEK 400,000 (SEK 400,000) is paid to the chairman of the Board of Directors and SEK 200,000 (SEK 200,000) is paid to each of the members of the Board of Directors. The proposal entails a total increase of the Board of Directors fees amounting to SEK 200,000 and is due to the fact that one more member is proposed.
- that the fee to the chair of the Remuneration Committee shall amount to SEK 30,000 (SEK 30,000). The fees to the members of the Remuneration Committee shall amount to SEK 20,000 (SEK 20,000) per member. For work in the Audit Committee shall be paid a fee of SEK 50,000 (30,000) per member of the committee and SEK 100,000 (SEK 75,000) to the chair of the committee.
- that the fees to the auditors shall be paid on current account in accordance with specified invoices reviewed and approved by the Board of Directors.
- that board members Jan Andersson, Charlotte Darth, Christian Hammenborn, Lennart Pihl and Marianne Trolle are re-elected for the period from the 2023 AGM until the end of the next AGM, and that Björn Karlsson and Bengt-Arne Molin are elected as new board members for the same time period.
- that Björn Karlsson is elected as new Chair of the Board of Directors.
- that the authorized auditing company Öhrlings PricewaterhouseCoopers AB is appointed as the new auditor.
- that no change to the instructions to the election committee shall be made.

The Nomination Committee's reasoned statement regarding the proposals regarding Board of Directors and election of auditors.

The Nomination Committee is of the view that the proposed Board of Directors has a suitable composition in regard to the company's business, developmental phase and other circumstances. The composition of the Board of Directors is characterized by diversity and width as regards the board members' competence, experience, gender and background (with implementation of the diversity policy in section 4.1 of the Swedish Corporate Governance Code). Further, the Nomination Committee assesses that the proposed auditors have the experience, competence and integrity needed to conduct an audit in accordance with good auditing practice that is beneficial for the shareholders of the company.

April 2023

The Nomination Committee of MilDef Group AB (publ)

Information regarding the proposed board members is available on the company's website and in the annual report for 2022.