

The Nomination Committee's proposals for the Annual General Meeting 2024 in MilDef Group AB (publ) ("MilDef") and reasoned statement regarding election of members of the Board of Directors

The Annual General Meeting 2023-05-25 in MilDef decided to leave the instructions for the Nomination Committee unchanged, which meant that the Nomination Committee would consist of the three largest shareholders in terms of voting rights as per 2023-08-31 and the Chair of the Board of Directors. 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 Johan Ståhl, representing Svolder AB, Peter Lundkvist, representing the Third Swedish National Pension Fund (Tredje AP-fonden), Marianne Trolle, representing her own shareholding, and Björn Karlsson, Chair of the Board of Directors in MilDef, was established. Johan Ståhl was appointed Chair of the Nomination Committee. The ownership structure was reviewed at the turn of the year 2023/2024, 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 2024-01-31. No such proposals have been received by the Nomination Committee.

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 2024. The Nomination Committee shall also submit a proposal for fees to the board members, any committees and auditors. The Nomination Committee also proposes the auditor(s) on recommendation from the Board of Directors and its Audit Committee.

The Nomination Committee has evaluated the work of the Board of Directors. Ahead of the Annual General Meeting 2024 the Nomination Committee has held four 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 and the president 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.

The number of board members is deemed appropriate. The Articles of Association specifies that the number of board members should be at least three but no more than eight. The number of women on the Board of Directors constitutes 29 per cent of the board members, which is less than what is recommended by the Swedish Corporate Governance Code ("the Code"). 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 continue to be seven.

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

The Nomination Committee proposes that the Annual General Meeting 2024 resolve to re-elect the current board members and Björn Karlsson as Chair of the Board of Directors.

The Nomination Committee considers that a change in the fee structure within the Board of Directors should be implemented. In a comparison with similar listed companies, it is noted that the level of the board members' remuneration is relatively low, whereby the Nomination Committee has also taken into account that the company operates in a complex industry. The Nomination Committee therefore considers that it is justified to increase the fee by SEK 75,000 for the Chair of the Board to SEK 475,000 and by SEK 25,000 to SEK 225,000 for the other board members.¹ However, it is proposed that the fees for the members of the board committees be left unchanged which means that the fee to the Chair of the Audit Committee is proposed to remain at SEK 100,000, the fee to other members of the Audit Committee is proposed to remain at SEK 50,000, the fee to the Chair of the Remuneration Committee is proposed to remain at SEK 30,000, and the fee to other members of the Remuneration Committee is proposed to remain at SEK 20,000.

At the 2023 Annual General Meeting, the registered auditing company Öhrlings PricewaterhouseCoopers AB ("ÖPWC") was elected as the company's auditor. The auditor is not subject to auditor rotation requirements. The board's Audit Committee, together with the Nomination Committee, has not deemed it urgent to propose a change or new procurement of auditor this year. The current auditor is therefore proposed to be re-elected at the Annual General Meeting. 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 2024 resolves:

- to appoint Björn Karlsson 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 1,825,000 (1,600,000) where SEK 475,000 (400,000) is paid to the Chair of the Board of Directors and SEK 225,000 (200,000) is paid to each of the other members of the Board of Directors. The proposal entails a total increase of the Board of Directors fees amounting to SEK 225,000.
- that the fee to the Chair of the Remuneration Committee shall amount to SEK 30,000 (30,000). The fees to the members of the Remuneration Committee shall amount to SEK 20,000 (20,000) per member. For work in the Audit Committee shall be paid a fee of SEK 50,000 (50,000) per member of the committee and SEK 100,000 (100,000) 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 Björn Karlsson, Jan Andersson, Charlotte Darth, Christian Hammenborn, Lennart Pihl, Marianne Trolle and Bengt-Arne Molin are re-elected for the period until the end of the 2025 AGM.
- that Björn Karlsson is re-elected as Chair of the Board of Directors.
- that the authorized auditing company Öhrlings PricewaterhouseCoopers AB is re-elected as the company's auditor until the end of the 2025 AGM.
- changes to the instructions to the Nomination Committee are proposed in such a way; that the Chair of the Board of Directors shall be co-opted to the Nomination Committee instead of being a member of the Nomination Committee, that the Nomination Committee shall consist of three members instead of four, and that a cut-off rule is introduced which means that changes in the ownership structure that occurs later than three months before the

¹ Björn Karlsson and Marianne Trolle have not been involved in this proposal.

Annual General Meeting shall not cause any change in the composition of the Nomination Committee.

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 breadth 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).

April 2024

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 reports for 2022 and 2023.