

Astor

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Please note that this is an English translation of the Sustainability report in accordance with ISO 26000:2025 standard written in Swedish by Scandinavian Astor Group AB (publ), in the event of any inaccuracies, the Swedish version applies.



Sustainability declaration

SIS/TS 2:2025, Corporate social responsibility of organisations - Maximising the contribution to sustainable development – Sustainability declaration



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ISO/IEC 17029

This sustainability report follows the ISO 26000:2025 standard and provides guidance for organisations to work on Corporate Social Responsibility (CSR) in order to maximise their contribution to sustainable development.

An important component of this work is credible communication of CSR with the stakeholders. SIS/TS 2:2025, Corporate social responsibility of organisations - Maximising the contribution to sustainable development – Sustainability declaration specifies open corporate social responsibility questions that an organisation answers and makes publicly available.

The requirements and questions in this sustainability declaration have been designed so that an organization using the document demonstrates that it has used the guidelines in SS-EN ISO 26000:2025. It has been designed to strengthen organization's social responsibility, prioritise the core subjects in SS-EN ISO 26000:2025, maximize its contribution to the Sustainable Development Goals and describe the process.

This document is written so that its verification programme meets the requirements of SS-EN ISO/IEC 17029. Verify Agency has been accredited by SWEDAC, Sweden's national accreditation body, to conduct the verification of this sustainability declaration.



2026-01-19



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5.1 Organization's assumptions and strategy

Organization's assumptions and strategy

The answers to the questions in this area should highlight the organization's fundamental assumptions, business model, actions, and materiality assessment in order to provide the reader with a good understanding of the starting point for the declaring organization's sustainability work.

Question 1

What is the main purpose of this sustainability declaration? Several purposes can be stated. Voluntary commitments in relation to legislation can be mentioned.

The primary purpose of this sustainability declaration is to ensure transparency regarding Scandinavian Astor Group's sustainability efforts by reporting the group's current progress and future ambition levels. The declaration also aims to comply with statutory requirements under the Annual Accounts Act (ÅRL Chapter 6, Section 1, Paragraph 4) by providing disclosures on, among other things, environmental and personnel matters required to understand the group's development, position, and results.

Question 2

If the organization, according to legal requirements or voluntarily, makes a commitment to use this sustainability declaration in order to meet specific applicable requirements under the law, what level of applicable requirements does the organization intend to comply with?

The organization complies with applicable requirements under the Annual Accounts Act (ÅRL Chapter 6, Section 1, Paragraph 4) and is on a gradual development journey regarding sustainability governance and reporting to meet the CSRD requirements (Corporate Sustainability Reporting Directive) as they become applicable to the company.

Question 3

Which parts of the organization, organizational units, or groups of people are covered by the self-declaration? Why have any limitations been made?

The sustainability declaration covers the entire corporate structure of Scandinavian Astor Group AB, which includes the parent company and all wholly owned subsidiaries within the business areas Astor Tech, Astor Industry and Astor Protect.

Boundaries have been defined to ensure that the declaration reflects the group's actual responsibility structure and clarifies which units have significant influence over social and environmental issues in accordance with ISO 26000. By taking into account organizational and operational realities – such as legal entities, geographic markets and the specific activities within the defence sector – it is ensured that the information is accurate, relevant and complete for stakeholders. The purpose is to create transparent communication regarding the allocation of responsibility between the parent company and its subsidiaries.

Question 4

What is the organization's business or operational model and its areas of activity (processes)? What is the size, number of employees, and geographical location of the organization?

Scandinavian Astor Group AB is a technology-driven defense and security group engaged in the development, manufacture and delivery of advanced industrial and technical solutions for defense, security and industrial customers. The Group's business model is based on a combination of organic growth and strategic acquisitions, where the parent company provides group-wide functions such as financial management, corporate governance and IT security, while the subsidiaries conduct operational activities with high technical specialization and are responsible for their own work on ESG-related matters.

Operations are organized into three business areas: Astor Industry, which includes industrial manufacturing of specialized components and advanced material solutions such as composite and thin metal components; Astor Tech, which focuses on technology-related system solutions including electronic warfare, sensors and test and verification operations; and Astor Protect, which comprises protection and survivability solutions including protective equipment, infrastructure protection and ammunition manufacturing.

The Group's main processes include product and system development, technical design, high-precision production, testing and verification, supply chain and quality management, as well as sales and long-term customer relationships, primarily with government defense authorities and international customers. In addition, work is carried out on ESG, sustainability and compliance, including supplier chain monitoring and reporting in accordance with applicable regulations.

In 2024 the Group's average number of employees amounted to approximately 90 people, with variation between subsidiaries and with continued growth through acquisitions and organic development. During the period January–September 2025 the number of employees was 191. The Group's operating revenues for the full year 2024 amounted, according to the annual report, to approximately SEK 228 million for the full year 2024, and as reported in the interim report for the period January–September 2025 operating revenues during Q1–Q3 2025 amounted to SEK 250 million. The parent company has its head office in Kista, Stockholm. Operational activities are conducted through subsidiaries in Sweden, Germany, Finland and Latvia, with primary market presence in the Nordic countries and Europe as well as international business relationships outside Europe.

Question 5

What certifications, tools, or guidelines that support work with social responsibility and sustainable development does the organization use?

Several subsidiaries are certified to ISO 9001 (quality management) and ISO 14001 (environmental management), which serve as central frameworks for systematic improvement efforts, regulatory compliance and risk management within their respective operations. In aviation- and defense-related activities, EASA Part-145 is also applied, where relevant, regulating maintenance organizations' requirements for quality, safety and traceability.

In addition, a number of subsidiaries have initiated work toward certification to ISO 27001 for information security, with the aim of strengthening the protection of sensitive information, ensuring continuity and meeting increased regulatory and customer-related requirements. At group level, these certifications are complemented by internal policies, guidelines and monitoring processes in areas such as corporate governance and information security.

The certifications and frameworks are applied where relevant based on each subsidiary's operations, risk profile and regulatory requirements, and together provide support for the group's work on quality, the environment, information security and long-term social responsibility.

Question 6

What does the organization's value chain look like forward and backward, including markets and customer groups, supplier chain with geographical distribution and number of levels of subcontractors?

Scandinavian Astor Group's value chain spans research, development (R&D) and raw material supply to the delivery of advanced security and defense systems. The backward value chain (upstream) focuses on material supply of components, technical textiles and specialty materials (such as composite and thin metal) as well as strategic acquisitions to strengthen the technology base. The forward value chain (downstream) is primarily aimed at armed forces, government agencies and the civilian security sector within the NATO and EU area, with a strong base in the Nordics and a presence in Germany and the Baltics, as well as exports via partners to markets such as the USA, the United Kingdom, France and South Korea.

The supply chain and geographic distribution are centered around Northern Europe with own production and development facilities in Sweden, Finland and Latvia. The group also has a sales office in Germany but currently no employees. The supplier network consists of various competencies in, for example, engineering, security and quality. The number of tiers of subcontractors varies depending on project complexity; the group uses a model where subsidiaries are responsible for their core operations and production, complemented by external subcontractors for specialized tasks. This network is managed as part of the group's sustainability work, where the systematic sustainability effort based on the CSRD framework is used to ensure transparency and data collection regarding environmental and social responsibility throughout the chain.

Question 7

In what way does the organization align its work according to the seven principles of SS-EN ISO 26000:2021? The principles are accountability, transparency, ethical behavior, respect for stakeholder interests, respect for the rule of law, respect for international norms of behavior, and respect for human rights.

Scandinavian Astor Group AB ensures its work aligns with the seven principles of SS-EN ISO 26000:2021 through group-wide governance, established policies, internal processes and ongoing follow-up at the board, management and subsidiary levels. The work is adapted to the nature, size and risk profile of the operations.

Accountability

The allocation of responsibilities between the board, management and operational activities is clearly established through corporate governance documents, rules of procedure and internal control routines. The board monitors operations, risks and regulatory compliance, including subsidiaries' reporting to the parent company.

Transparency

The organization applies established guidelines for external and internal communication in accordance with applicable regulations. Financial and corporate information is published in a structured and accurate manner, and decisions are documented and followed up through established internal channels.

Ethical behavior

Ethical behavior is promoted through a code of conduct, a whistleblower function and internal guidelines that clarify zero tolerance for corruption, bribery and irregularities. Ethical considerations are integrated into business decisions and internal assessment processes.

Respect for stakeholder interests

The organization considers stakeholder interests through dialogue and ongoing interaction with key stakeholders such as employees, customers, suppliers, owners and authorities. This is done at a group-wide level and in greater depth in each subsidiary, which have varying degrees of systematic maturity. The stakeholder perspective is taken into account in strategic and operational decisions.

Respect for the rule of law

Operations are conducted in accordance with applicable laws and regulatory requirements in the countries where the group operates. This includes, among other things, requirements related to corporate governance, financial markets, accounting and export- and security-related legislation.

Respect for international norms of behavior

The organization takes into account internationally recognized norms and guidelines for responsible business conduct, including standards in quality, environment, information

security and business ethics. These norms are applied proportionately and in relation to the organization's international exposure.

Respect for human rights

Respect for human rights is ensured through labor law guidelines, occupational health and safety work and requirements for equal treatment, as well as through expectations and follow-up of suppliers where the risk profile justifies this.

Overall, the ISO 26000 principles are integrated into the organization's governance, risk management and operational practices, and form a foundation for structured and responsible work on corporate social responsibility and sustainable development.

Question 8

Which stakeholders for social, economic, and environmental sustainability has the organization identified?

Scandinavian Astor Group AB has identified a number of key stakeholders that are important to the group's social, environmental and economic sustainability. The identification was carried out within the framework of the group's sustainability work and double materiality analysis and is based on the stakeholders' impact on, and impact from, the group's operations and value chain.

The group's primary stakeholders consist of employees, customers, suppliers and subcontractors, owners and investors, authorities and society at large. Employees are central to the business's competency supply, safety and long-term development. The customers, which largely consist of public actors and industrial clients, place high demands on quality, safety and responsibility. Suppliers and subcontractors are important for the group's delivery capability and affect both environmental and social aspects in the value chain.

Owners, investors and financial actors are central to the group's financial stability and growth, while authorities and supervisory bodies influence operations through regulations and permitting processes. In addition, societal interests are considered, including environmental and climate impacts as well as effects on local communities, in line with the scale and geographic presence of operations.

The stakeholder analysis is used as a basis for prioritizing sustainability issues and to ensure that the group's operations are conducted in a responsible and long-term sustainable manner.

Question 9

Of the identified stakeholders, which stakeholders have been assessed as prioritized and how has this process been carried out? In which forum have decisions been made? What consideration is given to the stakeholder groups that may have difficulty being heard and therefore may need to be included in special consideration?

Scandinavian Astor Group AB has, as part of its sustainability work and the materiality analysis carried out, identified and prioritized the stakeholders deemed to have the greatest significance for the Group's operations and long-term development. The prioritization has been based on a comprehensive assessment of the stakeholders' impact on the Group and the impact the Group's operations may have on each stakeholder group.

The stakeholders assessed as prioritized are primarily employees, customers, suppliers and subcontractors, owners and investors, and relevant authorities. These stakeholder groups have been identified as particularly significant given the safety-critical nature of the operations, requirements for product and delivery security, work environment, business ethics and financial stability.

The work of identifying and prioritizing stakeholders has been conducted through a structured analysis at Group level, where sustainability aspects have been weighed together with business strategy, the value chain and risk assessment. Decisions on prioritized stakeholders and the direction of the sustainability work have been made within Group management and addressed by the Board within the framework of regular strategic and governing forums.

The prioritization has also taken into account stakeholder groups that may have limited opportunities to make themselves heard, such as end users, affected communities and individuals and groups indirectly affected through the supply chain. These interests are taken into account through requirements in codes of conduct and supplier relationships, a focus on work-related safety and product responsibility, and through mechanisms for reporting deviations and irregularities.

Taken together, the process aims to ensure that both directly and indirectly affected stakeholders are considered in a proportionate and responsible manner in the Group's governance and decision-making.

Question 10

Must be answered every year

Which sub-areas, see Appendix B, based on the main areas of business management, human rights, working conditions, environment, good business practices, consumer issues, community engagement, and development, are deemed to be of crucial importance to the organization and therefore have been prioritized, and why.

Scandinavian Astor Group AB has, based on its operations, value chain and a completed double materiality assessment, identified a number of subtopics according to ISO 26000 (appendix B) that are considered to be of decisive importance and have therefore been prioritized in its sustainability work. The prioritization was made with regard to both the company's impact on the surrounding world and the risks and opportunities that sustainability issues pose to the Group's long-term development. The work was carried out during spring 2025 with external support that facilitated several workshops with the executive management. The starting point for the work was to initiate preparations for the company potentially being subject to the CSRD framework in the future.

Governance

Within governance, particular focus has been placed on product-related safety, risk management in the value chain, accessibility and user-friendliness of products and services, responsible marketing and corporate culture. These subtopics have been prioritized because they are central to the Group's core operations, customer trust, regulatory compliance and long-term business value, especially given the safety-critical nature of the operations and the customer base.

Human rights and working conditions

Subtopics related to secure employment conditions, working environment, occupational safety and flexibility in working life have been prioritized since the Group is knowledge- and competence-intensive and depends on qualified personnel. These areas are considered crucial to ensuring a sustainable work environment, attractiveness as an employer and long-term business continuity.

Environment

Environmental subtopics have been prioritized with a focus on resource use, climate impact and environmental impacts in the company's own operations and value chain. Although the business is not heavily environmentally burdensome in the traditional sense, responsible handling of materials, production and the supplier chain is considered material.

Good operational practices

Business ethics, whistleblowing, transparency and management of conflicts of interest have been prioritized because the Group operates in a regulated environment and in close relation to the public sector. These subtopics are central to maintaining trust, preventing irregularities and ensuring correct conduct in business relations.

Consumer issues

Product responsibility, safety and management of risks associated with the use of products and services have been prioritized since the Group's solutions can have significant consequences for users and society. Accurate information, responsible use and risk minimization are therefore considered decisive.

Community engagement and development

Subtopics related to the Group's societal role, transparency and accountability have been prioritized, including issues of whistleblowing and political independence. These areas are important to ensure legitimacy, trust and long-term sustainable value creation in the communities where the Group operates.

In summary, the above subtopics have been prioritized because they are considered to be of greatest importance for the Group's ability to conduct operations in a responsible, sustainable and long-term manner, in line with business strategy, the risk profile and stakeholder expectations.

Question 11

How has the organization's materiality assessment been conducted, see question 10, appendix C, and section 7.3 in SS-EN ISO 26000:2021, and describe how risks or opportunities for negative and positive impacts on sustainable development have been weighed in.

Scandinavian Astor Group AB has carried out its materiality assessment as an integrated part of the Group's sustainability and strategic work and as part of the Group's preparations for future sustainability reporting under the CSRD. The work was carried out during the first half of 2025 and aims to lay the foundation for meeting the requirements of the CSRD when the company becomes subject to the regulation.

The materiality assessment has been conducted in accordance with the principles of SS-EN ISO 26000:2021 and has been based on a structured analysis of the organization's impacts on, and impacts from, social, environmental and economic sustainability aspects. The identification of relevant sustainability issues was made with reference to the Group's operations, value chain, geographic presence and identified stakeholders.

The identified sustainability issues have been analyzed and prioritized through a consolidated assessment of risks and opportunities for negative and positive impacts on sustainable development. This assessment has taken into account both the likelihood and potential consequence of impacts on people, society and the environment, as well as the significance for the Group's long-term business conditions and strategy. Risks have been given particular consideration in areas such as work-related safety, product responsibility, the supply chain, business ethics and regulatory compliance, while opportunities have been identified related to technological development, responsible business conduct, corporate culture and long-term value creation.

The work has been carried out at Group level with involvement of relevant functions and has been addressed by Group management and followed up by the Board in the context of the strategic work. The results of the materiality assessment are used as a basis for prioritizing sustainability issues within the business strategy work, for the continued development of the Group's sustainability efforts and for the ongoing adaptation to forthcoming CSRD requirements.

Question 12

What operational or financial risks and opportunities, and any other consequences for the organization, have been identified in connection with the establishment of prioritized sustainability areas (sub-areas)?

Scandinavian Astor Group AB has, in connection with the determination of prioritized sustainability areas, identified a number of operational and financial risks and opportunities as well as other potential consequences for the Group. The assessment has been made by weighing sustainability aspects together with business strategy, the value chain and overall risk management.

Operational risks that have been identified are primarily related to work-related safety, product liability and the supply chain. Shortcomings in these areas can lead to operational disruptions, delivery delays, quality deviations and a risk of damaged confidence among customers and authorities. Furthermore, risks related to business ethics, regulatory compliance and information security have been identified, which may result in legal sanctions, increased costs and negative impacts on the Group's reputation.

Financial risks are assessed to potentially arise from increased regulatory requirements, changed customer demands within the defense and security sector and potential interruptions or deficiencies in the supply chain. These risks can affect the Group's cost structure, investment needs and long-term profitability.

At the same time, several opportunities have been identified related to the prioritized sustainability areas. Systematic work on the work environment, corporate culture and skills development is considered to strengthen the Group's attractiveness as an employer and thus contribute to improved talent supply and productivity. Furthermore, an increased focus on product responsibility, quality and responsible business practices can contribute to increased customer trust, strengthened competitiveness and long-term customer relationships. Work on sustainability issues is also considered to create better conditions for future acquisitions, financing and adaptation to upcoming reporting requirements.

The identified risks and opportunities have been taken into account in the Group's prioritization of sustainability areas and are used as a basis for continued risk management, strategic decisions and business development. Overall, a structured sustainability effort is considered to help reduce operational and financial risks and create conditions for long-term value creation.

5.2 Leadership

Leadership

The answers to the questions in this area should provide a clear picture of the management's approach to sustainable development and how this is manifested at the management level (see specifically also Appendix A1 - Management's statement).

Question 13

Which policies for social, economic, and environmental sustainability does the organization work according to?

Scandinavian Astor Group AB conducts its work on social, economic and environmental sustainability supported by group-wide policies, guidelines and internal governance documents. These form the framework for how sustainability issues are integrated into corporate governance, business operations and operational processes.

At group level, the organization operates, among other things, according to a code of conduct, corporate governance and internal control guidelines, a whistleblower policy and guidelines for information security and external communication. These documents cover issues of business ethics, accountability, regulatory compliance, transparency and respect for human rights.

Social sustainability is managed through personnel and occupational health and safety policies and guidelines that regulate employment conditions, the work environment, safety and equal treatment. Environmental sustainability is managed through environmental policies and working methods, with certain subsidiaries certified according to ISO 14001, which contributes to systematic environmental work within the group.

Economic sustainability is ensured through the group's governance, risk management and internal control, including established processes for financial reporting and follow-up. Among other things, the group has established an annual plan that governs all reporting as well as corporate governance processes, and regular reconciliations of deliveries are made from the parent company to the subsidiaries. In addition, the group receives monthly reporting from the subsidiaries to the group level which is reviewed and reported onward to the board.

The subsidiaries apply group-wide policies where relevant or operate according to their own policies and management systems adapted to their respective operations, customer requirements and certifications. Taken together, these governance documents form the basis for the group's work on sustainable development.

Question 14

How has the sustainability perspective been integrated and made visible in the organization's strategy, operational management, and other governing documents?

Scandinavian Astor Group AB has during 2025 gradually integrated and made the sustainability perspective visible in the group's operations as part of strategic development work and preparations for future sustainability reporting. The work began in spring 2025 through workshops and dialogues with management teams in the subsidiaries, with the aim of increasing understanding of sustainability issues, materiality, and the connection to business strategy and governance.

During the year, sustainability work has gradually been anchored in the organization and made visible to employees through management forums, follow-up, and integration into existing control and monitoring processes. The subsidiaries that have come furthest in this work are Mikroponent and Scandiflash, where sustainability is already clearly integrated into ongoing operational management.

As a concrete example, Mikroponent produced a sustainability report in 2025, which shows how sustainability issues can be structured, monitored, and communicated within the framework of the business. Experiences from this work are used as reference and inspiration in the continued group-wide sustainability efforts.

Several subsidiaries are governed by established management systems and certifications, such as ISO 9001 and ISO 14001, which means that sustainability-related issues are handled systematically and with a clear follow-up structure. Through, for example, the management systems' planning, follow-up, and management reviews (e.g., Airsafe and Scandiflash), a natural "rhythm" is created in the sustainability work, where relevant issues are integrated into regular operational management rather than handled as separate initiatives.

Furthermore, the group has established as an annual goal for 2025 to initiate preparations for future sustainability reporting in accordance with the CSRD and to integrate this work into the group's strategic planning. In 2025 it was also decided to address the climate impact of business travel by air by allocating monetary funds at group level in the parent company for sustainable investments. For 2026 the group has set a goal to begin measuring CSRD-related data points based on the completed double materiality analysis. The data collection work is planned to be initiated in the second half of 2026 in order to enable continuous monitoring to meet the requirements under the CSRD when the company falls within the scope of the regulation.

Altogether, this means that in 2025 the sustainability perspective has moved from being a development area to gradually being integrated into strategy, governance, and operational activities, with varying maturity levels in the subsidiaries but with a clear common direction at group level.

Question 15

How has the management distributed the sustainability responsibility within the management team? What other roles or individuals within the organization have a special responsibility for sustainability work? How has this been communicated?

Scandinavian Astor Group AB has organized responsibility for sustainability work and sustainability reporting within the framework of the Group's ordinary governance, in accordance with applicable legislation and good corporate governance.

At group level, responsibility for compliance with applicable legislation as well as financial and sustainability-related reporting is led by the Group Executive Management, with the Group CFO as the main responsible person. Sustainability matters are treated as an integrated part of the Group's strategic work, risk management and reporting processes.

The Board's Audit Committee has, in accordance with the Companies Act, a specific responsibility to monitor the Group's financial reporting and sustainability reporting as well as the effectiveness of internal control and risk management related to reporting, and reports its observations and recommendations to the Board. This is stated in the Audit Committee's rules of procedure.

In addition to the Group's responsibility, each subsidiary is responsible for monitoring internal control and sustainability work within its own operations. The management of the subsidiaries is responsible for ensuring that applicable Group-wide policies and requirements are complied with and that local risks and sustainability aspects are managed in daily operations.

In subsidiaries that operate under established management systems and ISO certifications, designated quality and/or environmental officers have operational responsibility for ensuring that relevant processes and requirements are implemented and followed up. Ultimate responsibility for legal compliance, internal control and sustainability work, however, always rests with the managing director of each subsidiary.

The allocation of responsibilities and working methods have been communicated through Group-wide governance documents, management forums and follow-up within the framework of ordinary management and reporting processes, which ensures that sustainability work is integrated into both the Group's and the subsidiaries' operational governance.

5.3 Planning

Planning

The answers to the questions in this area should provide the reader with a clear picture of how the organization has operationalized its work with social responsibility and contributions to sustainable development.

Question 16

How and when does the collection of stakeholders' expectations and opinions take place? What insight is given to stakeholders in the sustainability work? Describe the method for stakeholder dialogue.

Scandinavian Astor Group AB continuously gathers stakeholders' expectations and views as an integrated part of the Group's governance, strategy work and sustainability efforts. The dialogue takes place both in daily operations and through more structured processes, such as materiality assessment, risk analysis, business planning and follow-up.

In the subsidiaries, pulse surveys and employee surveys are regularly conducted to capture employees' views regarding the work environment, well-being and areas for improvement. The results are used as a basis for local improvement measures and are reported to the Group level where relevant, which contributes to a consolidated view of the employee perspective within the Group.

During 2025, the stakeholder dialogue has also been part of the Group's preparations for future sustainability reporting, where feedback and expectations from key stakeholders have been taken into account in the work on materiality assessment and prioritization of sustainability areas.

Method for stakeholder dialogue

The stakeholder dialogue is conducted through several complementary channels, adapted to each stakeholder group:

- Employees: dialogue through management meetings, workplace meetings, leadership forums and internal workshops, supplemented by regular pulse surveys and employee surveys. In addition, established reporting channels exist, including a whistleblowing function.
- Customers: ongoing dialogue in business relationships, follow-up meetings, requirements in procurements and in connection with delivery, support and aftermarket.
- Suppliers and subcontractors: dialogue through procurements, contracts, supplier follow-up and requirements related to quality, environment and business ethics.
- Owners, investors and the capital market: dialogue through general meetings, investor meetings, financial reporting and public communication.
- Authorities and other societal actors: dialogue through supervision, reporting, permit processes and collaboration within the framework of applicable regulations.

The dialogue is mainly qualitative and is complemented where appropriate with structured tools, such as surveys and pulse measurements, which is considered proportionate given the nature of the business and the stakeholder structure.

Transparency in sustainability work

Stakeholders are given insight into the Group's sustainability work through external reporting, such as the annual report and public information on the company's website, as well as through direct dialogue in relevant forums. Internally, the sustainability work is

made visible through governance documents, management systems, follow-up in management and board forums and through communication to employees.

The results of the stakeholder dialogue are used as a basis for prioritizing sustainability issues and for establishing the Group's targets, for example the targets set for 2026 regarding, among other things, recurring employee surveys, strengthened governance and risk management, and the initiation of measurement of sustainability-related data.

Question 17

How are risks and opportunities identified in sustainability work managed, questions 11 and 12?

Scandinavian Astor Group AB manages the risks and opportunities identified in its sustainability work by integrating them into the Group's ordinary governance, risk management and strategic decision-making processes. Identified sustainability-related risks and opportunities are taken into account in connection with materiality assessment, business planning, monitoring and prioritization of measures.

The basis for management is the conducted materiality assessment, in which sustainability issues are analyzed both in terms of potential impact on the external environment and significance for the Group's operations and long-term development. These assessments form the basis for prioritizing measures, internal governance and external communication.

Risk management is carried out through an annual risk analysis at Group level, which is complemented by risk analyses and monitoring in each subsidiary. The subsidiaries' identified risks, assessed consequences and planned and implemented risk-mitigating measures are reported to Group level and aggregated into a consolidated Group-wide risk assessment. This is in addition to the Group's own initial risk analysis and ensures that both operational and strategic risks are considered.

Given the Group's acquisition-intensive growth model, structured due diligence work is also conducted prior to each acquisition. Within the framework of this work, sustainability-related, operational, legal and financial risks as well as opportunities in the target business are identified and assessed. Identified risks and needs for measures are escalated to Group level and taken into account in decision-making materials for acquisitions as well as in the planning of subsequent integration and follow-up.

Identified risks are mitigated through established measures at both subsidiary and Group level, for example through strengthened internal control, updated processes, requirements in the supplier chain, training initiatives or adjusted working methods. Identified opportunities are realized through, among other things, business development, product development, improved working methods and skills development.

Follow-up of the consolidated risk picture is carried out continuously by Group management and reported to the Board's Audit Committee and onwards to the Board as part of the regular governance and reporting processes. Material risks and uncertainties are communicated externally in the Group's annual report and have most recently also been disclosed in the company's prospectus.

In this way, it is ensured that sustainability-related risks and opportunities are managed systematically, updated regularly and integrated into both operational activities and the Group's overall governance, acquisition work and external reporting.

Question 18

How does the organization minimize risks in the value chain with a focus on the supply chain, for example in countries with high corruption risk or when it comes to human rights violations, if it has not already been described under question 17?

Scandinavian Astor Group AB works to minimize risks in the value chain, with particular focus on the supply chain, through a combination of governance, risk assessment, requirement setting and monitoring. The work is adapted to the nature of the business, supplier structure and geographic exposure.

Risks in the supply chain are identified and assessed as part of the Group's overall risk management and in connection with materiality assessments and business decisions. Special attention is paid to suppliers and business relationships in countries or regions where there is an elevated risk of corruption, poor working conditions or other potential violations of human rights.

To reduce these risks, the Group applies Group-wide policies and guidelines, such as the code of conduct and business ethics guidelines, which also include expectations for suppliers and partners. Requirements for regulatory compliance, business ethics and respect for human rights are considered in procurements, contracts and supplier relationships to the extent that it is proportionate and relevant. As a complement to Group-wide policies and risk management, the Group has also established an Ethics Council. The Ethics Council serves as an advisory forum to handle and assess ethical issues in the business, including matters related to business relationships, the supply chain and markets with elevated risk. The council helps ensure that identified risks and ethical considerations can be raised, discussed and taken into account in decision-making at Group level.

In acquisitions and major business relationships, a structured review of supplier- and business-related risks is carried out as part of the decision basis. Identified risks are managed through measures such as choice of suppliers, adjusted contractual terms, monitoring or, where applicable, refraining from business relationships.

In addition, internal reporting channels, including a whistleblowing function, help enable reporting of suspected irregularities or deviations related to the supply chain. Follow-up of significant risks is carried out continuously within group management and is reported further to the board and the audit committee within the framework of the regular governance and reporting processes.

Together, these measures aim to reduce the risk of negative consequences in the supply chain and ensure a responsible and long-term sustainable collaboration with suppliers and business partners.

Question 19

How does the organization ensure knowledge of and compliance with applicable laws, other requirements, and international standards in the countries covered by this self-declaration?

Scandinavian Astor Group AB ensures knowledge of and compliance with applicable laws, other applicable requirements and international codes of conduct through a combination of group-wide governance, allocation of responsibilities, internal processes and follow-up. The work covers all countries and operations included in this self-declaration.

At group level, developments in relevant legislation, regulations and other requirements affecting the business are monitored, including requirements related to corporate governance, financial reporting, sustainability, labour law, environment, business ethics, information security, export control and sanctions. These requirements are reflected in group-wide policies, guidelines and governance documents, such as the code of conduct, corporate governance documents and internal regulations.

Compliance is ensured by integrating responsibility into the ordinary management and governance structure. The group management is responsible for overall compliance and follow-up, while the management of each subsidiary is responsible for ensuring that applicable laws, regulations and internal requirements are complied with in daily operations based on local conditions. In subsidiaries that operate according to established management systems and certifications, this is achieved through systematic processes for planning, implementation, follow-up and improvement.

Knowledge of applicable requirements and international codes of conduct is ensured through ongoing information, training efforts and dialogue within the organization. As part of the group's objectives for the coming years, the group has set the ambition to provide training in ethics and regulatory compliance for all employees and to initiate an integrated quality and information security management system that enables an agile working method and effective follow-up.

In the area of risk and security, the group has initiated work and aims to further develop the process for risk identification and risk mitigation during 2026.

Compliance with laws, internal requirements and international standards is monitored through internal control, risk management and reporting within group management, the board and the audit committee. In addition, internal reporting channels, including a whistleblowing function, contribute to identifying and addressing any deviations.

Taken together, this approach ensures that the organization, in a structured and proportionate manner, builds knowledge of and complies with applicable laws and international codes of conduct, adapted to the nature of the operations, geographic presence and risk profile.

Question 20

Which of the UN's global goals for sustainable development, both goals and targets, have been identified and selected? Also describe how this part of the maximization analysis has been conducted, see Appendix C.

Astor Group's double materiality analysis has been conducted as an integrated part of the Group's business strategy to meet the requirements of CSRD/ESRS and create long-term value. The process was led by an external consultant and carried out stepwise together with the Group management.

Work began by mapping the Group's value chain – from research and material suppliers (upstream) to production (core operations) and end use (downstream) – to identify where impacts occur in the chain.

A comprehensive stakeholder analysis was carried out in which key stakeholders such as owners, the board, customers (e.g., FMV and larger private defence customers) and employees were identified and assessed based on their influence and interest.

Each sustainability topic was evaluated according to a double materiality; impact materiality: the company's actual and potential, positive and negative impacts on people and the environment; and financial materiality: how sustainability issues create financial risks or opportunities for the company, for example through legal requirements or market conditions.

Quantitative assessment and prioritization: Over 100 data points from the ESRS standards were evaluated in a matrix where they were scored on a five-point scale from "minimal" to "critical." This methodology made it possible to isolate and prioritize the areas that are most significant from both perspectives.

As part of the analysis, a SWOT was performed to reflect sustainability work against the Group's strengths and weaknesses, ensuring that the results were business-relevant and useful for management decision-making.

The result of the analysis forms the basis for the four areas identified as double material and which now constitute the core of the Group's sustainability work. These are directly linked to the UN Sustainable Development Goals (SDGs):

Double material areas (Highest priority)

* Product safety and risks in the value chain (ESRS S4): Linked to Goal 3: Good Health and Well-being (target 3.9) and Goal 12: Responsible Consumption and Production (target 12.4).

* Access to products and services (ESRS S4): Linked to Goal 11: Sustainable Cities and Communities (target 11.1) and Goals 1, 6 and 7 regarding access to basic infrastructure and services.

* Responsible marketing (ESRS S4): Linked to Goal 12: Responsible Consumption and Production through focus on factual information (target 12.6) and to Goals 5 and 8.

* Corporate culture and ethics (ESRS G1): Linked to Goal 16: Peaceful and Inclusive Societies through focus on anti-corruption and strong institutions (target 16.5).

Other identified material goals

In addition to the prioritized areas, Astor Group actively contributes to the following goals through its operations and strategic plan for 2026:

* Goal 13: Climate Action: Through work on climate-related mitigation (ESRS E1) and reduced climate impact.

* Goal 8: Decent Work and Economic Growth: Through focus on employee safety, flexibility (ESRS S1) and the Group's growth objectives.

* Goal 10: Reduced Inequalities: By improving internal HR processes to address low gender equality and promote diversity.

In summary, Astor Group has chosen to focus its reporting and activities on the goals where it has the greatest impact and where the risks are most significant: Goals 3, 8, 11, 12, 13 and 16.

Question 21

Must be answered every year

Which action plan for sustainability has been developed based on materiality assessment, question 10, and/or based on maximization analysis, question 20, that is to say both based on identified sub-areas as prioritized and sub-goals based on the UN's global goals for sustainable development?

Astor Group has established a concrete action plan that integrates the prioritized sustainability areas with the Group's business strategy and the UN Sustainable Development Goals to ensure progress toward the 2026 targets and to prepare for the CSRD requirements when the company falls under the regulation.

Below is a description of the action plan Astor Group has developed to operationalize the results of the double materiality assessment and the global goals:

Strategic action plan for sustainability work

Astor Group has established a concrete action plan that integrates the prioritized sustainability areas with the Group's business strategy and the UN Sustainable Development Goals to ensure progress toward the 2026 targets and to prepare for the CSRD requirements when the company falls under the regulation.

Selected priority areas and activities:

* Product safety and accessibility (ESRS S4 / SDG 3, 11, 12):

Investigate how the Group can support its operations in ensuring that products developed are user-friendly, accessible, and safe for end users.

* Responsible marketing (ESRS S4 / SDG 5, 8, 12):

By 2026, specific guidelines for responsible marketing in all digital and physical channels will be defined.

* Corporate culture and ethics (ESRS G1 / SDG 16):

The action plan includes mandatory training in ethics and compliance for all employees. In addition, a whistleblower system and an ethics committee will promote a sound and transparent corporate culture.

* Working conditions and equality (ESRS S1 / SDG 5, 8, 10):

In 2026, the Group intends to launch an employee share savings program, subject to shareholder meeting approval, as well as improved HR processes to promote individual skills development and increased equality.

* Climate and Environment (ESRS E1 / SDG 13):

A plan for collecting environmental data will be developed in 2026, combined with the establishment of an internal fund for air travel to compensate for climate impact.

In addition to the specific sustainability activities above, the Group has set the following overarching goals to be achieved during 2026:

* **Verification:** Full verification of the sustainability work is planned to take place during the first quarter of 2026.

* **Systematics:** 2026 is defined as a “transition year” with a focus on building data management capabilities to meet CSRD requirements when the company falls under the regulation.

* **Data points:** Ensure that all relevant data points are identified and that collection processes are established so the company can meet the requirements set by the CSRD when the company falls under the regulation.

Question 22

Must be answered every year

What operational-related sustainability goals have been set up related to the selected sub-areas, question 10, or sub-goals, question 20, for the upcoming period, for example, a 12-month period?

The following sustainability-related business objectives have been established for the coming 12-month period:

Governance & Process

- * Further develop risk and business continuity planning.
- * Develop an onboarding template ("playbook") for new acquisitions with minimum requirements for CSRD.
- * Identify and implement ethics and compliance training for all employees.
- * Define guidelines for responsible marketing (website, LinkedIn, etc.) that take into account upcoming legislation related to the ECGT directive.
- * Plan pilot projects for supplier audits based on ISO standards.

Social sustainability

- * Initial plan for improved internal HR processes regarding skills development and gender equality.
- * Investigate how the Code of Conduct can be integrated into procurement processes.
- * Investigate how the group can support its operations in ensuring that products developed are user-friendly, accessible and safe for end users.

Environmental sustainability

- * Develop a plan for collecting relevant environmental data for the operations.

Data & Systems

- * Identify and implement system support for, for example, pulse measurements/employee surveys.
- * Define and begin initial collection of data points for reporting under CSRD.

5.4 Support

Support

The answers to the questions in this area should provide the reader with a clear picture of the organization's supporting structures for sustainability work in order to support practical efforts.

Question 23

Must be answered every year

How is it ensured that the necessary economic and personnel resources are available to carry out sustainability work?

Scandinavian Astor Group AB ensures that the necessary financial and personnel resources are available for sustainability work by integrating sustainability issues into the Group's regular governance, budgeting and operational planning. Resource needs are assessed and prioritized within the framework of business planning and follow-up based on identified risks, opportunities and legal requirements.

Sustainability work is conducted within the existing organization with responsibility distributed between group management, relevant functions and the management of subsidiaries, supported by specialized roles in areas such as finance, HR, quality, environment and information security, as well as external expertise when needed. In subsidiaries with established management systems, resources are allocated for systematic monitoring and improvement. Consultants are also engaged when needed to strengthen the area.

Resource prioritization for sustainability work is also linked to the Group's targets for 2026, with particular emphasis on governance and compliance, risk and safety work, and the development of structures for measuring and monitoring sustainability-related data.

Question 24

Must be answered every year

What skills development has been carried out in the sustainability area over the past year?

Scandinavian Astor Group AB has during the past year conducted competency development in the area of sustainability as part of the group's preparations for future sustainability reporting and further development of governance and risk management.

During 2025, sustainability issues have been addressed through workshops and dialogues with the management teams of the subsidiaries, focusing on sustainability governance, materiality assessment, risks and opportunities, and the connection to business strategy and operational management. These efforts have aimed to increase understanding of sustainability requirements, allocation of responsibilities, and how sustainability is integrated into regular operations.

Competency development has also taken place through work on the double materiality analysis and CSRD preparations, involving relevant functions within the group and subsidiaries. This work has contributed to increased knowledge of sustainability-related risks, data requirements, and reporting expectations.

Furthermore, sustainability-related issues have been addressed within the framework of existing management systems and certifications in subsidiaries with ISO 9001 and ISO 14001, where training and follow-up are part of ongoing quality and environmental work. In areas such as business ethics, regulatory compliance, and information security, knowledge has been strengthened through internal guidelines, communication, and targeted initiatives linked to the group's governance and risk work.

Overall, the competency development during the year has been operationally close and integrated into regular management and control processes, rather than through separate training programmes.

Question 25

Must be answered every year

What skills development is planned in the sustainability area in the short, medium, and long term?

Scandinavian Astor Group AB intends to continue developing competence in the area of sustainability in line with the business's needs, identified risks and applicable requirements. Competence development is planned and carried out as an integrated part of the group's ordinary governance, risk management and business development.

In the short term, the need for competence development is mainly assessed to be related to basic understanding of sustainability governance, business ethics, regulatory compliance and information security, to the extent this is considered relevant for each function and operation.

In the medium term, the group intends to gradually strengthen competence related to the collection, management and follow-up of sustainability-related data. This includes preparations to begin measuring sustainability data during 2026, based on the conducted materiality analysis and identified reporting needs, as part of continued adaptation to future requirements for sustainability reporting.

In the long term, competence development is assessed to be adapted to the group's growth, geographic presence and changing requirements from customers, authorities and other stakeholders, with the aim of ensuring the conditions for sustainability reporting under the CSRD when the company is covered by the regulation.

Overall, this means that competence development in the area of sustainability takes place on a needs- and risk-based basis, with a focus on building sufficient knowledge and capacity over time, without the group establishing detailed or time-bound training commitments.

Question 26

Must be answered every year

How is the organization's sustainability work communicated?

Scandinavian Astor Group AB communicates its sustainability work internally and externally through established channels that are integrated into the Group's regular communication and reporting processes. External communication is carried out mainly through the annual report and other public information, while internal communication is conducted through governance documents, management forums and ongoing dialogue with employees.

The communication is tailored to relevant target groups and aims to provide a fair and proportionate depiction of the Group's work on sustainability issues.

Question 27

Must be answered every year

If any area has been excluded from the communication, for example with regard to the organization's or stakeholders' need for privacy, explain why.

Scandinavian Astor Group AB in some cases places limitations on the communication of its sustainability work. Such limitations are made primarily out of consideration for business-critical information, security aspects, confidentiality requirements, and the protection of personal data and privacy for employees, customers and partners.

This means that detailed information about, for example, security-related processes, specific risk assessments, supplier relationships, business arrangements or individual-related information is not communicated externally. Communication is thus adapted to provide a fair and proportionate picture of the sustainability work, without jeopardizing the organization's or stakeholders' needs for privacy, security or regulatory compliance.

Question 28

How is the governance for sustainability organized, including governance mechanisms for work on prioritized specific areas for sustainability, see prioritized sub-areas, question 10.

Scandinavian Astor Group AB governs its sustainability work by integrating sustainability issues into the Group's ordinary corporate governance, risk management and operational follow-up. The governance covers both overarching sustainability efforts and the sub-areas that have been identified as priorities.

At board level, sustainability issues are monitored within the framework of corporate governance, where the board and the audit committee oversee sustainability-related risks, internal control and reporting. Material sustainability issues and risks are considered in strategic decisions and are followed up through ordinary reporting processes.

At the executive management level, management is responsible for translating the prioritized sustainability areas into governance, targets and measures within their respective areas of responsibility. Sustainability issues are handled integrated into business planning, risk analysis, follow-up and resource prioritization, rather than through separate control processes.

The governance of the prioritized sub-areas is carried out through:

- established policies and guidelines (e.g. code of conduct, whistleblowing, HR and occupational health and safety guidelines),
- risk management and internal control linked to operational management, product responsibility and the supply chain,
- use of management systems and certifications in subsidiaries that are covered by certifications or extended reporting requirements under applicable legislation, and
- recurring follow-up within executive management and the board.

At subsidiary level, each management is responsible for the operational implementation of sustainability work within its own operations, in line with Group-wide requirements and local conditions. Identified risks, measures and improvement needs are reported to Group level and considered in the overall governance.

Overall, the governance of sustainability work is ensured through clear allocation of responsibilities, integration into ordinary governance mechanisms and ongoing follow-up of the sub-areas assessed to be most material to the Group's long-term and sustainable development.

5.5 Operations and activities

Operations and activities

The answers to the questions in this area should give the reader a good picture of the organization's activities for social responsibility during the period and for achieving set goals for sustainable development.

Question 29

Must be answered every year

Describe the organization's activities carried out and ongoing during the recent period based on the prioritized sub-areas in question 10, and identified goals and sub-goals from the UN's global goals for sustainable development, see question 20.

Scandinavian Astor Group AB has during 2025 conducted a double materiality assessment (DMA) that has been integrated into the Group's business strategy to identify the most business-critical sustainability areas and ensure progress toward the 2026 targets and in preparation for CSRD when the company becomes subject to the regulation. Based on this analysis, the Group has established a strategic action plan that links prioritized sub-areas to specific activities and the UN Sustainable Development Goals (SDGs):

Corporate culture and ethics (ESRS G1 / SDG 16):

The Group has established an ethics council to address ethical issues and applies Group-wide policies for whistleblowing and transparency. Ongoing activities include further development of risk and business continuity planning as well as mandatory training in ethics and compliance for all employees during 2026.

Product safety and accessibility (ESRS S4 / SDG 3, 11, 12):

Through its DMA work in 2025, the Group identified several points related to product development from a double materiality perspective. Therefore, the Group aims in 2026 to investigate how it can support its operations in ensuring that products developed are user-friendly, accessible and safe for end users, and to further develop an onboarding playbook for new acquisitions.

Working conditions and equality (ESRS S1 / SDG 5, 8, 10):

Completed activities include pulse surveys and employee surveys in subsidiaries for local improvement measures. During 2026 the business will produce an initial plan for improved internal HR processes regarding skills development and equality.

Climate and Environment (ESRS E1 / SDG 13):

Several subsidiaries already conduct certified environmental work, and in 2026 a Group-wide plan for the collection of environmental data will be developed in parallel with the establishment of an internal fund to offset air travel and to investigate how the fund's resources should be used.

Responsible marketing (ESRS S4 / SDG 5, 8, 12):

The work is focused on defining guidelines for responsible marketing (website, LinkedIn etc.) that take into account forthcoming legislation related to the ECGT directive.

Corporate governance has been strengthened through a comprehensive action plan following completed due diligence, where risk management and internal control are continuously monitored to enable agile adjustments and ensure the quality of operations.

Question 30

What potential collaborations and partnerships does the organization have in the sustainability area? Indicate any connections to specific prioritized sub-areas or sub-goals.

Scandinavian Astor Group AB conducts its sustainability work mainly within the framework of its own operations, but also has certain collaborations and external relationships that support work in prioritized areas.

In corporate governance, compliance and reporting, cooperation takes place with external advisors and auditors in connection with corporate governance, risk management, sustainability reporting and preparations for future CSRD requirements. These collaborations contribute to quality assurance and development of governance and internal processes.

In environment, quality and information security, subsidiaries collaborate with certification bodies and external specialists related to established management systems and certifications (for example ISO 9001, ISO 14001 and initiated work towards ISO 27001). These collaborations support prioritized areas regarding the environment, good operational practices and corporate governance.

In working conditions and human rights, collaboration takes place with external providers of employee surveys and work environment-related services, which supports work on occupational health and safety, employee engagement and organizational development.

The Group also participates in dialogue and collaboration with authorities, industry organizations and customers on issues concerning compliance, security and responsible business conduct, which is particularly relevant given the nature of the business and customer structure.

Question 31

What preparedness does the organization have for emergencies and for crisis management in the field of sustainability?

Scandinavian Astor Group AB manages preparedness for emergencies and crisis management within the sustainability area through a risk-based approach that is integrated into the Group's ordinary governance, internal control and risk management.

Potential events that may impact the sustainability area, such as occupational safety incidents, security-related events, environmental impact, information and cyber security, and ethical deviations, are identified and assessed within the framework of recurring risk analyses at group and subsidiary levels. Identified risks are managed through established allocations of responsibility and existing control and reporting routines.

The Group has overarching guidelines and processes for incident reporting and crisis management, which are applied and followed up as needed within the ordinary management and governance forums. Preparedness is developed progressively in line with the nature of the operations, the risk profile and external requirements, without specific crisis scenarios or action plans being established beyond what is considered proportionate.

5.6 Evaluation of performance

Evaluation of performance

The answers to the questions in this area should provide a clear picture of the organization's ability to evaluate its sustainability work, for example, the use of reporting points based on international practices and regulations (see Appendix D).

Question 32

Must be answered every year

What metrics, KPIs, or similar are used to show the status of sustainability work? How are the prioritized areas followed up? Does the organization use any specific frameworks for monitoring or reporting such as ESRS, GRI, or others?

Scandinavian Astor Group AB is in an active phase where sustainability metrics and KPIs are being established to meet the requirements under the CSRD when the company falls within the scope of the regulation. The work is being catalyzed by an external consultant and is based on the ESRS framework to ensure the group measures the correct data points.

Metrics and KPIs under evaluation:

* The group has identified over 100 data points based on the ESRS standards that are now under evaluation. Examples of specific metrics being evaluated include:

* Social (ESRS S1 & S4): Number of work-related accidents and incidents, staff turnover, share of employees covered by collective bargaining agreements, and gender pay gaps.

* Governance (ESRS G1): Number of employees who have completed training in ethics and compliance, as well as the functionality and use of the whistleblowing system.

* Environmental (ESRS E1): Climate-related mitigation and preparations to measure environmental data across the operations.

Follow-up methodology and framework:

To monitor the status and the prioritized areas, the organization uses the following structures:

* OODA loop (Observe, Orient, Decide, Act):

This agile approach is used as a management philosophy to continuously observe results, orient based on market requirements, make decisions about adjustments, and act through implementation of objectives. This process is iterative and means the double materiality assessment (DMA) is reviewed annually.

* Board and executive follow-up:

Monitoring is conducted continuously within group management and the board.

By implementing system support for data collection and pulse measurements during 2026, the foundation will be laid for the group to systematically track its progress and to meet the requirements under the CSRD when the company falls within the scope of the regulation.

Question 33

Must be answered every year

Has the organization chosen to use any of the indicators linked to the selected global UN goals and sub-goals for sustainable development? If so, which ones? What did the results look like for these in the latest measurement?

Scandinavian Astor Group AB has chosen not to use the specific indicators linked to the UN Sustainable Development Goals. Instead, implementation of the ESRS (European Sustainability Reporting Standards) framework is being initiated. This will be implemented in full only when the company falls under the CSRD framework. By focusing on ESRS, the sustainability work is tied to the standardized data points, but only when this will be required by the framework. The subject areas of ESRS have been mapped against relevant global goals and targets.

Although the group is in a build-up phase for group-wide reporting, extensive historical data and established measurement processes exist within the subsidiaries, linked to their many years of work with ISO certifications (such as ISO 9001 and ISO 14001) as well as statutory self-monitoring. Examples of the subsidiaries' ongoing sustainability work include:

Mikroponent:

Carries out systematic environmental work with detailed monitoring of energy use, chemical handling and waste fractions. The company produces annual environmental reports and management reviews where environmental objectives and outcomes are documented.

Airsafe:

Conducts regular management reviews where the status of the quality and environmental management system is evaluated, including follow-up of customer satisfaction, supplier performance and resource use.

Scandiflash:

Actively works with systematic occupational health and safety (SAM) and conducts workshops to identify risks and improvement areas in the work environment. The company has also established routines for self-monitoring of environmentally hazardous activities, including checks of refrigerants, oil separators and chemical storage.

Forward-looking plan:

2026 (Systematics):

In 2026, group-wide system support is planned to collect and manage subsidiaries' data and enable, for example, uniform pulse measurements.

2027 (Full reporting):

The first fiscal year for full measurement according to ESRS is likely 2027. Only then do we aim to publish the first group-wide CSRD report in 2028. We are following developments

regarding CSRD legal requirements.

By using the subsidiaries' historical expertise as a foundation, Astor Group ensures that the transition to future CSRD reporting rests on a proven and data-driven basis.

Question 34

Must be answered every year

What did the latest follow-up of the organization's sustainability work show according to the selected KPIs and metrics, see questions 32 and 33?

The latest follow-up on Scandinavian Astor Group AB's sustainability work shows an organization in a clear transition phase, where the focus has been on establishing a group-wide structure for ESRS while the subsidiaries have maintained their systematic measurements.

Status of the group's KPIs and metrics:

* Establishment of baseline:

Since 2025 has been defined as the year for the double materiality assessment, the most recent follow-up was primarily a mapping of gaps and identification of over 100 relevant data points for future reporting.

Outcomes from the subsidiaries' ongoing monitoring:

As group-wide KPIs are under development, there is not yet a consolidated view of all companies. At the same time, the subsidiaries' most recent management reviews and environmental reports show stable results within their respective areas:

Environmental performance:

Subsidiaries such as Mikroponent show in their latest reports well-functioning control of energy use and chemical management, with clearly defined targets for waste reduction.

Work environment and safety:

Follow-ups at, among others, Scandiflash show active implementation of systematic occupational health and safety work (SAM) and risk assessments to minimize incidents in production.

Quality and resilience:

Airsafe and other companies with safety-critical products have in their latest management reviews confirmed high delivery accuracy and compliance with quality requirements from strategic customers.

The latest follow-up confirms that the measurement foundation is in place in several of the subsidiaries, and that the group is now working to identify and implement the system supports required to aggregate this data into a unified status report in accordance with the CSRD.

Question 35

Must be answered every year

Has internal audit been conducted in the organization itself and how have any deviations been handled?

Scandinavian Astor Group AB is a relatively new group formed at the turn of 2022/2023. Since then it has grown rapidly, including through acquisitions of businesses with long histories. Therefore, there is a varying degree of maturity in how internal work is audited at group and subsidiary levels, several of the subsidiaries being certified according to various ISO standards. At the parent company level, regular reconciliations and controls of operations are performed to follow up work related to good corporate governance and social responsibility. This is also an important part of the rules that apply to listed companies and that Astor Group complies with.

Internal auditing of sustainability work in the subsidiaries is carried out primarily through the operational management systems (such as at Scandiflash, Mikroponent and Airsafe). In these subsidiaries, regular internal audits, self-inspections and management reviews are conducted to ensure compliance within environment, quality and operational risks. Handling of nonconformities is done through established and formal processes where identified deficiencies are documented in the subsidiaries' nonconformity management systems.

More serious nonconformities that may affect financial reporting, regulatory compliance or the group's risk profile are promptly reported upward to group management and, if necessary, further to the board. Furthermore, the audit committee shall ensure the fulfillment of the board's supervisory responsibilities regarding internal control, audit, any internal audit, risk management, accounting, financial reporting and sustainability reporting, prepare matters concerning the procurement of audit and other services from the auditor, and prepare certain accounting and audit matters to be considered by the board. Through its activities, the audit committee shall meet the requirements set out in the Companies Act and in the EU Audit Regulation.

Question 36

Must be answered every year

**Has a review been conducted with, or by, stakeholders in the value chain, or both?
Have any deviations been addressed?**

Scandinavian Astor Group has initiated work to systematically conduct audits of stakeholders in the value chain, where the principle is that the subsidiaries operate as autonomous entities. Each subsidiary follows its own stakeholder audit programs where operations have varying degrees of maturity. Any deviations identified during these reviews are systematically documented as nonconformities in the respective subsidiary's management system according to ISO standards. The handling of these deficiencies is carried out through established processes, where actions are decided and implemented at the subsidiary level. Follow-up and classification of the nonconformities are performed in the respective subsidiary's management system according to the applicable ISO standard.

Question 37

Must be answered every year

What conclusions has the management drawn about the results and effectiveness of the sustainability work in connection with the latest follow-up? As a consequence, have there been any reprioritizations in the sustainability work, for example, a change of selected sub-areas or sub-goals, and if so, which ones? If the answer is yes, how have the deprioritized areas been handled?

Management has concluded that integrating sustainability into the business strategy is a prerequisite for the Group's continued profitable growth and resilience. The recently completed double materiality assessment has confirmed that the Group's focus on security and defense is directly linked to societal benefit through contributing to a safe and stable world. The effectiveness of the work is considered good, as the most business-critical areas to meet upcoming legal requirements under CSRD and ESRS have been identified in good time.

As a direct consequence of the latest follow-up, no reprioritisations have been made in the form of changing the selected subareas or sub-goals. The four areas identified as double materiality remain the highest priority for the coming period:

- * Occupational safety, risks and incidents in the value chain.
- * Availability of products and services.
- * Responsible marketing.
- * Corporate culture.

These areas are still assessed as the most critical for balancing compliance with innovation and strategic delivery.

Since no areas have been deselected or replaced during the latest period, no management of deprioritised areas has been necessary. Instead, management has focused on deepening work within the already selected areas by:

- * Implementing system support for more robust data collection.
- * Developing common processes and routines at group level to strengthen governance.
- * Ensuring that all relevant data points are identified ahead of upcoming CSRD legal requirements.

Question 38

Must be answered every year

To the extent that this sustainability statement is to function as a sustainability report according to national law or international standards, are there any commitments, or activities linked to such commitments, that have not been declared or answered above? If the answer is yes, please provide additional information here.

Scandinavian Astor Group publishes an annual report each year in accordance with applicable stock exchange rules and legal requirements, which includes sustainability disclosures. As the group grows and the demands on the group's sustainability reporting therefore increase, this will be reported continuously.

5.7 Improvements

Improvements

The answers to the questions in this area should clarify the organization's continuous improvement work.

Question 39

Does the organization use any specific method or approach to identify, manage, and follow up on improvements? If the answer is yes, which ones?

The Group's operations are decentralized to the extent that they have a high degree of autonomy, with central management and support functions for IT, security and finance. Furthermore, a management culture is applied that is based on a systematic approach with short OODA loops (Observe, Orient, Decide, Act) to ensure continuous improvement and rapid decision support. Scandinavian Astor Group also applies a structured methodology to identify, manage and follow up improvements through group-wide meetings where improvement measures are captured. Improvement work is also driven through systematic processes such as internal audits, annual management reviews and certified management systems for quality, environment and occupational health and safety (ISO 9001, 14001, 27001) within the subsidiaries.

When acquiring and integrating new units, governance is ensured through specific onboarding processes and 100-day plans with clear documentation of responsibilities and timeframes. Through clearly defined process ownership in the subsidiaries and an established reporting structure to group management, the organization ensures that identified improvement measures are not only implemented but also followed up and embedded throughout the operations to contribute to the Group's long-term development and sustainability goals.

Question 40

Must be answered every year

Have there been any further improvements in sustainability efforts that have not already been mentioned, if the answer is yes, which ones?

Any further improvements will be disclosed in the 2025 annual and consolidated reports.

Question 41

Must be answered every year

How are complaints from stakeholders handled and used in the ongoing improvement work (for example, results from stakeholder dialogues or complaint cases)?

Scandinavian Astor Group AB handles complaints and feedback from stakeholders as part of ongoing improvement efforts through established processes for reporting, follow-up and feedback.

Complaints and feedback may arise through various channels, such as customer dialogue, claims cases, supplier relations, employee surveys and pulse measurements, as well as the whistleblowing function. These are primarily handled within the relevant business unit and documented in accordance with applicable procedures.

Identified deviations, recurring feedback or improvement suggestions are analyzed and used as a basis for corrective and preventive actions, particularly in operations that work according to established management systems. When necessary, material cases are escalated to group level and considered in risk management, monitoring and governance.

Overall, complaints and feedback from stakeholders are used as a tool for learning and gradual improvement, in a manner that is proportionate and integrated into the organization's ordinary ways of working.

Question 42

Must be answered every year

Is there any additional information about the organization's sustainability work that is important to share in order for a reader of the sustainability declaration to get a complete and accurate picture of the organization's work with social responsibility in order to maximize its contribution to sustainable development? If the answer is yes, please provide additional information here.

Scandinavian Astor Group AB considers that for a complete and accurate picture of the organization's social responsibility it is also relevant to describe the group's overall societal contribution based on the nature and mandate of its operations.

The group's activities contribute to societal security, resilience and stability through the development and delivery of technical solutions that strengthen defense and security capabilities. From a sustainability perspective, a reliable deterrent capability and preventive security are assessed to contribute to a reduced risk of escalation and conflict, which in the long term can promote stability, peaceful societies and sustainable development. This view aligns with international arguments that a robust defense and security industry can contribute to peace, the rule of law and strong institutions, consistent with the UN's Sustainable Development Goal 16 on peaceful and inclusive societies.

The group thus operates in a context ranging from security-critical environments to applications that help protect civil society and critical infrastructure, and regards this as part of its social responsibility. The group operates in a sector subject to extensive national and international regulation regarding the development, production, use and transfer of defense- and security-related products and technologies. These regulatory frameworks, including export controls, sanctions legislation and licensing processes, constitute a central part of how risks of negative impacts on society and the wider world are prevented and limited. The high degree of regulation and oversight is therefore considered an important risk-reducing factor in the business and an integrated part of the group's work on responsible business conduct and social responsibility.

Furthermore, the group continuously considers opportunities to develop and apply technologies that are more sustainable and resource-efficient, without compromising function, safety or reliability. For example, the group has initiated work related to the evaluation of sodium-ion-based battery solutions for security and defense-related applications, reflecting the ambition to combine technical innovation with a long-term sustainability perspective within the scope of its operations.

Overall, the group believes that its contribution to sustainable development should be understood both in terms of internal governance and process matters and in terms of the societal benefit made possible by strengthened security, preparedness and resilience.