

PATRIA SUSTAINABILITY POLICY 2025

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1 Introduction

Patria is a modern and international defence and technology company with over 100 years of experience. Through our top-notch experts and products and services, we ensure reliable operations for our customers and serve as a partner in critical functions on land, sea and air - when it is not an option. Patria is owned by the State of Finland (50.1%) and Norwegian Kongsberg Defence & Aerospace AS (49.9%). Patria owns 50% of Nammo, and together these three companies form a leading Nordic defence partnership.

Sustainability is Patria's core value and plays key role in developing operations. Patria's sustainability policy is divided into areas of sustainable development, which include environmental and social sustainability, and good governance (ESG).

2 Sustainability policy in Patria

Patria's Sustainability policy outlines ambition and commitment to promote sustainability and ensure responsible business operations both in its internal and customer-facing operations. Sustainability policy is in line with Patria's Code of Conduct and is complemented by Patria's other policies and guidelines, such as Patria's People policy. Environmental policy is included in sustainability policy. Patria's sustainability is based on shared values, mission, vision and promises to customers and personnel.

The policy considers the interlinked dimensions of sustainability cross cutting in Patria's internal and external operations. The objective of the policy is to explain the role of Patria in advancing sustainability and describe the scope of sustainability operations.

The sustainability policy applies to the entire Patria Corporation (Patria Plc), its wholly owned companies (subsidiaries) and subsidiaries of wholly owned companies. Operation principles that are based on binding legislation (e.g. equality and non-discrimination, safe working environment) apply to all Patria Group companies (Patria Plc's ownership of more than 50% directly or indirectly). It does not apply to associated companies. Patria expects these companies to adhere to similar standards and operate in a manner consistent with Patria's practices. Patria's sustainability reporting covers majority-owned companies.

Patria expects all personnel to follow high ethical standards. In addition, partners are expected to follow Patria's ethical guidelines or act in accordance with their own corresponding guidelines.

Patria's status as a majority state-owned company and its role as a strategic partner of the Finnish Defense Forces strengthens its social responsibility. It is particularly important for Patria to

take care of long-term business continuity, which consists of profitable and responsible operations.

This policy can be found in the Group's Management System (IMS).

3 United Nations Sustainable Development goals and commitments

Patria has selected six United Nations Sustainable Development goals (SDG's) to annually report on:

- SDG 5: Gender equality
- SDG 8: Decent work and economic growth
- SDG 11: Sustainable cities and communities
- SDG 12: Responsible consumption and production
- SDG 13: Climate action
- SDG 16: Peace and justice strong institutions

Patria respects and promotes universal human rights as defined by the United Nations Universal Declaration of Human Rights and International Labour Organization (ILO) in its operations. Patria is a member of UN Global Compact network and is committed to the Science Based Targets initiative (SBTi), which provides emission reduction targets to companies in line with the Paris Agreement goals.

The goal is to maintain Patria's reputation as a good corporate citizen. In addition to good governance, Patria bears responsibility for the well-being of its own personnel and stakeholders as well as the environment.

Patria's operations affect society and the surrounding community. Patria emphasizes open interaction with stakeholders and influences the development of the industry by actively working in various industry communities.

Sustainable operations are constantly being developed, and investment is made in the training of Patria's employees to raise competence. The goal is to maintain staff awareness and the opportunity to influence responsible activities in the work community. Patria operates in accordance with legislation and regulations.

Patria communicates its sustainability-related impacts, goals, results, and material deviations to its personnel, customers, and other stakeholders. Sustainability communication is also actively developed.

4 Patria's sustainability focus areas

4.1 Environmental sustainability (environmental policy)

Environmental sustainability refers to actions aimed at minimizing the negative environmental effects and maximizing positive environmental impact. The environmental risks and opportunities related to the operations are identified and the operation is developed in such a way that it places as little burden on the environment as reasonably possible. Actions based on same principles are also expected from the partners.

Patria operates as required by the ISO 14001:2015 Environmental Management System Standard. Patria is committed to continuous development in its operations to improve its environmental performance.

Patria sets environmental targets based on its guiding principles. Patria also encourages every employee to commit, through concrete measures, to promote sustainable development in their activities and to protect the environment by preventing environmental degradation.

The guiding principles in environmental protection are:

Compliance. We are committed to following the legislation concerning our activities, as well as environmental permits and customer requirements.

Sustainability and responsibility. We identify the environmental aspects including risks and opportunities related to our products and services. We deliver products and services in a sustainable and responsible way taking the life cycle into account.

Proactiveness. We prevent environmental risks by acting in a proactive way and environment degradation by acting carefully and cautiously.

Patria is dedicated to enhancing the impact of its climate initiatives to combat global climate change. Patria is committed to reducing carbon footprint and use of resources in own operations and in its value chain. Emission reduction targets have been validated by Science Based targets initiative (SBTi) for Scopes 1, 2 and 3 by the year 2030. Patria charts the total carbon footprint of its operations, supply chain, and the solutions provided to customers.

Patria reduces carbon footprint by increasing purchases of sustainably produced electricity and heat, energy efficiency, development of maintenance and products and incorporating sustainability to everyday working habits. The effects of products and services on the environment are identified and, where possible, managed from a lifecycle perspective.

Patria's commitment to circular economy includes to avoid, reduce, reuse, recycle or dispose waste in operations. The aim is to have a positive effect on waste recycling and responsible waste disposal. Patria also strives to make efficient use of materials. With maintenance and system update activities Patria extends the lifecycles of its own and customers' products.

4.2 Social sustainability

Patria's social responsibility includes a commitment to human rights, prohibiting forced labor and child labor, and promoting equality and well-being. This commitment is directed towards personnel, customers and other stakeholders and to society, in general. Patria treats personnel fairly and respectfully and encourages and involves employees and other important stakeholders in the development of operating methods. Patria does not tolerate harassment or discrimination in any form and expects the same from its partners.

Patria wants to offer a safe, productive and healthy work environment where every individual and team can perform excellently, in a well-managed organization. Good leadership builds trust and promotes fairness and constructive cooperation. It is the responsibility of every manager and supervisor to lead by example by behaving in accordance with Patria's values and management practices. Patria's long-term target is that no accidents or occupational diseases occur at work.

Competencies are the foundation of Patria's business and are developed according to the strategy and business needs. Patria provides its personnel with the opportunity to develop their skills in their daily work. Every employee at Patria has an active role contributing to the team and company performance. Patria's rewarding principles are fair, competitive, motivational and support joint success.

The goal is to promote the development of an even more sustainable society. Responsible corporate citizenship means looking for new development targets together with other stakeholders in the value chain and members of society. Important issues for Patria are the development of defense material export practices and action against corruption. Patria's social responsibility takes into account the social conditions in those places where Patria does business.

4.3 Good governance

Patria grows and develops business in a long-term and responsible manner. Patria is committed to high business ethics throughout the value chain and wants to be recognized as a trusted, and sought-after, manufacturer and exporter of defence products. Responsible corporate culture is the precondition for the functioning of internal controls.

Good corporate culture is promoted through Patria Ethical guidelines (Code of Conduct), trainings, internal and external audits, consistent treatment of cases, and clear guidance. We require our personnel, customers, suppliers, and business partners to commit to the same standards. Patria invites reporting on any concern related to potential unethical behavior, which may be not in line with Code of Conduct.

Patria's mission is to give its customer confidence in all conditions. Through our customer promise, we enable safety and security in all conditions, for critical operations. This requires an investment in the development of customer relations, services and expertise, so that customers can be offered reliable products and services.

Patria has an anti-bribery policy and specific processes to identify and address risks when engaging with third parties. The processes are the result of a risk-based approach which addresses due diligence of different types of third parties in different ways. In-depth due diligence supported by external reports is required for high-risk parties, in countries with a higher risk profile.

Patria engages with its network of suppliers and subcontractors in a professional manner, fostering long-term partnerships. Through collaboration, operations are developed in a way that is cost-effective and sustainable.

5 Sustainability management

The Annual General Meeting is Patria's highest institution. It confirms Patria's sustainability goals. In accordance with the decision in principle of the Government (May 13, 2016), the board is responsible for organizing and integrating sustainability management into Patria's strategy. The Board confirms the group's ethical operating procedures and monitors their implementation. The Audit Committee supervises matters related to the areas of compliance and ethics.

Under the leadership of the CEO, the Group Management Team (GMT) prepares Patria's strategy and integration of sustainability as part of it. GMT approves sustainability themes and goals annually and monitors the realization of the goals.

A member appointed by the CEO acts as responsible for sustainability, who appoints head of sustainability for Patria. GMT functions as the sustainability steering group with representation of business areas and group functions. The steering group steers topics of Sustainability program and takes care of enabling the activities in the businesses. The Head of Sustainability prepares the topics for the steering group and leads the activities according to the goals at the group level.

In business operations, Patria is committed to acting in accordance with the sustainability guidelines to achieve the goals with the support of the sustainability experts. Businesses assist in sustainability reporting by reporting on their own results in material topics.

Sustainability performance is regularly reported to Patria's GMT, Board of Directors and the Board's Audit Committee, who in turn are responsible for the supervision and guidance of these areas. At Patria, sustainability is part of the activities and work tasks of every Patria employee.

6 Responsibility, control and changes

The Sustainability policy is reviewed annually and updated as necessary. Patria Group's Vice President, Sustainability is responsible for updating this policy in cooperation with the Chief Compliance Officer responsible for Patria's ethical guidelines. Patria's Group Management Team approves the changes.

In business areas and group functions, it is ensured, that the operations are in accordance with this policy. Heads of Business areas and Group functions are accountable for appropriate implementation. The Sustainability sponsor (GMT) is responsible for allocating sufficient resources for the sustainability function. The Group Sustainability-function supports business and group functions in sustainability efforts.

Additional information: Vice President, Sustainability