

SUSTAINABILITY REPORT

MilDef aims to maintain a good balance between business, environmental and social sustainability. This is considered essential in order to meet current needs without jeopardizing the ability of future generations to meet theirs. MilDef always operates in compliance with mandatory requirements, such as applicable laws and regulations, organizational and industry standards, contractual obligations, and any codes of conduct.

MilDef's impact within sustainability

The Company is an international systems integrator and full-spectrum supplier of rugged IT for defense and security applications. MilDef provides hardware, software and services that protect critical information flows and systems, when and where the stakes are highest. The Company's customers are in the defense and security sectors.

MilDef's products are sold to customers through its companies in Sweden, Norway, Finland, Denmark, the UK, Germany, Switzerland, the USA and Australia. The Company was founded in 1997 in Helsingborg, Sweden. MilDef Group has been listed on Nasdaq Stockholm since 2021.



Marie Jonsson, Director of Quality

Sustainable Development Goals

MilDef works to promote the UN's 17 Sustainable Development Goals (SDGs). The Company has chosen to focus on the following five goals linked to its strategic development.



Promote individual development at work

Invest in employee wellbeing and safety by implementing holistic health and wellness initiatives throughout the Company.

SDG 4.3.1, Increase participation in internal training



Promote equality and diversity

Promoting an inclusive, diverse and innovative culture where our employees thrive and grow together with the Company is essential for our working conditions.

SDG 5.5, Increase proportion of women in management positions



Promote sustainable production and consumption

By strengthening our internal processes and updating product development requirements to include a sustainability assessment and life cycle analysis (LCA). Increased modularization will support scalability while simultaneously improving resource efficiency.

SDG 12.5, Reduce waste



Promote a sustainable climate

By increasing our knowledge, awareness and insight, and striving to reduce our climate footprint throughout the value chain.

SDG 13.2.2 Reduce greenhouse gas emissions per year

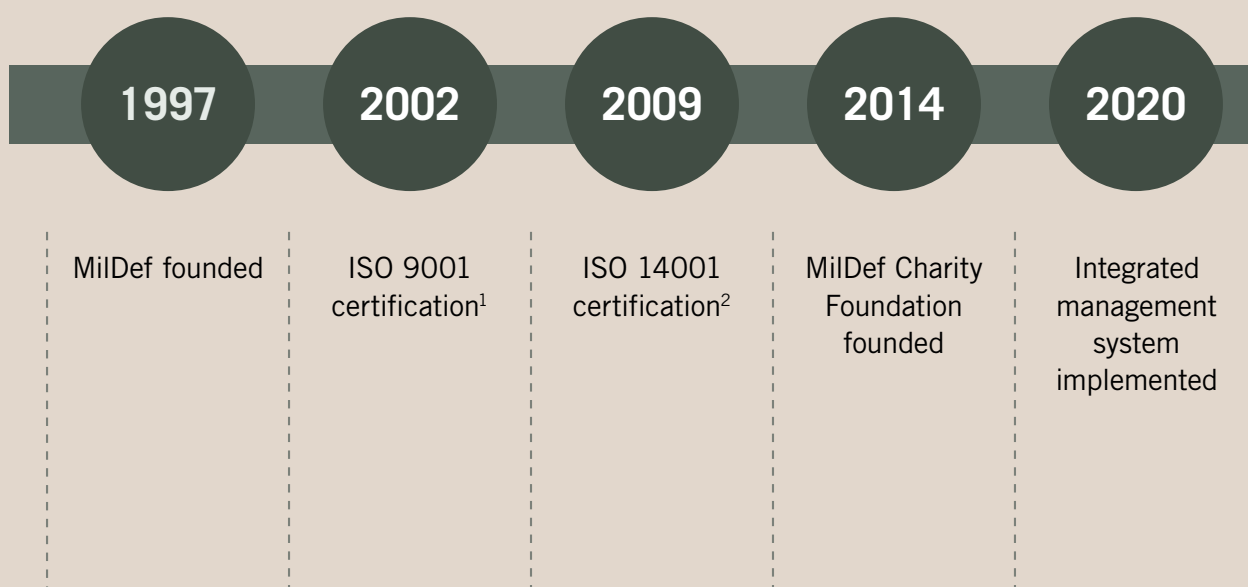


Ensure a healthy and resilient value chain

By introducing a systematic due diligence process with reference to sustainability in order to evaluate risks regarding the environment, social responsibility and corporate governance. Make conscious and responsible choices about whom we do business with, both upstream and downstream. MilDef must not be involved in or contribute to any form of corruption.

SDG 16.5.1, Maintain cases of corruption or bribery at 0

SUSTAINABILITY JOURNEY



FOCUS AND ACTIVITIES IN 2024

- Promote individual development at work – strengthen our staff processes, focusing on leadership and employeeship.
- Promote equality and diversity – increase the proportion of women in management positions through internal progression and external recruitment.
- Promote sustainable production and consumption – continuous improvement work to rationalize and simplify.
- Promote a sustainable climate – increase our knowledge, awareness and insight.
- Promote a sound value chain free from corruption – tighten up requirements and monitoring of compliance, both internally and externally.

¹ ISO 9001 – Quality management system

² ISO 14001 – Environmental management system



2021

ISO 45001
certification³
Expanded policy
portfolio
Sustainability
Policy

2021

UN Global
Compact
Sustainalytics
EcoVadis
KYC process
formalized

2022

ISO 26000
implementation⁴
New
sustainability
strategy

2023

Sustainability
Report
published
Human rights
due diligence
framework

2024

CSRD
preparation
Updated
sustainability
strategy
Internal
sustainability
campaign

FOCUS AND ACTIVITIES FOR 2025

- Promote individual development at work, invest in employee wellbeing and safety.
- Promote an inclusive, diverse and innovative culture where our employees thrive and grow together with the Company.
- Promote sustainable production and consumption by strengthening our internal processes and updating product development requirements.
- Promote a sustainable climate, increase our knowledge, awareness and insight, and strive to reduce our climate footprint.
- Ensure a healthy and resilient value chain by introducing a systematic due diligence process with reference to sustainability.

³ ISO 45001 – Occupational health and safety management system

⁴ ISO 26000 – Guidance on social responsibility

SUSTAINABLE DEVELOPMENT

MilDef's contributions to sustainable development

MilDef strives to contribute to sustainable development and acts in accordance with the Sustainable Development Goals (SDG) defined by the UN. The Company supports the Ten Principles of the UN Global Compact on human rights, labor, environment and anti-corruption. The Company works continually to embed the UN Global Compact and its principles in its strategy, culture and daily operations, and to engage in collaborative projects that promote the UN's wider SDG targets, especially those relating to sustainable development. Since 2021 MilDef has been a member of the UN Global Compact and endorsed its Ten Principles.

MilDef has chosen to work systematically on sustainability in order to maximize its contribution and has integrated the ISO

26000 guidance standard on social responsibility in its existing combined management system, which includes work on quality, the environment, and health and safety. Sustainability efforts are integrated into MilDef's ordinary business planning and management systems, and incorporated in the overarching Crisis Management Procedure and Emergency response plans are in place at each site.

In addition to the organizations' social responsibility in line with ISO 26000:2021, MilDef works with an environmental management system according to ISO 14001:2015, a quality management system according to ISO 9001:2015, and an occupational health and safety management system according to ISO 45001:2018 for which the company are also certified.



(ESRS 2)

GENERAL DISCLOSURES

MilDef Group AB runs a multinational group of companies with the focus on delivering tactical IT solutions. This report covers the Parent Company and all main processes and subsidiaries. At year-end 2024 MilDef had 327 employees across 10 sites.

MilDef's analysis of what corporate social responsibility entails for the Company is based on a process incorporating the following:

- Determination of value chain.
- Implementation of stakeholder analysis.
- Implementation of maximization/materiality assessment.
- Selection of goals from the SDGs.

The evaluation took its starting point in the interests of priority stakeholders, benefits for society and importance to the Group as a whole. Priority issues were linked to the SDGs and targets where the Company has a positive and/or negative impact.

In general MilDef was successful in its development during the year. The monitoring of targets and metrics is assessed as part of management's review of each company.

The following issues have been prioritized in the maximization assessment: Individual development and on-the-job training; discrimination and vulnerable groups; service and support for buyers of MilDef's products, as well as complaints handling and dispute resolution; mitigation of and adaptation to climate change; and promotion of social responsibility in the value chain. The evaluation took its starting point in the interests of priority stakeholders, benefits for society and importance to the Group as a whole. The selected SDGs have been linked to MilDef's vision, mission, business targets, sustainability strategy and Code of Conduct. Based on the work outlined above, the Company has drawn up action plans for achieving the goals and established procedures for monitoring, evaluation and learning. The Company's sustainability-related activities are described in the present Sustainability Report and form part of the overall business planning. As such they are monitored, evaluated and improved on a continual basis.

During 2024 MilDef worked to focus and prioritize its sustainability efforts in the areas where the greatest effect can be achieved (reduced negative impact/increased positive impact).

Contributions to sustainable development are reflected in MilDef's long-term objectives

- Be a leading supplier of tactical IT in our priority markets.
- Maintain an excellent standard of service for customers and partners.
- Provide and promote a stimulating, challenging and pleasant work culture.
- Meet the Company's financial targets with reduced periodic volatility.
- Contribute to a democratic, equal rights, and sustainable world.

General basis for preparation of sustainability statements

(BP-1)

We follow the working method set out in SS-EN ISO 26000:2021 in order to maximize our contribution to the Sustainable Development Goals (UN SDG). This Sustainability Report is based on the organization's self-declaration – which follows the requirements for sustainability reporting – where we report on how we have applied the guidelines in SS-EN ISO 26000:2021 and the requirements in SIS/TS 2:2024. During 2024 the organization embarked on a journey to adapt its sustainability reporting to the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). This proactive approach underlines MilDef's commitment to transparency, accountability and continuous improvement of the Company's sustainability methods. The structure of this report has been adapted, with references to the respective ESRS made in each section where applicable.

Important steps taken during 2024:

- **Initial assessment and gap analysis**
Implemented a comprehensive gap analysis to compare the existing ISO 26000-based sustainability report with the requirements of CSRD and ESRS.
Identified key areas that need to be improved to meet the new standards.
- **Stakeholder engagement**
Engaged internal and external stakeholders to gather insights and expectations concerning sustainability reporting. Held workshops and made enquiries to ensure that the reporting framework addresses the stakeholders' needs and expectations.
- **Data collection and management**
Conducted preliminary study of need for potential data collection systems to ensure accurate and reliable sustainability data.
Evaluated existing data management processes to ensure they meet the needs of expanded reporting requirements.
- **Training and capacity building**
Carried out training sessions for the Company's sustainability team to familiarize them with CSRD and ESRS requirements.
Built internal capacity to ensure continuous compliance and high-quality reporting.
- **Review and assurance**
Initiated regular reviews of sustainability reporting processes to identify areas for improvement.
Considered external assurance alternatives to increase the credibility and reliability of sustainability reports.

By taking these initial steps in 2024, MilDef has laid the foundations for reporting in accordance with CSRD and ESRS as of the beginning of the 2025 financial year. MilDef's commitment to sustainable development and responsibility to both stakeholders and the environment are reflected in the day-to-day work and initiatives above.

Disclosures in relation to specific circumstances

(BP-2)

The Company has strived to include reliable and qualitative data in order to meet the requirements and provide reasonable target scenarios for its sustainability work. However, the Company has encountered challenges in terms of collecting complete sustainability data from certain subsidiaries and has been forced to make delimitations. These challenges relate to technical limitations, geographical obstacles and lack of common reporting systems.

For the purpose of this Sustainability Report the Company has chosen to delimit its environmental statistics to cover only MilDef's headquarters in Helsingborg. This is because the headquarters has a significantly higher number of employees compared with other sites, currently accounting for 47% of the total workforce. This central location is home to key functions such as research and development, manufacturing and administration, making it the largest and most critical hub within the organization. Focusing on the headquarters enables MilDef to provide more detailed and accurate reporting of environmental performance and sustainability initiatives.

MilDef strives to continuously improve its sustainability efforts and meet the requirements in full. The Company is grateful to stakeholders for their understanding and looks forward to being able to present an even more comprehensive report in the future.

Sustainability governance

(GOV-1 & GOV-2)

MilDef's Board of Directors has overall responsibility for sustainability, with work flowing throughout the organization according to set procedures for roles and responsibilities in the combined management system. The overarching sustainability approach is driven primarily by the quality assurance unit, which has a dedicated budget and mandate to pursue it. Internal training is provided to disseminate knowledge and increase awareness within the organization.



MilDef works actively on the principles of corporate social responsibility, both internally with employees and externally with stakeholders. MilDef takes the seven principles in ISO 26000:2021 as a starting point for this work, which is consolidated via the combined management system:

- Clear responsibility, transparency and ethical behavior are primarily ensured through the governance, strategy and compliance management processes.
- Respect for the stakeholders' interests is integrated in business planning and managed through stakeholder analyses.
- Respect for the principles of a state governed by laws and international standards of conduct is ensured by means of legal compliance and control of the value chain in the compliance process.
- Respect for human rights is ensured partly through the due diligence process and systematic efforts to promote a good working environment.

Via its combined management system, MilDef applies a variety of policies that are important to its operations within the areas of quality, environment, occupational health and safety and sustainability. These policies provide a clear direction for the principles and flow through selected parts of the value chain.

Regulatory compliance, ethics and cultural attitudes are extremely important, and an annual program of refresher training has been set up for all employees. MilDef has defined a structure and process for managing governing documents (policies, procedures and instructions), including ownership and responsibility for compliance with these.

All policies are available externally if required.

MilDef has started a review of internal policies and made certain initial changes to ensure compliance with the Corporate Sustainability Reporting Directive (CSRD). Extensive work to adapt sustainability targets, reporting processes and data collection methods remains to be done in the near future. Through these initial steps MilDef is striving to provide a stable basis for its continued sustainability journey and increase the Company's transparency with respect to stakeholders.

Responsibility for sustainability efforts is assigned in each policy, and the designated policy owner is responsible for monitoring the policy at Group level. The CEO is responsible for reporting to the Board of Directors annually on policy compliance.

MilDef uses Notisum's online legal monitoring service, which notifies the Company if any new/updated laws and regulations have been introduced of which it should be aware. Here MilDef describes how such laws and requirements apply to its business and how it meets the relevant requirements. Notisum carries out regulatory compliance checks in the relevant areas and countries on an annual basis. The service includes specific lists of legislation on health and safety, environment and production, and covers Sweden, Norway, the UK and the USA.

Risk management

(GOV-5)

Every opportunity within the business is associated with one or more risks, and an enterprise risk management (ERM) program is used to determine which opportunities should be monitored.

ERM is a systematic process for taking stock of, assessing and preventing risks within the business. The aim of risk management is to safeguard resources and revenues from threats – both internal and external – as profitably as possible.

The risk strategy involves identifying and assigning responsibility for risks at all organizational levels and is part of the business planning process. Proactive work on risk management is integrated into strategic planning and operational processes. It aims to identify, prioritize and manage potential risks within the respective sustainability areas. Read more about risk and risk management on pages 76–79.

Stakeholder dialogue

(SBM-2)

A stakeholder analysis that assesses each stakeholder on the basis of impact and influence is carried out in connection with business planning. Those with the highest scoring are considered to be key stakeholders. For MilDef these are employees, managers, customers, suppliers and investors. During the year the Management Team has chosen to highlight and further increase focus on our key stakeholders.

MilDef keeps track of stakeholders' views and opinions, including by means of employee surveys, customer surveys, management reviews, and continual gathering of stakeholders' expectations and views from industry and professional associations with which the Company is affiliated. Communication with stakeholders takes several different forms, and MilDef uses methods including surveys, individual and group discussions, digital information, and contact with various industry and professional associations to reach more of its stakeholders.

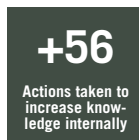
Sustainability-related information is communicated on an ongoing basis via the Group's website, press releases and social media, as well as through the intranet and other internal channels. Internal and external communication is evaluated on an ongoing basis to maximize its reach and to ensure that the Company is reaching out to the right stakeholders. External communication is managed by the Head of IR & Communications, and there are procedures in place to ensure compliance with any applicable requirements (insider trading, confidentiality, security classification, etc.).

MilDef maintains ongoing dialogue with both external and internal stakeholders, for example via news posts, meetings, training and feedback on the Company's sustainability efforts.

Stakeholder	Type	Needs and expectations	Positive impact	Negative impact	Management and dialogue
Employees	Internal	Job security, fair compensation, career development, work-life balance, recognition, safe environment, clear communication, inclusive culture.	High productivity, innovation, strong corporate culture and low staff turnover.	Low morale, high staff turnover, reduced productivity and potential strikes.	Performance management, career paths, health and wellness initiatives, open-door policy, intranet, management system, two-way reporting.
Managers	Internal	Leadership support, team performance, resource management, strategic goals, professional development, clear communication, employee motivation, operational efficiency.	Strong team leadership, high productivity and effective resource management.	Ineffective management, low team morale and high staff turnover.	Leadership training, HR dashboard, resource allocation plans, strategic planning sessions, training program, regular updates, motivational initiatives, efficiency tools.
Customers	Primary	Reliability, safety, high quality, compliance, innovation, cost-effectiveness, timely delivery, technical support, long-term partnerships.	Revenue growth, market reputation, positive cash flow and long-term contracts.	High requirements, stringent compliance requirements and potential reputational risk.	Regular status updates, KYC, security briefings, compliance reports, innovation demonstrations, cost-benefit analyses, project timelines, dedicated support team, relationship-building activities.
Suppliers	Primary	Timely payments, clear contracts, long-term partnerships, forecasts, fair treatment, communication, quality standards, logistical support.	Reliable supply chain, high-quality materials and cost-effectiveness.	Disruptions in the supply chain, quality issues, compliance deviations, negative cash flow and increased costs.	Fair and balanced agreement terms, payment in line with the agreement, regular collaboration, demand planning, fair practice, consistent updates, quality audits, logistical coordination.
Investors	Primary	Financial return, business growth, risk management, transparency, strategic vision, market position, corporate governance, sustainability.	Capital infusion, market credibility and strategic support.	Pressure on short-term profits, potential loss of control and high expectations.	Earnings reports, growth forecasts, risk assessments, transparent disclosures, strategic updates, market analysis, governance practice, sustainability reports.



ENVIRONMENTAL SUSTAINABILITY (ESG)



The overall ambition of environmental responsibility is to protect the environment by actively and measurably striving to reduce the Company's and its customers' environmental impact and to reduce resource use, both in MilDef's own operations and those of its suppliers. The Company is committed to protecting the environment, preventing pollution, and complying with current and expected future legal requirements.

Climate impact

(ESRS E1)

MilDef strives to reduce its impact on climate and the environment. The Company is aware that its operations have an impact on the environment and, from a sustainability perspective, strives to use and apply resource-efficient materials and functions in buildings and premises connected to the MilDef Group.

Sustainability has been included as one of four strategic focus areas. Most of the initiatives have been implemented in multiple parts of the organization to increase awareness, knowledge and engagement among employees. For example, the first sustainability event was held at headquarters with a lecture, inspiration and competitions on sustainability issues.

Determining and analyzing significant environmental aspects makes it possible to identify measures to reduce or mitigate greenhouse gas emissions. Ongoing measures of this nature are summarized below.

Energy efficiency

The Group's goal is to make its energy consumption sustainable. Measures are in progress to lower energy consumption in MilDef's premises: The headquarters in Helsingborg is a gold-certified green building. 100% green electricity is used, around 20% of which is produced locally by photovoltaic panels installed on roofs. Energy consumption is monitored in premises where this is possible, and measures are identified to lower energy consumption.

Business travel

The Group's goal is to promote sustainable travel. MilDef is working to lower emissions from business travel. Public transit is used where practical, and vehicles are shared for trips to visit customers and suppliers and attend events. Digital meetings are encouraged where this is appropriate and can work as an alternative to travel.

MilDef continues to work to safeguard, automate and refine data collection in order to reduce annual carbon emissions per employee from business-related travel.

Transport of products

The Group's goal is to make its logistics sustainable. For deliveries to customers and transportation of display materials, samples, etc., MilDef strives to maximize capacity utilization and ensure route optimization while using sustainable transport solutions wherever possible, for example by coordinating delivery days. Optimizing packaging makes transport more efficient, saving weight and space.

Resource use and circular economy

(ESRS E5)

Reducing waste

MilDef's goal is to maintain sustainable waste management. MilDef has several measures in place related to waste reduction and recycling in the workplace, including guidance on the recycling program and initiatives to reduce everyday trash volumes. Waste generation should be prevented whenever possible. If waste is unavoidable, efforts should be made to keep it to a minimum.

- General waste: Reuse is encouraged throughout the organization. All sites have a waste hierarchy to optimize waste management.
- Hazardous waste: Procedure for chemicals handling (to minimize hazardous chemicals). All waste is separated and handled in accordance with the waste hierarchy, using the correct disposal streams and documentation.

Responsible production

MilDef produces and sells electronic products, and environmental sustainability is taken into account at all stages of the product lifecycle. The Company seeks to ensure a long life for its products, and end-of-life products can easily be dismantled for reuse or recycling. All end-of-life products can be returned to the headquarters in Sweden. Producing companies are affiliated to collection systems for electrical equipment, batteries and packaging materials, and waste quantities are reported to the Swedish Environmental Protection Agency or equivalent each year.

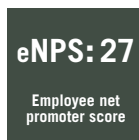
Packaging materials

The Group's goal is to have a sustainable logistics chain. This means reusing incoming packaging materials whenever possible and being environmentally aware when purchasing new material.

Purchasing

The Group's goal is to make its purchasing sustainable. MilDef works with large and well-established manufacturers of good reputation and encourages its suppliers to also use materials more efficiently and reduce waste. MilDef is extending its environmental principles to its supply chain, particularly for strategic and key suppliers.

SOCIAL RESPONSIBILITY (ESG)



The overall ambition of social sustainability is to promote a better society by acting as a responsible and respectful employer and helping to further social progress at the locations where the Company is active, based on the Code of Conduct. The Company is committed to continual improvement of the working environment and sustainability by promoting a positive health and safety culture.

Health, safety and wellbeing

(ESRS S1)

MilDef is committed to continually improving occupational health, the working environment, safety and wellbeing. By promoting a positive health and safety culture, work-related risks are identified and eliminated. This is accompanied by methodical efforts to control and prevent elements of risk. The working environment must reflect a high level of participation and give employees the freedom to make their own decisions and work innovatively. Everyone is to have a sense of job satisfaction, security and belonging, and feel that going to work is fun. The Company has a zero-tolerance approach to any form of discrimination or harassment.

One of the main goals is to provide and promote a stimulating, challenging and pleasant work culture, and efforts are made to ensure the working environment is as safe as possible. We believe that we achieved this in 2024.

During the year MilDef prepared to introduce collective bargaining agreements in Sweden effective January 1, 2025, to align with market standards and industry practice. By updating employment terms and strengthening dialogue with both employees and labor unions, the organization is creating a sustainable and attractive workplace for the future.

Read more in *Strength comes from within* and *Priority measures 2024* by Martina Karlsson (CPO) on pages 24–25.

Social engagement

Responsibility in the supply chain

(ESRS S2)

MilDef seeks to maintain sustainable procurement and purchasing processes. The Company strengthens the framework on an ongoing basis by adding targets relating to its main areas of impact. All agreements entered into incorporate the Company's Code of Conduct, and proactive steps are taken to gain acceptance of this in all purchasing from transaction-based suppliers. MilDef's program for improving the supply chain identifies which suppliers should be prioritized and encourages them to improve their sustainability efforts.

MilDef seeks to promote human rights and eliminate bribery and corruption in all parts of the supply chain. The Company's program for human rights due diligence in the value chain helps to identify areas, regions or suppliers that may potentially present human rights risks. During the year the Company began implementing CSRD, which as well as covering human rights provides mapping of impacts and risks for climate and the environment.

Understanding the effects of our activities through a long and complex value chain presents challenges. Our goal is to build a sustainable and resilient supplier base. This is based on balanced relationships and taking account of risks relating to the environment, people and the climate, with the goal of making adjustments that protect the interests of MilDef and its suppliers, and also promote continued long-term, sustainable business relationships.

MilDef Charity Foundation

In 2014 MilDef formed its charitable foundation MilDef Charity Foundation. Since then the Foundation has been fully financed by the MilDef Group in the form of a percentage of the Company's profit for the year. In 2024 the Foundation donated a total of SEK 700,000 to 12 different carefully selected organizations in the Helsingborg area. These organizations span everything from supporting people fleeing war to protecting women from violence, giving hope to people with substance abuse problems, offering a safe and dry place for unhoused individuals to sleep and get a meal, helping young students to finish school, and giving underserved people the chance to take part in sport. Quite simply, actions that make things a little easier and restore hope to those at risk of losing hope. The goal is to donate at least 50% of the annual contribution received from MilDef Group AB, and there is full transparency regarding the donation recipients, which are presented on MilDef's website.

The Foundation is headed by a board of trustees, which meets regularly to drive the work forward and make decisions on applications received and on its own proposals. The board comprises Olof Engvall (Chair), Marie Haveneth, Marie Jonsson and Jörgen Kjellgren. Daniel Dujmovic was elected as a new member in 2024. The 12 beneficiary organizations in 2024 included the homeless shelter Hemlösas Hus, the women's crisis center Kvinnojouren Helsingborg and the football foundation Fotbollsstiftelsen Gatulaget ("the Street team"). Here's what representatives of these organizations have to say about the support received from MilDef Charity Foundation.

"Hemlösas Hus is very grateful for MilDef's donation, which helps us to provide support services to our guests. It enables us to continue offering help to those who really need it," says Björn O. Anderberg, Chair of Hemlösas Hus.

"We're very grateful for several years of generous donations to Kvinnojouren, which make a big difference to women and children affected by sexual violence and abuse," says Jenny Ek Wrobel, head of Kvinnojouren.



The football foundation thanks MilDef for the enormous support we've received over the last few years. Your donations have not only contributed to people getting sober and moving into vocational training and work, but also to significant personal successes.

Kenneth Storvik, founder of Gatulaget



GOVERNANCE (ESG)



The overall ambition is to achieve long-term business sustainability through good business practices and business ethics. Sustainable business is considered to apply not only to how MilDef behaves with respect to the world around it but also how people within the Company behave and treat one another. The aim is to treat one another in a friendly and respectful way, which in turn gives MilDef and its people the confidence and self-assurance it needs to be able to treat customers and other stakeholders in the same way, while also providing world-class service. Both working at and doing business with MilDef should be a safe and pleasant experience.

Anti-corruption

The Company operates on the basis that tackling corruption is a prerequisite for sustainability. It is therefore important for MilDef to set a good example and apply the same zero-tolerance approach to bribes in all markets and in relation to all its business partners. This means the Company must never seek or accept business advantages based on unlawful or unethical behavior such as unlawful payments, bribes, kickbacks or other questionable incentives in order to influence someone's professional duties or to achieve or retain an unfair business advantage.

MilDef assesses the corruption risk in all transactions based on e.g. the corruption index, business chain and customer intelligence. If there is a heightened risk of corruption, MilDef cancels the transaction or carries out a special, in-depth review to ensure that the Company is not contributing to corruption. The anti-corruption system includes internal governing documents and continual training for all employees to increase knowledge of corruption and ensure that business activities are conducted responsibly and correctly.

Responsible sales

A KYC (know your customer) framework is used to ensure that the market actors MilDef chooses to do business with live up to both regulatory and ethical requirements. For ethical reasons, MilDef refrains from doing business in/with nations that are subject to arms embargos, although MilDef's products are not typically covered by such embargos. The Company also has a generally restrictive attitude to exporting technological products to defense customers in countries outside MilDef's priority markets (selected EU and NATO countries), which limits both the risk of contributing to corruption and of the products falling into the wrong hands.

Reporting censurable conditions and handling complaints

MilDef wants to be aware of any censurable conditions or complaints in the business and to facilitate reporting of these. To make it possible to address these matters at an early stage and take corrective action immediately, the Company has established the processes outlined below.

Internal (for employees):	In the value chain (for workers):	External (for communities):
Employee survey	Supplier agreement	2Secure whistleblower function
OHS Committees	Process audits	Contact details for complaints via the website (email)
MMS Case system	2Secure whistleblower function	
2Secure whistleblower function	Contact details for complaints via the website (RMA)	
Union negotiations		

Complaints from stakeholders are handled via MilDef's integrated management system. Proposals for improvements are drawn up where necessary and implemented. To safeguard the whistleblower's anonymity, an independent external whistleblowing service is made available and can be used to draw attention to serious cases of censurable conditions anonymously. This is valued in particular as it provides an opportunity to find out about matters that for various reasons would otherwise have risked remaining undiscovered. Only if the Company is aware of any irregularities can it change and improve.

ESG STATISTICS FOR MILDEF

ENVIRONMENT (E)	2021	2022	2023	2024
1. Electronic products placed on the Swedish market, HQ* (kg)				
Quantity sold	10,560	6,196	11,678	9,471
Recycle Ratio	80%	62%	54%	33%
2. Batteries placed on the Swedish market, HQ* (kg)				
Quantity sold	134	300	487	217
Recycle Ratio	8%	22%	8%	8%
3. Waste HQ*, by type (kg)				
Waste (kg)	14,984	11,109	12,086	13,040
Hazardous waste (kg)	962	396	1,450	682
Per employee	156	96	102	90
4. Emissions from business travel, HQ* (MT co2e)				
Total	19.44	94.15	131.77	122.20
Per employee	0.21	0.86	1.00	0.81
5. Energy usage, HQ* (kWh)				
Electricity	175,794	258,612	299,966	266,301
Heating	132,882	117,001	119,039	111,014
Share of green energy	100%	100%	100%	100%
6. Water usage HQ* (m3)				
Water	388	471	624	678
Per employee	3.80	3.93	4.69	4.04

* HQ refers to MilDef's headquarters in Helsingborg.



SOCIAL RESPONSIBILITY (S)	2021	2022	2023	2024
1. Serious accidents				
Headquarters	0	0	0	0
Other sites	0	0	0	0
Total	0	0	0	0
2. Work-related fatalities				
Headquarters	0	0	0	0
Other sites	0	0	0	0
Total	0	0	0	0
3. Percentage of women				
The Board of Directors	33%	33%	29%	29%
Management Team	10%	20%	50%	43%
Employees	15%	25%	27%	25%
4. Workforce				
Organic net new hires	33	78	56	54
Total net new hires	68	108	16	21
5. Donations to charity (SEK 000)				
MilDef Charity Foundation	650	200	600	700
Veterans with Dogs (UK)		100		
Association of the United States Army – AUSA National Scholarship (US)			100	100
The US Navy Memorial (US)			100	
Support for UK Ministry of Defence Project Manager to participate in Invictus Games (UK)			100	
Swedish charity Support for Ukraine				100
Service Dogs UK				70

GOVERNANCE (G)	2021	2022	2023	2024
1. Scope of ISO certification				
Number of sites	8	12	9	10
Covered by certification	5	9	6	7
Certification rate	63%	75%	67%	70%
2. Whistleblowing cases				
Corruption	0	0	0	0
Discrimination	0	0	0	0
Workplace bullying	0	0	0	0
Significant human rights issues	0	0	0	0
3. Customer control (Ethics Council)				
Cases tried	2	8	7	6
Cases rejected	2	4	1	3