Patria

Annual Report 2025

Content

Patria has prepared for Sustainability reporting against Corporate Sustainability Reporting Directive (CSRD) in 2025. Patria has integrated the reporting standards (ESRS) requirements, according to double materiality assessment (DMA), partly into its sustainability report 2025.

ANNUAL REVIEW

Partner in critical operations on land, sea, air and networks

Patria

Patria in brief

Patria is an international defence and technology company that serves as a partner for customers in critical functions on land, sea and air.

Protected Mobility	Defence and Weapon Systems	Sustainment Solutions

Order book at the end of 2025:
3,526.1
(2,375.5) EUR million

Employees at the end of 2025
4,111
3,662 end of 2024, FTE

2025 net sales:
1,086.7
(825.7) EUR million

Net sales outside Finland
51%

Strategic partnership with the Finnish Defence Forces

Established in
1921

Patria's operating countries:

Finland, Sweden, Norway, Latvia, Belgium, the Netherlands, Germany, Slovakia, Poland, Japan

Patria

2025 Highlights

Patria's strong growth continued in 2025. The year saw historically large orders and the company adapting to strong growth.

Patria TRACKX tracked vehicle unveiled at the DSEI UK event in London

This new tracked vehicle has been designed to operate effectively in challenging conditions, combining good terrain mobility with situational awareness, adequate protection, and an exceptional operating range. It offers a modern and cost-effective alternative for today's lightweight tracked vehicles. The aim is to have the Patria TRACKX ready for serial production in 2027.

Patria TRACKX – maximum speed

+80 km/h

Patria is streamlining its operations and investing in production

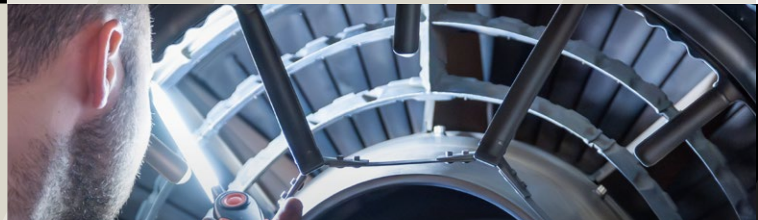
Patria switched to a new operating model as of 1 June 2025, and has now three business areas with profit responsibility: Protected Mobility, Defence and Weapon Systems, and Sustainment Solutions.
Patria has significantly increased its own production, besides investing in its production facilities in Hämeenlinna, Finland and Valmiera, Latvia, while continuing to promote its business concept based on technology transfer and local manufacturing.

40 EUR million investment in Hämeenlinna production facility

Many new agreements through the CAVS programme

In December, Patria and Germany signed agreements worth more than EUR 2 billion as part of the Common Armoured Vehicle System (CAVS) programme. This order includes Patria 6x6 vehicles and Patria NEMO mortar systems. There were also vehicle orders from Sweden and Denmark, which joined the CAVS programme in 2025 along with the UK and Norway.

Patria has already received orders including options for almost 2,000 Patria 6x6 vehicles through the programme. CAVS is open to countries that have similar requirements and have received the approval of the other participating countries.



Patria's new F-35 facilities in Linnavuori and Halli now complete

Patria's F-35 fighter assembly and maintenance premises in the Linnavuori district of Nokia have now been completed, and the property was handed over to Patria in autumn 2025. The Halli production facility's opening ceremony was held in June. This production line will enable the large-scale assembly of front fuselages for the F-35 fighter in Finland.

Target: **400** front fuselages

Patria enhances its digital services with the acquisition of ILIAS Solutions

Patria acquired ILIAS Solutions, a leading Belgium-based digital defence platform provider. Patria's strong foothold and expertise in the maintenance and sustainment of military fleets will be empowered by ILIAS' defence platform. ILIAS' software will feed into the Patria OPTIME service, offering multi-fleet management for optimal performance across defence forces and ensuring focus on mission success.

1 major acquisition in 2025

Patria

Ambition in action. Delivering at scale.

Year 2025 was defining for Patria, marked by the shift from ambition to delivery. As the global security environment continued to evolve, our aim remained the same: to serve the needs of our customers by delivering capabilities and grow alongside them.

Throughout the year, we demonstrated what ambition looks like in practice: we scaled production, entered new partnerships, advanced major programmes, and reinforced Europe's preparedness for the challenges to come.

Ready to deliver: a new operating model

To translate ambition into execution, as of 1 June 2025, Patria transitioned into our new operating model. By structuring ourselves into three key business areas, we ensure keeping adapting to a changing operating environment while responding effectively to increased demand and defence spending.

Across our operations, the focus on Protected Mobility, Defence and Weapon Systems, and Sustainment Solutions will enable faster platform delivery, stronger mission capability, and full lifecycle support to our customers. This new operating model will allow us to strengthen collaboration across the organisation as well as deliver at a faster speed, aligning with our customers' operational priorities.

Strong performance and increased demand

Patria's performance in 2025 was driven by strong execution and a significant increase in demand. We saw revenue increase by 32 per cent to exceed EUR 1 billion, while our order stock surpassed EUR 3.5 billion; both numbers at an all-time high level.

Patria's mission is to deliver to all our customers. By the end of 2025, more than half (51%) of our net sales came from outside of Finland for the first time, a clear milestone reflecting the growing international reach of our capabilities.

We also launched a major internal programme focused on improving Patria's profitability, while both Nammo and Millog continued to deliver very strong results.

Delivering on capability programmes

In 2025, the Common Armoured Vehicle System (CAVS) programme proved the importance of critical mass. In December, Patria and Germany agreed procurement contracts including options worth over EUR 2 billion – a pivotal moment that opens doors for further cooperation. The order comprises Patria 6x6 vehicles as well as Patria NEMO mortar systems, reflecting significant market interest also in our leading mortar system solutions.

Patria

With more countries joining CAVS, processes become smoother, costs go down, and the joint programme becomes a reference for others.

By the end of the year, seven countries were part of CAVS, with Denmark, the United Kingdom, and Norway joining the programme during the year, further strengthening interoperability and interchangeability among close partners, including within the Joint Expeditionary Force (JEF). Through the CAVS programme, we have already received orders including options for nearly 2,000 Patria 6x6 vehicles.

Patria TRACKX: built for extremes, combining mobility and performance

In response to growing capability needs, in September, we unveiled the Patria TRACKX tracked vehicle at DSEI UK in London. This system is the next evolution of battlefield mobility, designed to survive extreme conditions and optimised for all-terrain, and has been developed within the framework of the multinational EDF-funded FAMOUS programme.

The Patria TRACKX will be ready for serial production in 2027, and it represents a major step forward in European and allied mobility. We will continue exploring future performance-enhancing technologies as an investment today, for the European and allied capability needs of tomorrow.

Investments in production and meeting future demand

At Patria, we have continued to invest in the development of our own manufacturing operations, particularly within the Protected Mobility business area, which includes the armoured Patria 6x6, Patria AMV XP and Patria TRACKX vehicle programmes.

We have significantly increased our in-house production and invested in our facilities in Hämeenlinna, Finland and Valmiera, Latvia. In Hämeenlinna, production capacity has also been expanded for the Patria NEMO mortar system, as well as for the latest addition, the Patria TREMOS mortar system.

Demand for both Patria NEMO and TREMOS mortar systems has grown considerably.

In addition, we have continued to promote our technology transfer and local manufacturing concept. Although production has remained at a strong level, we are preparing for future demand to require additional capacity. A key example of this is the cooperation agreement concluded at the end of 2025 between Patria and Valmet Automotive, covering technology transfer for armoured vehicle manufacturing and the production of the first vehicles. First Patria's armoured vehicles will be manufactured at Valmet Automotive's production facility in Uusikaupunki in Finland during the second half of 2026.

The first Patria AMV XP 8x8 delivered to Japan Ground Self-Defense Forces

A testament to Patria's expertise in armoured mobility, together with our proven track record in international partnerships, in 2022 the Patria AMV 8x8 XP was selected as the successor to the Japan Ground Self-Defense Force's previously used vehicle fleet.

In September 2025, the first Patria AMV XP 8x8 armoured vehicle within the local 8x8 programme was delivered by Japan Steel Works in Japan.

Japan is already the ninth user nation of Patria AMV vehicles and has joined the international AMV community. We are now focused on successful delivery and deepening our long-term cooperation while discussing new opportunities locally.

Selected to bring modernisation and resilience, the programme uses technology transfer and brings local production to the Japanese Ground Self-Defense Forces.

Strengthening Finland's air power

Patria's new F-35 assembly, manufacturing and production facilities in Linnavuori, Nokia and Halli, Jämsä were completed in 2025. This also included the completion of the F-35 engine assembly and maintenance facility in Linnavuori, in collaboration with RTX's Pratt & Whitney, and the completion of the forward fuselage production line in Halli.

These projects support industrial growth and will strengthen Finland's air power in the coming years while also positioning Halli to manufacture components for the global Lockheed Martin F-35 supply chain and support long-term industrial resilience.

ILIAS Solutions: Smarter fleet management

The acquisition of ILIAS Solutions, a leading Belgium-based digital defence platform provider, supports significantly expanding our expertise in defence fleet management. The integration of ILIAS into the Patria OPTIME service concept will ensure that our customers' fleets perform at their best in every operational environment.

The future of defence technology

Since 2025, Patria has also been leading a new industrial consortium, the Artificial Intelligence Warfare Adaptive Swarm Platform (AI-WASP) programme, focusing on AI-driven electronic warfare and data transfer technologies. Supported by EUR 45 million from the European Commission, this programme has put Patria at the forefront of Europe's technological defence capabilities, following the success stories of FAMOUS and CAVS.

We will continue forward, driven by ambition

Demand for Patria's products, services, and expertise continues to grow strongly. This is not accidental. It is the result of long-term focus, investment and the trust placed in us by our customers and the continuous efforts of our over 4000 talented Patrians. As we look ahead, our core driver remains the same: ambition. At Patria, we believe in work that matters and everyone's capability to make a difference.

While it may be difficult to predict future demands based on today's global security, we will continue to do everything in our power to meet our customers' evolving requirements, shoulder to shoulder with our partners.

Our commitment is simple: deliver when it matters most, because if is not an option.

Esa Rautalinko
President and CEO
Patria

At Patria, we believe in work that matters and everyone's capability to make a difference.

Europe's growing responsibility for its own security

Russia's aggressive invasion of Ukraine has had profound and long-lasting effects on the security situation in Europe and worldwide. It has served as a reminder of the importance of national defence and alliances. The war has prompted nations to take a critical look at their own defence industries, whose strengthening and increased production capacity are necessary in order to ensure both national security and security of supply.

Many European countries have increased their defence budgets, and at NATO's June 2025 Summit in The Hague, Alliance members pledged to invest at least 5 per cent of GDP in defence annually by 2035. Of this, 3.5 per cent is to be allocated to NATO-specified defence expenditure in order to meet NATO's performance targets. Alliance members must also be prepared to allocate an additional maximum of 1.5 per cent of GDP to protect critical infrastructure, ensure crisis resilience, promote innovation, and strengthen the defence industrial base.

Urgent political decisions on defence

Although defence preparedness is improving, the necessary political decisions are still being delayed in many countries. These decisions should now be accelerated.

The European countries closest to Russia have best understood the importance of strengthening defence capabilities. In addition to the Nordic countries, Poland and the Baltic countries have also embarked on a determined effort to develop their defence.

The defence industry is a very capital-intensive business. Defence companies operate on a commercial basis. Without binding government decisions on procurement and a long-term outlook for continued demand, they will not increase their production to the levels required for extensive improvements in the security situation.

The market for defence industry products has begun to see clear growth, particularly in Europe. After Russia's full-scale invasion of Ukraine, demand for ammunition grew dramatically. Following this, the focus turned to the sufficiency and condition of defence materiel stocks. This has also greatly increased interest in Patria's products, particularly armoured vehicles. In addition, Finland's NATO membership is boosting interest in the Finnish defence and security industry.

In the long term, the burgeoning defence market opens up excellent opportunities for Patria to pursue further significant international growth in line with its strategy. In addition to new products, customers will also have a growing need for lifecycle support services – an area in which Patria has profound expertise and cost-effective solutions.

Traditional defence materiel will also be needed to strengthen defence. However, in the long term, the focus will shift to new capabilities that require more advanced technology than that of the counterparty. Patria is preparing for this by investing heavily in its own research and product development, and by participating in co-development projects both in Finland and internationally.

Global geopolitical environment is volatile

Defence industry needs to be faster and more efficient

European and global security situation has changed

Patria has unique expertise in securing Europe

Defence issues take centre stage in the EU

Defence has also risen on the EU's agenda in an unprecedented fashion. This underlines the importance of cooperation in the development of both Europe's defence and the European defence industry.

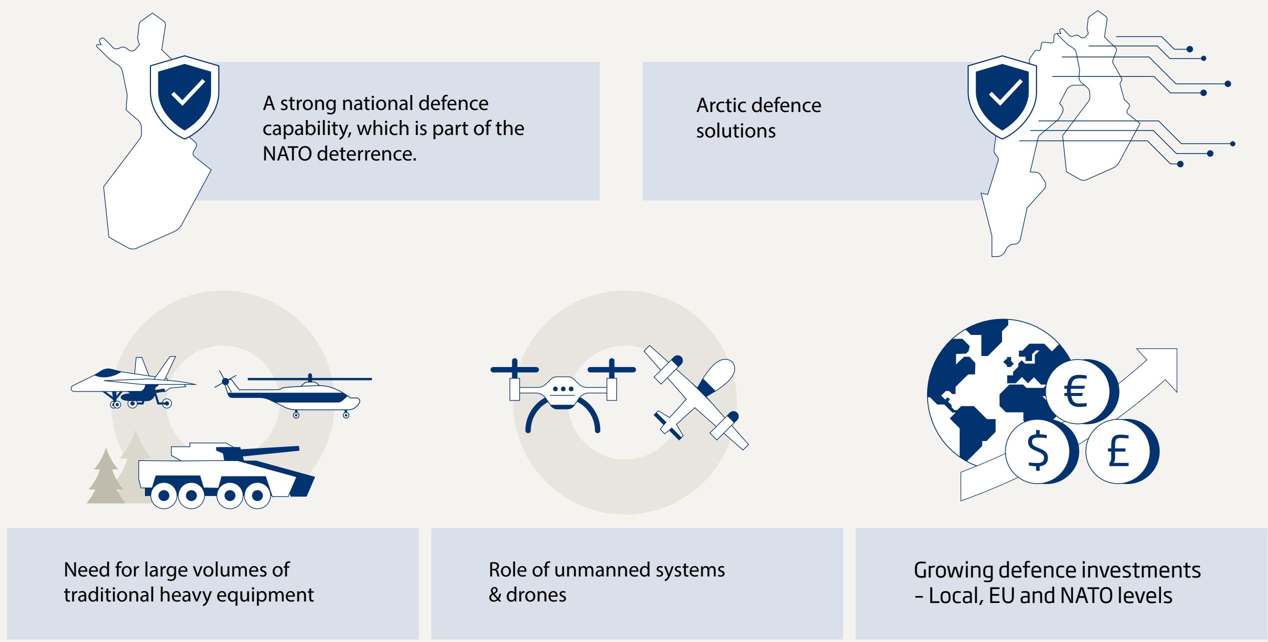
ReArm Europe is a European Commission initiative to mobilise up to EUR 800 billion for EU defence investments over the next few years. To achieve this, EU countries can request that the Union activate a national exception clause to enable increased defence spending. This means that a Member State can temporarily break the rules of the EU's Stability and Growth Pact if defence investments require it. The exception may be a maximum of 1.5 per cent of GDP annually until 2028.

The ReArm Europe initiative also includes new funding mechanisms, such as a EUR 150 billion financial instrument to promote joint EU defence procurements in areas such as military mobility, air defence, ammunition and drones. The initiative also aims to reduce dependence on non-EU suppliers.

Another EU funding programme, the European Defence Industry Programme (EDIP), will support the European defence industry and joint procurement in 2025–2027. The European Defence Fund (EDF) is also making significant contributions to defence research and innovation through European joint ventures.

The CAVS and FAMOUS vehicle programmes led by Finland and Patria are good examples of how European countries and companies are successfully cooperating to strengthen defence while generating added value for all participants.

Changes in operating environment



A refined strategy for continued strong growth

Patria refined its growth strategy to respond more effectively to significantly increasing demand and a constantly changing operating environment. Patria is an internationally competitive company that provides all its customers with high-performance products and services in a cost-effective manner.

Patria's operating environment has changed significantly since the company started working on its strategy for the period ending in 2025. In March 2025, Patria refined its growth strategy to enable the company to respond more effectively to significantly increasing demand and a constantly changing operating environment. The company therefore decided to switch to a new operating model based on three business areas with profit responsibility and joint support functions.

Strong growth requires efficiency

Patria will continue to be a strategic partner to its customers in all of their critical operations. The cornerstones of the company's revised growth strategy are growth, profitability, technology, people, sustainability and compliance.

Patria's core mission remains the same: to guarantee and develop security of supply in Finland. The company is also developing European security of supply through, for example, technology transfers to customer countries. Patria has already identified and succeeded in achieving significant growth in international markets and new customer groups.

By seeking international competitiveness and financial growth, Patria will also be able to provide all of its customers with solutions that improve both cost-effectiveness and performance. At the same time, this will help ensure the successful implementation of the company's basic mission in Finland. Thanks to its Horizon strategy and new operating model, the Group has now become an even more tightly knit whole. Patria's commitment to sustainability ensures the long-term continuity of its operations, supports security of supply, and facilitates long-term mission readiness.

Patria is a partner to its customers in their critical operations.

By enhancing its operations and decision-making, Patria has increased customer satisfaction and is aiming for a significant improvement in profitability. Patria's product and service offering has also been developed in line with the company's strategy.

Our values

WE WANT TO SUCCEED	WE ARE PROUD OF OUR WORK, AND WE WANT TO SHOW IT.
OUR OPERATIONS ARE CUSTOMER ORIENTED	COOPERATION GUARANTEES THE SUCCESS OF ALL PARTIES.
TOGETHER WE CREATE SUCCESS	WE GIVE CONSTRUCTIVE FEEDBACK. WE ENJOY SUCCEEDING TOGETHER.

Mission:

We give our customers confidence in all conditions.

Customer promise:

When if is not an option.

Employer promise:

You make the difference.

Vision:

The #1 partner for critical operations.

Patria's order book and demand are experiencing significant growth, particularly in vehicle programmes.

In order to meet the increasing demand arising from strong growth, the company will need to operate more efficiently and in closer alignment with its changing operating environment. This will guarantee security of supply for both new and existing orders. Patria's new operating model will also support the development of the company's profitability.

A strong player in the defence market

The key drivers of Patria's growth strategy include a significant increase in defence investments at both the national and EU levels, as well as strong growth in demand for defence solutions and equipment.

Strategic target reached

Net sales

EUR 1,086.7 million

(2024: EUR 825.7 million)

The global defence sector is changing, and Patria's customers have evolving needs that the company aims to meet. Demand for Patria's products and services is also driven by the growing importance of regional and Arctic defence, along with the development of European defence through Finland and Sweden's membership in NATO.

Russia's aggressive invasion of Ukraine fundamentally changed the European security landscape, resulting in countries increasing their investments in defence over the coming years. These developments are being spurred on by European NATO countries' commitments to increase their defence budgets in line with decisions made at the 2025 NATO Summit.

It is difficult to gauge the impact of the geopolitical situation and general economic uncertainty on the long-term development of Patria's operating environment. Patria's strengths will help the company respond to this changing environment and manage its risks.

Defence investments do not automatically mean growth for defence companies – they must have competitive products and services that meet customer needs. Involvement in competitive international markets will keep Patria's cost-efficiency and innovation at a world-class level.

Although competition is fierce in international markets, Patria has managed to excel. The company is now an even stronger player in the defence market, and in Europe in particular.

New orders for Patria's armoured vehicles are the main driver of its growth strategy, but there is also increasing international interest in the company's weapon systems and electronic intelligence and surveillance products.

Deliveries of new equipment create opportunities to expand the related support services throughout the products' entire lifecycle. The company is actively seeking growth in service and maintenance operations in international markets.

Faster R&D and development processes

More and more defence customers are seeking ready-to-use integrated system solutions rather than individual capabilities. This means that customers get a functional, high-performance solution right away, saving both time and costs. One of Patria's strengths is bringing various capabilities together to create a package that meets the customer's needs.

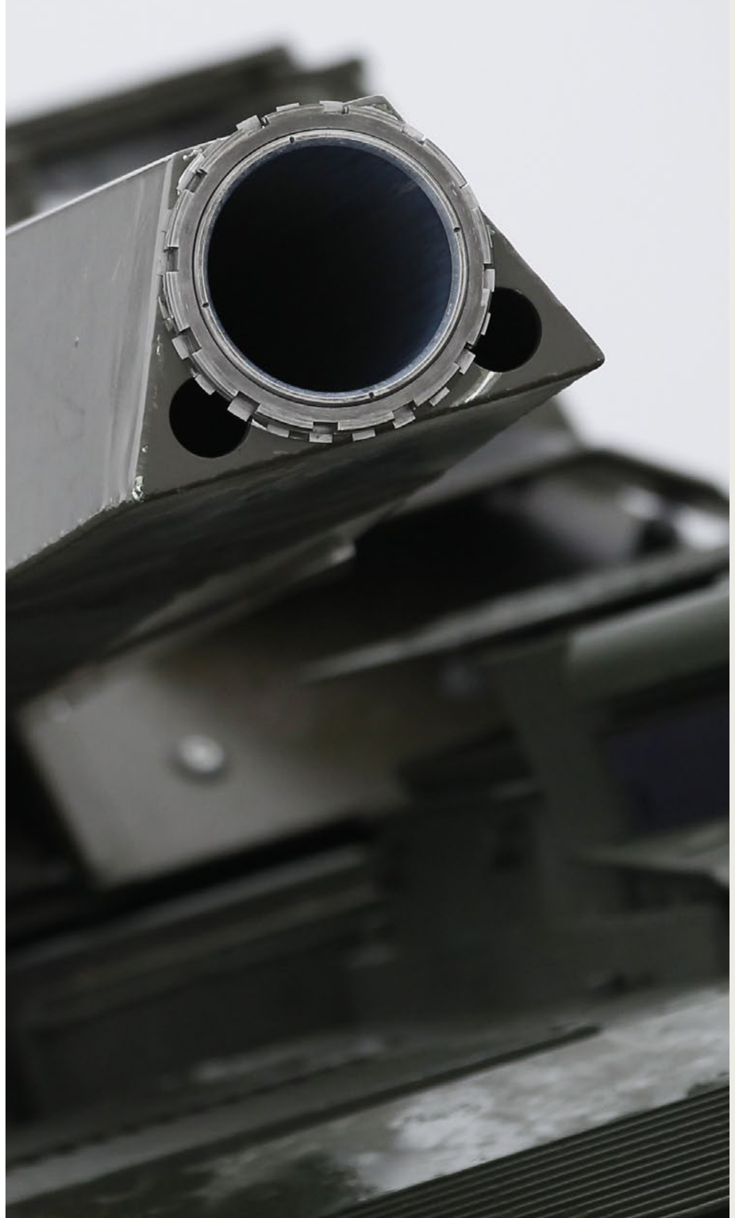
Modern warfare is also rapidly evolving with new solutions and technologies that need to be developed at an increasingly fast pace. The rapid battlefield rollout of drones is just one example.

Patria is responding to this rate of change by creating faster development processes. In this area also, it is important for Patria to engage in national and international cooperation through a variety of ecosystems in order to stay at the forefront of technological development.

In addition to new technologies, there is also demand for solutions that have been in use for longer and have already proven their effectiveness. Growing interest in Patria's NEMO mortar systems is one strong example of this.

Patria's core mission is to ensure security of supply.

Patria is responding to the rate of change with faster development processes.



Patria

New operating model to meet growth targets and changing customer needs

In response to Patria's ambitious growth strategy, the Group has made major changes to its organisation and operating model in recent years. During 2025, the company implemented a major internal development programme, which will play a key role in achieving growth and profitability targets in the coming years.

In line with the revised strategy, Patria adopted a new operating model in early June. The model will improve operational efficiency and enable better co-development and more efficient use of resources.

The new operating model is based on three business areas with profit responsibility:

Protected Mobility is responsible for new vehicle sales, as well as their offering and deliveries.

Defence and Weapon Systems covers the production and development of weapon systems, electronic intelligence and surveillance products, and drones, among other systems. The business area is also responsible for the sale, supply and delivery of products.

Sustainment Solutions is responsible for lifecycle services and software products as well as their sales, offering, and deliveries. In addition, it is responsible for the strategic partnership with the Finnish Defence Forces and Patria's public authority business.

Patria's organisation

Esa Rautalinko
President and CEO

PROTECTED MOBILITY	DEFENCE AND WEAPON SYSTEMS	SUSTAINMENT SOLUTIONS	F-35
Jussi Järvinen Executive Vice President, Protected Mobility	**Mikko Leino** Executive Vice President, Defence and Weapon Systems	**Pekka Ruutu** Executive Vice President, Sustainment Solutions	**Petri Hepola** Chief Programme Officer, F-35

SALES AND MARKETING
Finland: Defence Branches and Other Security Authorities | Nordics | Europe | World | Marketing

Petri Hepola
Executive Vice President, Sales and Marketing

GROUP FUNCTIONS
Finance | IT | HR and Comms | Legal | Others

Päivi Lindqvist	**Leena Orpo**	**Ara Haikarainen**	**Kari Renko**
Chief Financial Officer	Chief Human Resources Officer	Chief Legal Officer	EVP, Strategic Programmes

Patria Group's joint support functions, including a centralised sales and marketing unit, support the business areas. The business areas are directed by the CEO with the support of Patria's Management Team.

In the new operating model, Millog continues as a Patria Group company. As a strategic partner to the Finnish Defence Forces, Millog continues to be responsible for the maintenance and spare parts logistics of Army and Navy equipment and systems, and the maintenance of certain systems for the Air Force. Millog's current organisational structure remains unchanged, and the company will continue to collaborate with Patria's other business areas.

New model clarifies responsibilities and streamlines the supply chain

By seeking international competitiveness and growth, Patria will also be able to provide its Finnish customers with new solutions that improve both cost-effectiveness and performance.

The new operating model helps achieve these goals by speeding up decision-making and bringing operations closer to customers. It clarifies responsibilities and facilitates supply chain management, as the entire chain from product development to product governance and sales operates within each business area. This improves planning and helps allocate resources efficiently based on strategic value.

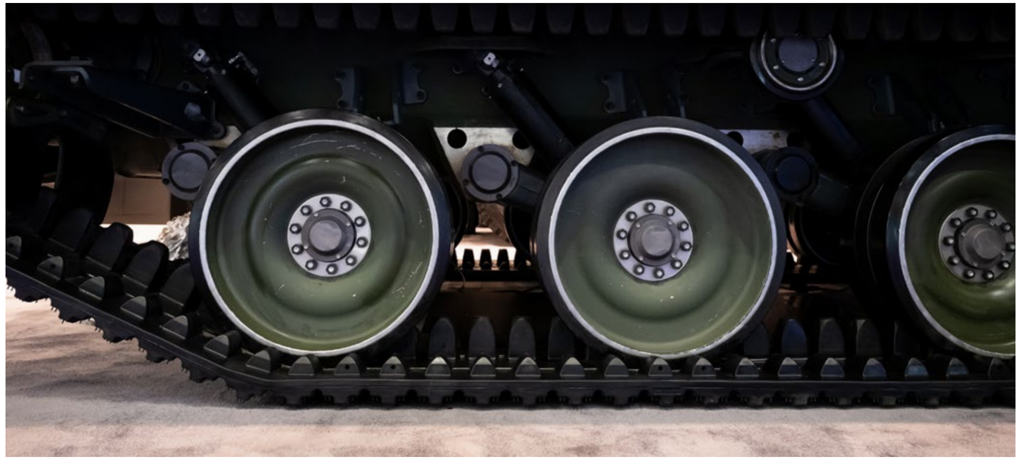
Sales and business development teams are in close contact with customers at all times, and information from the customer interface is transferred to product development and governance more quickly and efficiently. This enables a faster response to customer needs.

Investments increase production capacity and efficiency

Alongside the new operating model, Patria has made new investments to meet growing demand and improve the customer value and competitiveness of its offering.

A significant part of the implemented operational measures have focused on increasing production capacity to meet the growing demand for armoured vehicles in particular, and to improve the productivity of operations.

Patria has significantly increased its own production and made investments in its production facilities in Hämeenlinna, Finland and Valmiera, Latvia. In order to scale up production, in March 2025, Patria decided to invest around EUR 40 million in the expansion of production of armoured vehicles in Hämeenlinna. The expansion project includes a new production facility and the development of existing facilities.



Once completed, the expansion will nearly double the production capacity of Patria's plant in Hämeenlinna. The new production facilities are expected to be operational by the end of 2027.

Capacity to scale up production as demand grows

Although Patria's production capacity is currently at a very good level to supply all existing and projected orders, additional capacity is still required to meet future demand.

In view of this, in December 2025, Patria signed an agreement with Valmet Automotive on the technology transfer and production of armoured vehicles. The first Patria armoured vehicles will be manufactured at Valmet Automotive's production facility in Uusikaupunki, Finland during the second half of 2026.

Patria has also continued to advance its business concept based on technology transfer and local manufacturing. In vehicle delivery projects to international customers, the approach involves local manufacturing and the transfer of related technology to the destination country.

In lifecycle services, investments are being made to meet new customers' evolving needs. In the autumn, an assembly and maintenance facility for Finland's F-35 fighter jet engines was completed in Linnavuori in Nokia. The facilities will be used for engine assembly and their maintenance throughout the lifecycle of the aircraft. The opening ceremony of the F-35 production facility was held at Patria's site in Halli, Jämsä. The production line will enable the large-scale assembly of front fuselages for F-35 fighters in Finland, with production expected to start in 2026.

Millog Group concluded agreements in Sweden and France.

Close cooperation with the strategic partner and internationalisation in line with strategy

Millog Oy's year progressed in accordance with the objectives set in the strategy and in respect of partnership principles. Significant steps were taken in internationalisation. The strong growth of the subsidiary Senop reinforced the results of the Millog Group.

MILLOG provides technical equipment and system maintenance, lifecycle management, and logistics services to its strategic partner, the Finnish Defence Forces and other security-critical operators. The company's responsibilities include the maintenance of vehicles and armoured equipment, weapon and electronic systems, vessels and various other systems; the provision of the material and lifecycle services required by them; and equipment and system installations and modifications. The Millog companies include Millog's wholly-owned subsidiaries Senop Oy and Millog Marine & Power Oy. Patria owns a 61.8% holding in Millog.

The cooperation between Millog Oy and the Finnish Defence Forces was carried out during the year in accordance with the objectives and in respect of the principles of partnership. Millog actively supported the Defence Forces in military exercises and NATO operations.

The implementation of the strategy progressed as planned. The updated strategy was presented to the leadership of the Defence Forces to ensure a shared direction. Internationalisation in line with the strategy progressed, as Millog signed a framework agreement in the spring with the Swedish Defence Materiel Administration (FMV) for the maintenance of Patria-manufactured XA vehicle equipment. Late in the year, the subsidiary Senop finalised its largest ever foreign optronics order with the French Armament General Directorate (DGA) – the deal for Senop's AFCD TI smart sights was completed in early 2026.

Senop's record-breaking revenue and excellent result were confirmed by surpassing the EUR 100 million mark in new orders. The market situation for the subsidiary Millog Marine & Power (MMP) in repair shipyard services remained challenging, requiring adjustments to operating costs. However, the direction of MMP's other service business was corrected as demand increased and the service offering expanded.

Sustained demand drives Nammo's strong growth

Nammo, a leading international aerospace and defence company jointly owned by Patria and the State of Norway, continued its strong growth in 2025. Revenues, profits and order stock reached record levels, driven by sustained demand for ammunition and rocket motors in Europe and North America.

Nammo grew strongly in 2025, increasing revenues by 32% to NOK 14.41 billion and achieving record pre-tax profits of NOK 1.74 billion. Growth was driven by sustained demand for ammunition, rocket motors and shoulder-fired systems, particularly in Europe and North America. The company strengthened its role in security of supply through strategic partnerships with the Finnish and Norwegian Defence Forces and a new Nordic agreement covering ammunition production and servicing. Nammo continued major investments in capacity, technology and responsible operations to meet long-term demand.

Nammo continued its strong growth trajectory in 2025, driven by sustained demand for ammunition, rocket motors and shoulder-fired systems across its core markets in Europe and North America. Revenues rose by 32% to NOK 14.41 billion, and pre-tax profits reached a record NOK 1.74 billion. The company strengthened its role in security of supply through longstanding strategic partnerships with the Finnish and Norwegian Defence Forces, as well as a new Nordic agreement covering the delivery, production and servicing of ammunition in times of peace, crisis and war. The war in Ukraine and increased stockbuilding among allied nations contributed to a 38% rise in Nammo's order backlog, reaching NOK 55 billion in 2025. To meet long-term demand, Nammo continued major investments in production capacity, R&D and key technologies that enhance range, accuracy and performance. Sustainability remains central to operations, with ongoing efforts to reduce waste, improve energy and material efficiency, and lower the company's carbon footprint.

Protected Mobility

Patria

Highlights 2025

- Patria received orders including options for nearly 2,000 Patria 6x6 vehicles and delivered more than 300 vehicles.
- The order placed by Germany is valued at EUR 2 billion, including options, and is the largest single deal in Patria's history.
- The new Patria TRACKX tracked vehicle is also attracting international interest.

Protected Mobility is responsible for the supply, offering, sale and delivery of Patria's new vehicle projects. Success in armoured vehicles continues, with Patria's 6x6 vehicles in particular demand.

By the end of the year, Patria had received orders including options for nearly 2,000 Patria 6x6 vehicles and delivered more than 300 vehicles to customers.

The deliveries of Patria 6x6 vehicles are part of the multinational Common Armoured Vehicle System (CAVS) programme, in which Finland and Patria are the lead partners. At the end of the year, the CAVS programme had seven countries participating: Finland, Sweden, Latvia, Denmark, Norway, Germany, and the UK.

Participating countries in the CAVS programme will have the opportunity to purchase cost-effective, high-performance modular armoured vehicles according to their requirements.

During the year, Patria's 6x6 vehicles were delivered to Latvia, Finland, Sweden and Denmark, and technology transfer to Germany is underway. The vehicles are manufactured in Finland and Latvia.

The largest single deal in Patria's history

In December, Patria and Germany signed two contracts for Patria's 6x6 armoured vehicles valued at more than EUR 2 billion, including options. The base value of the order exceeds EUR 1 billion. The contracts include the procurement of up to 876 Patria 6x6 armoured vehicles in four different vehicle variants, including vehicles equipped with the Patria NEMO mortar system.

The order for vehicles and mortar systems by Germany is the largest single deal in Patria's history. It also means that the Patria 6x6 will become the European standard for armoured vehicles.

During the year, orders for Patria 6x6 vehicles were also received from other countries. Denmark joined the CAVS programme and placed an order for 129 Patria 6x6 vehicles in July. Patria delivered the first vehicles manufactured in Finland as early as September and launched the related training programme.

In December, Sweden placed an additional order for 94 Patria 6x6 vehicles under the CAVS programme. Including this additional order, Patria will deliver a total of 415 vehicles to the Swedish Armed Forces between 2025 and 2030.

Latvia ordered 42 Patria 6x6 vehicles through the programme to be delivered to Ukraine, all of which were delivered in 2025. Patria is also preparing for possible armoured vehicle purchases by the UK. In September, Patria and Babcock International Group signed a partnership for the production of Patria 6x6 armoured vehicles in the UK.

The CAVS programme has also attracted interest from other countries and is open to new countries joining the project with the mutual approval of the current participants.

Patria unveiled the new TRACKX tracked vehicle

During the year, the FAMOUS (European Future Highly Mobile Augmented Armoured Systems) programme, which develops technologies of future armoured vehicles, also progressed as planned.

The programme, led by Finland, has 11 participating countries, and the Patria-led industrial consortium includes more than 20 defence sector companies from different EU countries.

In Finland, the FAMOUS programme focuses on the development of the Finnish Army's Arctic mobility, but other climate conditions are also covered in the development. As with the CAVS programme, key advantages of the co-development programme include cost-effectiveness and the delivery to market of an entirely new type of lightweight, high-performance tracked vehicle that has undergone years of testing.

The FAMOUS programme continued to progress as planned. In September, Patria unveiled the new Patria TRACKX tracked vehicle at DSEI UK in London, and it has already attracted plenty of international interest. Patria TRACKX will be ready for serial production in 2027.

Patria AMV 8x8 also attracts international interest

In September, the first Patria AMV XP 8x8 vehicle was delivered to the Japan Ground Self-Defense Force. The vehicle was manufactured in Japan by Patria's partner Japan Steel Works.

Series production of 8x8 vehicles is also underway in Slovakia.

Patria and Rosomak S.A., the licensed manufacturer of Patria 8x8 vehicles in Poland, agreed in December to continue their partnership until 2034, with Rosomak manufacturing Patria AMV 8x8 vehicles under licence in Poland.

The extension of the manufacturing licence will strengthen Patria's long-term role as a reliable technology supplier to the Polish defence industry and expand international sales opportunities, including projects under the Security Action for Europe (SAFE) financial instrument.

In addition to Poland, Patria AMV 8x8 vehicles are widely in use in several European countries such as Sweden, Finland, Croatia, Slovakia and Slovenia.

Success in armoured vehicles continues, with Patria's 6x6 vehicles in particular demand.

Patria 6X6

Patria 6x6 is built on the heritage of Patria's iconic armoured vehicles. Modular and cost-effective, Patria 6x6 is an excellent choice for all protected troop transport and combat support roles. In 2025, through the multinational CAVS programme, Patria received orders including options for nearly 2,000 Patria 6x6 vehicles.

Key benefits and performance	Patria 6x6 is a cost-effective and versatile vehicle for tactical troop transport and support tasks. It combines high-level protection and excellent off-road mobility enabled by independent suspension and a high-performance driveline. The vehicle offers stable handling, long operating range, more than 30 years of service life and an optional amphibious capability.
Integrations and compatibility	Patria 6×6 can be configured for multiple roles such as armoured personnel carrier, command post, medical evacuation and as a platform for the Patria NEMO mortar system.
Technical data	- Protection: STANAG Level 2 (option for Level 4) - Carrying capacity: 2 + 10 - Independent suspension, continuous all-wheel drive (amphibious readiness as an option) - Equipment for 72-hour mission requirements
Use cases	Protected troop transport, combat support, command tasks and indirect-fire support platform.

Patria AMV 8X8

Patria AMV XP is a high-performance armoured multi-purpose vehicle based on Patria's long-term 8×8 development. The combat proven AMV family has gained experience from various operations internationally. AMV XP provides high protection, high payload and excellent mobility in demanding conditions, and has been delivered to several armed forces across continents.

Key benefits and performance	Patria AMV XP is a high-performance armoured multi-purpose vehicle based on Patria's long-term 8×8 development. The combat proven AMV family has gained experience from various operations internationally. AMV XP provides high protection, high payload and excellent mobility in demanding conditions, and has been delivered to several armed forces across continents.
Integrations and compatibility	The vehicle architecture enables integration into C4I systems, sensors and fire-control solutions.
Technical data	- Modular protection: up to STANAG K5+ - Mine and IED protection: STANAG 4a/4b - Carrying capacity: 3 + 10 - High capacity for weapon systems and mission equipment
Use cases	Mechanised infantry, fire support, reconnaissance and special operations.

Patria TRACKX

Patria launched the Patria TRACKX tracked vehicle in autumn 2025. It represents a new generation of lightweight tracked vehicles combining high mobility, low weight and a good protection level. Developed in the FAMOUS programme, it is designed for all terrains - especially arctic and soft-soil conditions - and meets modern defence requirements.

Key benefits and performance	In the class of lightweight tracked vehicles, Patria TRACKX is a modern and cost-effective solution. Thanks to composite rubber tracks it offers exceptional cross-country mobility (bog, snow, steep terrain), best-in-class top speed, a 500 km operating range and functionality in extreme temperatures (−46 to +44 °C).
Integrations and compatibility	TRACKX fulfils FAMOUS-programme requirements and is suitable for European co-production and in-service support models, among others.
Technical data	- Weight class: 13–18 tonnes - Protection: STANAG K1 (ballistic) and M1 (mine) - Top speed up to 88 km/h - Carrying capacity: 2 + 10
Use cases	Armoured personnel transport, high-mobility combat missions, arctic and soft-soil operating environments.

Defence and Weapon Systems

Highlights 2025

- The business area seeks strong international growth.
- Patria NEMO mortar systems have attracted particular interest.
- Advantages include state-of-the-art products and high-performance systems.

Patria's Defence and Weapon Systems business area is responsible for weapon systems, electronic intelligence and surveillance systems, and drones.

In weapon systems, Patria's spearhead products include Patria NEMO mortar systems, which bring the mobility, firepower and protection of mortars to the next level, both on land and at sea. Interest in Patria's NEMO products in international markets is constantly growing. There have already been orders for mortar systems outside Finland, and as many as a dozen countries have expressed interest in procuring them in the coming years.

Patria NEMO mortar systems are also included in the procurement contract signed with Germany in December 2025, for the purchase of up to 876 Patria 6x6 armoured vehicles in four different vehicle variants, including vehicles equipped with the Patria NEMO mortar system and the Kongsberg RS4 remotely operated weapon system.

New TREMOS mobile artillery system under development

The new Patria TREMOS mortar system has also attracted international interest. Thanks to new recoil dampener technology developed by Patria, the TREMOS system can be integrated into different types of vehicle chassis, making it a robust and cost-effective way to improve the mobility and accuracy of conventional mortars.

In March 2025, at the Patria Arctic Event hosted in Lapland, Patria unveiled the new 155 SPG (Self-Propelled Gun) mobile artillery system developed for Arctic conditions. Assigned the project name ARVE (ARtillery on VEhicle), the system is based on the Patria 155K98 field artillery, which is widely used by the Finnish Defence Forces. Featuring state-of-the-art technology and high performance in a mobile artillery system that can be integrated with any type of suitable vehicle chassis, the ARVE system is expected to meet growing international demand.

Interest in electronic intelligence and surveillance solutions

In electronic intelligence systems, Patria signed a contract with a NATO member state for the supply of the Patria ARIS system. ARIS collects data on the adversary's fixed surveillance radar installations and mobile radar systems on ships and aircraft, for example. The system can also be used for the reconnaissance of different weapons systems.

The Patria MUSCL passive radar system for improved aerial surveillance has also attracted growing international interest, as the solution developed by Patria can effectively cover the blind spots of traditional radar systems. Invisible to the enemy, the passive radar also detects small and low-flying objects, such as drones.

Drone systems complement Patria's product range

Patria's expertise in autonomous systems has been strengthened by the acquisition of drone systems manufacturer Nordic Drones, which was integrated into Patria during 2025. Drone systems complement Patria's comprehensive offering by enabling the integration of unmanned technology in areas such as indirect fire control systems and vehicle protection.

For years, Patria has developed technologies and solutions to enable unmanned operations in military applications. One area where this expertise is now being put to use is the collaboration between Patria and the Swedish startup ACC Innovation, in which the large quadcopter developed by the company is being militarised for use by a NATO member state.

Ready products with fast delivery times

The Finnish Defence Forces will continue to be an important customer for Defence and Weapon Systems, but future growth will be sought primarily from international markets. Products and systems that have been refined and proven effective in Finland provide an excellent starting point for internationalisation.

The product range of Defence and Weapon Systems consists of finished products that can be delivered on a relatively fast schedule. This is a key advantage in the defence market, where demand for products is growing rapidly as countries increase their defence expenditures.

In addition to individual products, Defence and Weapon Systems is able to offer high-performance comprehensive solutions. The customer does not need to build the required capabilities piece by piece, as technologies such as target identification and indirect fire control are included in the solution offered by Patria.

Signal, passive radar and drone systems provide real-time and comprehensive situational awareness that can be used immediately for indirect fire control or the operation of armoured vehicles, for example.

Drone systems complement Patria's comprehensive offering.

Patria

Patria NEMO

Patria NEMO is a global market leader among modern mortar systems. It is a modern, mobile and protected 120 mm turreted mortar suitable for both land and naval platforms, providing rapidly responsive fire support. It is in service in several countries as part of mobile fires solutions.

Key benefits and performance	A turreted, remote-controlled 120 mm mortar with high mobility, protection and firepower, enabling fire on the move, direct fire for self-defence and rapid egress from the firing position.
Integrations and compatibility	Installable on 6×6, 8×8 and tracked platforms, as well as naval platforms (NEMO Navy). Integrates with fire-control systems, sensor networks and tactical C2 solutions.
Technical data	- Remote-controlled, modular turret - Automatic loading system - Range over 10 km - MRSI capability
Use cases	Rapid indirect fire support, mobile formations, naval fire support and urban-combat self-defence (direct fire).

Patria TREMOS

Patria TREMOS is a new-generation 120 mm evolution of the traditional mortar. The lightweight, vehicle-integrated system suits modern, rapidly changing combat situations; launched in 2024.

Key benefits and performance	Designed for rapid action, offering quick displacement, high firepower and protected operation.
Integrations and compatibility	Compatible with multiple vehicle platforms and standard 120 mm mortar ammunition. BMS and INU integrations enable fast position changes and high first-round accuracy.
Technical data	- Lightweight, modular structure - 360-degree firing sector - Advanced recoil management - Operation without ground supports, with a small crew
Use cases	Infantry fire support, mobile fire units and rapidly changing combat scenarios.

Patria Drones

Patria's unmanned systems portfolio covers light, tactical and long-range UAV solutions for governmental and defence use. The SKY, ONE and GEO models address reconnaissance, surveillance, measurement and situational-awareness needs and can carry versatile sensors and payloads.

Key benefits and performance	Modern and scalable ISR solutions: SKY for long-range missions, ONE for tactical modularity and GEO for precise surveying and mapping.
Integrations and compatibility	Support for swappable sensors, radios, payloads and tether options; includes Patria CANDL datalink and integrates with command networks and MUM-T operations (Manned-UnManned Teaming).
Technical data	- Modularity, low mass and robust weather protection - High security, incl. encrypted radio link - Long endurance and range (model-dependent)
Use cases	Reconnaissance, situational awareness, measurement, surveillance, public-authority tasks and security-sector operations.

Sustainment Solutions

Highlights 2025

- Strategic partnership with the Finnish Defence Forces expands from lifecycle services to technology partnership.
- Acquiring ILIAS Solutions strengthens our international position in data-driven services.
- Customers depend on Patria in demanding projects and assignments.

Patria Sustainment Solutions is responsible for lifecycle services and software products offered by the company, and their sale, offering, and delivery, among other areas. The business area is also responsible for Patria's strategic partnership with the Finnish Defence Forces and Patria's public authority business.

The backbone of the business area is lifecycle services provided to the Finnish Defence Forces within the framework of the strategic partnership. Patria ensures that the military aviation, maritime defence and command and control systems of the Finnish Defence Forces remain operational throughout their lifecycle under all security conditions. Patria's services cover areas such as the maintenance, repair and overhaul of equipment and training related to the systems.

The collaboration, which goes back more than a century, was extended as Patria and the Finnish Defence Forces renewed their strategic partnership agreement in November 2025. At the core of the partnership are long-term co-development objectives, preparations related to maintaining peacetime readiness, and response in exceptional circumstances.

A new feature in the agreement is the technology partnership, which will enable the development of new capabilities in close cooperation with the Finnish Defence Forces. This allows capabilities to be developed in a more agile way to meet changing needs.

The new partnership agreement also covers preparations for the arrival of the Finnish F-35 fighters and related lifecycle services.

Acquisition strengthens data-driven lifecycle services

Patria has been committed to the systematic development of data-driven lifecycle services that use data and analytics to ensure the performance and cost-effective operation of equipment and systems.

This expertise has been productised as the Patria OPTIME service, which has also attracted interest in international markets.

In 2025, Patria strengthened its data-driven lifecycle services by acquiring the Belgian software company ILIAS Solutions. The acquisition is an important step towards Patria's strategic goal of becoming a global leader in the digitalisation of defence. The ILIAS software platform, which will be integrated in to the Patria OPTIME service concept, will give customers faster access to data to support decision-making, better visibility into fleet management, and smarter maintenance solutions.

ILIAS software products are well known in the defence sector and will retain their own brand. ILIAS Solutions has offices in Belgium, the Netherlands, Denmark, the US, and Australia.

Customers trust Patria in demanding assignments

In addition to its Finnish units, Patria Sustainment Solutions also offers lifecycle services through its units in Sweden, the Netherlands, and Belgium, which have a large international customer base in areas such as aircraft engine maintenance and repair.

In early 2025, following a tendering process, Patria signed a four-year contract extension for the maintenance of Swedish police helicopters. Patria has been responsible for the maintenance of police helicopters since the 1960s.

Customers also depend on Patria's ability to carry out demanding modifications and modernisations of military equipment. An example of this are the upgrades ordered by Sweden in December 2025 for the previous generation of 6x6 armoured vehicles. The contract covers upgrades to a total of 58 Patria XA 203 vehicles delivered by Patria to Sweden in the early 2000s. Among other modernisations, the vehicles will be equipped with capabilities for remotely controlled weapon systems.

In addition to the production of its own vehicles, Patria has the capacity to expand its business to the assembly of vehicles developed by other companies. An example of this is the partnership signed in May 2025 with the Spanish company GDELS-Santa Bárbara Sistemas, under which Patria will be responsible for the assembly and maintenance of ASCOD armoured fighting vehicles in Latvia.

Long-standing cooperation with Airbus continues

In the production of composite aircraft structures, Patria's long-standing cooperation with Airbus received an extension as the companies agreed on Patria supplying composite component assemblies for the cargo hold of Airbus' new A350F aircraft.

Patria's partners in aircraft structures also include Saab, with Patria responsible for the manufacturing of airframe structures for the GlobalEye airborne early warning and control aircraft.

Finnish Border Guard chose the information system developed by Patria and Solita

In its public authority business , Patria supplies situational awareness, command and control, and intelligence and surveillance systems to critical security authorities. In January 2025, the consortium of Patria and Solita was selected to deliver an operational border security information system for the Finnish Border Guard, which sought flexible applications in terms of usability for demanding use by security authorities. Modernisation of the information system will take place between 2025–2027.

Patria and the Finnish Defence Forces renewed their strategic partnership agreement in November 2025.

Patria OPTIME Powered by ILIAS

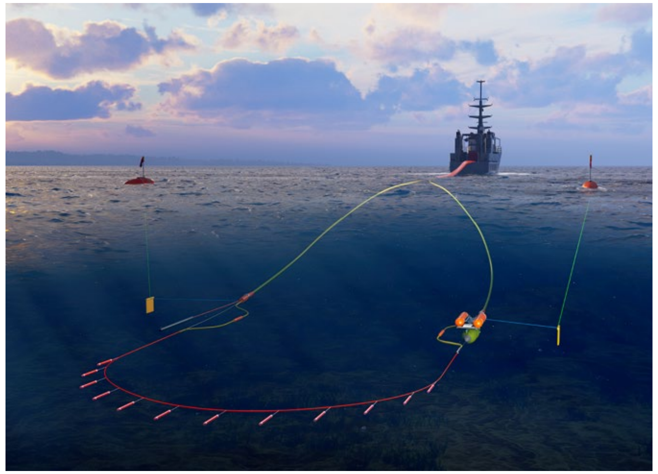
A comprehensive life-cycle management concept optimising availability, cost-effectiveness and performance across large defence fleets. The concept is built on the technology platform of ILIAS Solutions, acquired by Patria in 2025.

Key benefits and performance	Fleet-wide asset management and dependable maintenance with intelligent data analytics, optimised maintenance and spares availability, high equipment readiness and lower through-life costs.
Integrations and compatibility	A modular service model that scales from a single equipment type to larger, multi-OEM fleets.
Technical data	– Data-driven maintenance – MRO (maintenance, repair and overhaul) expertise and analytics-based system
Use cases	Life-cycle management for vehicles, naval systems and aircraft to ensure high readiness.

Situational awareness and cyber

Patria's situational awareness and cyber solutions provide a real-time, secure understanding of the operating environment across land, sea and air, fusing sensor data, analytics and electronic-warfare capabilities, and used by multiple national authorities and defence customers.

Key benefits and performance	Zero-Trust-based systems that analyse data, produce situational information and detect electronic activity even in demanding electromagnetic environments.
Integrations and compatibility	Includes ESM/ELINT sensors, CRAWLR analytics and command solutions connected to tactical networks, complementing active sensors with passive observation.
Technical data	– Advanced signal processing – Distributed sensor networks – Strong cyber security
Use cases	Electronic warfare, border security, cyber defence and decision support in real time.



Underwater solutions

Patria's underwater solutions support mine countermeasures and anti-submarine warfare, as well as underwater signature management. The offering includes towed sensors, multi-frequency sonars and modular training/surveillance systems for both manned and unmanned platforms.

Key benefits and performance	Patria SONAC ACS is particularly suited to minesweeping using target simulation and acoustic triggering. SONAC DTS is an effective sonar system for ASW. ASW Training Target is designed for submarine-operations training in open water, and SIGMA is an advanced signature-measurement system.
Integrations and compatibility	Towed and containerised modules, AUV-based training systems and multi-frequency sonar solutions compatible with manned/unmanned platforms and multi-purpose vessels for both coastal and blue-water operations.
Technical data	– Multi-frequency transmitters – Comprehensive analysis tools – Lightweight towed sensors
Use cases	Mine countermeasures, ASW operations, detection/identification/tracking of underwater signatures, training, signature management and underwater surveillance.

Development programmes

In 2025, a record number of orders were placed through the multinational CAVS programme, which is based on Patria's 6x6 vehicle. Other programmes to develop technologies and cooperation initiatives also made rapid progress.

CAVS

The Finnish-led Common Armoured Vehicle System (CAVS) joint programme is developing an armoured vehicle system based on the Patria 6x6 vehicle. Seven member nations are currently participating: Finland, Latvia, Sweden, Germany, Denmark, Norway, and the UK. CAVS vehicles are also being used in Ukraine.

FAMOUS

The European Future Highly Mobile Augmented Armoured Systems programme FAMOUS, led by Finland and Patria, is developing the technologies and performance of future armoured vehicles and improving their ground combat capabilities. During the second phase of the FAMOUS programme, which is expected to run until 2026, vehicle and system concepts will proceed to prototype design, manufacturing, and testing. Patria has developed a new tracked vehicle as part of the FAMOUS programme: the Patria TRACKX, which was unveiled in September.

AI-WASP

Patria is leading an industrial consortium in the new AI-WASP (Artificial Intelligence Warfare Adaptive Swarm Platform) programme, which combines electronic warfare and data transfer technologies with the large-scale application of artificial intelligence. The programme aims to develop a next generation, scalable and cognitive (AI-controlled) multifunctional software defined converged aperture and transceiver (AIMA). This programme was launched in 2025.

eALLIANCE

Patria is also leading the eALLIANCE programme, which brings civilian and defence companies together. Joint development projects aim to make new breakthroughs in international markets. eALLIANCE will run until 2029. More than 30 Finnish companies and research institutes are on board. In 2025, Patria focused on taking the unmanned use of military vehicles to the next level.

Continuous product development

There were other launches and product developments during the year in addition to the Patria TRACKX. Patria's new CATCHR surveillance system was launched in September. In March, Patria presented its new 155 SPG mobile artillery system, which has been designed for use in Arctic conditions. Successful test firings were also carried out. By leveraging its profound technological expertise and agile product development process, Patria aims to become a leader in drone systems as well.

Patria

Meaningful work lies at the heart of growth

2025 was a year of strong growth and renewal for Patria. Although personnel felt that their work was exceptionally meaningful, the company's growth and new operating model have also required flexibility, competence development, and close cooperation.

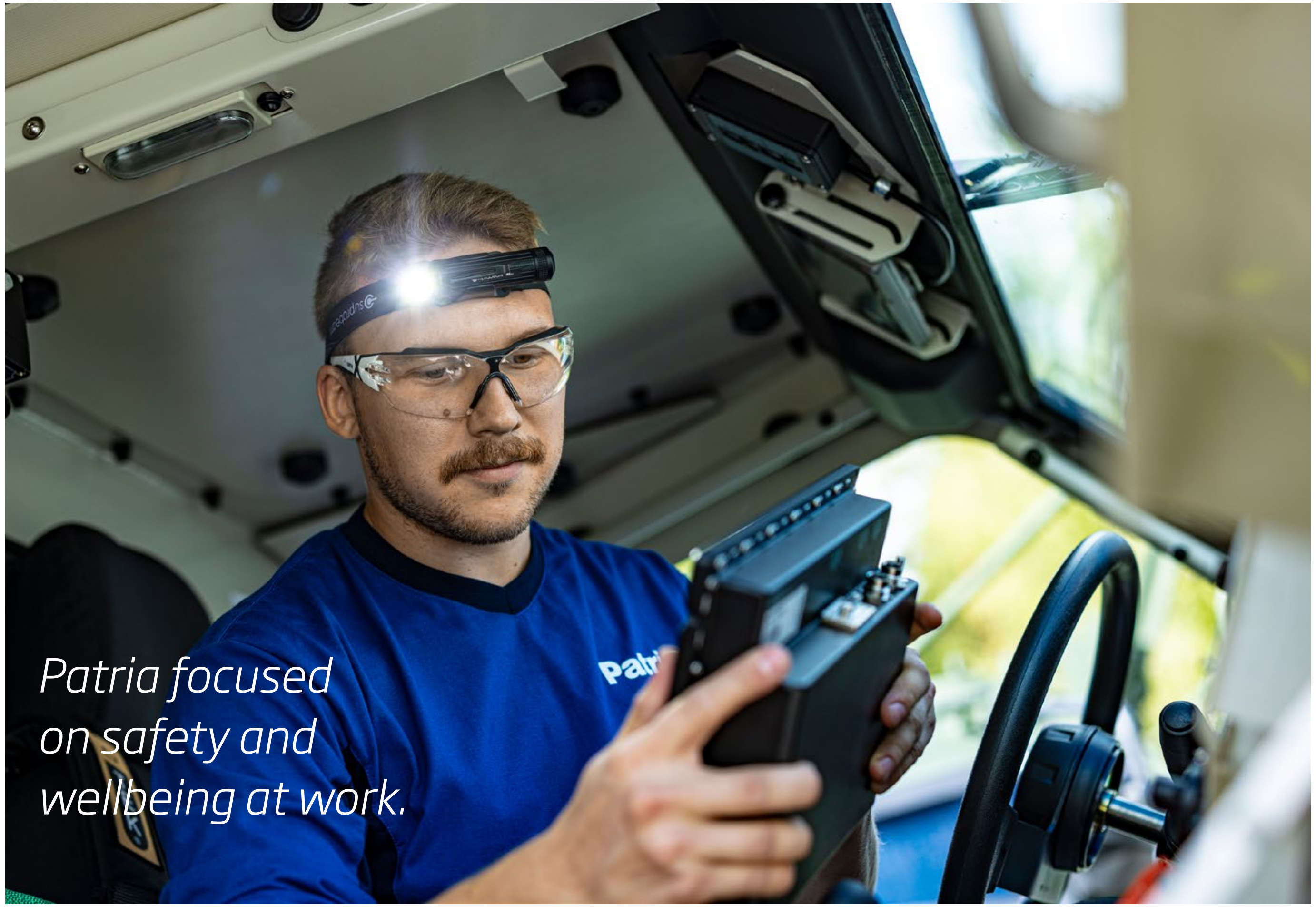
Patria personnel feel that they are currently engaged in exceptionally meaningful work. For many Patria employees, it is vital to be involved in ensuring national and international security in a changing security environment. Patria is a critical player in Finland's security of supply and, through its strong growth, increasingly also internationally.

This rapid growth inevitably resulted in increased workloads in almost all operations. Personnel have been required to adapt to a situation in which new roles, responsibilities, and processes are being created in parallel with increased production.

This was evident in the Protected Mobility business area, in which the ramping-up of production has required both the recruitment of new technicians and mentoring from more experienced employees. In Group Operations, new service models were developed to support business growth and standardised practices.

A new operating model and focus on occupational safety

From an HR perspective, the biggest event of 2025 was the introduction of Patria's new operating model at the beginning of June. As a result of change negotiations, more



Patria recruited a total of
500
new employees

As a result of change negotiations, more than **200** Patria employees were given new or altered roles.

Most Attractive Employers survey: the **3rd** most attractive employer for engineering professionals in Finland

Patria

than 200 Patria employees were assigned entirely new or partially altered roles. The competence classifications of these roles were reassessed and salary levels were revised. The new operating model and its associated appointments were implemented quickly – in only six weeks.

Amid all this growth and change, Patria focused on safety and wellbeing at work. The company reinforced its safety culture in line with the zero-accident vision by systematically collecting safety observations. One of the targets in Patria's 2025 short-term incentive scheme was for all personnel to make safety observations. This increased the sense of shared responsibility, and helped to integrate a culture of safety into everyday work.

Wellbeing was also supported with the aid of concrete benefits and structures, such as an updated reward and recognition model, an increase in the value of Patria's Epassi employee benefit vouchers, and an onboarding programme for all new Patria employees.

Successful recruitment and onboarding enable sustainable growth

In 2025, Patria recruited a total of 500 new employees to support growth and strengthen strategically important production, design, planning, and expert functions. The Patria Group had a net increase of 445 employees in 2025.

Recruitment was concentrated on the Hämeenlinna, Halli in Jämsä and Latvian units in particular, with the greatest demand being for technicians, designers, planners, and IT specialists, as well as for new roles in the F-35 programme. Recruitment volumes were exceptionally high and required continuous process development.

Onboarding likewise took centre stage: many units introduced joint onboarding days and paths, role cards, and mentoring practices to quickly familiarise the growing number of employees with Patria's operating procedures, safety standards, and technical requirements.

To manage the high volume of new recruits, Patria engaged in closer cooperation with its international recruitment partner and clarified the division of responsibilities for the different stages of the recruitment process within its units. Many new employees felt that the onboarding process was fragmented, which is why a Group-wide onboarding project was launched at the end of the year.

Stricter quality requirements to be met through competence development

In 2025, Patria systematically strengthened its employees' competence to support the company's growth, new operating model, and delivery capabilities.

The identification of strategic skills and competence requirements was integrated into annual planning, and the results were used to develop learning solutions, career paths, and skill transfer practices. The introduction of the MyLearning system modernised learning structures and made training content more accessible throughout the Group. Personal competence requirements also emerged, such as change management, supervisory skills, and the skills required to adopt and use new AI technologies.

Ensuring delivery capability was another key focus area: competence was developed in project management, production planning, quality management, and schedule adherence in particular. The aim was to improve the timeliness of deliveries and ensure that Patria's solutions meet customers' high quality and performance requirements.

Patria's employer image improved significantly

Both Patria's employer image and recognition have grown significantly in recent years. In Universum's 2025 Most Attractive Employers survey in Finland, Patria's ranking rose significantly among both students and professionals.

Patria ranked third among engineers in the survey of working professionals (ninth in 2024) and ninth among IT professionals (17th in 2024). The results reflect Patria's increased appeal as a provider of security, technology, and meaningful work. They are also evidence of our systematic endeavours to develop Patria's employer image.

Expectations for 2026: growth will continue and competence development will play a key role

2025 was a year of intense change for Patria in terms of the employee experience, but also one of learning and strengthening. Patria successfully implemented a major restructuring, renewed its salary and remuneration principles, took its employer image to the next level, and strengthened both the employee experience and well-being. The company also developed personnel competence and its recruitment capabilities. All this was achieved amid brisk growth and a rapidly changing business environment.

Although the restructuring was temporarily reflected as a drop in employee satisfaction, there were clear signs of recovery and stabilisation towards the end of the year. Personnel showed a high level of commitment and willingness to develop both their own work and Patria as an organisation.

In 2026, Patria personnel are expected to be clearly goal-oriented, to work responsibly and sustainably, and to engage in proactive cooperation to strengthen Group-wide practices. The company is continuing to grow, and success will require the skills and cooperation of everyone at Patria – along with a development-oriented mindset.

Sustainability in Patria

Patria's Sustainability agenda

Building resilient future for next generations. Sustainability at Patria is driven by our core mission of being an international provider of reliable defence and security solutions. By continuously developing our offering capabilities, we ensure that customers can rely on us for high performance, reliability, and responsibility in all missions.

Patria's operations have an impact on advancing national security and resilience. We are committed to high business integrity throughout the value chain and want to be recognised as a trusted partner. We expect our employees and business partners to adhere to these standards.

Patria adheres to the principles of the United Nations (UN) Universal Declaration of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work, and to the principles of the UN Guiding Principles on Business and Human Rights (UNGP) and OECD Guidelines for Responsible Business Conduct. Patria is committed to the Science Based Targets initiative (SBTi).

Patria is a member of the Global Compact Finland, the Finnish Corporate Responsibility Network FIBS, European Aerospace, Security and Defence industry (ASD), AmCham Finland and the Helsinki Region Chamber of Commerce. Patria is also part of TRACE, an international corporate network. Patria collaborates with Kongsberg in the Trade Compliance Project to promote best practices in export controls and sanctions.

Vision of
0
workplace accidents and illnesses

42%
reduction* of Scope 1, 2 emissions by 2030

25%
reduction* of Scope 3 emissions by 2030

*Compared to 2023

WE SUPPORT UN GLOBAL COMPACT

BRONZE | Top 35% ecovadis Sustainability Rating AUG 2025

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Patria

Sustainability Programme

The Patria Sustainability Programme reflects the organisation's commitment to ethical business conduct, social responsibility, and environmental stewardship. It is structured around key sustainability topics identified through a double materiality assessment (DMA).

Building resilient future for next generations

Driving climate acts and resource efficiency

Patria's environmental sustainability targets climate action, energy efficiency and circularity. We are committed to responsible operations.

Patria aims to reduce greenhouse gas emissions in with the Paris Agreement and SBTi targets by 2030, using 2023 as base year. We strive for efficient material use. We prioritise resource efficiency, lifecycle extension, and responsible waste management across all operations.

Targets:

– Reduce absolute Scope 1 and 2 (own operations) emissions by 42% and Scope 3 (value chain) emissions by 2030 compared to the base year 2023

Focus on people and societies

Patria's operations advance national security and resilience. This is achieved through commitment to securing societies and highest ethical business conduct – directly benefitting our personnel, customers, partners and other stakeholders.

We are dedicated to offering our personnel a safe, productive, healthy and responsible working environment, enabling every individual and team to contribute and succeed within a well-managed organisation.

Targets:

– Commitment to zero workplace accidents and occupational diseases in the long term

Fostering ethics and trusted partnerships

Patria is committed to high business integrity throughout the entire value chain. We aim to be recognised as a trusted and sought-after manufacturer and exporter of defence and security products and services.

Patria enforces a strict zero-tolerance policy towards corruption and bribery. Furthermore, we maintain rigorous compliance with export control laws and sanctions. Our Code of Conduct, complemented by specific policies and training, ensures ethical decision-making and responsible conduct throughout the organisation and with third parties.

Targets:

– New Code of Conduct approved

Sustainability management

Sustainability programme and targets, management system, reporting and stakeholder collaboration

Values: We want to succeed, Our operations are customer oriented, Together we create success

Principles: Code of Conduct, Policies, Commitments

SUSTAINABILITY

Partner in critical operations on land, sea, air and networks

Patria

ESRS 2

General

Sustainability at Patria is driven by our core mission of being an international provider of defence and security solutions. This general section provides an oversight into our Sustainability governance, strategy and double materiality assessment.

Basis for preparation

BP-1 General basis for preparation of the Sustainability Statement

The Sustainability Report presents material sustainability topics to Patria Group (later "Patria") for the financial year 2025, covering the period from January 1 to December 31. Patria communicates its advancements in sustainability initiatives on an annual basis via the Annual Report, ensuring stakeholders are consistently informed of the organisation's commitments and achievements. This report is designed to reflect both the sustainability impacts of Patria's operations and the perspectives of its stakeholders. It covers data from all Group companies and subsidiaries, in which Patria maintains more than 50% ownership, thereby providing a comprehensive picture of the Group's sustainability performance.

The Sustainability Report applies to a significant proportion of the aspects set out in the Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards (ESRS) disclosure requirements, reflecting Patria's forward-looking approach to sustainability reporting. Patria's aim has been to align both content and structure with established standards in the best possible way. This proactive approach ensures that the report remains relevant and compliant with evolving regulatory expectations. Patria's Sustainability Report for 2025 has not been subject to third-party assurance. However, it was drafted drawing from expertise and adheres to the Global Reporting Initiative (GRI) 2021 standards, ensuring that disclosures align with international best practices.

Patria's double materiality assessment (DMA), completed in 2024, considered both the sustainability impacts of its business, as well as their financial materiality. This assessment involved evaluating sustainability topics based on their importance to Patria, its stakeholders, and the wider economy, environment, and society. The magnitude of these impacts was carefully assessed to achieve a thorough understanding of Patria's sustainability landscape. In the report, material impacts, risks and opportunities (IRO's) are analysed, followed by descriptions of related policies, actions and targets. The Patria Group's sustainability policy, closely aligned with the identified material topics, has been in effect since 2025, reflecting commitment to sustainable development.

BP-2 **Disclosures in relation to specific circumstances**

Patria has assessed material impacts, risks and opportunities over the short-, medium- and long term when feasible. Sustainability-related matters are influenced by multiple factors and require continuous monitoring, management, and scenario analysis. Patria has adopted a standardised set of time horizons in accordance with ESRS guidelines:

- Short term: 1 year
- Medium term: 1–5 years
- Long term: over 5 years

The reporting principles for metrics related to each standard and material topic are described under the relevant topical sections of environment, social and governance. Some metrics are based on estimates and averages from internal records and external partners. Risk of errors in data especially concerning manual processing and combining several data sources exist, but Patria has not identified high risks of uncertainty. Patria is committed to strengthening its management and controls over sustainability disclosures to ensure continuous improvement in data quality.

Sustainability governance

Administrative, management and supervisory bodies

GOV-1 **Role of administrative, management and supervisory bodies**

This Sustainability Report covers sustainability governance, which follows Patria's general governance structure. Information about Patria's general governance model is available in the section "Corporate Governance Statement".

The **Annual General Meeting** is the company's highest decision-making body, approving and providing oversight of Patria's sustainability actions.

In accordance with the Government Resolution (8 April 2020), **Patria's Board of Directors** is responsible for organising and integrating sustainability into the Company's business strategy. The Board of Directors confirms the Group's ethical practices and monitors their implementation. The Audit Committee supervises matters relating to Sustainability, Compliance and Ethics. It maintains oversight over reports of suspected misconduct received via the Speak-Up reporting channel and informs the Board of Directors.

Under the CEO and President's guidance, the **Group Management Team** prepares Patria's strategy and integrates sustainability into it. The Group Management Team approves the Sustainability programme themes and objectives and oversees their realisation. Sustainability is represented in the Group Management Team through the Chief Financial Officer (CFO), who appoints the Head of Sustainability (VP, Sustainability) for Patria. Responsibility for monitoring individual sustainability targets is shared among the members of the Group Management Team and reviewed regularly. Sustainability-related expertise within the Group Management Team includes:

- Sustainability and environment – Chief Financial Officer
- Social, people and culture – Chief People Officer
- Governance, compliance and ethical leadership – Chief Legal Officer

Sustainability actions are managed by the Sustainability, Human Resources, Compliance and Business Areas and are implemented across all applicable business units and functions. Work is supported by internal policies, principles and standards.

The Group Management Team functions as the **Sustainability Steering Group** with representation of business areas and group functions. The steering group steers topics of the Sustainability Programme and takes care of enabling the activities in the businesses. The Vice President of Sustainability prepares the topics for the steering group and leads the activities according to the goals at the Group level.

Patria has established **Sustainability Working Groups,** that represent various functions within the organisation.

Sustainability governance

Management diversity

Category	2025
Board of Directors:	
- Non-executive members, no of	8
- Independent of the company, no of	100%
Average female to male ratio, %	25%
Group Management Team:	
- Executive members, no of	9
- Non-executive members, no of	0
Average female to male ratio, %	22%

These working groups form a cross-functional entity comprising four key areas: 1) Environment, 2) Governance, 3) Supply Chain, and 4) Social Sustainability. These Working Groups are responsible for the preparation and maintenance of the Group-level Sustainability Programme, the roadmap, and reporting to the Sustainability Steering Group. The Working Groups are responsible for the coordination of the annual Sustainability Report.

Sustainability forms an integral part of the work and duties of each Patria employee. The Vice President of Compliance, who reports to the General Counsel, is responsible for matters related to compliance and ethics (incl. anti-corruption work). Guidelines related to Sustainability are available in Patria's Integrated Management System, and they are reviewed annually.

Information and sustainability matters

GOV-2 Information provided to, and sustainability matters addressed by administrative, management and supervisory bodies

Patria regularly provides sustainability performance updates to its administrative, management, and supervisory bodies, focusing on issues relevant to decision-making. Sustainability data is incorporated into standard reporting presented together with financial and operational performance. These reports include the Sustainability programme's status analysis and key performance indicators such as carbon emissions, employee safety, diversity, and corresponding initiatives.

In 2025, sustainability performance was formally presented at the Annual General Meeting. The Board of Directors and its subcommittees, particularly the Audit Committee, consistently address sustainability as part of their strategic oversight by evaluating long-term strategy integration, climate risk analysis, compliance measures, and progress toward established targets. The Vice President of Sustainability prepares comprehensive quarterly reports, which are presented to both the Group Management Team and the Audit Committee, along with supplementary updates as necessary to ensure continuous monitoring of the Sustainability programme's advancement.

In 2025, Patria's Board of Directors approved the Sustainability Strategy and Programme for 2026–2029, establishing the foundation for the company's sustainable development over the next strategy timeline. Additionally, Patria's new Code of Conduct was formally approved.

The Group Management Team is responsible for overseeing Patria's Sustainability programme across all sustainability/ESG areas, while supervisory bodies monitor execution, evaluate key indicators, and ensure transparency. The Group Management Team receives, in addition, to a formal agenda, regular updates on sustainability development and takes part in the discussions about actions.

Integration of incentive schemes

GOV-3 **Integration of sustainability-related performance on incentive schemes**

Patria's remuneration policy aligns remuneration with short- and long-term strategic financial and sustainability targets. The Board of Directors is responsible for determining and overseeing Patria's incentive schemes, including both short-term (STIP) and 3-year rolling long-term incentive (LTIP) programmes, which are aligned with the remuneration policy. The Board of Directors sets and assesses the performance metrics for the STIP and LTIP programmes for the President and CEO, as well as to other group management team members. Remuneration principles and the remuneration of the President and CEO are described more in detail in the remuneration report.

Patria Group's long-term incentive program (LTIP 2023-2025), established by the Board of Directors for senior management, includes six strategic objectives. Among these is an objective aligned with Patria Group's validated science-based targets for greenhouse gas (GHG) emission reductions. Ten per cent of remuneration is linked to climate-related criteria.

Patria's short-term incentive programme (STIP) assigns percent of employee remuneration to the completion of preventive safety observation activities, and ten per cent of the Management Team remuneration according to achieved Lost Time Incident Frequency (LTIF) rate. Similarly, the Millog Group's employee incentive programme assigns ten per cent of remuneration based on the safety performance and reporting of safety observations for every employee.

Statement on due diligence

GOV-4 **Statement on due diligence**

At Patria, we are committed to conducting business with the highest standards of integrity, responsibility, and sustainability. As part of our corporate governance and sustainability efforts, we use robust due diligence processes across our operations and supply chain to identify, assess, and manage potential risks related to environmental, social, and governance factors. Patria's due diligence approach is focused on ensuring that activities do not cause harm to people, the environment, or society, and that we comply with all applicable laws and regulations.

Patria's due diligence approach aligns with the UN Guiding Principles for Business and Human Rights. Key elements of Patria's due diligence process include comprehensive screening on all third parties – such as potential vendors, subcontractors, customers, and intermediaries - with focus on sanctions, anti-bribery and anti-corruption, conflict of interest, anti-money laundering protocols, negative media coverage and past enforcement cases. A specific due diligence process is applied to business partners. A risk-based approach is applied with higher scrutiny on higher risk transactions, countries, and partners. Decisions regarding cases involving red flags are governed by specific oversight structures, and both internal and external audits are conducted in accordance with our annual audit plan. The following table outlines where the core elements of the due diligence process are addressed within the Sustainability Report.

Patria continuously develops its management system based on international standards, with the majority of business operations certified against ISO 9001 (quality), ISO 14001 (environment) and AQAP 2110 (quality management in the defence industry). The internal compliance management system is inspired by ISO 37301 and initiatives to explore certification with ISO 37001 are implemented. Audit plans, including quality, environmental and health and safety audits, as well as supplier audits, are planned and conducted on a yearly basis to continuously develop business practices. The internal audits held annually evaluate the adequacy of risk management in selected processes, and reports of risks and weaknesses related to internal control processes are delivered to Group Management and the Audit Committee.

Core elements of due diligence	Page
Embedding due diligence in governance, strategy and business model	37, 38
Engaging with third parties in all steps of due diligence process	41, 82
Identifying and addressing adverse impacts	64, 82
Taking actions to address impacts and risks	65, 82
Tracking the effectiveness of actions and communicating about them	65, 82

Risk management and internal controls

GOV-5 **Risk management and internal controls over sustainability reporting**

Patria's Board of Directors establishes the core principles for risk management and approves the risk management policy. Each business area and group function is responsible for identifying, assessing, and managing the risks relevant to their areas. The Group's business control function coordinates and supports risk management activities, compiling key risks for consideration for Group Management and the Board of Directors.

Internal audits help ensure the effectiveness of Patria's risk management system.

Patria's sustainability risks are reviewed annually. The Group Management Team has overseen this process, ensuring that sustainability risks are aligned with the organisation's strategic objectives. Risk assessments are supported by regular analyses, stakeholder consultations, and internal reporting channels, allowing the early identification of emerging sustainability concerns. This proactive approach strengthens resilience and ensures that sustainability risks are embedded in strategic planning and operational decision-making.

To ensure the accuracy and reliability of sustainability information, the organisation maintains a structured system of internal controls integrated with sustainability reporting processes. Data on key sustainability indicators are collected and verified by responsible departments, reviewed by the Sustainability team, and approved by senior management prior to disclosure. Potential gaps, risks or uncertainties related to reporting are regularly reported to the Audit Committee. The Vice President of Sustainability is responsible for overall sustainability reporting and reports on the process to the Audit Committee on a quarterly basis.

Control measures include standardised data collection templates, system-based validation checks, and management approval procedures. Through these controls, the organisation promotes transparency, accountability, and continuous improvement in sustainability reporting, ensuring that disclosed information is credible, consistent, and aligned with stakeholder expectations. The corporate governance statement provides a more detailed overview of the governance model for internal controls.

Patria's strategy, business model and value creation

SBM-1 **Strategy, business model and value chain**

Strategy, business model and connection to Sustainability

Patria's market position, strategy, and business model are discussed in the Strategy section. Patria refined its growth strategy in March 2025 to respond more effectively to significantly increasing demand and a constantly changing operating environment. Since June 1, 2025, Patria has operated in three business areas: Protected Mobility, Defence and Weapon Systems, and Sustainment Solutions. Protected Mobility is responsible for new vehicle sales, as well as their offerings and deliveries. Defence and Weapon Systems is responsible for, among other things, weapon systems, air surveillance-related products, and drones, as well as their sales, offering, and deliveries. Sustainment Solutions is responsible for, among other things, lifecycle support and software products as well as their sales, offerings, and deliveries. In addition, it is responsible for the strategic partnership with the Finnish Defence Forces and Patria's public authority business. Growth is supported by the Sales and Marketing function and Group operations. In 2025, key figures included total revenue of Patria Group 1,087 million and 4,277 employees.

Patria's vision remains to be a strategic partner in all critical operations. At the same time, the global defence sector is constantly changing, and the company's customers have evolving needs to which we want to respond. The key strategic drivers include the substantial increase in defence spending on a national and EU level, the strong increase in the demand for defence solutions and equipment, the importance of territorial and the Arctic region's defence and the development of Europe's defence through Finland's and Sweden's NATO membership. Importantly, Finland will hold its place as Patria's key market. The Group's strategy follows five essential cornerstones that guide work and the company's commitment to security:

1. Growth
2. Profitability
3. Technology
4. People
5. Sustainability & Compliance

The Sustainability strategy, approved in 2025 for the period 2026-2029, has been integrated into the Group's overall strategy. Information about the Group's strategy, structure and its main market area is provided in the Annual Review section.

Patria Group's value chain

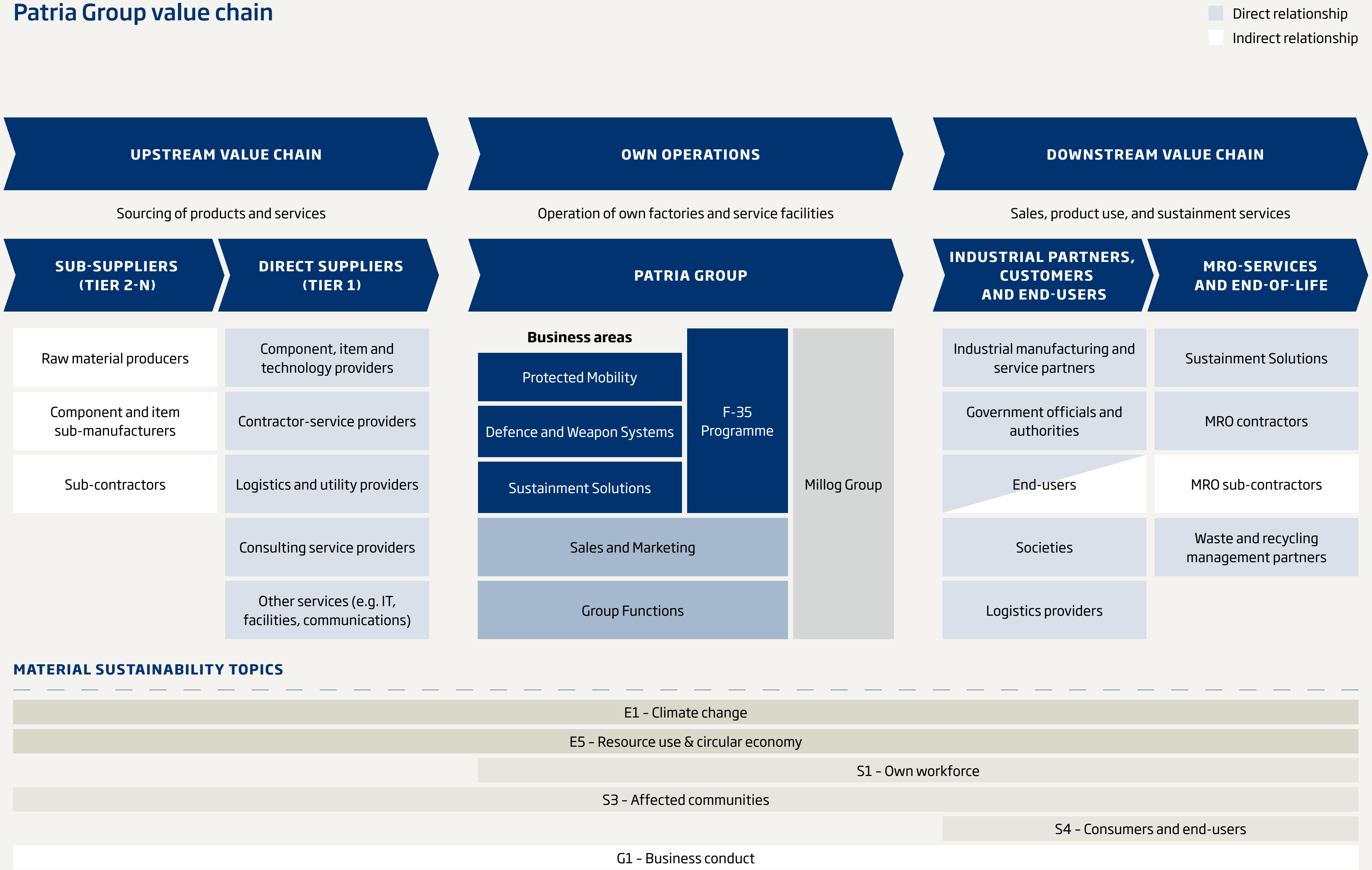
Patria Group's value chain includes upstream operations covering the sourcing of products and services, own operations in our own factories and facilities, and downstream operations that cover sales, product use, and sustainment services. At the core of our entire value chain is a commitment to innovation and aim to provide trusted defence solutions. Research and development teams work closely with defence agencies, industry partners, and technology experts to design and develop reliable and adequate defence systems. The value chain demonstrates customer-centric integration of advanced technologies – including automation, artificial intelligence (AI), and innovative materials – to deliver genuine customer value while ensuring full alignment with our ethical standards.

The upstream value chain mainly consists of different material and utility flows from resource extraction all the way until entering Patria's operations. Furthermore, there are also service providers, for example in ICT, logistics and communications, who also serve as critical partners in our value creation. Patria sources high-quality raw materials components, assemblies and subassemblies from a network of suppliers, while ensuring transparency, ethical sourcing, and adherence to international defence standards. The company's procurement and sourcing processes emphasize sustainability by working with suppliers who share Patria's values regarding environmental impact, ethical practices, and compliance with the highest industry standards.

In Patria Group's own operations, the business areas are responsible for creating the most concrete part of customer value by designing, engineering, manufacturing, and providing our products and services. Manufacturing facilities utilise state-of-the-art technologies and comprehensive quality control systems to ensure the production of defense systems and services consistently meets the highest standards of excellence and reliability. After production, the products undergo integration and testing processes to ensure they meet the required specifications and customer expectations. This phase includes testing operational performance, security standards, and compliance with environmental and safety regulations. Upon successful integration and testing, Patria delivers defence solutions to customers, ensuring that systems are fully operational and ready for use.

The downstream value chain consists of product and service delivery to end-users, product use, and end-of-life activities. Regarding the latter, in some contracts Patria manages the end-of-life stage of products and has the possibility to develop circularity. This involves decommissioning, recycling, and reusing components where possible, as well as ensuring that waste is managed responsibly, in compliance with environmental regulations. Patria also provides ongoing support and MRO (Maintenance, Repair and Overhaul) services for specified products, in accordance with related specifications, manuals and quality standards, to ensure long-term reliability and usability of customer products throughout their lifecycle. All these activities require close and transparent cooperation with Patria's stakeholders such as customers, end-users, industrial partners, and government officials.

Patria Group value chain



Stakeholder engagement

SBM-2 **Interests and views of stakeholders**

Patria maintains comprehensive, purpose-driven collaboration with stakeholders, ensuring alignment toward shared objectives. Stakeholder relations are always handled professionally, reliably and openly. Patria's key stakeholders are its owners, personnel, collaboration partner and customers, shareholders and investors, suppliers, trade and industry organisations, authorities, decision-makers, NGOs, certain educational institutes and media. In addition, each function defines the key stakeholders for success on a project-by-project basis.

Cooperating and doing business with stakeholders requires high ethical standards, reliability and transparency from both Patria's management and all personnel. Patria does not accept any kind of deviation from its standards of honesty, transparency, ethical conduct and compliance. Patria interacts with its key stakeholders and develops its operations based on stakeholder feedback. Our mission of providing national security is important for societies and therefore we interact with our stakeholders to understand the needs and value we can provide.

Cooperation with stakeholders is subject to the ethical standards indicated in the Code of Conduct, including a focus on avoiding conflict of interest and strict compliance with anti-corruption, anti-bribery laws and regulations. Patria's operations are also subject to a variety of requirements in terms of procurement, advocacy, sponsorship and charitable contributions, management of related parties, and gifts and hospitality benefits. Patria has clear guidelines and practices in these areas.

The stakeholder analysis was updated during 2025. The aim is to engage in open communication about Patria's business, focusing on stakeholders' needs, and to ensure that Patria's activities are acceptable to its various stakeholders. Patria has strengthened stakeholder collaboration by fostering open and constructive dialogue to identify material sustainability topics starting from 2024. The outcomes of these efforts were integrated into the process that culminated in Patria's double materiality assessment.

The Strategic Partnership Agreement between Patria and the Finnish Defence Forces specifies Patria's role in the maintenance and further development of performance. Strategic partnership means a close and long-term collaborative relationship based on a set of agreements. It focuses on shared long-term development goals, preparations for the various phases of enhancing peacetime preparedness and operations in exceptional circumstances.

Patria regularly evaluates both current and anticipated customer needs, enabling enhanced service delivery to the Finnish Defence Forces as well as various security and critical public safety sector clients domestically and internationally. Throughout the strategy-led growth phase initiated in 2021, customer satisfaction has remained at a very good level when compared with available industry benchmarks. Patria has received positive feedback regarding personnel availability, employee professionalism, collaboration, and reactivity to problem solving. The company's offerings have been highly rated for meeting Customer requirements, with particular emphasis on the quality and usability of its products and services.

Patria has been proactive in creating meaningful networks in the defence industry. It is also in Patria's interest to be involved in industry-led efforts, directed at shaping policies and legislation, both in Europe and globally. Finland's NATO membership facilitates industrial cooperation in the ecosystem of NATO countries. Patria has a long experience in operating in several NATO countries, both with export customers and through its own local Group companies. Ever closer cooperation is strived for, especially with Sweden and more broadly in the Nordics. For these reasons alone, defence industry issues are currently very topical in NATO. Patria's strengths complement NATO, especially when it comes to products and services designed for Arctic conditions, lifecycle expertise and state-of-the-art technology solutions.

Patria is a member of the Association of Finnish Defence and Aerospace Industries (PIA). In 2025, Patria's President and CEO Esa Rautalinko continued to serve as the Chairman of PIA's Board of Directors. Since 2020, Patria has also been a direct member of ASD, the Aerospace, Security and Defence Industry Association of Europe, which coordinates European and international policy, communications, analysis and provides support to its members' requirements and needs to help their development, offering networking and learning opportunities in the sector. Direct membership of the ASD is the best way to promote Patria's interests through engaging in dialogue with other European industries, interfacing with EU institutions and other EU stakeholders, and supporting them with its know-how and practical experience. Patria is a founding member and active participant in the operations of the Digital Defence Ecosystem (DDE), with a focus on civilian-military products.

Patria collaborates with various educational institutions and universities. Patria and Tampere University of Technology (TUT) have a ten-year cooperation agreement, signed in 2018, through which Patria has provided financial support to TUT. The agreement seeks to ensure the continued availability of top aviation technology expertise in Finland, and to bolster research in the field.

Stakeholder cooperation 2025

Stakeholder	Expectations	How we engage	Prioritised topics	Outcomes and impacts on operations, business model and strategy
Owners	Effective strategy execution, solid financial and operational results, high employee productivity and satisfaction, strong customer loyalty, and clear sustainability targets to drive competitiveness.	- Regular communication of Patria's strategy and business performance - Sustainability Strategy and Programme acceptance - Cooperation projects with Konsgberg	- Patria Group's strategy - Financial and operational performance - Sustainability	- Strategy and it's implementation - Integration of the State of Finland's Sustainability requirements into Patria's Sustainability Strategy - Insights from collaboration projects with Kongsberg
Employees	Safe working environment, that provides equal career opportunities. They value good leadership, fair compensation, and opportunities for professional growth.	- Sharing of Patria's strategy and business conduct - Performance reviews - Annual and quarterly employee surveys - Organised onboarding and refresher trainings - Collaboration with employees representatives - Actions supporting positive working atmosphere	- Workplace safety, health and wellbeing - Diversity and inclusion - Work-life balance - Equal opportunities - Ethical business conduct	- Performance dialogue and engagement surveys - Trainings, such as business conduct and safety - New learning management system in 2025 - Diversity, equality and inclusion activities - Personnel communications via intranet, newsletters and magazine
More details about engagement under S1 Own workforce.				
Collaboration partners and customers	Products and services that fulfill requirements. Expectations include adherence to ethical principles, transparency, honesty, the company's reputation, brand recognition, financial stability, cost-effectiveness, and ensuring the continuity of operations.	- Customer relationship management and continous engagement - Customer experience ratings - Defence industry-specific conferences and seminars	- Product and service portfolio and it's development - Strenghtening partnership - Customer needs and expectations	- Commitment to deliver products and services as promised to customers - Expanding and enhancing our product and service portfolio - Collaborating with customers as strategic partners to provide comprehensive service solutions
More details about engagement under S4 Consumers and end-users and G1 Business Conduct.				
Shareholders and investors	Expectations are towards Patria's value to grow. Key priorities include financial stability, investment returns, timely and accurate company updates, strong ownership, and effective sustainability risk management and development.	- Annual General Meeting (AGM) - Presentations and continous communication for analysts, investors and shareholders	- Patria's strategy - Financial and operational performance - Shareholder returns	- Patria's strategic direction and financial oversight - Sustainability materiality assessment and target setting, such as SBTi - Management compensation model development

Stakeholder	Expectations	How we engage	Prioritised topics	Outcomes and impacts on operations, business model and strategy
Suppliers	Reliable and trustworthy business relationships. Sharing of values and clear communication of business requirements and expectations are highlighted.	- Supplier communication and collaboration meetings - Supplier Day 2025 - Supplier audits	- Compliance, security and export control - Ethical standards in tline with the Supplier Code of Conduct	- Enhancing transparency in interactions between Patria and its suppliers - Advancing cost efficiency and fostering innovation - Conducting risk-based assessments and audits of suppliers
More details about engagement under G1 Business Conduct.				
Society*	Society expects Patria to lead in the defence industry by providing products and services, that support national comprehensive security. The company is also expected to communicate openly about its operations and offer employment and training opportunities.	- Dialogue with industry associations, labour unions and NGO's - Employment of more than 4,000 employees and engagement with over 2,000 active supply chain companies - Collaboration with a range of educational institutions and universities	- Patria offering - Patria's ways of working, such as ethical business conduct - Open career opportunities	- Adaptation of products, services, and supply chains - Providing security of supply - Sustainability communications and reporting improvement
More information about engagement in S3 Affected communities.				
Lobbying	Contribution to discussions on current regulatory and policy topics relevant to Patria's operating environment. Engagement in public dialogue and interaction with political and government officials in a transparent manner, adhering to established lobbying practices.	- Sharing expertise in public discussions - Contributing insights directly and via industry associations to address practical challenges and support regulatory objectives - Participating in industry events, seminars, and panels	- Relevant and current regulatory and policy topics - Topics in public dialogue	- Lobbying principles and policy - Internal procedures for tracking and documenting interactions with political and government officials to ensure accurate disclosure in national transparency registers.
Trade and industry associations	Active participation in surveys and collaboration projects. Engagement and representation within these associations are highly valued.	- Participation and leadership in international defence programmes - Active membership in European and Global industry associations, such as ASD (European Aerospace, Security and Defence industry) and TRACE, an internation corporate network	- Defence industry development programmes - Development of regulations - Standards, ethics and best-practice sharing	- Patria's central role in international research and development programmes - Collaboration with research organisations and industry associations
Media	Prompt and active cooperation. Providing accurate information regarding the company is of great importance. Active participation in wider industry discussions is also anticipated.	- Press releases and official announcements - Media interviews and panel discussions - Engagement through social media platforms, such as LinkedIn	- Patria's strategy and performance - Offering and it's expansions	- Subject matter interviews with media, as well as media visits to Patria operations

* Authorities, politicians, decision-makers and educational institutes

Material sustainability-related impacts, risks and opportunities

SBM-3 **Material impacts, risks and opportunities and their interaction with strategy and business model**

Patria has prepared the Sustainability Report against a significant proportion of the aspects set out in the Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards (ESRS) disclosure requirements. Patria's aim has been to align both content and structure with established standards in the best possible way. This proactive approach ensures that the report remains relevant and compliant with evolving regulatory expectations. Patria's Sustainability Report for 2025 has not been subject to third-party assurance. The report adheres to the Global Reporting Initiative (GRI) 2021 standards ensuring that disclosures are consistent with international best practices. Information about applicable ESRS disclosure requirements is available in section ESRS and GRI Content Index providing additional information on Global Reporting Initiative (GRI)-disclosures.

Patria conducted its double materiality assessment (DMA) in 2024, and prior to that, assessments were conducted against approach defined by the Global Reporting Initiative (GRI). The assessment required the engagement of all Patria's functions and business areas, as well as upstream and downstream value chain stakeholders. Stakeholders were involved through interviews and questionnaires. The impacts, risks, and opportunities (IROs) identified in the analysis were scored according to their materiality and evaluated against thresholds defined by the European Sustainability Reporting Standards (ESRS), leading to the determination of material sustainability topics.

The material sustainability topics identified are those that have an impact on the environment, people, or society, and/or are related to recognised financial risks and opportunities. As a result of the assessment, Patria's material sustainability topics are related to Climate Change (E1), Circular Economy (E5), Own Workforce (S1), Affected Communities (S3), Consumers and End-Users (S4), and Business Conduct (G1). Topics Pollution (E2), Water (E3), Biodiversity & Ecosystems (E4) and Workers in the value chain (S2) were not scored over the threshold and are therefore not included in the report.

The table lists the material impacts, risks, and opportunities identified for Patria that determine the reporting scope based on the double materiality assessment and how they relate to the strategy, business model and value chain. More detailed descriptions of material impacts, risks and opportunities are provided under topical standards of environment, social and governance. Patria's Sustainability programme and targets for 2025 were based on the double materiality assessment results in 2024. Patria's management then assessed the significance of these themes in relation to the company's strategy.

Patria's operations affect national security and resilience. We proactively manage our sustainability impacts and foster those that contribute to national safety and security, enabling high-quality services. Patria's commitment to sustainability is reflected in the values and core of our operations. Patria upholds high standards of corporate governance, ethics and compliance.

Achieving a balance between operational effectiveness and sustainability necessitates sustained research and dedication to future initiatives, such as adopting advanced technologies, enhancing resource management practices, and regularly assessing environmental and organisational impacts. Climate change is pushing industries to reduce their footprint. Resource scarcity and the fight for critical resources are increasingly causing military battlefields.

SBM-3 Material impacts, risks and opportunities

ESRS topic	ESRS sub-topics and sub-sub-topics	Description	Impact/Risk/ Opportunity	Strategic importance	Impacted part of the value chain
E1 Climate change	Climate change adaptation	Adaptation to climate change is necessary in response to evolving and extreme weather conditions, both within Patria's operations and throughout its value chain.	⊖ ˅ ˄	Production and its value chain generate significant emissions and therefore Patria is committed to support the Paris Climate Agreement and emission reduction measures. Operations depend on purchased energy, fuels and materials generating the majority of greenhouse gas emissions.	● ● ●
	Climate change mitigation	Patria's own production and it's value chain generates climate-warming greenhouse gas emissions from energy usage (Scope 1, 2 and 3).	⊖ ˅ ˄		○ ● ○
	Energy	Patria utilises and produces energy in its production processes , which causes greenhouse gas emissions. Utilised energy consists of electricity, heat and fuels.	⊖ ˅ ˄		○ ● ○
E5 Circular economy	Waste	In connection with Patria's operations, waste is generated, which causes greenhouse gas emissions and operational costs. Waste handling requires transportation and management creating negative impact for environment.	⊖ ˅ ˄	Patria's operations use resources and create waste, which cause emissions. Patria provides services for customers, that extend product lifespans, with maintence, repair and overhaul (MRO) services.	○ ● ○
	Resource inflows, including resource use	Patria's upstream resource flow, which includes materials and products, causes greenhouse gas emissions.	⊖ ˅ ˄		● ● ○
	Resource outflows, related to products and services	Patria provides services for customers, that extend product lifespans. Also, services include reuse of components, which has positive impact on reducing resource outflows. Patria's downstream material flow causes emissions.	⊕ ⊖ ˅ ˄		○ ● ●
S1 Own workforce	Working conditions - Health and safety - Secure employment - Working time - Adequate wage - Social dialogue - Collective bargaining - Work-life balance	Patria is committed to developing a high-performance culture, where all employees are entitled to safe and healthy working conditions. Inadequate conditions could negatively impact employees' physical and mental health.Open and transparent dialogue and improvement initiatives are continuously deployed and maintained.	⊕ ⊖ ˅ ˄	Appropriate working conditions create an environment where employees feel safe, valued, and empowered to contribute at their best. Health and safety, fair treatment, and opportunities for growth build trust and engagement, which are essential for collaboration and innovation. Patria ensures that individual performance supports organisational success and strengthens resilience in a competitive market.	○ ● ○
	Equal treatment opportunities for all - Gender equality and equal pay for work of equal value - Diversity - Measures against violence and harassment in the workplace - Trainings and skills development	Patria values equal treatment opportunities, invests in training and skills development, and promotes diversity and inclusion. Clear policies and reporting channels foster a safe and respectful workplace.	⊕ ⊖ ˅ ˄		○ ● ○
S3 Affected communities	Communities' economic, social, and cultural rights - Security-related impacts	Patria respects and protects communities' rights, local ecosystems and cultural heritage by responsible sourcing practices. Given its role in defence, Patria addresses security-related impacts with strict safety measures and stakeholder engagement.	⊕ ⊖ ˅ ˄	By committing to these rights, Patria ensures alignment with international human rights standards. By respecting economic, social, and cultural rights, as well as civil and political rights, Patria promotes sustainable development and safeguards democratic values, which strengthens societal resilience and supports long-term security objectives.	● ● ●
	Communities' civil and political rights - Freedom of expression - Freedom of assembly	Patria upholds freedom of expression and association through its Code of Conduct and open dialogue practices. It provides anonymous and risk-free channels to report for concerns and engages transparently to prevent any negative impacts on stakeholders of these rights.	⊕ ⊖ ˅ ˄		● ● ●

⊕ Positive impact ⊖ Negative impact ˅ Risk ˄ Opportunity ● ○ ○ Upstream value chain ○ ● ○ Own operations ○ ○ ● Downstream value chain

ESRS topic	ESRS sub-topics and sub-sub-topics	Description	Impact/Risk/ Opportunity	Strategic importance	Impacted part of the value chain
S4 Consumers and end-users	Information-related impacts for consumers and/or end-users - Access to (quality) information	Patria ensures access to quality information for customers through clear communication, strict data governance, and requirement management processes. Customer feedback, surveys, and reclamation tools are used to improve transparency and product development, while internal policies guarantee secure and accurate handling of information.	Positive impact, Risk, Opportunity	By adhering to strict safety and security requirement management processes, international standards, and conformity practices, Patria safeguards security while delivering high-quality, compliant solutions. This approach strengthens trust, minimises risks, and reinforces Patria's position as a responsible and reliable partner in the defence and security industry.	Downstream value chain
	Personal safety of consumers/ end-users - Security of a person - Product safety and quality	Patria prioritises product conformity through strict safety and quality standards and rigorous testing to ensure products pose no uncontrolled risks to end-users. Personal security is embedded in product design and lifecycle management, supported by compliance with defence industry requirements and user training.	Positive impact, Risk, Opportunity		Downstream value chain
G1 Business conduct	Corporate culture	Patria's corporate culture emphasises ethical leadership and integrity. These principles guide business governance through strict internal controls, zero tolerance for unethical behaviour, and robust due diligence for third parties. Responsible operations are required across the value chain. This culture is being preserved every day, reinforcing trust and ethical leadership at all organisational levels.	Positive impact, Risk, Opportunity	Patria's commitment to responsible business conduct and ethical governance practices is strategically vital by strengthening trust with stakeholders and ensuring compliance with high ethical standards across all operations. This approach safeguards business continuity, supports national security as a trusted partner, and promotes long-term resilience through transparency, integrity, and sustainable practices.	Upstream value chain, Own operations, Downstream value chain
	Corruption and bribery - Prevention and detection, including training - Incidents	Patria enforces a zero-tolerance policy towards corruption and bribery, embedding strict compliance measures into its business processes. These issues are addressed transparently under the Board of Directors and Audit Committee oversight, with findings reported regularly and process development implemented promptly to safeguard integrity and trust.	Negative impact, Risk, Opportunity		Upstream value chain, Own operations, Downstream value chain
	Protection of whistleblowers	Patria ensures strong protection for whistleblowers aligned with the EU Whistleblower Directive and national laws. Concerns can be reported anonymously via the SpeakUp channel, which is managed by an independent third party to guarantee confidentiality and prevent retaliation.	Positive impact, Risk, Opportunity		Upstream value chain, Own operations, Downstream value chain
	Political engagement and lobbying activities	Patria's approach to political engagement and lobbying is grounded in transparency, legality, and ethical conduct. Patria prohibits donations or financial benefits to political parties or candidates, ensuring that interactions with public officials remain professional, honest, and aligned with governance principles.	Positive impact, Negative impact, Risk, Opportunity		Upstream value chain, Downstream value chain
	Management of relationships with suppliers, including payment practices	Patria strives to be seen as a trusted partner. The company is committed to responsible supply chain management, reinforcing trust and minimising operational risks. Given the uncertainty of global supply chains, the suppliers financial stability may be a risk for deliveries. This can lead to problems in Patria's contractual obligations.	Positive impact, Risk, Opportunity		Upstream value chain, Downstream value chain
	Security, cybersecurity and AI	Patria's operations have an impact on national security and resilience. Company provides high-standard information security services to protect national defence. Patria's cybersecurity services protect from threats against people and assets. AI reshapes corporate operations with increasing data-driven capabilities and productivity.	Positive impact, Risk, Opportunity		Upstream value chain, Own operations, Downstream value chain

Positive impact · Negative impact · Risk · Opportunity · Upstream value chain · Own operations · Downstream value chain

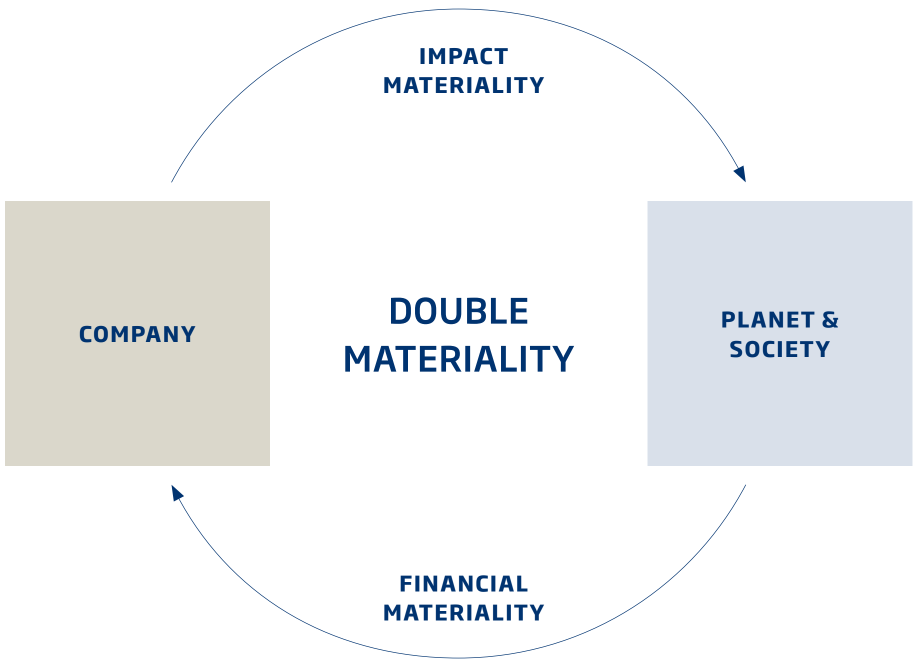
Double materiality assessment

IRO-1 **Description of process to identify and assess material impacts, risks and opportunities**

Materiality assessment is used to identify and prioritise the sustainability topics that are material to the company and its stakeholders. It is guided by the framework of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). Patria is committed to aligning its sustainability reporting practices with these regulatory standards in the best way.

Patria's materiality assessment process was conducted in 2024, through active engagement with internal and external stakeholders. Patria conducted interviews and distributed questionnaires to representatives from all business areas, as well as upstream and downstream value chain stakeholders. By involving representatives from Business Areas and Group functions, and the Audit Committee, the Board and the Owners, Patria ensured that a broad and diverse range of perspectives were captured.

The identification and evaluation of material impacts, risks, and opportunities are conducted using a structured methodology. Patria scores each topic based on its significance, referencing thresholds set by the ESRS to determine which topics warrant further attention. These assessments are tightly integrated into Patria's enterprise risk management system and inform the selection of material sustainability topics. Patria has identified risks and opportunities related to material topics according to the enterprise risk management process. Summaries of these, along with their impacts, are provided under each topical standard. Significant sustainability risks have also been integrated into Patria's corporate risk management process.



The Group Management Team, Audit Committee, and Board of Directors reviewed the results of the double materiality assessment. Each process step of the assessment was also validated with internal subject matter experts, and the Group Management Team, Audit Committee and Board of Directors were informed throughout the process.

The results of Patria's materiality assessment directly influence the company's strategic planning and business model. Identified material topics shape the priorities within Patria's Sustainability Programme and targets, guiding the development of long-term objectives that are closely aligned with overall business goals. Management plays a critical role in evaluating the importance of these themes, ensuring that sustainability considerations are integrated into decision-making processes to support long-term value creation and mitigate potential risks.

Patria is dedicated to the ongoing refinement of its materiality assessment process. Feedback from stakeholders and shifts in the business environment are regularly incorporated into future assessments. The company maintains mechanisms for monitoring, reporting, and updating the list of material impacts, risks, and opportunities. Through this commitment to continuous improvement, Patria ensures that its sustainability reporting remains relevant, accurate, and fully aligned with evolving regulatory standards and stakeholder expectations.

Patria's Code of Conduct, Supplier Code of Conduct, Sustainability Policy, Anti-Bribery Policy, Gifts and

Hospitality Policy, Conflict of Interest Policy and Screening and Due Diligence Policy, Whistleblower report policy as well as HR processes, described in more detail in S1 "Own employees" define the company's approach to sustainability. Related guidelines and tools support the implementation and adherence to company policies. Detailed information about these policies and how they are followed can be found under each topical standard: Climate change (E1), Circular economy (E5), Own employees (S1), Affected communities (S3), Consumers and End-users (S4), and Business conduct (G1).

IRO-2 **Disclosure requirements in ESRS covered by the undertaking's Sustainability Statement**

The 'ESRS and GRI content index' provides a comprehensive list of Disclosure Requirements (DR) addressed within the Sustainability Report 2025, in addition to GRI disclosures. The appendix includes the locations of each Disclosure Requirement within the Sustainability Report. Topics, that are deemed not material, have been excluded from the ESRS content index.

E

Environmental information

Environmental responsibility strenghtens resilience, supports long-term business success, and reflects our role as a trusted partner in the defence and security sector.

Scope 1&2 emissions have decreased	Sustainably produced electricity
-35.6% from baseline 2023	**46.5%** of total electricity consumption
Energy intensity has decreased	**Community waste sorting rate was**
-19.1% (MWh/Net sales)	**94%**

Patria

ANNUAL REVIEW

SUSTAINABILITY

General information
Basis for preparation
Sustainability governance
Patria's strategy, business model and value creation
Stakeholder engagement
Double materiality assessment
> Environmental information
Climate change
Circular economy
Social information
Own employees
Affected communities
Consumers and end-users
Governance information
Business conduct
Appendices
EU Taxonomy report
ESRS and GRI index
List of data points in cross-cutting and topical standards that derive from other EU legislation
Supplementary information

FINANCIAL

GOVERNANCE

E1 Climate change

Patria is committed to driving climate actions and reducing greenhouse gas emissions aligned with the Paris Agreement. Patria has been committed to the Science Based Targets initiative since 2022.

Material impacts, risks and opportunities

SBM-3 **Material impacts, risks and opportunities and their interaction with strategy and business model**

Patria's material impacts, risks, and opportunities associated with climate change have been identified through a double materiality assessment. The Enterprise risk management framework is used to identify and assess risks and opportunities and is scored according to the process described in the section Double materiality assessment. Patria's operations' climate and energy efficiency actions are considered in the environmental impact assessment, which is based on the requirements of the ISO 14001:2015 standard, and results are used as an input for the double materiality assessment.

Patria's own operations and value chain generates climate-warming greenhouse gas emissions. The majority of GHG emissions are caused by energy usage in operated facilities, the production of purchased goods and services, waste treatment, use of sold products, end-of-life treatment of sold products and in the operations of investments/associated companies. On a global scale, acute climate-related hazards can lead to delays, reduced capacity, and ultimately decreased mission readiness. The development of energy resilience is relevant for military supply security, as fossil fuels supply chains are vulnerable to disruptions. For the same reason, the role of renewable energy is important.

E1 Climate change

ESRS sub-topics and sub-sub-topics	Impact		Risk	Opportunity	Timeframe	Management
Climate change adaptation	Adaptation to climate change is necessary in response to evolving and extreme weather conditions, both within Patria's operations and throughout its value chain.	− A	Climate change causes extreme weather conditions such as floods and drainage-related issues. They can cause risks to production value chains concerning delays and capacity limitations.	Strengthening the ability of infrastructures and products to withstand climate change. Opportunities exist in advanced materials, lightweight structures and smart power systems.	Long term	The company focuses on developing products and services that are resistant to changing environmental conditions, ensuring usability and performance. These innovations provide added value to customers operating in diverse and challenging environments. Patria plays a leading role in international research and development initiatives, such as the FAMOUS-programme.
Climate change mitigation	Patria's own production and it's value chain generates climate-warming greenhouse gas emissions from energy usage (Scope 1, 2 and 3).	− A	Higher operational costs related to reduction of greenhouse gas emissions and energy usage: renewable fuels, sustainably produced electricity, heat and low-carbon materials.	Increasing opportunity for energy-efficient and lower carbon footprint products and services offering demand. Costs are expected to stabilise within a few years as demand for sustainably produced fuels and electricity rises and production costs fall. Fixed prices enable predictability of operational costs.	Medium term	Patria has been committed to the Science Based Targets initiative (SBTi) since 2022 and has validated greenhouse gas emission reduction targets for Scope 1, 2, and 3 emissions by 2030. Baseline year is 2023. These targets align with the Paris Agreement and support the ambition to limit global warming to 1.5 degrees Celsius.
Energy	Patria utilises and produces energy in its production processes , which causes greenhouse gas emissions. Utilised energy consists of electricity, heat and fuels.	− A	Future uncertainty of energy costs and potential restrictions in availability may lead to higher operating expenses and reduced profitability.	Energy resilience is an essential part of military supply security, as supply chains for fossil fuels are vulnerable to disruptions. For the same reason, the role of renewable energy is important.	Medium term	Targets and actions related to energy management are included in Patria's Sustainability Programme. In 2025, Patria has set a new goal to target 100% renewable or nuclear electricity usage by 2030.

+ Positive impact − Negative impact A Actual P Potential Short term Medium term Long term

Physical climate risks for Patria operations

Patria estimates potential physical climate risks to be significant for operations over the long term. Physical climate risks can disrupt operations, compromise assets, and affect mission readiness.

Physical risk type	Description
Acute	More frequent extreme weather conditions such as storms, floods, wildfires and heatwaves can damage manufacturing plants, testing sites, and storage facilities. This leads to production delays, higher maintenance costs, and potential loss of critical equipment.
Acute	Defence supply chains are global and often rely on specialised components. Climate-related interruptions can cause delay in production and increase procurement risks.
Acute	Growing climate hazards may increase insurance and risk premiums for companies, and tighten regulatory requirements.
Chronic	Military platforms and testing ranges may face reduced usability due to extreme weather conditions such as heat waves, heavy rainfall or sea-level rise.

Policies

E1-2 Policies related to climate change mitigation and adaptation

Climate actions are addressed in the Code of Conduct, Supplier Code of Conduct and in the Sustainability Policy and principles. **The Code of Conduct** includes Patria's commitment to science-based targets to significantly reduce greenhouse gas emissions and to act responsibly when using resources such as energy. Environmental responsibility strengthens resilience, supports long-term business success, and reflects our role as a trusted partner in the defence and security sector. **The Supplier Code of Conduct** includes requirements to follow the carbon footprint of their operations and actively seek opportunities to reduce it. In addition, suppliers are expected to develop their supply chain and transportation solutions to minimise their carbon footprints and other environmental impacts.

Sustainability policy demonstrates a commitment to the continuous improvement of environmental performance. It focuses on advancing climate initiatives to mitigate global climate change and aims to improve energy efficiency through continuous efforts. Patria is committed to reducing carbon footprint and use of resources in its own operations and in value chains. Emission reduction targets have been validated by the Science Based Targets initiative (SBTi) for Scopes 1, 2 and 3 with the target year of 2030. Patria is committed to reducing its carbon footprint through initiatives such as sustainably produced electricity and heating, enhanced energy efficiency, advancements in maintenance and product development, and the integration of sustainability into daily work practices. The effects of products and services on the environment are identified and, where possible, managed from a lifecycle perspective.

Additionally, Patria's **sustainability principles** cover strategic focus areas such as climate initiatives. **Environmental handbook (in Millog Management System handbook)** describes Patria's actions related to climate change. The handbook also states the key measures of how Patria is going to achieve its set emission reduction targets. Patria's internal practical actions for energy saving are stated in the separate energy saving guidelines.

Patria also encourages every employee to commit to promote sustainable development in their activities and to protect the environment by preventing environmental degradation. The majority of Patria Group's facilities operate under certified environmental management systems that comply with the latest ISO 14001:2015 standard. The environmental management system enhances control of environmental impacts and environmental protection. Environmental management is directed by an operational handbook, which is adapted and implemented in each country of operation.

Actions

E1-3 Actions and resources in relation to climate change policies

Patria's Sustainability Programme directs the company's efforts towards climate targets. Actions contributing to climate-related impacts, risks and opportunities for 2025 summarised:

- **Sustainably produced electricity** usage has increased to 46.3%. Patria introduced a new target to achieve 100% utilisation of renewable or nuclear electricity by 2030 as a specific measure to advance Scope 1 and 2 objectives.
- **Use of biofuels:** Patria operates its own heating plant in Halli, where some biofuels (wood chips) are used among other fuels. In 2025, the share of biofuels was 38%. The share of biofuels rose remarkably from 2024, when it was 4%.
- **Renewable fuels:** Renewable fuels and energy are included in Patria's climate actions. Currently Patria is piloting the use of renewable fuels in military vehicles. Starting in 2025, Millog committed to using renewable diesel in its operations whenever possible. The share of renewable diesel has increased, reaching nearly one third of Millog's total diesel consumption.
- **Solar panels:** In 2025, we installed solar panels to Hämeenlinna facilities consisting of over 350 PV modules which consists of several components, that together convert sunlight into electricity and produce nearly 150 MWh annually.
- **Emission performance in value chain (Scope 3):** Scope 3 emissions have increased 19.8% from 2024 due to a strong rise in production but are expected to start turning into a descending curve in the near future, when material carbon footprints develop. Millog has developed its service emissions calculations by piloting a transition from a spend-based method to a supplier-specific method with selected suppliers. Further development continues, and this aligns with the GHG Protocol's guidance on the preferred order of methods for calculating emissions.
- **ISO 14001-management system development** has continued in operations with efforts to certify Defence Partnership Latvia, Valmiera operations and Patria Drones in Muurame. The order of the certified sites is decided by Patria's business area management teams.
- **Energy efficiency actions in property maintenance** have included replacing lighting with LED lighting, installation of heat recovery systems and air source heat pumps. Millog conducted an energy audit at one of its facilities, identifying multiple energy efficiency actions that are being implemented within the available budget.

Following a Life Cycle Assessment (LCA) pilot initiative in 2024, 2025 Patria successfully completed its first comprehensive LCA to one vehicle product. The project was initiated to deepen understanding of the environmental performance, impacts, and carbon footprints of our products across their entire life cycles – from raw material extraction to end-of-life. This effort aligns with Patria Group's Sustainability Programme and responds to growing demands for understanding our environmental impacts. Integrating life cycle thinking into our operations strengthens our commitment to advanced innovation. The assessment was carried out in accordance with international ISO 14040 and ISO 14044 standards, which establish the principles and requirements for conducting an LCA study.

Targets and progress on targets

E1-4 **Targets related to climate change mitigation and adaptation**

Patria has been committed to the Science Based Targets initiative (SBTi) since 2022 to limit global warming to 1.5 degrees and to promote sustainable development in its operations by means of concrete measures. These targets align with the Paris Agreement. Patria's emission reduction near-term targets validated in 2024 by Science Based Targets Initiative (SBTi) to 2030 are to:

- Reduce absolute Scope 1 and 2 (own operations) emissions by 42% by 2030 compared to the baseline year 2023 (annual reduction 6.0 %).
- Reduce absolute Scope 3 (value chain) emissions by 25% by 2030 compared to the baseline year 2023 (annual reduction 3.6%).

Scope 3 target is related to five categories:

- Category 1: Purchased goods and services,
- Category 5: Waste generated in operations
- Category 11: Use of sold products
- Category 12: End-of-life treatment
- Category 15: Investments

Patria's climate impacts for Scope 1 and 2 consist of greenhouse gas emissions from electricity, heating and fuels. Primary climate-related impacts in Scope 3 originate from indirect emissions within its supply chain. The primary strategies for reducing emissions focus on utilising sustainably sourced electricity and heating, as well as reducing emissions in the company's own energy production processes. Key measures to reduce Scope 3 emissions require cooperation with the value chain to reduce life-cycle emissions. Performance related to climate targets in 2025:

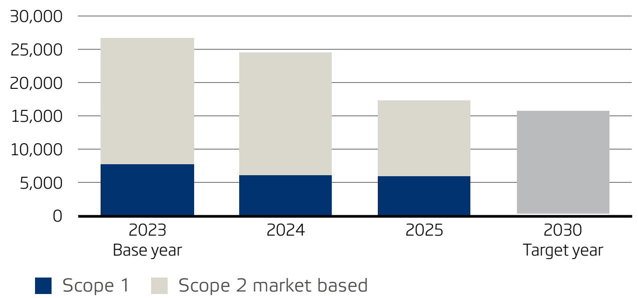
- Scope 1 and 2: Patria has achieved -35.6% (result 17,310 t CO_2e) reduction in its Scope 1 & 2 GHG emissions compared to the baseline year 2023, which also aligns with annual estimated reduction targets.
- Scope 3: Patria has not been able to achieve the annual SBTi-targets, due to significant growth of net sales resulting in 37.6% increase in Scope 3 emissions compared to the baseline year 2023.

Patria does not have a climate transition plan for 2050 in accordance with the European Sustainability Reporting Standards (ESRS). The company intends to publish revised climate emission targets extending beyond 2030 as part of its Sustainability Strategy and Programme for years 2026–2029.

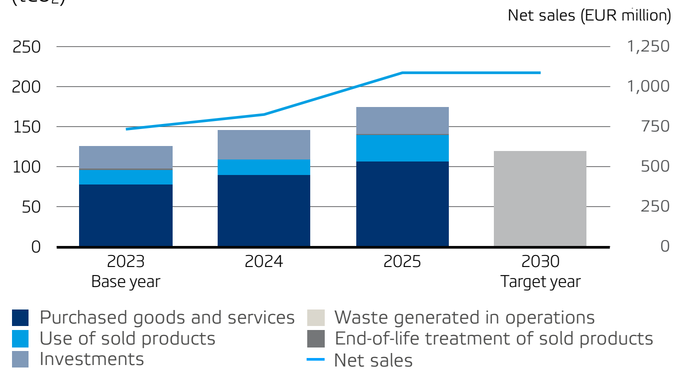
The carbon footprint, including Scope 1, 2 and 3 emissions, for Patria was 218,538 metric tons of carbon dioxide equivalent (t CO_2e) in 2025. Compared to the previous year's carbon footprint 192,612 t CO_2e, Patria generated 13.5% more greenhouse gas emissions. Carbon intensity for Scope 1,2 and 3 was 201,1 tCO_2/MEUR of net sales, which has decreased -13.8% from year 2024. Scope 3 absolute emissions have increased due to significant growth in Patria Group and its investments. The majority of Scope 3 emissions come from materials use, of which steel is the most important single material.

Patria's various operations consumed a total of 111,360 MWh of energy in 2025. Total energy consumption has increased 7.0% from 2024. Energy intensity has been decreasing reaching reduction of -19.1% from 2024.

GHG emissions Scope 1 and 2
(tCO_2)



GHG emissions Scope 3
(tCO_2)



Metrics

E1-5 **Energy consumption and mix**

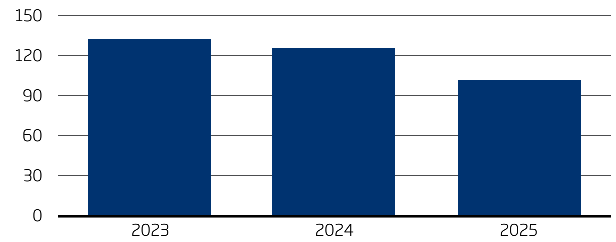
Energy consumption

	2025	2024	2023
Renewable energy consumption			
Fuel consumption for renewable sources (MWh)	437	12	0
Consumption of renewable energy sources (MWh)	57,721	37,000	30,397
Consumption of self-generated non-fuel renewable energy (MWh)	5,881	854	2,336
Renewable energy consumption (MWh)	64,040	37,866	32,733
Share of renewable energy consumption (%)	57.5	36.4	33.6
Non-renewable energy consumption			
Coal and coal products (MWh)	0	0	0
Crude oil and petroleum oil (MWh)	8,629	11,599	10,857
Natural gas (MWh)	2,118	512	1,710
Other non-renewable sources (MWh)	22,262	33,281	30,752
Fuels, total (MWh)	33,010	45,392	43,319
Nuclear products (MWh)	5,007	5,454	8,231
Non-renewable electricity, heat, steam, cooling (MWh)	9,303	15,399	13,023
Other, total (MWh)	14,311	20,835	21,254
Non-renewable energy consumption (MWh)	47,320	66,245	64,574
Share of non-renewable energy consumption (%)	42.5	63.6	66.4
Total energy consumption (MWh)	**111,360**	**104,112**	**97,307**

Energy intensity

	2025	2024	2023
Energy intensity (MWh/MEUR)	102	126	133

Intensity of energy consumption
(MWh/Net sales)



Patria

E1-6 **Gross Scopes 1, 2, 3 and Total GHG emissions**

Greenhouse gas (GHG) emissions

tCO_2e	2025	2024	2023
Fuels	2,128	2,398	2,351
Self produced energy	3,493	3,488	5,373
Refrigerants	356	253	136
Scope 1, total	5,977	6,139	7,860
Electricity	9,604	16,434	16,800
Heating and cooling	1,730	2,024	2,202
Scope 2, total	11,334	18,457	19,001
1. Purchased goods and services	106,139	89,424	77,830
2. Capital goods	8,679	8,497	3,508
3. Fuel- and energy-related activities (not in Scope 1 or 2)	3,833	3,330	3,011
4. Upstream transportation and distribution	2,731	1,230	874
5. Waste generated in operations	1,138	1,066	1,124
6. Business travel	4,712	3,716	2,182
7. Employee commuting	5,760	5,040	4,281
8. Upstream leased assets	400	328	275
9. Downstream transportation and distribution	0	0	0
10. Processing of sold products	0	0	0
11. Use of sold products	33,023	19,343	17,936
12. End-of-life treatment of sold products	1,896	896	936
13. Downstream leased assets	0	0	0
14. Franchises	0	0	0
15. Investments	32,915	35,147	29,376
Scope 3, total	201,227	168,016	141,333
All Scopes, total	**218,538**	**192,612**	**168,195**

Greenhouse gas (GHG) intensity

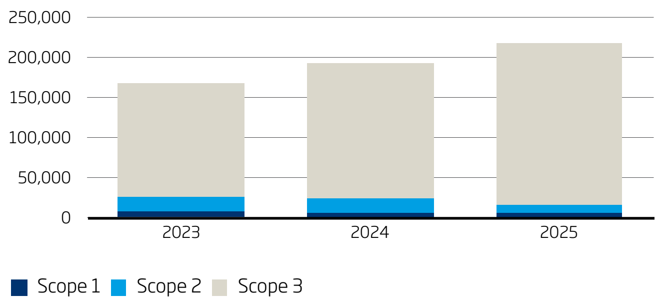
tCO_2e/MEUR	2025	2024	2023
Total GHG intensity Scope 1, 2 and 3 (market-based)	201.1	233.3	229.2
Total GHG intensity Scope 1, 2 (market-based)	15.9	29.8	36.6

Greenhouse gas (GHG) emissions by Scope

tCO_2e	2025	2024	2023
Scope 1	5,977	6,139	7,860
Scope 1 (biogenic)	2,239	250	841
Scope 2 (location-based)	8,863	7,961	10,399
Scope 2 (market-based)	11,334	18,457	19,001
Scope 2 (biogenic)	5,075	4,856	5,263
Scope 3 (upstream)	133,393	112,629	93,224
Scope 3 (downstream)	67,834	55,387	48,248
Scope 3 (biogenic)	1,178	1,130	1,130
Total GHG emissions (location-based)	216,067	182,116	159,593
Total GHG emissions (market-based)	218,537	192,612	168,195

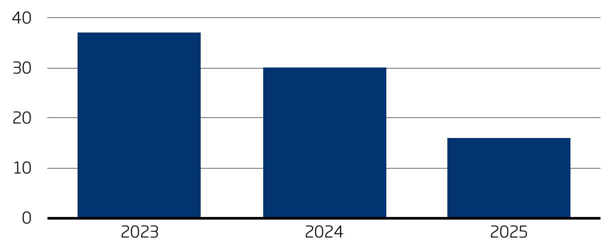
Greenhouse gas emissions by Scope

(tCO_2)



Intensity of greenhousegas emissions Scope 1 and 2

(tCO_2/Net sales)



Reporting principles for climate change and energy

General principles

Two main environmental indicators are followed in Patria's climate change reporting: greenhouse gas emissions and use of energy. Patria reports environmental indicators for Finnish, Belgian, Swedish, Latvian and Dutch business units. The report also presents environmental information on Patria's majority-owned subsidiary, Millog Group (including Millog, Senop and Millog Marine Power), which operates in dozens of locations throughout Finland.

Patria has conducted its carbon footprint calculation according to the standards and guidance described in the GHG protocol since 2018 (version 2004, amendment 2013) For Scope 3 emissions, a separate Scope 3 emission calculation standard (2011) and a technical guide (2013) that supplement the GHG Protocol were also applied. Patria has calculated its direct and energy indirect emissions (Scopes 1 and 2) 2018 onwards, and emissions from the value chain (Scope 3) were calculated in 2021 for the first time.

According to the GHG Protocol, the GHG accounting and reporting can be based on the equity share and the control approaches. These organisational boundaries define, which emissions belong to Scopes 1, 2 and 3. Patria has defined organizational boundaries based on the operational control of functions and therefore accounts for 100 per cent of the GHG emissions from operations over which it has control.

Scope 1 and 2 emissions

Scope 1 consists of direct greenhouse gas emissions from sources owned or controlled by the company, such as company-owned vehicles, self-produced energy, and potential refrigerant leaks. Scope 2 includes greenhouse gas emissions generated from the production of electricity and heat purchased and consumed by the company.

Regarding Scope 2 emissions in Patria's carbon footprint, the so-called market-based emissions figure is considered, and the location-based emission figure is provided as additional information. In the market-based emission figure, the impact of the chosen energy production method on emissions is considered. The calculation involves using emission factors reported by energy producers or a residual mix coefficient if precise information is unavailable. On the other hand, the location-based emission figure reflects the situation of the regional energy grid and is calculated using the average emission factor for energy production in the country. Patria's market-based Scope 2 emissions carbon footprint was 11,334 t CO_2e. Calculation has been done based on residual distribution. Patria's location-based Scope 2 emissions were 8,863 t CO_2e.

In addition, both Scope 1 and Scope 2 emissions include, as additional information, biogenic emissions, which describe the amount of carbon dioxide emissions generated from the use of biomass-based fuels. According to the GHG Protocol, only methane and nitrous oxide emissions from biofuels are included in a company's carbon footprint, and carbon dioxide is reported separately. Biogenic Scope 1 emissions in 2025 were 2,239 t CO_2, and biogenic Scope 2 emissions were 5,075 t CO_2.

Patria's indirect energy consumption consists of electricity and thermal energy consumption, with direct primary energy consumption deriving from fuel consumption by aircraft, vehicles, gas turbines and diesel engines.

Scope 3 emissions

Scope 3 consist of emissions that are generated in the value chain. Patria has conducted an analysis of Scope 3 emission categories. As a result, five significant categories were identified in the Group's GHG inventory to which SBTi targets are based on: category 1 (purchased goods and services), category 5 (waste generated in operations), category 11 (use of sold products), category 12 (end-of-life treatment) and category 15 (investments). Categories 9, 10, 13 and 14 were excluded from analysis as they do not apply to Patria Group's operations.
Calculation principles for each category:

- Category 1: Purchased goods and services: Calculation is based on purchasing data (mostly spending-based data.
- Category 5: Waste generated in operations: Calculation is based on known waste fractions and waste treatment methods.
- Category 11: Use of sold products: Calculation is based on estimated fuel consumption of vehicles during the predicted lifecycle of the vehicles.
- Category 12: End-of-life treatment: Calculation is based on waste treatment of different materials originating from the products Patria has sold.
- Category 15: Investments: Calculation is based on Scope 1 and 2 emissions of Patria's Norwegian associated companies, according to Patria's share of ownership.

Energy, Greenhouse gas (GHG) and energy intensities

Patria's indirect energy consumption consists of electricity and thermal energy consumption, with direct primary energy consumption deriving from fuel consumption by aircraft, vehicles, gas turbines and diesel engines.

Greenhouse gas intensity is measured by calculating emissions relative to net sales, while energy intensity is calculated by energy consumption relative to net sales.

E5 Circular economy

Patria is committed to enhancing circular economy and resource efficiency, recognising their relevance to global challenges such as climate change and resource scarcity.

Material impacts, risks and opportunities

SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Patria's material impacts, risks and opportunities related to resource use and circular economy have been identified in the double materiality assessment. Patria's operations' resource efficiency and waste management are considered in the environmental impact assessment, which is based on the requirements of ISO 14001:2015 standard. Risks and opportunities related to waste management are assessed as part of the regular environmental risk assessment.

Patria provides with MRO (Maintenance, Repair and Overhaul) services and digital solutions for resource optimisation for customers, that extend product lifespans. Upstream resource flows cause emissions and waste. Patria provides recycling services for customers, including reuse of components, which has positive impact on reducing resource outflows.

E5 Circular economy

ESRS sub-topics and sub-sub-topics	Impact		Risk	Opportunity	Timeframe	Management
Waste	In connection with Patria's operations, waste is generated, which causes greenhouse gas emissions and operational costs. Waste handling requires transportation and management creating a negative impact for the environment.	− A	Patria has limited capability to affect for the recycling rate development in downstream operations, which typically depend on the general waste management infrastructure on a local basis.	The waste generated in Patria' operations can serve as a raw material for other industries, if use is allowed by regulation. Increased waste sorting rates contribute to greater recycling opportunities.	Medium term	Annual targets to increase waste recycling and sorting rates. Training of own personnel in waste sorting and recycling. In internal audits, one focus point is in waste sorting. Selection process and audits of waste management companies.
Resource inflows, including resource use	Patria's upstream resource flow, which includes materials and products, causes greenhouse gas emissions.	− A	Uncertainty regarding operational costs and the availability of materials with a low carbon footprint. Additionally, there is insufficient information related to carbon footprint metrics.	Maintenance extends lifespan of products and reduces need for resource inflows.	Medium term	Patria collaborates with customers to extend the lifecycle of their products, which reduces material inflow and the need for raw material extraction.
Resource outflows, related to products and services	Patria provides services for customers, that extend product lifespans. Also, services include reuse of components, which has a positive impact on reducing resource outflows. Patria's downstream material flow causes emissions.	− + A P	Missed business opportunities for not being able to provide services. Reusing requires quality control to ensure reliability.	Possibility to develop products with longer lifespan and circularity of products. New business opportunities for using repaired and maintained old parts in service operations.	Medium term	Extension of products lifecycles with MRO (Maintenance, Repair and Overhaul) services. Digital solutions for resource optimization in Patria products and services during entire lifecycle.

+ Positive impact − Negative impact A Actual P Potential Short term Medium term Long term

Policies

E5-1 **Policies related to resource use and circular economy**

Circular economy and waste management are addressed in the Code of Conduct, Supplier Code of Conduct, and in Sustainability Policy and principles. **The Code of Conduct** includes Patria's commitment to operate in accordance with the principles of sustainable development, using resources responsibly, and minimising waste. **The Supplier Code of Conduct** includes requirements to minimise resource use and waste volumes, maximise the recycling rate of waste, and to organise the collection, storing and transportation of waste in a responsible way. In addition, suppliers are expected to raise the environmental awareness of their staff and stakeholders and encourage them to act in a sustainable way.

Sustainability policy: Materials are used as efficiently as feasible to avoid waste in Patria's operations. Patria is continuously improving its operation methods of repair and reusing old parts to be able to decrease the usage of virgin materials. Materials that cannot be reused are recycled by waste management companies. In most of the Patria Group's locations, there are certified environmental management systems that adhere to the ISO 14001:2015 standard. The environmental management system is used to enhance the control of environmental impacts and the level of environmental protection.

Patria's internal **environmental handbook** provides instructions concerning waste hierarchy. All operations must, as far as possible, follow the following order of priority:

1. Priority must be given to reducing the amount and harmfulness of the waste generated.
2. However, if waste is generated, the waste holder must first prepare the waste for reuse or secondarily recycle it.
3. If recycling is not possible, the waste holder must otherwise recover the waste, including recovery as energy.
4. If recovery is not possible, the waste must be disposed of.

Patria, as a manufacturer of the product and service provider, must take care of reducing the amount and harmfulness of the waste. The manufacturer of the product shall, inter alia, ensure that a) the method of production is chosen in such a way that as little waste as possible is produced in the manufacturing process and the resulting waste is as harmless to health and the environment as possible, b) the product is not packaged unnecessarily, c) the product is durable, repairable and reusable, as well as recyclable and produces as little waste as possible during the lifecycle.

The products Patria manufactures are designed to have extensive lifespans, e.g. 30-50 years for mobility systems. The product lifespans can be extended by additional years through lifecycle support services that Patria offers.

Actions

E5-2 **Actions and resources related to resource use and circular economy**

Patria's initiatives concerning resource utilisation and the circular economy are aligned with the following key themes:

- Transitioning to fossil free energy throughout Patria's entire operations.
- Improving energy efficiency in Patria's operations and using intelligent electricity.
- Reducing water usage by using the best available technology when developing production processes and facility maintenance.
- Promoting sorting and recycling of waste.
- Cooperation with waste management companies to achieve better recyclability and reusability of waste. As one concrete example, Patria has increased the reusability of composite waste together with a service provider. As a result, since the beginning of 2025, Patria's composite waste can be fully reused in the cement industry.
- Training of the personnel in different areas of environmental issues, including waste sorting and recycling.
- Actively participating in development of the Circular Economy Act.
- Repairing old parts to be reused in maintenance operations.
- Developing Patria's service operations to ensure the longer life cycle to its customer's products.
- Reuse of Customer's rejected materials and equipment's organized with public auction annually.

Efforts to increase the recycling rate are being made through collaboration with waste management companies, which has already improved both recycling options, and reporting practices for a clearer understanding of waste management processes. The importance of recycling has been reinforced and training given for employees, and efforts to enhance waste management have been included in action plans.

Product lifespans can be prolonged through lifecycle support services, thereby reducing the demand for raw material extraction and new manufacturing processes. Controlled recycling and end-of-life treatment practices have been determined, mainly for restricted security-related modules to ensure safe disposal, and for some bulk parts like metals and organic materials. In the case of smaller products, recyclable materials like wood and metals are used in product packaging. Furthermore, to some extent, used components and modules are re-used at least in tests and prototypes when possible.

Targets and progress on targets

E5-3 **Targets related to resource use and circular economy**

Patria's waste management targets are related to reducing, reusing and recycling layers of waste hierarchy. Community waste targets for 2025 were:

- Waste recycling rate 62%
- Waste sorting rate 70%

In 2025, the recycling rate for Patria Group's community waste was 58%. Patria's recycling rate was 46% and Millog's 69%. Since 2025 energy recovery of waste is not considered as recycling. This has caused changes in recycling rate calculations. The recycling rate is also dependent on the waste management partners' offering of recycling services. By implementing sorting procedures at production sites, we facilitate and enhance the recycling process. The decline in recycling is primarily related to an increase in wood waste, which has limited recycling options. Production has grown in Protected Mobility facilities in Finland and Latvia, which has increased wood waste. Patria Group's community waste sorting rate was 94%.

In connection with Patria Group's operations, following waste fractions are generated: community waste, scrap metal, construction and industrial waste and hazardous waste. The total volume of waste generated by Patria Group in 2025 was 3,926 tonnes. 73% (3,015 t) of Patria Group's waste consisted of community waste, including construction waste and scrap metal. Waste amounts have increased since 2024 by 9% (317 t).

Hazardous waste accounted for 27% (912 t). The amount of hazardous waste decreased compared to 2024 by 228 tonnes. Approximately 30% of Patria Group's hazardous waste was recycled, which is an improvement on the 2024 recycling rate (25%). Patria's hazardous waste is generated by surface treatment and maintenance and repair operations. These activities include washing parts and equipment, engine and vehicle oil changes, and surface treatment process waters.

In the course of time, the recycling rate of community waste has been varying between quarters and years. This is mainly due to the seasonal nature of Patria's operations. The same applies also to the amounts of hazardous waste. The amount of hazardous waste is targeted to be decreased, and the recycling rate of community waste is pursued to be increased to reach the goals of the EU Waste Directive ahead of the schedule set by EU.

Metrics

E5-4 **Resource inflows**

E5-5 **Resource outflows**

Reporting principles for circular economy

Waste produced in Patria production and offices is handled according with the principles of waste hierarchy. Waste volumes include common community waste, scrap metal, hazardous waste, and construction and industrial waste. Waste management companies report the actual data, which Patria uses in the reporting.

The recycling and sorting rate of community waste are calculated by using the data provided by the waste management companies. They use R- and D-codes to give information of the methods they use to handle the waste. Codes are divided into categories 1 recycling, 2 co-incineration or its preparation, 3 combustion in waste power plant and 4 disposal (D-codes). Recycling rate is calculated dividing the category 1 waste amount by the total waste amount. Sorting rate is calculated by adding together the waste amounts of categories 1, 2 and 3 and then dividing this by the total waste amount.

Waste reporting was modified in 2024 against ESRS E5-standard requirements. Mapping of waste codes into new standard has not been completely possible and therefore the previous years data cannot be offered completely in same format.

Patria Group does not disclose detailed information regarding material inflows utilized in its operations due to security considerations. Volumes of reuse of Customer's rejected materials and equipment's from public auctions are not available. That material is not classified as waste, and the quantities are not weighed, resulting in a lack of volume data. Public auctions are the preferred method for handling rejected materials, which contributes to lower overall waste volumes.

Generated waste

Tonnes	2025	2024	2023*
Hazardous waste			
Diverted from disposal	298.7	349.1	N/A
Diverted from disposal due to preparation for reuse	209.3	275.4	N/A
Diverted from disposal due to recycling	64.4	57.4	N/A
Diverted from disposal due to other recovery operations	25,0	16.3	N/A
Non-hazardous waste			
Diverted from disposal (non-haz)	2,.819.0	2,621.0	N/A
Diverted from disposal due to preparation for reuse (non-haz)	2,032.6	2,007.6	N/A
Diverted from disposal due to recycling (non-haz)	419.1	127.4	N/A
Diverted from disposal due to other recovery oper. (non-haz)	367.3	486.0	N/A
Hazardous waste (disposed)			
Directed to disposal	612.9	527.9	N/A
Directed to disposal by incineration	286.1	317.5	N/A
Directed to disposal by landfilling	0.2	0.1	N/A
Directed to disposal by other disposal operations	326.6	210.3	N/A
Non-hazardous waste (disposed)			
Directed to disposal (non-haz)	195,6	34.8	N/A
Directed to disposal by incineration (non-haz)	35.0	29.7	N/A
Directed to disposal by landfilling (non-haz)	13.8	2.2	N/A
Directed to disposal by other disposal operations (non-haz)	146.8	2.9	N/A
Non-recycled waste			
Total non-recycled waste	808.5	562.7	N/A
Non-recycled waste (%)	20.6	15.9	N/A
Waste totals of hazardous waste			
Total hazardous waste	911.5	877.2	657.4
Recycled hazardous waste	270.8	334.7	166.6
Recycled hazardous waste (%)	29.7	38.2	25.3
Total waste generated	**3,926.2**	**3,532.8**	**4,385.3**

*2023 data breakdown is not comparable to 2024

Waste recycling and sorting rate

Tonnes	2025	2024	2023*
Waste totals of non-hazardous waste			
Total non-hazardous waste (tonnes)	3,014.8	2,658.4	3,727.9
Recycled non-hazardous waste (tonnes)	1,733.4	1,885.1	2,600.5
Sorted non-hazardous waste (tonnes)	2,819.0	2,623.7	3,694.9
Recycled non-hazardous waste (%)	57.5	70.9	69.8
Sorted non-hazardous waste (%)	93.5	74.3	N/A

Social information

As an international defence and technology company, our mission is to give our customers confidence in all conditions. We are committed to building a resilient future for the next generations.

> 11,000 Safety observations	**+400** Headcount grew by 400 employees
> 10 Years average career length	**#3** The most attractive employer among Engineering professionals and #9 among IT professionals in Finland

S1 Own employees

People are at the heart of our success. We are committed to fostering a high-performance culture that values engagement, fairness, and continuous growth.

Patria

Material impacts, risks and opportunities

SBM-3 **Material impacts, risks and opportunities and their interaction with strategy and business model**

Patria's material impacts, risks and opportunities related to own workforce have been identified in the double materiality assessment. Patria's most significant impacts include being able to contribute positively to the wellbeing and work-life balance of its employees. By focusing on increasing positive impacts and reducing negatives, Patria seeks to boost employee engagement, satisfaction, productivity, and ultimately enhance its brand image.

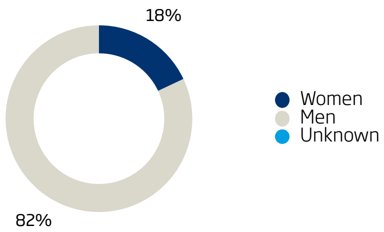
It is strongly recognised, that appropriate working conditions create an environment where employees feel safe, valued, and empowered to contribute at their best. Health and safety, fair treatment, and opportunities for growth build trust and engagement, which are essential

S1 Own workforce

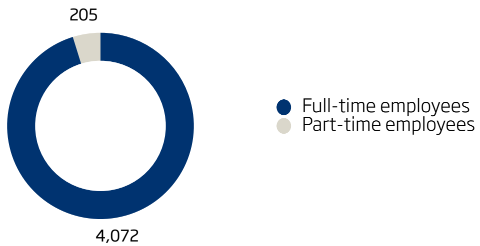
ESRS sub-topics and sub-sub-topics	Impact		Risk	Opportunity	Timeframe	Management
Working conditions - Health and safety - Secure employment - Working time - Adequate wage - Social dialogue - Collective bargaining - Work-life balance	Patria is committed to developing a high-performance culture, where all employees are entitled to safe and healthy working conditions. Inadequate conditions could negatively impact employees' physical and mental health. Open and transparent dialogue and improvement initiatives are continuosly deployed and maintained.	+ − A	Incidents and negative deviations in working conditions can cause severe health-related consequences and absences. They also increase costs and may affect to company reputation negatively.	Well and appropriately managed working conditions decrease incidents and increase employee wellbeing at work. They also positively impact to company's image.	Medium term	Patria manages its working conditions actively and professionally aligs with international standards, with strong support and "setting the example" from the top management.
Equal treatment opportunities for all - Gender equality and equal pay for work of equal value - Diversity - Measures against violence and harassment in the workplace - Trainings and skills development	Patria values equal treatment opportunities, invests in training and skills development, and promotes diversity and inclusion. Clear policies and reporting channels foster a safe and respectful workplace environment.	+ − A	Lack of gender equality can harm reputation and employee morale. It can also reduce organizational performance by excluding diverse perspectives and creating an unfair and less inclusive work environment.	Strong diversity and equality policies enhance employer brand and attract talents. Skills development promotes productivity and competitiveness. Also, inclusive practices are likely to foster innovation and strengthen long-term sustainability.	Medium term	Patria manages these issues through a Code of Conduct and HR policies that enforce equal opportunities, gender equality and diversity. Regular training programmes are arranged to build skills and awareness. A Speak Up channel and zero-tolerance policy address harassment, ensuring a safe and respectful workplace.

+ Positive impact − Negative impact A Actual P Potential Short term Medium term Long term

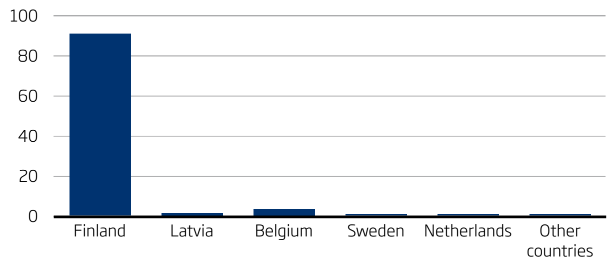
Personnel diversity (%)



Permanent employees
(headcount)



Employees in operating countries
(%)



Patria

ANNUAL REVIEW

SUSTAINABILITY

General information
Basis for preparation
Sustainability governance
Patria's strategy, business model and value creation
Stakeholder engagement
Double materiality assessment
Environmental information
Climate change
Circular economy
Social information
> Own employees
Affected communities
Consumers and end-users
Governance information
Business conduct
Appendices
EU Taxonomy report
ESRS and GRI index
List of data points in cross-cutting and topical standards that derive from other EU legislation
Supplementary information

FINANCIAL

GOVERNANCE

for collaboration and innovation. Patria ensures that individual performance supports organisational success and strengthens resilience in a competitive market.

Implementing measures to promote a healthy and safe workplace contribute positively to reducing work-related accidents and enhancing employee wellbeing. Well-governed policies and internal procedures for situations related to different aspects of employees' daily work, ranging from managing grievances to processing of personal data, are seen as instances for identifying and remedying possible concerns and building a just and cohesive culture.

Policies

S1-1 Policies related to own workforce

The Code of Conduct establishes the fundamental ethical standards and behavioural expectations that all employees are required to follow. It serves as a cornerstone for promoting a fair, respectful, and inclusive working environment, ensuring that all employees conduct themselves in accordance with Patria's values, legal requirements, and ethical practices. Regular training in the Code of Conduct is provided to all employees to reinforce these principles and ensure ongoing compliance. It is also mandatory for all new Patria employees.

The People Policy, updated in 2025, guides Patria's operations and management. It is based on Patria's shared values: we want to succeed, our operations are customer oriented, and we succeed together. The People policy includes a description of the principles of people management. Each of the management teams of Patria Group's companies and businesses is accountable for maintaining compliance with the People Policy and people management within its area of responsibility. A key principle of Patria's People policy is compliance with laws, regulations, ethical principles and good practices everywhere, and in all activities, regardless of the country of operation.

All employees with managerial duties are required to actively and purposefully promote a leadership culture, which is in accordance with Patria's values. Management is guided by the People Policy and good leadership builds trust and promotes fairness and constructive cooperation. Managers and supervisors ensure that operations are target oriented and create the preconditions for successful work and performance culture. Communications with staff is interactive and open.

The development of personnel skills is guided by the Patria People Policy. Competencies are the foundation of Patria's business and are developed according to the strategy and business needs. The growth, sharing and renewal of competencies through training, job rotation and changes in work assignments are essential part of performance and competence management. Patria provides its staff with the opportunity to develop their skills in their daily work and through courses. Good leadership is also supported by different types of coaching aimed at supervisors.

Patria strives to create a workplace in which there is mutual trust and respect and where diversity is encouraged and appreciated. Patria is committed to being an equal opportunities employer and shall treat all employees fairly, impartially and equally. Harassment and discrimination, in any form, are not tolerated. These prohibitions apply throughout the life cycle of an employment relationship.

At Patria, employees are treated equally and in a non-discriminatory way. Discrimination based on any personal reason is not tolerated. Every Patria employee must promote equality in their behaviours and actions. Patria does not tolerate inappropriate behaviour.

Operating principles: At Patria, all operations are guided by a commitment to comply with the laws and regulations of the countries where business is conducted. All activities are also guided by the different standards of Patria and Millog which have been approved at the Board level. These standards include Patria's Code of Conduct and Patria People Policy. The policies apply to all personnel in all countries of operations. If the regulations in the countries are less comprehensive or strict than our own standards, Patria will always apply the Patria standard. The principle is reflected in Patria's Code of Conduct.

Patria has also **an OHS (Occupational Health and Safety) Handbook (in Millog Management System Handbook)** to guide practicalities related to safety management. This handbook provides clear instructions and best practices to ensure a safe working environment for all employees.

Engaging with own workers

S1-2 Processes for engaging with own workers and workers' representatives about impacts

Patria actively engages with its employees and workers' representatives to ensure fair working conditions and equal opportunities for all. This engagement is built on open dialogue, transparency, and participation in decision-making processes that affect personnel. Patria promotes freedom of association and the right to collective bargaining and maintains regular communication channels to address concerns related to work-life balance, occupational safety, and equality.

Initiatives such as safety observation campaigns, equality and non-discrimination surveys, and leadership programmes help identify development needs and foster a safe and inclusive work environment. Employees are encouraged to contribute through feedback mechanisms, including the SpeakUp channel, ensuring that any grievances can be raised confidentially. These processes are complemented by training programmes and continuous skills development, supporting both individual growth and organisational performance. Patria's approach reflects its commitment to human rights, non-discrimination, and fair treatment, in line with international standards such as the ILO Conventions and the UN Global Compact.

Processes to remediate negative impacts and channels for the company's own employees to raise concerns

S1-3 **Processes to remediate negative impacts and channels for own workforce to raise concerns**

Employees are encouraged to report any concerns related to compliance, or suspected violations of ethical standards, laws, or regulations to their supervisor, the Human Resources Department, Security, Safety, or Quality functions. Reports can be done also depending on the concern by contacting the Compliance Department directly or through SpeakUp® service of People Intouch, by web and/or phone reporting. SpeakUp is a tool that allows reporting of any concerns anonymously. External stakeholders can report through the same tool.

The protection of whistleblowers is in all cases ensured in accordance with applicable national laws that implement the EU Whistleblower Directive. Patria has chosen to allocate the management of alleged wrongdoing reports to an external service provider, be they anonymous or identifiable, as one means to ensure nonpartial and professional handling.

Patria's Safety App is intended for recording and monitoring safety observations, accidents, near misses, corrective actions and safety walks. All incidents are investigated, and prerequisites are being created to avoid similar cases or identify possible deficiencies in the safety management system.

Actions

S1-4 **Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions**

Patria is committed to fostering a workplace culture that values engagement, fairness, and continuous growth. Our approach is rooted in ethical integrity, equality, inclusivity, and the understanding that empowered individuals drive responsible business. A high-performance culture is built on a clear vision and well-defined business objectives, which must be consistently understood across all levels of the organisation.

Patria has offices in Finland, Belgium, the Netherlands, Latvia, Norway, Japan, Sweden and Germany. All operations are guided by a commitment to comply with the laws and regulations of the countries where business is conducted. Legislation and applicable collective agreements in different countries differ and such agreements typically do not cover the top management of different companies. As an example, minimum conditions for working hours come from EU and Japan directives and are generally of a high standard. The main international initiatives, that Patria supports are described in the section Sustainability principles.

Patria employed over 500 new employees during 2025. Several training programmes for different employee groups offer information about Patria's ways of working and offer possibility to develop competences. The Bootcamp induction concept, introduced in 2025, provides a unified, high quality start for every new employee at Patria. This standardised two day programme offers a consistent overview of our operations, culture and core processes. Bootcamp serves as the first step in a broader induction path.

The goal of Patria's occupational health and safety is to ensure safe and healthy working conditions and to provide support for the maintenance of working capacity and mental wellbeing. The long-term target is, that work does not cause accidents or occupational diseases.

Actions taken to develop safety culture include
- Promotion of safety observations and innovations
- The development and implementation of safety instructions and practices, such as safety walks.
- Risk assessments, training and orientation at various levels, such as bootcamps for all new employees and supervisors.
- Cooperation with occupational health services, including mental wellbeing and musculoskeletal development groups and related trainings.
- Production of informative material to promote occupational safety, which serves as a reminder of everyday safety thinking and is visible on information screens and printed materials throughout the workplaces.

Patria's Health and Safety management system contains guidelines to provide a safe and healthy workplace. It is aligned with international standards and best practices, creating a proactive framework for identifying, assessing, and mitigating health and safety hazards in the workplace. Health and Safety management system, covering 100% of personnel, is continually developed to meet the highest standards.

Patria provides healthcare for its employees according to each country's legislation. Patria has an early support model in use for its personnel, which helps the employer to react at an early stage to support employees in case they have issues concerning health. Wellbeing is promoted by supportive health initiatives and coaching sessions.

In 2025, Patria has implemented actions defined in the Equality Plan for addressing potential discrimination, harassment and inappropriate language use raised by personnel. Attention has been paid to the equal distribution of workloads and tasks between individuals. The Patria Equality and Non-Discrimination Survey was conducted again in 2025 to determine further actions for 2026.

Patria has career management and age-related leadership programmes, with the goal of supporting and utilising the expertise of employees of different ages and life situations to achieve the goals of the work community. The aim is to support work continuity until retirement so that employees could work according to their own wellbeing and in the most appropriate role possible.

Targets and progress on targets

S1-5 **Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities**

In 2025, Patria experienced significant growth and renewal. Each professional contributed meaningfully to the organisations' collective mission. The company's workforce grew by 422 employees, resulting in a total of 4,277 professionals as of December 31, 2025. Furthermore, Patria successfully recruited more than 500 new employees during the year. Patria has targets to continuously improve employee satisfaction and supervisor performance. We have been able to keep these at the satisfactory level, while our Group grows and develops. A new learning management environment, MyLearning, replaced the old Patria environment during 2025. The new modern environment supports especially global learning processes better.

At Patria, the safety and wellbeing of our employees is a fundamental priority and an integral part of our social sustainability commitment. Patria has set long-term goals of zero occupational accidents and diseases. This ambition is supported by a comprehensive safety management system, preventive actions such as risk assessments, safety observations, occupational safety training, and safety walks. We continuously monitor and improve our safety culture, including tracking key indicators like the Lost Time Accident Frequency Rate (LTIF).

During the reporting period, Lost Time Injury Frequency has increased from 4.9 to 5.7. The rise was primarily caused by gaps in task-level risk management and supervision. We remain committed to being focused on safety and ensuring safe working environment for employees. We have implemented targeted safety initiatives, including enhanced training programmes, comprehensive risk assessments, and the promotion of safety observations. Additionally, we have strengthened induction processes and daily management practices to further improve safety oversight. In 2025, we recorded over 11,000 safety observations–a significant increase compared to more than 7,000 reported in 2024.

In Universum's 2025 Most Attractive Employers survey in Finland, Patria's ranking rose significantly among both students and professionals. Patria ranked third among engineers in the survey of working professionals (ninth in 2024) and was ranked ninth among by IT professionals (17th in 2024).

Metrics

S1-6 Characteristics of the undertaking's employees

S1-7 Characteristics of non-employees in the undertaking's own workforce

S1-9 Diversity metrics

Personnel at the end of the year by gender and country

FTE (<50 summed in other countries)*	2025	2024	2023
Finland	3,727	3,371	3,122
Sweden	79	82	82
Belgium	161	116	107
Latvia	78	<50	<50
Netherlands	49	<50	<50
Other countries	17	93	72
All Countries	**4,111**	**3,662**	**3,382**

* desimals has been rounded to nearest integer

Headcount (<50 summed in other countries)	2025	2024	2023
Total all countries	4,277	3,855	3,583
Women	766	675	597
Men	3,510	3,179	2,985
Unknown	1	1	1
Finland	3,879	3,551	3,295
Women	691	620	546
Men	3,187	2,930	2,748
Unknown	1	1	1
Sweden	77	80	81
Women	13	11	9
Men	64	69	72
Belgium	166	120	119
Women	30	20	20
Men	136	100	99
Latvia	78	<50	<50
Women	7		
Men	71		
Netherlands	51	<50	<50
Women	21		
Men	30		
Other countries	26	104	88
Women	4	24	22
Men	22	80	66
Non-employees in own workforce	557	377	310

Diversity	2025	2024	2023
Share of personnel (headcount)			
Women	766	675	597
Men	3,510	3,179	2,985
Unknown	1	1	1
Share of personnel (%)			
Women	17.9	17.5	16.7
Men	82.1	82.5	83.3
Unknown	0	0	0
Share of management (headcount)			
Women	2	3	3
Men	7	14	15
Share of management (%)			
Women	22.2	17.6	16.7
Men	77.8	82.4	83.3

Personnel at the end of the year by gender and contract type

Employee category (headcount)	2025	2024	2023
Permanent employees	4,112	3,648	3,430
Women	741	653	572
Men	3,370	3,030	2,857
Unknown	1	1	1
Fixed-term employees	165	171	151
Women	25	22	24
Men	140	149	127
Total	**4,277**	**3,855**	**3,583**

Personnel at the end of the year by gender and category (full/part time)

Employee category (headcount)	2025	2024	2023
Full-time employees	4,072	3,634	3,372
Women	714	617	546
Men	3,357	3,016	2,825
Unknown	1	1	1
Part-time employees	205	221	211
Women	52	58	51
Men	153	163	160
Total	**4,277**	**3,855**	**3,583**

Employee turnover and duration of employment

Employee turnover rate and duration of employment	2025	2024	2023
Employee turnover rate (%)	9.7	9.4	9.8
Average duration of employment (years)	10.1	12.2	12.9

Patria

S1-8 **Collective bargaining coverage and social dialogue**

Patria respects freedom of association and collective bargaining as mentioned in the Code of Conduct and provides training for all employees. Patria is also committed to the United Nations Global Compact. The collective bargaining coverage at Patria Group is high, 92%. The remaining 8% are in management positions and are not covered by collective bargaining agreements.

S1-10&11 **Adequate wages and social protection**

In Patria Group, all employees are paid above the allowed minimum wage, which are defined in collective bargaining agreements. The adequate wage levels have been analysed in different operating countries separately.

S1-13 **Training and skills development metrics**

Training indicators by gender 2025

Training indicators	Men	Women	Unknown	All
Employees participation in performance reviews (%)	98.0%	98.0%	100.0%	98.0%
The average number of training hours (hours)	12.8	12.1	0	12.6

S1-14 **Health and safety metrics**

Occupational health and safety

Occupational health and safety (own employees and service-providers)	2025	2024	2023
Lost time incident frequency rate (LTIF, r12)	5.7	4.9	8.3
Occupational accidents (number of)	42	45	48
Fatal occupational accidents (number of)	0	0	0
Occupational diseases (number of), only own employees	0	3	6
Safety observations (number of)	11,389	7,446	7,265

S1-15 **Work-life balance indicators**

All employees (100%) in Patria companies, who are starting a family, have a legal right to family-related leaves. A total of 5% of all employees took family-related leave during 2025.

S1-16 **Remuneration metrics**

The annual total remuneration ratio reflects the annual total remuneration of the highest paid individual relative to the annual average remuneration of all employees, excluding the highest paid individual, Patria's President and CEO. Patria's annual total compensation ratio was 4.9 during 2025. Patria strives to pay equality, which means that employees are paid with fairness. Gender pay-gap (female to men) was 1.7%. Differences may exist based on required expertise, competence and local requirements.

S1-17 **Incidents, complaints and human rights impacts**

Patria handles suspected violations against the ethical Code of Conduct reported via the SpeakUp channel according to the Patria Whistleblower Policy. In 2025, 46 concerns were raised, of which 18 concerned suspicions of discrimination and harassment. We have estimated, that one case included discrimination and have implemented actions based on assessment to prevent similar cases. Patria has not received any allegations of severe human rights incidents. Amount of material fines, penalties and compensation related to the above-mentioned incidents is zero (0) euros.

Reporting principles for own employees

Own workforce

The metrics for Patria's own workforce include the entire Patria Group. The number of employees and non-employees used in the calculations is indicated as the number at the end of the reporting period (31 December 2025). The share of women/men in management includes the ladies/men in top management positions.

Headcount is calculated at the end of the year 31.12.2025. Reporting period for new, resigned and retired employees is 1.1. - 31.12.2025. Exit-turnover is calculated as "the sum of all ended employee contracts / headcount at the end of the year". The number of employees also includes non-active employees such as employees on family-related leave.

Non-employee workers in the company's own workforce include workers who have concluded an agreement on the supply of labour with Patria Group that is, self-employed people and workers provided by companies that primarily engage in employment activities. As non-employee workers are considered the individuals who work under the management and supervision of Patria's companies, but whose employment contract is with a company that provides temporary labour to Patria. Patria also maintains data in its systems about individuals who need access to the systems for their work but are not under Patria's management. These individuals work as subcontractors and do not belong to Patria's own workforce, or the previously defined temporary labour (non-employee workers).

Occupational health and safety

The Lost Time Incident Frequency rate (LTIF1) reported by Patria Group for 2023-2025 includes all work-related incidents resulting in absences over one day. The number of work-related accidents is indicated combined for the company's own employees and non-employee workers. The Lost Time Incident Frequency Rate is determined by calculating the number of incidents per one million hours worked. Safety observations include all observations Patria personnel has recorded through official channels by country-specific instructions.

Employee turnover

The employee turnover is measured as the number of exiting employees during the fiscal year, divided by the headcount at the end of the year, excluding temporary employees such as trainees.

Remuneration metrics

The gender pay gap is calculated as the difference between the weighted average annualised salary for men and women divided by the weighted average annualised salary of men. The pay gap is reported as the percentage of women's salary gaps relative to men.

The annual total remuneration ratio is calculated as the ratio between the annual remuneration of the highest paid individual (excluding the President and CEO) and the average annual remuneration for all employees excluding executives.

S3

Affected communities

For Patria, ethical conduct is not just about compliance – it is about trust, accountability, and long-term societal impact.

Material impacts, risks and opportunities

SBM-3 **Material impacts, risks and opportunities and their interaction with strategy and business model**

Patria's material impacts, risks and opportunities related to affected communities have been identified in the double materiality assessment. The affected communities are civil societies in countries, that conduct business with Patria, or where the company has its own operations. The defence industry may have multifaceted impacts on communities, which may be realised in different ways.

Patria's most significant impacts include being able to contribute positively to national security and resilience. The defence industry connects and protects. We support strategic mobility and develop and supply the equipment that safeguards against internal and external threats. We collaborate closely with other companies in the defence and civilian businesses, as well as Academia and Research Institutions in our ecosystem. In addition, we collaborate on research and development, share knowledge and work together at a local, European and global level to foster frameworks for competitiveness, safety and sustainability.

Patria strives to be part of a European defence technological and industrial base (EDTIB) that is capable

S3 Affected communities

ESRS sub-topics and sub-topics	Impact		Risk	Opportunity	Timeframe	Management
Communities' economic, social, and cultural rights - Security-related impacts	Patria respects and protects communities' rights, local ecosystems and cultural heritage through responsible sourcing practices. Given its role in defence, Patria addresses security-related impacts with strict safety measures and stakeholder engagement.	+ A P	Poor management of these issues could harm local ecosystems, cultural heritage, and communities' economic position. This may lead to decreased community trust towards Patria and its operations, which can be realised also as a financial loss.	Strong sustainability and security practices enhance the social license to operate, build community goodwill, and support long-term profitability.	Medium term	These practices are reinforced across all our operations by Patria's Code of Conduct and Supplier Code of Conduct, which mandate responsible resource use, respect for communities, and compliance with ethical and legal standards.
Communities' civil and political rights - Freedom of expression - Freedom of assembly	Patria upholds freedom of expression and association through its Code of Conduct and open dialogue practices. It provides anonymous and risk-free channels to report for concerns and engages transparently to prevent any negative impacts on stakeholders of these rights.	+ A P	Restricting dialogue or ignoring concerns could damage reputation, lead to legal challenges, and erode stakeholder trust.	Promoting open communication and protecting rights strengthens community relations, enhances the company's credibility, and supports responsible business leadership.	Medium term	Patria manages these issues through its Code of Conduct and secure channels like SpeakUp are provided for raising concerns. These practices are reinforced from the top management level to ensure compliance with international human rights standards.

+ Positive impact – Negative impact A Actual P Potential Short term Medium term Long term of developing and producing the full spectrum of state-of-the-art capabilities. This enables national governments and Europe to sustain the highly specialised skills and facilities required to develop, produce and maintain the systems and equipment our armed forces need to fulfil their missions. Patria strives to remain at the cutting-edge of innovation and supports local projects for the development of skills that match those needs in education and Academia. As a part of many trade agreements, Patria engages local manufacturing and service industry directly through technology transfers or supplier partnerships. That contributes to the creation of highly skilled jobs in the countries where Patria operates.

In an increasingly instable world, our industry has an important role to play, to support peace as pre-condition of sustainable development. Given its importance for national security, the defence industry operates in a market where national governments play a decisive role as customers, sponsors and regulators.

Patria is committed to in-depth due diligence and risk assessments in the defence industry, leveraging expert resources and in collaboration with relevant authorities, which also identifies and prevents the risk of diversion, and to reporting transparently about our impacts on communities. The economic impact is significant, as the defence sector provides employment in manufacturing, development, and maintenance. Environmental impacts are addressed in Sections E1 Climate change and E5 Circular economy.

Policies

S3-1 **Policies related to affected communities**

Sustainability engagements in relation to affected communities are embedded in t**he Code of Conduct and the Supplier Code of Conduct,** both published on Patria's website, which include commitments to internationally recognised human rights in all operations. The main international initiatives that Patria supports are: The United Nations (UN) Universal Declaration of Human Rights, UN Global Compact, and the International Labour Organization (ILO). Human rights commitments are described also in sections of Sustainability principles, S1 Own workforce and G1 Governance.

Patria respects and promotes universal human rights as defined by the United Nations Universal Declaration of Human Rights, in its operations. The Code of Conduct and Supplier Code of Conduct emphasise respect for fundamental human rights within the company's operations and our supply chain. Internal processes include efforts to identify and address human rights risks, ensure fair and safe working conditions, prevent discrimination and harassment, and uphold labour standards in accordance with international conventions and standards.

Among the rights that Patria considers fundamental and universal are freedom of opinion and expression, religion and peaceful assembly as well as freedom from any discrimination based on race, age, nationality, gender or sexual orientation. Furthermore, Patria shall not tolerate any use of forced or child labour or human trafficking. Human rights of employees are interpreted in consistency with the International Labour Organization (ILO) Conventions.

Engagement with affected communities

S3-2 **Processes for engaging with affected communities about impacts**

Patria's policies regarding affected communities are designed to promote positive engagement with those impacted by the company's operations, while also preventing, mitigating and remedying any adverse effects. Patria fosters open dialogue and communication with its employees, suppliers and customers. Patria also maintains open channels for communication and cooperation and prioritises participation in decision-making processes affecting them.

Dialogue with civil society is emphasised through regular participation in public debates, events and research initiatives. Patria participates in the annual Arms Trade Treaty (ATT) Conference of State Parties as well as events organised by NGOs that look at human rights and due diligence considerations and the role of industry. The Arms Trade Treaty (ATT) is the only legally binding treaty to regulate the international trade of conventional arms. Its objective is to help prevent unregulated and irresponsible arms transfers, preventing their diversion, and raise standards to provide a level playing field for legitimate arms exporters.

Patria also contributes to research on these topics by providing interviews and practical insights. In February 2025, Patria presented on best practice in human rights due diligence, in a panel hosted in Geneva by the Working Group on Effective Treaty Implementation (WGETI).
In August 2025, the company participated in the ATT Conference of State Parties and the related side events. The ATT Secretariat was also invited to present to the Trade Compliance Project Annual event in November 2025.

Patria participates in other such events through ASD, where it holds the Chairperson role in the Export Control Committee. In that role, it facilitated ongoing discussions with the ATT Secretariat throughout the year and started a new dialogue with Transparency International's head of Defence and Security in December 2025. Patria's Vice President of Compliance also regularly contributes to research by delivering interviews and providing insights for researchers working on topics related to human rights, responsibility and export controls and sanctions implementation.

Patria engages with affected communities and maintains dialogue with NGO's directly or through the European sectorial industry association (ASD). Participating in these defence sector discussions helps raise awareness of human rights concerns and promotes industry initiatives. The subjects addressed encompass best practices in due diligence, lessons learned and measures to prevent circumvention, and the advancement of initiatives aimed at enhancing transparency, including for greater openness of Ultimate Beneficial Ownership (UBO) registers. See also General section for interests and views of stakeholders.

In addition, actions Patria has implemented to adequately address and mitigate effects on the local communities that the operations may cause or contribute to, directly or through the supply chain, are also ways to engage with communities. See chapter of Actions below.

Human rights aspects and risk of circumvention are considered, when evaluating country risk profile and specific opportunities, in accordance with the Patria Country Risk Matrix. Patria cooperates with national authorities to gain a better understanding of those risks. Each business opportunity is evaluated as part of the sales process, including compliance considerations. Specific internal governance bodies address concerns raised during due diligence exercises, with specific attention to higher risk third-party relationships, for which specific documentation, external expert advice and reports are regularly sought.

Process to remediate negative impacts and channels for affected communities to raise concerns

S3-3 **Processes to remediate negative impacts and channels for affected communities to raise concerns**

Affected communities are encouraged to report any ethical concerns or suspected non-compliance issues through Patria's SpeakUp channel, as detailed in section G1 Governance. Additionally, they may reach out to Patria's local contacts within operational sites. Patria also requires its suppliers to adhere to the Supplier Code of Conduct and to promptly report any concerns. The Code of Conduct and the Supplier Code of Conduct are published on Patria's website.

Actions

S3-4 **Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions**

Patria has implemented several actions and internal processes to adequately address and mitigate human rights effects the operations may cause or contribute to either directly or through the supply chain:

- A reporting channel that allows anonymous reporting ("SpeakUp") is made available to its employees as well as external stakeholders. Information of the tool and how to use it is accessible through the Patria website.
- External management of reported cases through a channel manager, which will also investigate alleged wrongdoing, while avoiding conflict of interest.
- Due diligence procedures, involving country risk assessment, external expert services, and specific governance models when reviewing any third party: see 'section G1 Governance'.
- Engagement with affected communities: see description above.
- External reporting on Patria's website and Sustainability Report. Patria publishes information on reports and eventual incidents in its Sustainability Report annually.

Policies are shared through direct communication with both internal and external stakeholders to keep them informed about Patria's initiatives. Information about policies is also available on the Company website. For contractual counterparties, we communicate policies through documented agreements setting clear expectations regarding human rights and environmental standards.

Patria products and services are mostly controlled as defence-related goods under export control laws and regulations and require export licences from relevant national authorities. Impact on regional stability and other security-related considerations are considered as part of the export licence assessments made by the respective licensing authorities in accordance with the Council Common Position 2008/944/CFSP of 8 December 2008 defining common rules governing control of exports of military technology and equipment.

Patria is committed to in-depth due diligence and risk assessments in the defence industry, leveraging expert resources and in collaboration with relevant authorities, which also identifies and prevents risk of diversion. Patria has a standardised process for assessing country risk, which is embedded in the sales process, and applies to any business opportunity and partnership. Country risk assessment is carried out leveraging internal governance structures. Collaboration with authorities is essential as it allows better understanding of their expectations and sharing of information that helps having a comprehensive assessment. Patria has a business partner selection process emphasising ethical and sustainability practices. The management of supplier selection process is described in section G1 Governance.

Patria maintains open communication with licensing authorities in all operating countries. The company has deep export control expertise and regularly engages with authorities and European institutions on legislation, implementation and best practices of sharing, including through ASD events. Dialogue with civil society is emphasised through regular participation in public debates and events, and direct participation to the Arms Trade Treaty Conference of State Parties and other NGO events, directly or through ASD.

Targets and progress on targets

S3-5 **Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities**

Patria's sustainability targets concerning affected communities are focused on maximising positive contributions while minimising negative impacts. A list of targets and references to other sections providing relevant information is noted below:

- Governance-related targets are outlined in section G1 Governance.
- Human Rights Due Diligence: Human rights assessments are included in third-party screening process, which is mandatory for all parties.
- Stakeholder dialogue: Patria is committed to annual sustainability reporting on social and ethical issues and actively participates in stakeholder forums and engagement activities.
- Supply Chain audits: Compliance and supply chain functions audit stakeholders based on annual plans.
- Environmental goals related to carbon emission reductions and the advancement of a circular economy within defence manufacturing processes are detailed in sections E1 Climate change and E5 Circular economy.

These targets related to affected communities reflect Patria's commitment to comprehensive sustainability and are developed to strengthen stakeholder confidence, and facilitate progress across social, environmental, and governance areas.

S4 Consumers and end-users

Patria's mission is to give its customers confidence in all conditions. Through our customer promise, we enable security in critical operations and conditions.

Material impacts, risks and opportunities

SBM-3 **Material impacts, risks and opportunities and their interaction with strategy and business model**

Patria's material impacts, risks and opportunities related to consumers and end-users have been identified in the double materiality assessment. Patria is committed to manufacturing high-quality products that meet the requirements of the industry, customers, and own operations. Design and manufacturing processes are highly controlled and continuously developed. Any uncontrolled safety risks or quality problems in products may lead to safety incidents, legal liabilities, and reputational risks. Opportunities are related for advanced trust, better brand image, and possibilities for long-term partnerships.

Beyond the ESRS framework, the sub-topic of product safety and quality has been included as Patria's own disclosure. The report concerning that can be found in the later section "Supplementary information".

S4 Consumers and end-users

ESRS sub-topics and sub-sub-topics	Impact		Risk	Opportunity	Timeframe	Management
Information-related impacts for consumers and/or end-users - Access to (quality) information	Patria ensures access to quality information for customers through clear communication, strict data governance, and requirement management processes. Customer feedback, surveys, and reclamation tools are used to improve transparency and product development, while internal policies guarantee secure and accurate handling of information.	+ A	Inaccurate or insufficient information could lead to misuse of products, safety incidents, and loss of trust, as well as regulatory non-compliance.	Transparent and reliable information strengthens customer confidence, improves user experience, and enhances Patria's reputation as a responsible and trustworthy partner.	Medium term	Patria manages information-related impacts through strict data governance and clear communication practices outlined e.g. in the Quality Policy and Data Governance Model. Processes such as requirement management, customer feedback systems, and secure IT solutions ensure that end-users receive accurate, timely, and reliable information while protecting confidentiality.
Personal safety of consumers/ end-users - Security of a person - Product safety and quality	Patria prioritises product conformity through strict safety and quality standards and rigorous testing to ensure products pose no uncontrolled risks to end-users. Personal security is embedded in product design and lifecycle management, supported by compliance with defence industry requirements and user training.	+ A	Failure in safety or security could lead to negative consequences, legal liabilities, and reputational harm. These are likely to cause also financial losses.	Strong compliance to high safety and ethical standards strengthen trust, enhance brand reputation, and create competitive advantage in responsible defence solutions.	Medium term	Patria manages these issues through strict product safety standards (e.g. ISO 9001 and defence regulations) and rigorous testing to protect end-users. Personal security is ensured through secure design and risk management practices.

+ Positive impact − Negative impact A Actual P Potential Short term Medium term Long term

Policies

S4-1 **Policies related to consumers and end-users**

Due to the security critical nature of the industry, Patria has determined a diverse set of policies and guidelines related to consumers and end-users, to ensure a systematic and common way to manage both internal and external requirements. The documents taking note of this topic include Patria's Code of Conduct, Supplier Code of Conduct, Quality Policy, Environmental Policy, Data Governance Model and Requirement Management Policy. From the consumers and end-users' point of view, these policies and guidelines aim to establish common principles for achieving appropriate product conformity and required compliance. Thereby, Patria can demonstrate to the customers and end-users that the products are produced appropriately, developed according to the best-practice industry standards and ways of working, and by following the strict regulations of the defence and security industry.

The Code of Conduct defines the ethical and compliance standards that apply to all Patria's operations, including relations to customers and end-users. The Code establishes the foundation to ensure that the Patria offering is guided by integrity, transparency, and compliance with laws and the highest standards. It reflects our commitment to delivering products and services that meet strict industry regulations and best practices, so customers and end-users can trust in their safety, quality, and sustainability.

The Supplier Code of Conduct specifies the minimum standards of behaviour Patria requires of its suppliers, based on the principles of Patria's Code of Conduct. The policy is applicable to all suppliers and partners who supply products or services related to Patria contracts or purchase orders. Any compliance concerns or potential or suspected violations of the Code are encouraged to be reported.

The Quality Policy addresses that the products and services delivered by Patria are produced according to quality standards (e.g. ISO9001) and fulfil requirements which are agreed with customers, and which are in line with relevant laws, regulations, industry standards and Patria internal requirements. The objectives and results are achieved by following up to date, clear and purposeful plans and processes. Patria commits to deliver products and services to customer as agreed. Patria's whole offering is based on genuine interest and understanding of customers' needs and requirements. Patria maintains approvals and certificates required by laws, regulations, and customers, and acts as they demand.

The Environmental Policy determines Patria's operations as required by the ISO 14001:2015 Environmental Management Standard. Patria is committed to continuously develop its operations to improve our environmental performance according to three guiding principles of compliance, sustainability and responsibility, and proactiveness. From the products' and their consumers' and end-users' viewpoint, those principles highlight that Patria identifies the environmental aspects including risks and opportunities related to the products and services. Patria delivers solutions in sustainable and responsible way, compliant with laws and regulations, and proactively considering the entire life cycles of the products and services.

The Patria Data Governance Model describes Patria's Master Data Management (MDM) and data governance model and how it is implemented into operations of Patria's business and group functions. MDM and Data Governance model outlines how master data should be managed, how data management practices are applied and organised, and how to ensure their continuous execution and further development. The model defines common ways and processes to handle customer and end-user related data in an appropriate and secure way. Patria's products and services are identified as one of the core data domains to secure safe and sustainable end-products.

The Requirement Management Policy serves more efficient and harmonised requirement management process. Properly utilised requirement engineering and management ensures the customer satisfaction and secures compliance and conformity with requirements presented from different stakeholders and different levels.

Engaging with consumers and end-users

S4-2 **Processes for engaging with consumers and end-users about impacts**

The majority of Patria's customers are national governmental authorities related to security and defence. Thereby, the processes and practices for customer and end-user engagement are often confidential and they can vary depending on the customers.

Overall, product safety and quality are linked with sales process where Patria's concept to be offered is being built in close cooperation with customer representatives. The sales process follows certain gates and review points where final concept is being developed and finally approved with an agreement. Following the agreement, the customer delivery project follows the same kind of structure with regular project reviews and milestone gates with the customer, that aims to ensure mutual information flow and dialogue as well as up-to-date project control. Customer delivery projects also include the needed documentation on the user guides and instructions to support the end-users and customers after the delivery, as agreed in the agreement.

The joint procurement Common Armoured Vehicle System (CAVS) programme demonstrates Patria's abilities to engage with different stakeholders, including customers, to drive development of the innovative and sustainable technology solutions. In this common European multinational development programme with several countries and organisations, Patria's 6x6 vehicle platform has been selected as a joint platform for participating countries. The programme requires very close cooperation between all the stakeholders already in the development phase to ensure meeting the customer requirements, and to enable effective interaction, joint procurement, and overall co-innovation and co-development in the international context.

Furthermore, customer interaction, sales observations, and market intelligence provide valuable insights, allowing products and services to be prioritised and developed based on consumer and end-user preferences and needs. Also, the Deviations Management Process and Patria's in-house tool for customer reclamations management are in implementation. Additionally, customer surveys are conducted annually covering all accounts to examine customer satisfaction with the offered solutions and Patria's operation model. Inputs from those surveys are mainly used for internal process development.

Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

S4-3 **Processes to remediate negative impacts and channels for consumers and end-users to raise concerns**

Patria's product management teams in each Business Areas support continuous development and development of processes to manage Patria's offering, enhancing productisation and supporting sales in technical support. Product portfolio management processes include the principles and forums to manage Patria offering and to secure and balance the offering for the market needs and changes, considering the customers and end-users at the core of all that.

To better encounter the customer and end-user requirements, there are ongoing development initiatives that aim to enhance productisation and product data management to achieve more effective customer delivery projects, cost-efficiency, and scalability. Also, within R&D process, there is a gate model with regular gate reviews in place, where pilot projects and prototypes are tested and verified that they are fit for the purpose and fill the customer needs already before customers' own validation phase.

The system engineering process is leading the delivery from design and development to customer delivery. System engineering process has certain reviews where the quality and safety related requirements are verified and documented as well as tested before customers' validation phase. Related to this end-to-end process development, there are also appropriate documentation and communication materials produced for the customer use.

Patria is committed to continuous improvement and conducts also regular internal and external audits aiming to spot and detect the development needs in the processes. Besides this, Patria maintains a continuous risk management process, supported by a risk portal tool, to mitigate risks and their potential impacts. This process also includes the consumers' and end-users' viewpoints.

Moreover, if end-users need to make reclamations or any claims, there are instructions and processes in place to mitigate the harm affected to the customer. During 2025, Patria implemented a new Observation Management System that harmonises all the previously used tools into one solution and to improve the overall internal efficiency related to deviation management.

Actions

S4-4 **Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions**

Patria develops its processes continuously to ensure and maintain its reliable supplier status as well as to enable them to meet customer demands and maximise customer satisfaction. The concrete enhancement actions in product safety and quality are developed and implemented in the representative Business Areas, with support provided from Group Functions. Patria actively and tightly follows the most recent industry standards to ensure product conformity in all aspects and domains.

Recent development initiatives aim to enhance internal efficiency, product quality, and improve profitability through more effective product data and requirement management. Regarding that, product data structures are developed to secure smoother data flow within the different product data structures and levels.

Requirement management development aims to implement a modern requirement management tool in use to secure traceability of product and service requirements of all levels. The goal is to secure all requirements are completed and verified before customer delivery and to enable full traceability from customers' high-level requirements to the lowest level of technical sub-system requirements.

All this data-related management development supports Patria's strategic shift to moving towards a more product-driven company where products are more standardised. The standardisation brings benefits from a quality point of view when products and services being offered contain more tested modules that are already used by several customers. This brings efficiency, quality, and scalability benefits.

Furthermore, Patria's deviations management process and the Observation Management System are developed to enhance Group-level processes to manage deviations and possible customer reclamations efficiently, and to build situational awareness for the responsible business units. In addition, an internal initiative process and initiative proposal application have been successfully implemented and brought into use to improve the proposal possibilities and management of internal initiatives in Finland.

To better prepare the future and the potential upcoming customer requirements and regulations according to product sustainability, Patria has conducted two Life Cycle Assessments (LCA) for separate products during the past two years. The analyses have given valuable information of the carbon footprint and environmental performance and provided applicable learning experience regarding the LCA process and its future implementations.

Related to tightening product regulations, Patria has closely followed and prepared for the evolving EU regulations on environmental sustainability, like the EU Deforestation Regulation (EUDR) and the Carbon Border Adjustment Mechanism (CBAM) to ensure compliance in those. Moreover, Patria has subcontracted EU Data Package Analysis to understand the readiness to apply the new data and AI-related EU regulations in 2025. All these new regulations have legal liabilities for Patria as well as have aspects and significant connections related to consumers and end-users of Patria's offering.

Targets and progress on targets

S4-5 **Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities**

Patria is committed to minimising negative impacts and advancing positive contributions for consumers and end-users through robust and transparent governance, reliable product safety and security, and continuous quality improvement processes. Our targets include integrating human rights due diligence into all third-party screenings, conducting regular supply chain audits, and maintaining stringent quality and safety controls throughout design and manufacturing.

Progress in 2025 reflects strengthened stakeholder engagement, enhanced compliance measures, and the implementation of a harmonised Observation Management System to improve deviation handling. We have advanced initiatives in product portfolio management and system engineering to ensure products meet industry and customer requirements, supported by rigorous testing and traceability protocols. These actions not only mitigate risks but also create opportunities for innovation and partnerships, reinforcing Patria's reputation for reliability and safety. Material risks and opportunities identified through double materiality assessments are actively managed via our risk management protocols and continuous audits, ensuring resilience and alignment with ESRS standards.

G

Governance information

Responsibility, integrity, and ethical business conduct are at the heart of everything we do at Patria. In today's world of unprecedented uncertainty, our industry plays a vital role in promoting resilience and security.

Code of Conduct New Code of Conduct for Patria	**94.3%** Integrity Index
94.0% of employees are aware of the procedures, when raising ethical concerns	**Corporate Security Policy** New Corporate Security Policy for Patria

G1 Business conduct

We are committed to ethical business practices, with zero tolerance for anti-corruption and a clear focus on integrity throughout our organisation. Patria's commitment to sustainable business conduct spans the entire value chain.

Patria

Material impacts, risks and opportunities

SBM-3 **Material impacts, risks and opportunities and their interaction with strategy and business model**

G1 Business Conduct

ESRS sub-topics and sub-sub-topics	Impact		Risk	Opportunity	Timeframe	Management
Corporate culture	Patria's corporate culture emphasises ethical leadership and integrity. These principles guide business governance through strict internal controls, zero tolerance for unethical behaviour, and robust due diligence for third parties. Responsible operations are required across the value chain. This culture is being preserved every day, reinforcing trust and ethical leadership at all organisational levels.	+ A	A weak or inconsistent corporate culture can lead to reputational damage, legal exposure, and loss of stakeholder trust. Unethical behaviour or even errors in internal controls may result in breaches of contractual obligations, inability to participate in public tenders, and restricted access to financing.	A strong, ethical corporate culture enhances Patria's reputation as a trusted partner for governments and partners, strengthening both brand and employer attractiveness. Demonstrating integrity and transparency can secure preferred supplier status, improve stakeholder confidence, and open doors to long-term strategic partnerships.	Medium term	Ethical culture is managed through Patria's Code of Conduct, compliance practices, and risk management processes. Key elements include governance model, mandatory trainings, internal audits, third-party due diligence, and a SpeakUp channel for reporting concerns.
Corruption and bribery - Prevention and detection, including training - Incidents	Patria enforces a zero-tolerance policy towards corruption and bribery, embedding strict compliance measures into its business processes. These issues are addressed transparently under the Board of Directors and Audit Committee oversight, with findings reported regularly and process development implemented promptly to safeguard integrity and trust.	+ A	Corruption or bribery in value chains could damage reputation, lead to legal sanctions, and result in exclusion from procurement processes. Failure in prevention or detection mechanisms could expose to investigations, financial penalties and loss of stakeholder trust.	Strong anti-corruption and -bribery measures and transparent governance enhance Patria's credibility as a trusted partner. Effective training and detection systems build resilience, reduce compliance risks, and strengthen relationships with stakeholders.	Short term	Prevention and detection are managed through a risk-based due diligence process, mandatory screening of all business partners, annual compliance surveys, and targeted training for high-risk roles, complemented by practical workshops and open reporting channels like the SpeakUp whistleblower system.
Protection of whistleblowers	Patria ensures strong protection for whistle-blowers aligned with the EU Whistleblower Directive and national laws. Concerns can be reported anonymously via the SpeakUp channel, which is managed by an independent third party to guarantee confidentiality and prevent retaliation.	+ A	Insufficient protection for whistleblowers can lead to underreporting of misconduct, exposing Patria to compliance failures, reputational harm, and legal consequences.	Robust whistleblower protection fosters a culture of transparency and trust, enabling early detection of risks and strengthening governance. It enhances Patria's reputation as an ethical operator, improves employee confidence, and supports compliance.	Short term	The process is defined in the Whistleblower Policy and embedded in Patria's governance framework, supported by regular training, audits, and transparent case handling to uphold trust and ethical business conduct.
Political engagement and lobbying practices	Patria's approach to political engagement and lobbying is grounded in transparency, legality, and ethical conduct. Patria prohibits donations or financial benefits to political parties or candidates, ensuring that interactions with public officials remain professional, honest, and aligned with governance principles.	+ A	Inappropriate lobbying practices would lead to reputational damage, regulatory penalties, and loss of trust. Any improper influence or political bias may jeopardise Patria's credibility, restrict access to public contracts, and increase compliance risks under EU and national laws.	Transparent and ethical political engagement strengthens Patria's position as a trusted partner and ensures constructive dialogue with policymakers. It helps to influence industry standards responsibly.	Short term	These practices are defined in Patria's Code of Conduct and internal Policy for Lobbying and Opinion Forming. All lobbying activities strictly follow Finnish and EU transparency laws, are monitored by Legal and Compliance functions, and are reported in national and EU transparency registers when required.
Management of relationships with suppliers including payment practices	Patria strives to be seen as a trusted partner. Company is committed to responsible supply chain management, reinforcing trust and minimising operational risks. Given the uncertainty of global supply chains, the suppliers financial stability may be a risk for deliveries. This can lead to problems in Patria's contractual obligations.	+ − A	Poor supplier relationship management can lead to supply chain disruptions, increased costs, and reputational harm. Non-compliance with ethical standards may result in legal exposure, loss of contracts, and weakened trust among stakeholders.	Strong supplier relationships enhance operational resilience and trust. Integrating strict criteria and responsible practices can enhance supplier loyalty, support targets, and strengthen Patria's reputation as a responsible partner.	Short term	Patria manages supplier relationships through a Supplier Code of Conduct, due diligence processes, and contractual agreements that embed ethical and sustainability standards.
Security, cybersecurity and AI	Patria's operations have an impact on national security and resilience. Company provides high-standard information security services to protect national defence. Patria's cybersecurity services protect from threats against people and assets. AI reshapes corporate operations with increasing data-driven capabilities and productivity.	+ A P	The data that Patria holds is vulnerable to cyberattacks. Corporate use of AI introduces risks related to data privacy breaches, security vulnerabily and lack of trust if used without adequate controls.	Efforts and work in the area enable dialogue with authorities and opportunities for partnering with other stakeholders. AI can significantly enhance corporate performance by automating routine tasks and improving decision-making.	Medium term	Patria offering to have impact on national security and resilience. Corporate Security Policy and actions in place. AI management requires governance frameworks, clear accountability, risk-mitigation processes and responsible AI principles.

+ Positive impact − Negative impact A Actual P Potential Short term Medium term Long term

SBM-3 **Material impacts, risks and opportunities and their interaction with strategy and business model**

Patria has identified governance-related impacts, risks, and opportunities through a double materiality assessment aligned with its risk management principles. The company prioritises strong governance and ethical practices, offering a trustworthy partnership for stakeholders and an ethical workplace for employees. Patria enforces zero tolerance for bribery and corruption across all business partners and leads its supply chain with ethical conduct, emphasising security of supply in procurement planning.

Beyond the ESRS-disclosure requirements, the sub-topic of Security, Cybersecurity and Artificial Intelligence (AI) was recognised to be material for Patria and thus the topic is attached to the report as our own entity-specific disclosure. As an operator in the defence and security sector, Patria upholds the highest adequate corporate security practices to safeguard our people, operations, property, information, reputation, and the environment. At the core there is Patria's strong security culture that is rooted in a long tradition, emphasising its importance to employees. Corporate security is integral to all daily activities and these efforts not only protect our assets but also uphold trust among products, services, stakeholders and society.

The role of administrative, management and supervisory bodies

GOV-1 **The role of the administrative, management and supervisory bodies**

Under the guidance of the CEO, the Group Management Team prepares both Patria's strategy and the integration of governance aspects into the strategy. Members of the Group Management Team are directly involved in the internal governance structures that ultimately decide upon due diligence cases and business partner reviews. The CEO is directly involved in country risk assessment and decision-making. Patria's Board of Directors confirms the Group's ethical practices and monitors their implementation. The Audit Committee supervises matters relating to compliance and ethics. It maintains oversight over reports of suspected misconduct that are received via the SpeakUp reporting channel and informs the Board of Directors.

The Compliance Department has the expertise and functional responsibility for setting up adequate policies, tools, providing guidance, setting up training initiatives, conducting internal and external audits and promoting continuous improvement. It includes specific roles with responsibilities over trade compliance and sanctions as well as compliance internal controls.

Specific governance has been established to evaluate and make decisions in complex cases, including the Due Diligence Committee (composed of the CLO, CFO, EVP of the Business Area, EVP Sales and Marketing, VP Communications), with responsibility for the decision of cases related to due diligence on third parties taking into account legal and reputational risk. Patria also has a Business Partner Selection Committee (composed of the CLO, CFO, EVP of the Business Area, EVP Sales and Marketing) which reviews and decides on cases related to business partners due diligence.

Policies

G1-1 **Corporate culture and business conduct policies**

As a company with majority ownership by the Finnish State, Patria is expected to maintain the highest standards of governance and exemplify strong corporate citizenship. Responsible corporate culture is the precondition for the functioning of internal controls. Good corporate culture is promoted through the Code of Conduct, trainings, inclusion of compliance aspects in other processes, internal and external audits, consistent treatment of cases, clear guidance through specific policies, and continuous improvement.

The Code of Conduct, Supplier Code of Conduct, and due diligence processes applicable to all counterparties help reduce risks associated with compliance, human rights, export controls, and sanctions. Both internal and external audits focusing on compliance within the organisation and among suppliers are also vital for managing governance-related impacts, risks, and opportunities.

The Code of Conduct captures the ethical and compliance standards for Patria companies´ Board members, directors, employees, agency workers and business partners. It also reflects Patria´s values, which are based on the universal values of integrity, transparency, accountability and sustainable development. Patria is committed to complying with laws and regulations of the countries where it conducts business. If these are less comprehensive or strict than our own standard, Patria will always apply its own standard. Patria's Code of Conduct was reviewed in 2025, to match an evolving world, and clearly include sustainability principles and related expectations. Patria also expects similar standards to be used in the supply chain according to **the Supplier Code of Conduct.**

Key elements of the **due diligence process** include screening on all third parties (including potential vendors, subcontractors, customers and intermediaries) with a focus on sanctions, anti-bribery and anti-corruption, conflict of interest, anti-money laundering, negative media and past enforcement cases. A risk-based due diligence process applies greater scrutiny to higher-risk transactions, countries, and business partners. Patria also conducts internal and external audits according to an annual audit plan.

Patria welcomes reports on any concerns related to potentially unethical behaviour, that may be not in line with the Code of Conduct. An anonymous channel "SpeakUp" is also made available and managed by a third party, to avoid conflict of interest and ensure protection of the whistleblower. The external whistleblower channel manager also conducts investigations. **The Whistleblower** process has been implemented considering national implementations of EU Whistleblower Directive. Patria's process has been recognised as best practice and presented at an Anti-Corruption Conference. A total of 46 concerns were received via the SpeakUp reporting channel in 2025. Cases are handled according to the process defined and published internally in the Patria Whistleblower Policy. All cases are depending on the nature of matter either transferred to HR, Quality or Sustainability processes or investigated as suspected wrongdoing. Reporters have received updates via the tool regarding measures taken following each report.

Patria has an **Anti-bribery Policy** and specific processes to identify risks when engaging with third parties. Such processes are based on a risk-based approach and address due diligence of different types of third parties in different ways, with in-depth due diligence supported by external reports for high-risk parties in countries with higher risk profile.

The **Gifts and Hospitality Policy** outlines strict guidelines for all Patria's employees and affiliates, emphasising compliance with anti-corruption laws and prohibiting gifts or hospitality that could create the appearance of impropriety, especially regarding government employees. It sets clear monetary limits and requires Compliance Department approval for anything exceeding those thresholds or for specific high-risk scenarios. The policy also details mandatory pre-approval and record-keeping, to ensure transparency and avoid conflicts of interest.

The **Conflict of Interest Policy** integral to Patria's ethical standards, requires all employees and partners to avoid, promptly disclose, and address any actual, potential, or perceived conflicts of interest, especially in situations involving personal relationships, outside activities, or business transactions that could compromise impartiality. Special attention is given to the hiring of current or former government officials, with strict compliance measures and possible cooling-off periods. All potential conflicts must be reported immediately to the Compliance Department.

The **Corporate Security Policy** defines the aspects of corporate security applicable within the Patria Group, the key concepts related to them, management objectives, principles, responsibilities and authorisations. Corporate security seeks to protect the organisations' core values against external and internal threats and risks. The purpose of Patria's Corporate Security Policy is to ensure undisrupted operations at Patria and their continuity, security and compliance. Corporate security enables Patria to maintain its position as a safe and reliable partner for its customers and other stakeholders.

The **Guidelines on the internal use of artificial intelligence** establish guidelines and principles for the responsible and ethical use of artificial intelligence (AI) within Patria's internal operations. It is aimed at ensuring that AI technologies are employed in a manner that aligns with Patria's values, respects human rights, and contributes positively to Patria's organisational objectives.

Management of relationships with suppliers, including payment practices

G1-2 Management of relationships with suppliers

G1-6 Metrics related to payment practice

Patria recognises its key role in the supply chain and strives to make a positive impact by upholding ethical standards through its Supplier Code of Conduct and contractual agreements. We emphasise transparency and open communication with suppliers, while proactively assessing financial and operational risks to prevent disruptions. To strengthen supply chain security, we employ contingency planning, diversify sourcing strategies, and maintain close collaboration with key suppliers to minimise vulnerabilities.

Patria's supplier relationship approach is strategic, focusing on identifying and mitigating risks. Patria actively requires suppliers to adhere to sustainability standards and provide support to help them adopt responsible practices. Regular supplier audits are conducted to ensure alignment with our operational principles and sustainability objectives, reinforcing our commitment to ethical and sustainable supply chain management.

Patria's supplier selection process incorporates sustainability criteria, and company selects partners who demonstrate ethical labour practices and responsibility. These criterions are integral to fostering a more sustainable and responsible supply chain that reflects our core values. Patria remains committed to developing processes to better support this approach and meet evolving standards.

Patria is committed to paying invoices on time and recognises the essential role of SMEs in its supply chain, as well as the importance of their financial stability. To prevent delays, we follow set procedures and tracking practices to help meet payment timelines. The standard payment terms are 30 or 60 days depending on the contract. Exceptions may be considered, for example concerning smaller suppliers. The payment terms are structured to support stable cash flow and maintain functional relationships with our suppliers.

Prevention and detection of corruption and bribery

G1-3 Prevention and detection of corruption or bribery

G1-4 Incidents of corruption or bribery

Patria has a business partner selection process to establish a transparent, risk-based and well-documented due diligence and approval process for evaluating, selecting and managing business partners. Patria will only engage and transact with business partners of known integrity, who will not expose Patria to unacceptable reputational or legal risks. It specifies the actions to be taken:

- Prior to entering into agreements with business partners.
- To ensure monitoring of the business partner during the duration of the Business Partner Agreement.
- In correspondence of an extension or renewal of the Business Partner Agreement.
- To monitor payments under the Agreement.

The process uses a risk-based approach, applying more thorough due diligence in correspondence of higher-risk business partner types or countries. Complex cases are addressed by the Business Partner Selection Committee or Due Diligence Committee, which include management and the Head of Communications to ensure reputational risks are also adequately taken into consideration. Due diligence on third parties is performed using a specific digital tool, combined with a questionnaire. Screening and compliance review is required before signing any NDA or contract, in accordance with Patria's Sanctions and Due Diligence Policy; this includes conflict-of-interest screening.

Training is provided to identified functions, that may face risks related to conflicts of interest, bribery, or corruption. An annual compliance survey assesses perceptions regarding bribery, corruption, conflicts of interest, and other forms of unethical conduct. It also solicits feedback on the effectiveness of compliance training. Based on feedback received through the survey, 2025 training was delivered in-person–with online options or retakes available–with the participation of an external expert trainer. The sessions covered practical examples, multiple-choice scenarios, and included a final test with certification. Trainings is also available in the new Patria Learning Management System (LMS) on the topics of whistleblower reporting, anti-bribery and anti-corruption, gifts and hospitality, conflict of interest and due diligence. As member of TRACE, Patria benefits from updated TRACE learning materials, which are integrated in the company LMS. The compliance function is involved early in the sales process to assess country and third-party risks. Internal and external compliance audits follow an annual plan and sometimes involve third-party auditors specialised services. For 2025 third-party audits, specialised external auditor services were leveraged.

Allegations or incidents can be submitted via a Whistleblower channel managed by an independent contractor to prevent conflicts of interest and protect the whistleblower identity. If further investigation is needed, the third party conducts it and submits the final report to management and supervisory bodies.

In 2025, there were no confirmed incidents of corruption or bribery, or incidents involving actors in Patria's value chain where Patria or its employees would have been involved. There were no violations of anti-corruption and bribery laws that resulted in convictions or fines.

The Compliance Survey is addressed to all personnel on a yearly basis. It investigates awareness of processes and tools, including the Whistleblower channel, and collects feedback on compliance culture, and effectiveness of training provided during the previous year. According to the 2025 results, which gathered an increasing number of responses, most employees know how to act in case of suspected unethical behaviour (94%) and are aware of the reporting channel (92%). Patria calculates an integrity index to support ethical leadership, achieving 94.3% out of 100% in 2025–an increase from 90.0% in 2024–based on survey results, reflecting a high-level culture of business integrity.

Political influence and lobbying activities

G1-5 Political influence and lobbying activities

The national legislation of Finland and other operating countries regarding the transparency of communication and lobbying directed at political and governmental influencers is strictly followed by Patria. The main topics and positions in Patria's activities on lobbying and opinion-forming when interacting with public officials are related to national legislation on defence procurement.

In Patria's Code of Conduct, the principle that binds all who engage in lobbying on behalf of Patria is described. All personnel shall act honestly, transparently and truthfully when dealing with any stakeholders and follow Patria's policies, guidelines, procedures and any applicable laws and regulations in all dealings with any officials and stakeholders.

The internal follow-up and oversight in political influence and lobbying activities is done in sales and management functions with the support of Patria Legal and Compliance functions and in accordance with strategic focus areas in Patria's communication plan. Patria does not grant donations, sponsorships or any other financial benefits to political parties or candidates. According to Finnish national legal requirements Patria will monitor and reports when needed to public transparency registers the monetary expenses of lobbying activities. Patria's lobbying actions are reported in EU and national Transparency Registries when legal criteria are met. From 2024 Patria has had internal Policy for Lobbying and Interest Representations and processes for implementing the policy-level rules in monitoring and assessment of lobbying activities.

Security, Cybersecurity and Artificial Intelligence (AI)

Entity-specific topics (Own disclosure)

Sustainability at Patria is driven by our core mission of being an international provider of reliable defence and security solutions. Patria's core value of providing security is rooted in its mission to deliver reliable defence and security solutions that safeguard national interests. Through advanced technologies, rigorous compliance, and a culture of integrity, Patria ensures resilience in critical operations, enabling customers to operate confidently under all conditions. This commitment strengthens national security by protecting people, assets, and information against evolving threats.

Simultaneously, security, cybersecurity and the safe use of artificial intelligence are key aspects for Patria's sustainable business performance. Our operations involve critical international and national defence projects, where both physical and information security are essential to ensure continuity and resilience. Corporate security encompasses comprehensive measures for personnel, premises, production, and data integrity, aligning with our strategic goals and regulatory requirements. These efforts not only protect our assets but also uphold trust among stakeholders and society.

Cybersecurity plays a vital role in mitigating risks associated with digitalisation and interconnected systems. Patria systematically maintains a robust level of information security through governance, continuous improvement, training, and collaboration with authorities and partners. Our cybersecurity services safeguard people and assets, preventing data breaches that could compromise national security and cause significant reputational and financial harm. These measures reinforce our commitment to responsible operations and long-term sustainability.

At Patria, security of operations means both comprehensive management and the development of related competencies. Both physical and data security are important factors in critical projects. In the defence sector, corporate security plays a central role in ensuring undisrupted operations. Primary responsibility for corporate security lies with Patria's units and group functions, which each take responsibility for matters related to their operations. Patria's security organisation provides functions with a variety of corporate security services. The comprehensive management of corporate security is also steered, developed and monitored at Group level, and the related competencies are also ensured and developed.

Corporate security is divided into production security, business continuity, fire and rescue safety, preparedness and crisis management, facility security, management of misuses and non-conformities, information security, and personnel security. Corporate security identifies, monitors and removes threats to Patria's personnel and assets. Patria's cybersecurity services protect from threats against people and assets.

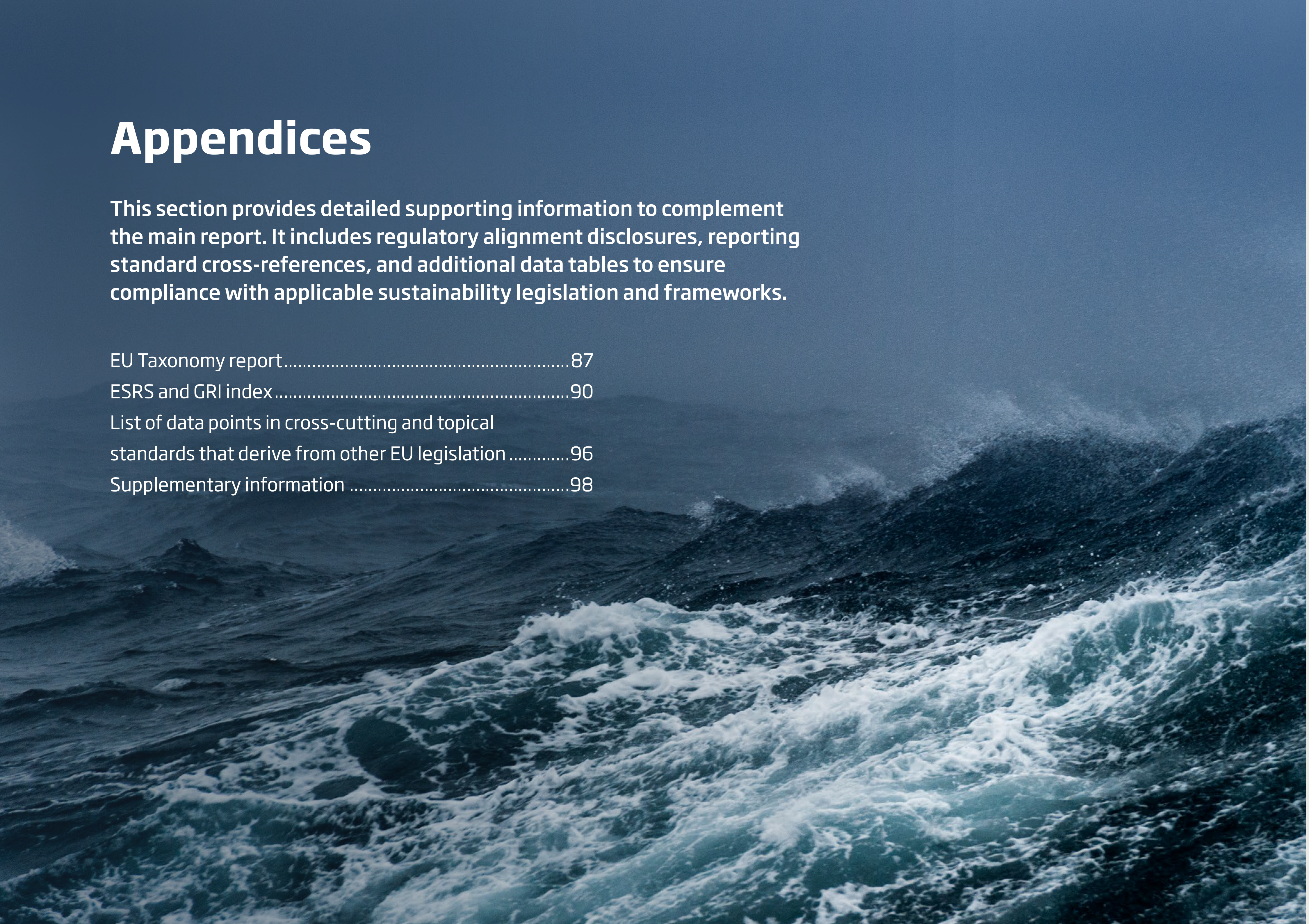
Patria has been granted the Finnish Facility Security Clearance (FSC). To maintain FSC, the designated national security authorities (DSA) regularly audit Patria corporate security practices.

Patria systematically seeks to maintain a good and sufficient level of information security through management, development, communications, training, continuous improvement, and cooperation with a variety of stakeholders. When developing its information security, Patria follows generally approved best practices and operating models, considering any country- and customer-specific requirements arising in different business areas, and especially the requirements and potential threats in the sector.

Patria provides high-standard information security services to protect international and national defence, following company practices. The data that Patria holds is relevant for national security and international stakeholders, being therefore vulnerable to cyberattacks. Patria's cybersecurity services protect from threats against people and assets. Without high-standard information security, data related to defence programmes would be at high risk of being leaked, resulting in violations and misuse.

Artificial Intelligence (AI) is integrated into Patria's processes with a strong emphasis on responsibility and ethics. AI reshapes our corporate operations with increasing data-driven capabilities and productivity. Internal guidelines ensure that AI deployment adheres to best practices, regulatory developments, and transparency principles. By embedding responsible AI use into our offerings and workflows, we enhance customer value while minimising risks related to data governance and algorithmic integrity.

Patria's principles and ways of working when deploying AI are developed with the vision that its responsible use will become a true competitive advantage, built-in to the quality of offering, professional way of working, and added customer value. Internal Guidelines for the Use of Artificial Intelligence are available for employees and other people working at Patria.



Appendices

This section provides detailed supporting information to complement the main report. It includes regulatory alignment disclosures, reporting standard cross-references, and additional data tables to ensure compliance with applicable sustainability legislation and frameworks.

EU Taxonomy report

General information

The EU Taxonomy is a classification system for sustainable finance, featuring activity-specific sustainability criteria. The EU Taxonomy Regulation 2020/852 came into effect in July 2020. This Taxonomy encompasses the primary regulation, supplementary delegated acts, and technical standards issued accordingly. Its objective is to direct capital towards sustainable investments that adhere to EU criteria, thereby enabling the EU to achieve its emissions reduction and environmental goals within its economic area.

To demonstrate eligibility under the Taxonomy, a company's activities must correspond with those outlined in the EU Taxonomy, which are recognised as contributing to at least one of six environmental objectives: (1) climate change mitigation; (2) climate change adaptation; (3) sustainable use and protection of water and marine resources; (4) transition to a circular economy; (5) pollution prevention and control; and (6) protection and restoration of biodiversity and ecosystems.

For an investment to be considered sustainable–and thus Taxonomy-aligned–under the EU's definitions, a company must show that its eligible activities meet the technical sustainability criteria for at least one environmental objective, do not significantly harm other objectives, and comply with minimum social safeguard requirements.

Patria's compliance with EU Taxonomy regulation

The new Delegated Regulation introduced new materiality assessment, which has been taken into use in Patria's 2025 Sustainability Report. Activities accounting for less than 10% of total turnover and capital expenditure were excluded from the Taxonomy report, which means that no eligible turnover or capital expenditure were identified. It is noted also, that many defence and military activities are not included in the list of Taxonomy-eligible activities. Activities that were excluded because of accounting less than 10% were:

3.21 Manufacturing of aircraft

Manufacture, repair, maintenance, overhaul, retrofitting, design, repurposing and upgrade of aircraft and aircraft parts and equipment (172).

The activity focuses on the manufacturing of aircraft and involves the production of airplanes, both for commercial and military purposes. This activity covers the design, assembly, and manufacturing of aircraft, including the creation of their components, systems, and parts.

7.6 Installation, maintenance and repair of renewable energy technologies

Activity covers on-site installation, maintenance and repair of renewable energy systems such as solar photovoltaic systems.

Proportion of turnover and CapEx/Opex from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities - disclosure covering year 2025 are:

- Proportion of Taxonomy-eligible activities 0%
- Proportion of CapEx/Opex associaties with Taxonomy-eligible activities 0€

Patria has not previously reported compliance with the EU Taxonomy Regulation, and therefore has no changes compared to previous year's report.

Minimum social safeguards

In accordance with Article 18 of the EU Taxonomy Regulation, Patria confirms that its operations within the defence sector are conducted in compliance with the established social minimum safeguards. These safeguards are aligned with the principles outlined in the OECD Guidelines for Multinational Enterprises, the United Nations Guiding Principles on Business and Human Rights (UNGPs), and the fundamental conventions of the International Labour Organization (ILO).

Patria has established adequate due diligence processes on human rights issues that comply with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human rights.

In accordance with OECD guidelines, the due diligence process embeds responsible business conduct in company policies and management systems, includes a risk assessment of impacts associated with company operations, products or services, includes adequate governance models for decision-making and implements eventual measures needed to mitigate risks and impacts. This framework encompasses ongoing risk assessments, a risk-based approach that performs deeper due diligence for higher-risk cases, high standards included in a Code of Conduct governing both employees and suppliers, targeted training-programs, and clear procedures for addressing identified risks. This process is aimed at:

- Adherence to applicable EU and national export-control regimes.
- Screening of counterparties and their ownership chain to identify red flags and human-rights risk indicators, verify the legitimacy of the potential partners, customers or end users, and avoid circumvention.
- Cross-functional review procedures before entering contracts in higher-risk regions.
- Governance models that allow escalation when risks are identified to decide whether to carry out business or not and whether mitigation measures are needed.

Potential breaches or grievances can be raised through the Patria's Whistleblower channel.

Patria is committed to maintaining safe, fair, and legally compliant working conditions across all operations. This includes respect for freedom of association, collective bargaining, equal opportunities, and the prohibition of forced labour, child labour, and discrimination. Occupational safety is managed according to safety management systems, regular trainings and continuous development of preventive actions and risk management.

Patria has established a comprehensive Ethics and Compliance Programme, which includes oversight by a Board-level committee dedicated to sustainability and responsible business conduct. The programme features anti-corruption and anti-bribery policies that are aligned with international standards, as well as secure, anonymous whistleblowing channels for both employees and external stakeholders. Furthermore, Patria implements robust investigation and remediation procedures to ensure accountability in cases of misconduct.

Patria performs due diligence on all third parties, including deeper integrity assessments for higher-risk partners. These processes help identify and mitigate risks related to compliance, human rights, and sanctions. Suppliers involved in the manufacturing and maintenance of defence-related products are subject to Patria's Supplier Code of Conduct, screening and risk-based assessments.

Following the completion of due diligence activities, internal and external audits, and export-control compliance processes, Patria affirms that its operations are consistent with the Social Minimum Safeguards outlined in the EU Taxonomy. Patria is dedicated to continuous development of related processes.

Taxonomy additional information

Nuclear and fossil gas-related activities

Row	Nuclear energy-related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

	Proportion of turnover / Total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

	Proportion of CapEx / Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

	Proportion of OpEx / Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

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ESRS 2, IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	ESRS 2: Material impacts, risks and opportunities ESRS 2: Introduction to the topic	44, 80
G1-1	Business conduct policies and corporate culture	ESRS 2: Material impacts, risks and opportunities ESRS 2: Approach and policies	80, 81
G1-2	Management of relationships with suppliers	ESRS G1: Management of relationships with suppliers	82
G1-3	Prevention and detection of corruption and bribery	ESRS G1: Prevention and detection of corruption and bribery	82
G1-4	Confirmed incidents of corruption or bribery	ESRS G1: Prevention and detection of corruption and bribery	82
G1-5	Political influence and lobbying activities	ESRS G1: Political influence and lobbying activities	83
G1-6	Payment practices	ESRS G1: Payment practices	82
G1-Entity specific	Security, cybersecurity and AI (Artificial Intelligence)	ESRS G1: Security, cybersecurity and AI (Artificial Intelligence)	83

GRI content index 2025

GRI Standard	Location in Sustainability Report	Comment
GRI 2: General Disclosures 2021		
2-1 Organizational details	Annual review, Patria in brief, p. 4	
2-2 Entities included in the organization's sustainability reporting	Reporting principles, p. 34	
2-3 Reporting period, frequency and contact point	Reporting principles, p. 34	Reporting period is 1.1.–31.12.2025. Report is published once in a year. Contact point Johanna Arola, VP Sustainability, Patria Oyj.
2-4 Restatements of information	Reporting principles, p. 34, GRI content index	No significant changes.
2-5 External assurance	GRI content index	The report has not been assured by a third party.
2-6 Activities, value chain and other business relationships	Management of relationships with suppliers, p. 82, Annual review, Strategy, p. 11, Operating model, p. 15, Sustainability report p. 38	
2-7 Employees	Personnel metrics, p. 67	
2-8 Workers who are not employees	Personnel metrics, p. 67	
2-9 Governance structure and composition	Sustainability report p. 36, Finance & governance, Corporate governance, p. 145	
2-10 Nomination and selection of the highest governance body	Finance & governance, Corporate governance, p. 145	
2-11 Chair of the highest governance body	Finance & governance, Board of directors, p. 146	
2-12 Role of the highest governance body in overseeing the management of impacts	Finance & governance, Corporate governance, p. 146	
2-13 Delegation of responsibility for managing impacts	Finance & governance, Corporate governance, p. 146	
2-14 Role of the highest governance body in sustainability reporting	Sustainability management, p. 35	
2-15 Conflicts of interest	Governance, p. 82	
2-16 Communication of critical concerns	Own workforce, p. 64 and governance, p. 82	
2-19 Remuneration policies	Finance & governance, Notes to the consolidated financial statements, p. 110	
2-20 Process to determine remuneration	Finance & governance, Notes to the consolidated financial statements, p. 110	
2-22 Statement on sustainable development strategy	Sustainability report p. 38	
2-23 Policy commitments	Sustainability report p. 52, 58, 64, 71, 75, 81	
2-24 Embedding policy commitments	Sustainability report p. 81	
2-25 Processes to remediate negative impacts	Sustainability report p. 52, 58, 65, 72, 76, 82	
2-26 Mechanisms for seeking advice and raising concerns	Sustainability report p. 65	
2-27 Compliance with laws and regulations	Governance, p. 81	
2-28 Membership associations	Sustainability report p. 71	
2-29 Approach to stakeholder engagement	Stakeholder collaboration, p. 41	
2-30 Collective bargaining agreements	Own workforce, p. 68	
GRI 3: Material Topics 2021		
3-1 Process to determine material topics	Material sustainability topics, p. 45	
3-2 List of material topics	Material sustainability topics, p. 45	
GRI 201: Financial Results 2016		
201-1 Direct economic value generated and distributed	Annual review, Patria in brief, p. 4, Finance & governance, Board of directors' report, p. 100	

GRI Standard	Location in Sustainability Report	Comment
GRI 205: Anti-corruption activities 2016		
205-2 Communication and training about anti-corruption policies and procedures	Governance, p. 83	
205-3 Confirmed incidents of corruption and actions taken	Governance, p. 83, GRI content index	No confirmed corruption incidents in 2025.
GRI 207: Taxes 2019		
207-1 Approach to tax	Tax footprint, p. 98	
207-2 Tax governance, control, and risk management	Tax footprint, p. 98	
207-4 Country-by-country reporting	Tax footprint, p. 98	
GRI 302: Energy 2016		
302-1 Energy consumption within the organization	Environmental metrics, p. 54	
302-3 Energy intensity	Environmental metrics, p. 54	
302-4 Reduction of energy consumption	Environmental metrics, p. 54	
GRI 305: Emissions 2016		
305-1 Direct (Scope 1) GHG emissions	Carbon footprint, p. 55	
305-2 Energy indirect (Scope 2) GHG emissions	Carbon footprint, p. 55	
305- 3 Other indirect (Scope 3) GHG emissions	Carbon footprint, p. 55	
305- 5 Reduction of GHG-emissions	Carbon footprint, p. 55	
GRI 306: Waste 2020		
306-1 Waste generation and significant waste-related impacts	Environmental metrics, p. 60	
306-2 Management of significant waste-related impacts	Environmental metrics, p. 60	
306-3 Waste generated	Environmental metrics, p. 60	
306-4 Waste diverted from disposal	Environmental metrics, p. 60	
GRI 401: Employment 2016		
401-1 New employee hires and employee turnover	Own workforce, p. 67	
GRI 403: Occupational Health and Safety 2018		
403-1 Occupational health and safety management system	Own workforce, p. 66	
403-2 Hazard identification, risk assessment, and incident investigation	Own workforce, p. 65	
403-3 Occupational health services	Own workforce, p. 65	In all countries, local laws and related regulations are followed. In Finland, all employees are generally covered by occupational health services. Finland has a comprehensive occupational healthcare system provided by Mehiläinen, supported by surgical cost coverage and leisure accident insurance.
403-4 Worker participation, consultation, and communication on occupational health and safety	Own workforce, p. 65	
403-5 Worker training on occupational health and safety	Own workforce, p. 65	
403-6 Promotion of worker health	Own workforce, p. 65	
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Own workforce, p. 65	
403-8 Workers covered by an occupational health and safety management system	Own workforce, p. 66	
403-9 Work-related injuries	Own workforce, p. 68	

GRI Standard	Location in Sustainability Report	Comment
GRI 404: Training and Education 2016		
404-1 Average hours of training per year per employee	Own workforce, p. 68	
404-2 Programs for upgrading employee skills and transition assistance programs	Own workforce, p. 67	
404-3 Percentage of employees receiving regular performance and career development reviews	Personnel metrics, p. 68	
GRI 405: Diversity and equal opportunity (2016)		
405-1 Diversity of governance bodies and employees	Sustainability report, p. 67	Patria has reported personned age and gender distribution.
GRI 406: Non-discrimination 2016		
406-1 Incidents of discrimination and corrective actions taken	Own workforce, p. 68	
GRI 415: Public policy 2016		
415-1 Political contributions	GRI content index	Patria does not grant donations, sponsorships or any other financial benefits to political parties or candidates.
GRI 418: Customer privacy 2016		
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	GRI content index	There were no complaints in 2025 regarding breaches of customer privacy and the destruction of customer data.

List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Disclosure requirement and related datapoint	Datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate law reference	Location in Sustainability Report (p.)
ESRS 2 GOV-1 Board's gender diversity	21 d	X		X		36
ESRS 2 GOV-1 Percentage of Board members who are independent	21 e			X		36
ESRS 2 GOV-4 Statement on Due Diligence	30	X				37
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities	40 d (i)	X	X	X		Not material
ESRS 2 SBM-1 Involvement in activities related to chemical production	40 d (ii)	X		X		Not material
ESRS 2 SBM-1 Involvement in activities related to controversial weapons	40 d (iii)	X		X		Not material
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco	40 d (iv)			X		Not material
ESRS E1-1 Transition plan to reach climate neutrality by 2050	14				X	N/A
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks	16 (g)		X	X		51
ESRS E1-4 GHG emission reduction targets	34	X	x	x		53
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	38					N/A
ESRS E1-5 Energy consumption and mix	37	X				54
ESRS E1-6 Gross Scope 1, 2, 3, and Total GHG emissions	34	X	X	x		55
ESRS E1-6 Gross GHG emissions intensity	53-55	X	x	x		55
ESRS E1-7 GHG removals and carbon credits	56				X	Not material
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks	66			X		N/A
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk	66 (a)		X			N/A
ESRS E1-9 Location of significant assets at material physical risk	66 (c)		X			N/A
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes	67 (c)		X			N/A
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities	69			X		N/A
ESRS E2-4 Amount of each pollutant listed in Annex II of the E- PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	28	X				Not material
ESRS E3-1 Water and marine resources	9	X				Not material
ESRS E3-1 Dedicated policy	13	X				Not material
ESRS E3-1 Sustainable oceans and seas	14	X				Not material
ESRS E3-4 Total water recycled and reused	28 (c)	X				Not material
ESRS E3-4 Total water consumption in m³ per net revenue on own operations	29	X				Not material
ESRS 2- IRO 1 - E4 paragraph	16 a (i)	X				Not material
ESRS 2- IRO 1 - E4 paragraph	16 (b)	X				Not material
ESRS 2- IRO 1 - E4 paragraph	16 (c)	X				Not material
ESRS E4-2 Sustainable land / agriculture practices or policies	24 (b)	X				Not material
ESRS E4-2 Sustainable oceans / seas practices or policies	24 (c)	X				Not material
ESRS E4-2 Policies to address deforestation	24 (d)	X				Not material
ESRS E5-5 Non-recycled waste	37 (d)	X				60

Disclosure requirement and related datapoint	Datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate law reference	Location in Sustainability Report (p.)
ESRS E5-5 Hazardous waste and radioactive waste	39	X				60
ESRS 2- SBM3 - S1 Risk of incidents of forced labor	14 (f)	X				63
ESRS 2- SBM3 - S1 Risk of incidents of child labour	14 (g)	X				63
ESRS S1-1 Human rights policy commitments	20	X				64
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8	21			X		64
ESRS S1-1 Processes and measures for preventing trafficking in human beings	22	X				64
ESRS S1-1 Workplace accident prevention policy or management system	23	X				64
ESRS S1-3 Grievance/complaints handling mechanisms	32 (c)	X				65
ESRS S1-14 Number of fatalities and number and rate of work-related accidents	88 (b and c)	X		X		68
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness	88 (e)	X				68
ESRS S1-16 Unadjusted gender pay gap	97 (a)	X		X		68
ESRS S1-16 Excessive CEO pay ratio	97 (b)	X				68
ESRS S1-17 Incidents of discrimination	103 (a)	X				68
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD	104 (a)	X		X		68
ESRS 2- SBM3 - S2 Significant risk of child labour or forced labour in the value chain	11 (b)	X				Not material
ESRS S2-1 Human rights policy commitments	17	X				Not material
ESRS S2-1 Policies related to value chain workers	18	X				Not material
ESRS S2-1 Non- respect of UNGPs on Business and Human Rights principles and OECD guidelines	19	X		X		Not material
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8	19			X		Not material
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain	36	X				Not material
ESRS S3-1 Human rights policy commitments	16	X				71
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines	17					71
ESRS S3-4 Human rights issues and incidents	36					72
ESRS S4-1 Policies related to consumers and end-users	16					74
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines	17					74
ESRS S4-4 Human rights issues and incidents	35					76
ESRS G1-1 United Nations Convention against Corruption	10 (b)					81
ESRS G1-1 Protection of whistleblowers	10 (d)					81
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws	24 (a)					81
ESRS G1-4 Standards of anti-corruption and anti-bribery	24 (b)					81

Supplementary information

Tax footprint

The principle of Patria is to pay in each country the indirect and direct taxes that fall to it in accordance with local laws and regulations. Patria has no functioning corporations in low-tax countries. Patria's tax strategy is to support business solutions and ensure their proper implementation also from a tax point of view. The principle is to comply with local legislation and notification obligations. The table includes the most significant countries to which the Group pays taxes and other levies in addition to Finland. The Group companies have also paid taxes during the financial year to the following countries: Finland, Latvia, Sweden, Belgium, the Netherlands, Japan, Norway, Poland, Estonia, Slovakia, United States, Australia, Denmark and Germany.

Tax footprint 2025

	Finland	Sweden	Belgium	Latvia	Other countries	Group in total
Net sales, MEUR	980.8	19.8	64.4	3.2	18.5	1,086.7
Profit before taxes, MEUR	42.7	-2.6	5.1	0.4	57.5	103.1
Personnel (FTE) 31.12.2025	3,729	74	159	78	71	4,111
Taxes borne, MEUR						
Corporate income taxes, MEUR	-5,9	0.0	-3.2	0.0	-1.3	-10.4
Employment taxes, MEUR	-4.0	-1.6	-2.9	-0.6	-0.3	-9.5
Real estate taxes, MEUR	-0.5	0.0	-0.2	0.0	0.0	-0.7
Other taxes, MEUR	0.0	0.0	0.0	0.0	0.0	-0.1
Total taxes borne, MEUR	**-10.4**	**-1.6**	**-6.3**	**-0.6**	**-1.6**	**-20.6**
Taxes collected, MEUR						
VAT, remitted, MEUR	-6.5	-2.5	0.2	-16.5	-15.2	-40.5
Payroll taxes, MEUR	-55.3	-1.5	0.0	-0.8	-0.9	-58.6
Withholding taxes, MEUR	0.0	0.0	-2.2	0.0	-0.0	-2.3
Total taxes collected, MEUR	**-61.8**	**-4.0**	**-2.0**	**-17.4**	**-16.1**	**-101.3**
Total taxes borne and collected, MEUR	**-72.2**	**-5.6**	**-8.3**	**-18.0**	**-17.7**	**-121.9**

FINANCIAL

Partner in critical operations on land, sea, air and networks

Board of Directors' report

Operating model and strategy

Operating model

In March 2025, Patria refined its growth strategy to respond more effectively to the significantly increasing demand and a continuously changing operating environment. For this reason, the company adopted a new operating model as of 1 June 2025. In the new operating model Patria focuses its operations on three key business areas with profit responsibility.

- Protected Mobility is responsible for new vehicle sales, as well as their offering and deliveries.
- Defence and Weapon Systems is responsible for, among other things, weapon systems, air surveillance-related products, and drones, as well as their sales, offering, and deliveries.
- Sustainment Solutions is responsible for, among other things, lifecycle support and software products as well as their sales, offering, and deliveries. In addition, it is responsible for the strategic partnership with the Finnish Defence Forces and Patria's public authority business.

Patria's Sales and Marketing function and other centralised group functions support the company's growth in all business areas. As a strategic partner of the Finnish Defence Forces, Millog is responsible for the maintenance of Army and Navy equipment and spare-parts logistics, as well as the maintenance of designated Air Force systems. Millog's organisational structure remains unchanged, and it cooperates with Patria's other functions.

Strategy

Russia's aggressive invasion of Ukraine fundamentally changed the security environment in Europe. The key strategic drivers include the substantial increase in defence spending on a national and EU level, the strong increase in the demand for defence solutions and equipment, the importance of territorial and the Arctic region's defence and the development of Europe's defence through Finland's and Sweden's NATO membership.

Patria refined its growth strategy in March 2025, when the new operating model was introduced. As a result of the implemented strategy and operating model, the Patria Group has become a more closely integrated entity.

A key driver of the growth strategy is the demand for and orders of Patria's armoured vehicles, but there is also growing international interest in Patria's weapon systems as well as its electronic intelligence and surveillance products.

An increasing number of defence-sector customers are seeking comprehensive, ready-made system solutions. Patria swiftly integrates its diverse capabilities to deliver solutions tailored to each customer's specific requirements. By responding proactively to rapid technological change and leveraging strategic partnerships, Patria ensures it remains at the forefront of technological development.

Key events during year 2025

Patria continued its strong growth during 2025. Several of the most significant new order agreements in the company's history were signed during the financial year. At the same time, Patria reorganised its operations to better respond to the opportunities created by this growth.

In January Patria announced the acquisition of Belgium-based digital defence platform provider ILIAS Solutions. With the acquisition, Patria enhanced its foothold and expertise in the maintenance and sustainment of military fleets. ILIAS' software will feed into the Patria OPTIME service, offering multi-fleet management for optimal performance across defence forces and ensuring focus on mission success. The transaction was completed in September.

In February, a signed letter of intent between the Ministry of Defence of Slovenia and the Ministry of Defence of Finland was prepared jointly by the ministries. With the intent, the participating nations state their shared willingness to cooperate, and that Slovenia will receive Finland's support for the procurement of 8x8 Armoured Vehicles from Patria.

Patria completed the delivery of new acoustic minesweeping systems to the Royal Norwegian Navy, which has been using the Patria SONAC ACS minesweeping systems since spring 2024.

In March Patria and the Finnish transmission system operator Fingrid signed an agreement for the maintenance of gas turbines at reserve power plants. The agreement is valid for three years, with an option for an additional three years.

In April Patria signed a supply agreement with Rheinmetall's subsidiaries Rheinmetall Landsysteme GmbH and Rheinmetall Hungary for the delivery of Patria NEMO mortar systems. The mortar systems are intended for integration into a new Lynx variant to be delivered as part of Hungary's ZRINYI programme. At least 24 mortar systems will be procured and delivered.

In April Patria announced that it will deliver system renewal for the Krivat situational awareness service to Erillisverkot together with Solita. The Krivat service connects authorities and companies maintaining critical infrastructure, enabling a better overall situational picture and faster response capability in various disruption situations. The system renewal is aimed to be completed by the autumn of 2026. The agreement period is five years starting from the completion of the renewal, after which the agreement will continue indefinitely.

In August Patria reached an agreement to supply composite component assemblies for the cargo hold of Airbus' new A350F aircraft. The production of agreed components will take place at Patria's Halli facility in Finland. The contract further strengthens the cooperation between the two companies in the coming years.

Patria introduced a new Patria TRACKX tracked all-terrain vehicle, designed to conquer the most challenging environments, at the international DSEI UK exhibition in London. The new vehicle offers a modern and cost-effective alternative to currently used light tracked vehicles. The serial production is scheduled to begin in 2027.

In December Patria and Valmet Automotive Oyj (Valmet Automotive) agreed to collaborate on the technology transfer related to the manufacturing of armoured vehicles, as well as on the production of the first vehicles. The cooperation on technology transfer commenced immediately. The first of Patria's armoured vehicles will be manufactured at Valmet Automotive's production facility in Uusikaupunki in Finland during the second half of 2026.

Patria and Germany signed two serial contracts valued at over EUR 2 billion including options within the Common Armoured Vehicle System (CAVS) programme. These contracts involve the acquisition of Patria 6x6 armoured vehicles and Patria NEMO mortar systems. Vehicle orders were also placed from Sweden and Denmark. Denmark joined the CAVS programme during the year and ordered 129 CAVS 6x6 armoured vehicles based on Patria 6x6 within the programme. The first vehicles were delivered in 2025. Through this programme, Patria has already received orders for nearly 2,000 Patria 6x6 vehicles, including options. The programme is open to new participating countries with the approval of the existing members. In 2025, the United Kingdom and Norway also joined the programme.

Financial review

New orders and order stock

The value of new orders received during the financial period was EUR 2,190.5 million (EUR 1,258.2 million in 2024). A significant part of the value of new orders was Patria 6x6 vehicle delivery projects. Defence materiel and life cycle support accounted for 96% (95%) and civilian products for 4% (5%) of the new orders. At the end of December, the Group's order stock was EUR 3,526.1 million (EUR 2,375.5 million).

Net sales and profitability

The Group's net sales for the financial period totalled EUR 1,086.7 million (EUR 825.7 million in 2024 and EUR 733.8 million in 2023). Defence materiel and life cycle support accounted for 94% (92%) and civilian products for 6% (8%) of the net sales. Sales outside Finland for the financial period accounted for 51% (37%) of the net sales.

The Group's operating profit for the financial period was EUR 115.9 million, representing 10.7% of net sales (2024: EUR 81.8 million, 9.9%; 2023: EUR 68.9 million, 9.4%). The consolidated income before taxes for the financial period amounted to EUR 103.1 million (2024: EUR 70.8 million; 2023: EUR 64.0 million). The Group's return on equity for the financial period was 25.1% (2024: 19.7%; 2023: 18.6%).

Financing and ownership

The Group's equity ratio at the end of December was 31.6% (2024: 33.9%; 2023: 40.0%) and net gearing 22.6% (2024: 104.3%; 2023: 67.5%).

Consolidated liquid funds at the end of December amounted to EUR 400.1 million (EUR 38.4 million). The Group's interest-bearing liabilities totalled EUR 488.9 million (EUR 384.5 million) at the end of December. The interest-bearing liabilities included lease liabilities of EUR 102.7 million (EUR 83.4 million).

The shareholders of Patria Oyj are the State of Finland with 50.1% stake and Kongsberg Defence & Aerospace AS with 49.9% stake.

The company has one series of shares comprising of a total of 27,841,889 shares.

Administration

In the beginning of the financial period, Panu Routila continued as the Chairman of the Board of Directors of Patria Oyj, and Outi Henriksson, Eirik Tord Jensen, Jukka Juusti, Signe Bjarttun Jørgensen, Eirik Lie, Ilpo Nuutinen and Morten Tiller as members of the Board of Directors.

Patria Oyj's Annual General Meeting held in Helsinki on 7 April 2025 adopted the Consolidated Financial Statements for the financial period that ended on 31 December 2024. It was also decided to discharge the members of the Board of Directors and the President and CEO from liability for the financial period of 2024. Furthermore, the Annual General Meeting decided, according to the Board of Directors' proposal, to distribute a capital repayment of EUR 1.15 per share, totally EUR 32,018,172.35.

Panu Routila, DBA continued as the Chairman of the Board of Directors of Patria Oyj. Outi Henriksson, Board Professional, Non-Executive Director; Eirik Tord Jensen, Senior Vice President Special Programmes, Kongsberg Defence & Aerospace AS; Jukka Juusti, MSc. (Eng.);

Signe Bjarttun Jørgensen, Executive Vice President Finance, Kongsberg Defence & Aerospace AS; Eirik Lie, Executive Vice President, Kongsberg Group and President, Kongsberg Defence & Aerospace AS; Ilpo Nuutinen, Senior Ministerial Adviser, the Ownership Steering Department in the Prime Minister's Office and Morten Tiller, Master of Political Science continued as members of the Board of Directors.

Patria Oyj's Board has two committees consisting of its members, the Nomination and Compensation Committee and the Audit Committee. The committees prepare matters in accordance with the rules of procedure for the Board of Directors to decide.

The Nomination and Compensation Committee consisted, during the financial period, of Panu Routila, Chairman, Eirik Tord Jensen, Ilpo Nuutinen and Morten Tiller. The Nomination and Compensation Committee prepares the compensation structures of the company management and compensation and benefits programmes as well as decides on the most important management nominations.

The Audit Committee consisted, during the financial period, of Outi Henriksson, Chairman, Eirik Lie, Signe Bjarttun Jørgensen and Jukka Juusti. The Audit Committee supervises and monitors execution and organisation of internal controls within the Patria Group, risk management and financial reporting as well as preparation of the financial statements. In addition to this the Audit Committee is responsible for supervising and monitoring of Compliance and Ethics issues and related activities within Patria. Regarding other duties of the Board, no specific sharing of such duties has been agreed upon by the Board.

Mikko Savola, Member of Parliament, continued as the Chairman of Patria Oyj Consultative Committee and Atte Kaleva, Member of Parliament as the Vice Chairman. The other members of the Consultative Committee are Member of Parliament Mari Kaunistola, Member of Parliament Petri Huru, Member of Parliament Riitta Mäkinen (the surname was changed later; the current name is Riitta Kaarisalo), Under-Secretary, Ministry of Economic Affairs and Employment Petri Peltonen, Chief of Defence Command, Lieutenant General Vesa Virtanen, Mechanic Matti Falck, Patria, Tooling controller Jari Halonen, Patria, Systems Engineer Ilkka Kokko, Patria and System Specialist Juha Kuusi, Patria.

Ernst & Young Oy, Authorised Public Accountants was elected as the auditor with Juha Hilmola, APA, as the responsible partner.

Internal audit in Patria Group was carried out by KPMG Oy, Authorised Public Accountants.

Esa Rautalinko, Master of Science (Economics) continued as President and CEO of Patria Group.

Capital expenditure and acquisitions

The Group's capital expenditure (excluding leases) for the financial period totalled EUR 42.5 million (EUR 41.9 million). Capital expenditure was mainly related to facilities and equipment, IT and production. In addition, a total of EUR 36.5 million (EUR 10.6 million) was spent on acquisitions.

In 2025, Patria significantly increased its own production and invested in its production facilities in Hämeenlinna, Finland and Valmiera, Latvia. In March Patria announced a EUR 40 million investment programme to enhance and expand the Hämeenlinna production facility in order to increase production capacity. Preparations for the start of construction work began in 2025 and the new facilities are expected to be fully operational during 2027.

In October the assembly and maintenance facility for F-35 fighter jet engines, located in Linnavuori, Nokia in Finland, was completed and the facility was handed over to Patria. The opening ceremony of the F-35 production facility building was held at Patria's Halli facility in Jämsä, Finland in June. The production facility located in Linnavuori will initially serve as assembly spaces for the engines and will later be converted for engine maintenance and overhaul. Finland's first F-35A fighters will arrive at the Lapland Air Wing base in Rovaniemi at the end of 2026. Maintenance activities will continue in Nokia throughout the entire lifecycle of Finland's F-35 fleet. The new production lines at the Halli facility will enable large-scale assembly of F-35 fighter forward fuselages in Finland, estimated to begin in 2026.

In January Patria announced the acquisition of the Belgium-based digital defence platform provider ILIAS Solutions Group. With the acquisition, Patria enhances its digital services. Patria's strong foothold and expertise in the maintenance and sustainment of military fleets will be empowered by the ILIAS' defence platform. ILIAS' software will feed into the Patria OPTIME service, offering multi-fleet management for optimal performance across defence forces and ensuring focus on mission success. In addition to Belgium, ILIAS Solutions Group has subsidiaries in Australia, Denmark, the Netherlands and the United States. The acquisition was completed on 1 September 2025.

In the beginning of February 2025, Patria Pilot Training Oy and its employees, operations and ongoing training courses were transferred to the Airways Aviation Group.

On 30 June, Patria signed an agreement to sell its 60% stake in Milworks OÜ, an Estonian provider of lifecycle management services, to Mootor Group. The divestment is in line with Patria's strategy to focus its MRO (Maintenance, Repair and Overhaul) operations in the Baltic region to its growing Valmiera site in Latvia. The transaction was completed on 31 July. Following the transaction, Mootor Group became the sole owner of Milworks.

Research and development

The Group's expenditure on research and development for the financial period amounted to EUR 29.9 million (EUR 15.4 million), representing 2.8% (1.9%) of the net sales. The objective of Patria's research, development and innovation activities is to create new products and services, leverage emerging technologies, and ensure the competitiveness of its business operations. The most significant research and development areas included new technologies, materials and systems related to mobility and aviation, as well as technologies related to sensor products and electronic warfare systems.

In March Patria and SIMA INNOVATION entered into an agreement for the companies to jointly promote their merged capabilities on a global scale, leveraging their combined expertise to attract new business opportunities.

In May it was announced that the Patria-led industry consortium for the Artificial Intelligence Warfare Adaptive Swarm Platform (AI-WASP) programme received EUR 45 million of EU funding to reinforce Europe's defence capabilities. The programme will develop a new generation, scalable and cognitive (AI-controlled) multifunctional software defined converged aperture and transceiver (AIMA).

Improving the mobility and performance of land troops is a major priority in the long-term development of defence in the EU countries. To meet these needs, the joint European Future Highly Mobile Augmented Armoured Systems (FAMOUS) programme is developing the technologies, performance and ground combat capabilities of future armoured vehicles. Finland is the lead nation and Patria is the industrial coordinator of FAMOUS.

The Patria-led eALLIANCE programme, partly funded by Business Finland, will amplify collaboration with the Finnish civilian and defence sector companies. The aim is to develop disruptive digital capabilities for enhanced data sharing and prosessing as well as building a holistic metaverse. The programme started in 2024 and will last until the end of 2028.

Personnel

During the financial period the Group employed an average of 3,893 (2024: 3,570; 2023: 3,357) persons. At the end of December, the personnel totalled 4,111 (2024: 3,662; 2023: 3,385) persons.

Patria transitioned to a new operating model on 1 June 2025. As a result of the change negotiations held in the spring, the job descriptions of more than 200 employees were partly or entirely revised.

The salaries and wages of Patria Group's employees are determined on the basis of collective and individual agreements as well as employee performance and job evaluations. Basic salaries and wages are complemented by performance-based compensation systems. All Patria employees are part of a yearly bonus plan. In 2025, the total amount of salaries and wages paid was EUR 246.0 million (2024: EUR 215.2 million; 2023: EUR 203.8 million).

The objective of the personnel strategy is to help the business units to meet their business targets and to ensure future competitiveness by developing personnel and their competences. In 2025, special attention was paid to occupational safety. The long-term target is that work does not cause accidents or occupational diseases. Employee occupational health and safety is measured against e.g. the lost time incident frequency rate (LTIF1, accidents per million hours worked 2025: 5.7; 2024: 4.9).

Supervisor training and coaching continued throughout all of Patria's business functions in different countries. A key objective was to shift towards more consistent managerial work to ensure good leadership for employees and speed up Patria's growth strategy.

The growth of Patria's business has required the recruitment of a large number of new employees, in addition to the continuous development of existing competencies. Patria's number of employees increased by approximately 500 new professionals during year 2025.

The growth in recruitment necessitated the development of new employee onboarding processes.

Sustainability

Responsible operations form the foundation for Patria's profitable business and its long-term continuity. Patria's business operations are guided by applicable laws and regulations, international agreements, customer contracts, and the company's own policies and commitments. The Sustainability Report is an integral part of Patria's Annual Report 2025.

At Patria, the Group Management Team is responsible for steering of the activities concerning sustainability, and this increases transparency and dialogue within the Group. Steering and monitoring of ethics and compliance-related matters is specified in the Board of Directors' Audit Committee's charter. In 2025 the Annual General Meeting, the Board of Directors, the Audit Committee and the Group Management Team received regular reports on activities and issues relating to sustainability.

Ethical conduct is an implicit foundation for Patria's operations and decision making. It ensures the company's stakeholders' confidence in the company's operations. During the financial period ethical conduct continued to be developed according to plan.

Sustainability is led by a Sustainability Director appointed by the Group's Chief Financial Officer. Patria also has sustainability working groups specialising in environmental sustainability, compliance, procurement and social sustainability. At Patria, there is also a separate Head of Compliance, who reports to the CLO and is responsible for matters related to compliance and ethics (including anti-corruption work).

Two-tier ethical and compliance training is carried out at two levels, tailored to employees' exposure and on the basis of risk: a basic training section plus a more demanding section for selected groups. In addition, topic-specific trainings are provided, including NDA training and training on the use of the background check system.

The trade compliance project continued in collaboration with Kongsberg. The purpose of the project is to ensure compliance with export regulations.

Patria has a SpeakUp reporting channel for suspected misconduct, which enables anonymous reporting and dialogue. All the reports from different channels were investigated according to the processes. Statistics and the nature of issues concerning the reports received via these reporting channels were regularly reported to the Audit Committee.

Patria conducted a double materiality assessment (DMA) in 2024 as a part of preparing for reporting according to the Corporate Sustainability Reporting Directive (CSRD). The most material sustainability topics are those that have an impact on the environment, people or society and/or are related to identified financial risks and opportunities. The double materiality assessment required the engagement of all Patria's functions and business areas, as well as the upstream and downstream value chain and business relationships. Stakeholders were engaged through interviews and questionnaires.

At Patria, environmental aspects, their impacts, and the related risks are taken into account in business planning, operations, and management. All Patria's major operational locations are ISO14001 certified. Patria joined the international Science Based Targets initiative (SBTi) in 2022, where the company emission reduction targets based on climate science are set. Patria has received the final approval for its near-term targets for 2030 in 2024. Patria's validated absolute emission reduction targets 2030 are to reduce Scope 1 and 2 (own operations) emissions by 42%, and to reduce Scope 3 (value chain) emissions by 25% compared to the baseline year 2023. These targets align with the Paris Agreement and support the ambition to limit global warming to 1.5 degrees Celsius.

In its export licensing practices, Patria complies with national legislation as well as the international commitments on which the national legislation is based. Export licences issued by the authorities are based on a case-by-case overall assessment, which evaluates both the reliability of the end-user and the risk that the materiel in question could be used in violation of the applicable criteria. The assessment is based on the EU's common criteria and includes consultation with other EU member states. Patria relies on the authorities' ability to assess end-user reliability and the conditions for export when making export licence decisions in complex situations and environments.

In Finland and in Patria's other countries of operation, national legislation on transparency in communication and lobbying directed at political and governmental stakeholders is strictly followed. Transparency in all interactions aimed at promoting Patria's objectives and interests is fully aligned with the company's high ethical standards, which guide all of its activities.

Patria continuously works to improve its internal processes and practices by ensuring the necessary expertise in relevant areas and by actively cooperating with other industry actors to identify and apply best practices. Patria also participates actively in industry expert groups that engage in dialogue with the Council of the European Union's COARM (Working Party on Conventional Arms Exports) and with the European Commission. Patria played a leading role in establishing the Finnish Sanctions and Export Control Society (SPVY) and serves on its board. Patria is also a member of the TRACE Compliance Community, the Global Compact and its Finnish network Global Compact Finland, as well as the Finnish corporate responsibility network FIBS.

Patria continued its cooperation with Tampere University by providing financial support for education related to aeronautical engineering. In 2022, Patria also agreed with Tampere University of Applied Sciences (TAMK) on a collaboration which enables students to complete part of their studies and internships at Patria.

In 2025 Patria donated to the welfare of Ukrainian children and also continued to promote welfare of children and youth with locally selected donations. Patria has been one of the main sponsors of the Finnish Biathlon Association since 2011.

Risks and uncertainties

Patria has a risk management and internal control policy, approved by the Board of Directors, which specifies the related tasks, objectives, components, responsibilities and authorities. The Board provides the ultimate oversight and direction for risk management and internal control and has assigned the main responsibility for these activities to the Audit Committee appointed by the Board. The primary responsibility for risk management and internal control lies with the operational units and Patria's Group functions in their area of responsibility. The President and CEO of Patria is responsible for ensuring the proper functioning and monitoring of risk management and internal control. Patria's Group functions provide guidelines for risk management and internal control and monitor their implementation at different levels. Patria's Internal Audit function as well as internal and external auditors evaluate the effectiveness of Patria's risk management and internal control. In addition, Patria's customers conduct their own audits and various control activities to ensure that Patria complies with their requirements.

Risk management activities cover strategic, operational, and compliance risks as well as financial risks and safety, security and hazard risks.

Russia's aggressive invasion of Ukraine has had profound and long-lasting effects on the security situation in Europe and worldwide. The war has served as an important reminder of the importance of national defence, military deterrence and alliances. Several European countries have increased their defence budgets. The aim is to procure ammunition and equipment on an expedited schedule to help Ukraine and replenish their own stockpiles. Russia's war of aggression in Ukraine has prompted European countries to take a critical look at their own defence industries, the strengthening and increase in the production capacity of which is necessary to ensure security of supply. Due to the war, demand of defence materiel has been increased significantly in Europe and across the world. Due to the continued war, sanctions and due diligence checks are a significant part of risk management.

The war in Ukraine will affect business growth, especially in the mid- and long term, as defence expenditures increase in the vast majority of European countries. Procurement projects in the defence sector are typically years long, so there will likely be no rapid growth spurts. Patria is a key part of Finland's security of supply and preparing for various crisis situations and ensuring overall safety are Patria's core activities. Security of supply requires reliable technology and expertise in the areas of maintenance and repair, manufacturing and crisis preparedness in all Patria's operating countries.

The international defence industry is subject to continuous change. Acquisitions and mergers are taking place, new operators are emerging, the complexity of customer requirements and utilisation of new technologies is increasing, and competition is intensifying. Patria responds to the competition by improving the anticipation and understanding of customer needs and their changes, along with developing and commercialising new competitive products, services and solutions.

The export of defence materiel is subject to an export or transfer licence, which in Finland is granted by the Ministry of Defence or, when certain conditions are met, the government. The conditions in the potential destination country may prevent the granting of an export licence, or the conditions in a country to which an export licence has been granted may change in such a way that the licence will be cancelled temporarily or permanently.

Individual sales and delivery projects can be very large in relation to the Group's annual net sales. They may include product development, require extensive subcontracting and cooperation with third parties, and have durations of several years. Moreover, the contents of deliveries and the forms of industrial cooperation implemented together with partners can be complex in nature. The risks involved in such projects are typically versatile and significant, requiring thorough assessment and management. The management of projects and project risks are constantly being developed and enhanced.

Events after the financial period

Patria and Pratt & Whitney, an RTX business, signed an agreement for the final assembly and inspection of the F135 engines used in Finland's F-35 fighter jets. Production has already begun and is planned to continue until 2030.

Patria signed a contract with Kongsberg Defence & Aerospace AS for the delivery of PROTECTOR RS4 remote weapon stations for more than 300 Patria 6x6 armoured vehicles within the multinational CAVS programme. The contract, valued at approximately EUR 140 million, includes an additional order for Sweden as well as RS4 subsystems for several CAVS vehicle variants ordered by Germany. The assembly of these vehicles will be carried out in cooperation with Patria's industrial partners in Germany, with deliveries scheduled for 2026–2030.

Outlook

Demand for Patria's products and services continues to grow strongly. Growth is further boosted by several EU-originated initiatives that support defence materiel procurement and development, as well as the increase in defence budgets in European NATO countries in accordance with the decisions at the NATO Summit 2025 in the Hague.

Net sales growth is expected to be strong in 2026, supported by an increased order stock and a positive demand environment. Most of the growth is expected to be generated by the armoured vehicle and weapon system business. Overall, the outlook remains positive.

The impact of the geopolitical situation and general economic uncertainty on long-term development in the operating environment is difficult to evaluate. These factors could potentially have significant direct and indirect impacts on the demand and Patria's operations.

Board of Directors' proposal for profit distribution

The parent company's non-restricted equity on 31 December 2025 is EUR 130,126,204.70 of which the net profit for the financial period was EUR 26,736,967.55.

The Board of Directors proposes to the Annual General Meeting that a capital repayment EUR 1.26 per share be paid on the shares owned by the State of Finland and Kongsberg Defence & Aerospace AS. Under the proposal, the total amount of capital repayment will be EUR 35,080,780.14. The capital repayment is distributed from the reserve for invested non-restricted equity. The Board of Directors further proposes that the remaining non-restricted equity, EUR 95,045,424.56 be retained and carried forward.

Annual General Meeting 2026

The Annual General Meeting of Patria Oyj will be held on 14 April 2026, in Helsinki, Finland.

Consolidated financial statements (IFRS)

Consolidated statement of financial position

MEUR	Note	31.12.2025	31.12.2024
Assets			
Non-current assets			
Intangible assets	11		
Development expenses		1.2	0.4
Intangible rights		44.5	7.9
Goodwill	8, 11	67.8	43.6
Advance payments		9.4	4.5
Tangible assets	11		
Land and water		5.1	4.0
Buildings and constructions		121.4	98.3
Machinery and equipment		30.5	27.4
Other tangible assets		5.3	2.9
Advance payments and construction in progress		39.5	27.4
Investments in associated companies and joint ventures	12	343.5	280.1
Other shares	13, 16	0.2	0.2
Deferred tax assets	10	21.6	19.9
Other receivables		7.5	8.8
Total Non-current assets		**697.4**	**525.3**
Current assets			
Inventories	14		
Raw materials and supplies		187.2	164.9
Work in progress		39.8	36.3
Finished goods		5.0	5.1
Advance payments		3.7	3.6
Receivables			
Accounts receivable	2	214.9	135.6
Receivables from associated companies and joint ventures	12	8.5	0.1
Other receivables		6.9	9.7
Prepaid expenses and accrued income	14	187.3	139.8
Derivative financial instruments	2	1.3	3.0
Current tax asset		4.2	5.8
Current investments		15.0	1.4
Cash and cash equivalents		385.1	37.0
Total Current assets		**1,059.0**	**542.2**
Total Assets		**1,756.4**	**1,067.5**

MEUR	Note	31.12.2025	31.12.2024
Shareholders' equity and liabilities			
Shareholders' equity	18		
Share capital		38.0	38.0
Fair value reserve	17	0.7	1.4
Reserve for invested non-restricted equity		104.2	136.2
Translation differences		-3.5	-5.0
Retained earnings		118.5	57.6
Net income for the period		91.1	64.3
Equity attributable to shareholders of parent company		**349.1**	**292.5**
Non-controlling interests		**43.4**	**39.3**
Total Shareholders' equity		**392.5**	**331.9**
Non-current liabilities			
Deferred tax liability	10	12.5	3.1
Pension provisions	7	2.4	3.1
Provisions	19	13.7	11.7
Interest-bearing liabilities	2	255.1	164.2
Other liabilities		6.6	0.5
Total Non-current liabilities		**290.4**	**182.5**
Current liabilities			
Interest-bearing liabilities	2	233.8	220.3
Advance payments		556.9	137.4
Accounts payable		121.0	88.4
Other current liabilities		73.1	36.4
Accruals and deferred income	15	87.7	69.8
Derivative financial instruments	2	1.1	0.8
Current tax liability		0.0	0.0
Total Current liabilities		**1,073.6**	**553.1**
Total Shareholders' equity and liabilities		**1,756.4**	**1,067.5**

The notes are an integral part of these consolidated financial statements.

Consolidated income statement

MEUR	Note	1-12/2025	%	1-12/2024	%
Net sales	4	**1,086.7**		**825.7**	
Other operating income	5	16.2		16.6	
Share of associated companies and joint ventures result		57.0		46.7	
Change in inventories of finished goods and work in progress		5.7		-0.9	
Production for own use		7.6		0.7	
Raw materials and supplies		-460.5		-330.3	
Change in inventories of raw materials		8.8		28.9	
Services purchased		-116.3		-102.2	
Employee benefit expenses	7	-297.2		-258.8	
Depreciation, amortisation and impairments	8	-35.7		-30.3	
Other operating expenses	5	-156.2		-114.4	
Operating profit		**115.9**	10.7%	**81.8**	9.9%
Financial income and expenses	9				
Interest and other financial income		3.3		3.3	
Interest and other financial expenses		-16.3		-13.8	
Exchange gains and losses		0.1		-0.5	
Income before taxes		**103.1**	9.5%	**70.8**	8.6%
Income taxes	10	-12.0		-6.5	
Profit for the period		**91.1**	8.4%	**64.3**	7.8%
Net income attributable to non-controlling interests		8.5		8.9	
Net income attributable to equity shareholders		82.6		55.4	
Profit for the period		**91.1**	8.4%	**64.3**	7.8%

Consolidated statement of comprehensive income

MEUR	1-12/2025	%	1-12/2024	%
Profit for the period	91.1		64.3	
Other comprehensive income				
Items that may be reclassied to profit or loss in subsequent periods				
Cash flow hedges	-0.6		-1.3	
Change of translation difference	1.5		-1.0	
Items that will not be reclassified to profit or loss in subsequent periods				
Actuarial gains/losses on defined benefit plans	0.9		-0.1	
Share of comprehensive income in associated companies and joint ventures	0.1		-2.3	
Total comprehensive income	**93.0**	8.6%	**59.6**	7.2%
Total comprehensive income attributable to non-controlling interests	8.7		9.0	
Total comprehensive income attributable to equity shareholders	84.3		50.6	
Total comprehensive income	**93.0**	8.6%	**59.6**	7.2%

The notes are an integral part of these consolidated financial statements.

Consolidated cash flow statement

MEUR	Note	1-12/2025	1-12/2024
Net income for the period		91.1	64.3
Depreciation, amortisation and impairments	8	35.7	30.3
Capital gains/losses		0.5	-0.1
Other adjustments			
Share of associated companies and joint ventures result		-57.0	-46.7
Dividends received from associated companies and joint ventures		0.0	6.7
Other adjustments		-0.4	-0.2
Financing items		13.1	10.6
Taxes	10	12.0	6.5
Change in receivables		-111.7	-42.8
Change in payables		487.6	7.2
Change in inventories		-23.4	-37.4
Cash flow from operations		**447.4**	**-1.6**
Interest received		2.9	3.2
Interest paid		-14.4	-12.8
Dividends received		0.0	0.0
Other financial items		-1.3	-0.8
Income taxes paid		-10.6	-11.1
Cash flow from operating activities		**424.1**	**-23.1**
Aqcuisitions, net of cash		-36.5	-10.6
Other capital expenditures		-42.5	-41.9
Divested business operations		-0.1	0.0
Sale of other fixed assets and other changes		0.0	0.1
Change in other long-term investment		-8.4	0.0
Cash flow from investing activities		**-87.5**	**-52.4**
Change in short-term financing		83.2	122.8
Change in other loans		-21.1	-18.4
Capital repayment/Dividends paid to equity shareholders		-32.0	-27.8
Dividends paid to non-controlling interests		-7.0	-6.8
Change in other loan receivable		1.0	0.9
Other changes		0.9	-0.8
Cash flow from financing activities		**25.1**	**69.9**
Change in liquid funds	2	**361.7**	**-5.7**
Change		361.7	-5.7
Liquid funds at the beginning of the period		38.4	-44.1
Liquid funds at the end of the period		**400.1**	**38.4**
Exchange rate difference		0.0	-0.0

The notes are an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

MEUR	Note	Share capital	Reserve for invested non-restricted equity	Fair value reserve	Translation differences	Retained earnings	Equity attributable to shareholders of parent company	Non-controlling interests	Total Shareholders' equity
Opening balance		38.0	136.2	1.4	-5.0	121.9	292.5	39.3	331.9
Capital repayment			-32.0				-32.0		-32.0
Other comprehensive income	10								
Cash flow hedges				-0.6			-0.6		-0.6
Change of translation difference					1.5		1.5		1.5
Actuarial gains/losses on defined benefit plans						0.9	0.9		0.9
Share of comprehensive income in associated companies and joint ventures						0.1	0.1		0.1
Non-controlling interests						-8.5	-8.5	4.1	-4.4
Exchange rate difference						4.0	4.0		4.0
Net income for the period						91.1	91.1		91.1
31 Dec 2025		**38.0**	**104.2**	**0.7**	**-3.5**	**209.6**	**349.1**	**43.4**	**392.5**

MEUR	Note	Share capital	Reserve for invested non-restricted equity	Fair value reserve	Translation differences	Retained earnings	Equity attributable to shareholders of parent company	Non-controlling interests	Total Shareholders' equity
Opening balance		38.0	164.1	2.7	-4.0	83.2	284.0	37.2	321.2
Capital repayment			-27.8				-27.8		-27.8
Other comprehensive income	10								
Cash flow hedges				-1.3			-1.3		-1.3
Change of translation difference					-1.0		-1.0		-1.0
Actuarial gains/losses on defined benefit plans						-0.1	-0.1		-0.1
Share of comprehensive income in associated companies and joint ventures						-2.3	-2.3		-2.3
Non-controlling interests						-8.9	-8.9	2.2	-6.8
Exchange rate difference						-14.4	-14.4		-14.4
Net income for the period						64.3	64.3		64.3
31 Dec 2024		**38.0**	**136.2**	**1.4**	**-5.0**	**121.9**	**292.5**	**39.3**	**331.9**

The notes are an integral part of these consolidated financial statements.

Notes to the consolidated financial statements

1. Accounting principles for the consolidated financial statements

Description of businesses

Patria is a defence and aerospace group with international operations delivering its customers competitive solutions based on own specialist know-how and partnerships. Patria is owned by the State of Finland 50.1% and Kongsberg Defence & Aerospace AS 49.9%.

The operations of Patria Oyj and its subsidiaries (together "Patria" or the "Group") are organised into business areas Protected Mobility, Defence & Weapon Systems, and Sustainment Solutions, as well as Millog.

Patria Oyj ("the Company") is a Finnish public limited company organised under the laws of the Republic of Finland and with its registered address at Arkadiankatu 2, 00100 Helsinki. Copies of the financial statements are available from Patria Group's headquarters, Arkadiankatu 2, 00100 Helsinki and www.patriagroup.com.

Basis of preparation

The Consolidated Financial Statements of Patria have been prepared in accordance with the International Financial Reporting Standards ("IFRS"), as adopted by the European Union including International Accounting Standards ("IAS") and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

Use of estimates and judgements

The preparation of the financial statements in accordance with IFRS requires management to make estimates and judgements that affect the reported amounts of assets and liabilities, as well as the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses during the reporting period.

Accounting estimates and judgements are employed in the financial statements to determine reported amounts, including the realisability of certain assets, the useful lives of tangible and intangible assets, income taxes, inventories, provisions, pension obligations and impairment of goodwill and other items. The basis for the estimates and judgements are described in more detail in these accounting principles and in connection with the relevant disclosure to the financial statements.

Although these estimates and judgements are based on management's best knowledge of current events and actions, actual results may differ from the estimates.

Principles of consolidation

Subsidiaries

The consolidated financial statements include the parent company Patria Oyj, and all subsidiaries in which the parent company directly or indirectly holds more than 50% of the voting rights or in which Patria is otherwise in control on the reporting date. Being in control means the power to govern the financial and operating policies of the company to obtain benefits from its activities.

Acquired and established companies are accounted for using the acquisition method. Accordingly, the purchase price and the acquired company's identifiable assets, liabilities and contingent liabilities are measured at fair value on the date of acquisition. In the acquisition of additional interest, where the Group already has control, the non-controlling interest is measured either at fair value or at the non-controlling interests' proportionate share of the identifiable net assets.

The difference between the purchase price, possible equity belonging to the non-controlling interests and the acquired company's net identifiable assets, liabilities and contingent liabilities measured at fair value is goodwill. Goodwill is tested for impairment at least annually. The purchase price includes the consideration paid, measured at fair value. The consideration does not include transaction costs, which are recognised in the statement of income. The transaction costs are expensed in the same financial period in which they occur, except the costs resulting from issued debt or equity instruments.

Any contingent consideration (additional purchase price) related to the combination of businesses is measured at fair value on the date of acquisition. It is classified either as a liability or equity. Contingent consideration classified as a liability is measured at fair value on the last day of each financial period, and the resulting loss or gain is recognised through profit or loss. Contingent consideration classified as equity is not remeasured.

The acquired subsidiaries are included in the consolidated financial statements from the day the Group has control and disposed subsidiaries until the control ends. All intragroup transactions, dividend distributions, receivables and liabilities as well as unrealised margins are eliminated in the consolidated financial statements. In the consolidated statements of income and comprehensive income, non-controlling interests have been separated from the profit and the total comprehensive income for the financial period. In the consolidated statement of financial position, non-controlling interests are shown as a separate item under equity.

Associated companies and joint ventures

Companies in which the Group has a significant influence are consolidated as associated companies. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but it is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net asset of the joint venture. Joint control is established by contractual agreement.

Associated companies and joint ventures are included in the consolidated financial statements using the equity method from the date the Group's significant influence or joint control commences until the date it ceases. The Group's share of the associated company's or joint venture's profit for the financial period are shown as a separate item before the Group's operating profit, on the line Share of associated companies and joint ventures result. The Group's share of the associated company's or joint venture's changes recorded in other comprehensive income is recorded in the Group's other comprehensive income. Patria's proportion of the associated company's or joint venture's post-acquisition accumulated equity is included in the Group's equity. If the Group's share of the associated company's or joint venture's losses exceeds its interest in the company, the carrying amount is written down to zero. After this, losses are only recognised if the Group has incurred obligations from the associated company or joint venture.

Foreign currency transactions

Foreign currency transactions are translated into euros using the exchange rates prevailing at the dates of the transactions. Receivables, liabilities and derivative instruments in foreign currencies are translated into euros at the exchange rates prevailing at the balance sheet date. Foreign exchange gains and losses resulting from translating are recognised in the income statement. Foreign exchange gains and losses related to business operations are included in the corresponding items above the operating profit line. Foreign exchange gains and losses related to loans and receivables in foreign currencies are included in financial income and expenses.

The income statements of the Group companies domiciled outside the Euro area are converted into euros using the average exchange rate of the reporting period while the balance sheets are converted using the exchange rate quoted on the date of the Financial Statements. The exchange rate differences resulting from the conversion of the Financial Statements into euros are recognised in translation differences under consolidated equity. The translation differences resulting from the movements in exchange rates used to translate equity are likewise recognised directly in translation differences under consolidated equity.

The accumulated translation differences related to divested Group companies, recorded under equity, are recognised in the Income Statement as part of the gain or loss on the sale.

Financial instruments

Financial assets are classified into three main categories: to be measured at amortised cost, at fair value through income statement and at fair value through other comprehensive income.

Unless separately stated in the Notes the carrying value is considered to be equal to the fair value.

The category to be measured at amortised cost includes non-current receivables from associated companies and joint ventures, other receivables, commercial papers, trade receivables, cash and cash equivalents, interest-bearing financial liabilities and trade payables. Financial liabilities are recognised at the settlement date and measured at amortised cost using the effective interest rate method.

Other investments (securities), interest-bearing investments and derivatives (not under hedge accounting) are measured at fair values through the income statement.

Derivatives under hedge accounting are measured at fair value through other comprehensive income. The changes in the fair values of derivatives that are designated as hedging instruments but are not accounted for according to the principles of cash flow hedge accounting are recognised based on their nature either in the operative income or costs, or as financial income or expenses.

All derivatives, including embedded derivatives, are initially recognised at fair value. Determination of fair values is based on quoted market prices and rates, discounting of cash flows and option valuation models.

The Group applies hedge accounting under IFRS 9 while hedging estimated future cash flows with foreign currency derivatives and the loan portfolio with interest rate derivatives (cash flow hedging). Foreign exchange spots are defined as derivatives when those consider cash flow hedging. The interest component of the foreign exchange forward contract is recognised in financial income or expense in the income statement. Fair value (spot-spot) changes of derivatives, which are assigned to hedge forecast transactions (cash flow hedging), are recognised in other comprehensive income to the extent that the hedge is effective. The ineffective portion of the hedging instrument is recognised immediately in the income statement. Such accumulated fair value changes are released from equity to income statement in the period when the hedged cash flow affects income. The main reason for the hedge inefficiency is the timing difference between the derivative maturity date and the expected date of hedged foreign exchange future cash flows. Hedge accounting is not applied to derivatives hedging balance sheet items.

All recognised fair value changes to other comprehensive income are net of tax.

Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicates that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated income statement. If, in a subsequent period, the fair value of a debt instrument classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the consolidated income statement.

Trade receivables and non-current receivables do not have significant risk for credit losses due to the customer base. Mitigation against credit risk is done by including risk reducing terms to sales agreements and requesting guarantees when needed. The Group has not recognised material credit losses in the past. The group is continuously evaluating the credit loss risk and the possible changes e.g. in the customer base may result to recognition of the loss allowance provision.

Net sales and revenue recognition

Revenue is presented net of indirect sales taxes, penalties and discounts. Revenue is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods and services. The transaction price may include variable considerations, such as penalties or compensations for damages.

Product sales consist of sales of spare parts and standard equipment for which the revenue is recognised at a point in time when the control of the products has transferred to the customer, in general upon delivery of the goods. Product sales also consist of project delivery (armoured wheeled vehicles and mortar systems as well as systems and system integration) for which, depending on the contract terms and the duration of the project, the revenue is recognised at a point in time or over time.

Sales of services consist of maintenance, repair, modification and hourly-based services. The revenue is recognised over time based on hours performed or costs incurred depending on the contract terms and the duration of the project, or at a point in time, if the duration of the project is short term and result impact is insignificant.

Revenue recognised over time is measured in accordance with the percentage of completion method based on hours performed or costs incurred when the outcome of the contract can be estimated reliably. When the outcome cannot be reliably determined, the costs arising are expensed in the same financial period in which they occur, but the revenue is recognised only to the extent that the company will receive an amount corresponding to actual costs. Any losses are expensed immediately.

The company recognises licence revenue in accordance with IFRS 15. Licences are classified as either right-to-use licences, which are recognised as revenue when control of the licence transfers to the customer, or right-to-access licences, which are recognised over time throughout the contract period.

Patria provides its customers standard payment terms. If extended payment terms exceeding one year are offered to customers, the invoiced amount is discounted to its present value and interest income is recognised over the credit term.

Patria does not have significant customer arrangements that do not meet the criteria set out in the IFRS 15 for a contract. Patria typically issues contractual product warranties under which it generally guarantees the functioning of equipment delivered during the agreed warranty period.

Patria receives payments from customers based on invoicing schedules as agreed in the customer contracts. Changes in contract assets and liabilities are due to Patria's performance under the contracts. Amounts due from customers under revenue contracts primarily relate to Patria's right to consideration for work completed but not yet invoiced at the reporting date. These assets are transferred to account receivables when Patria has a contractual right to issue an invoice. A significant part of amounts due to customers relate to advance consideration received from customers in long-term contracts for which revenue is recognised over time. These amounts are recognised as revenue as Patria performs under the contracts.

To identify the performance obligations in the contract requires management to make estimates and judgements that may affect the reported revenue amount and timing.

Products and services contracts generally include one performance obligation. Long-term contracts include maintenance contracts for which revenue is in general recognised over time and the contracts generally include one performance obligation per delivery.

Contract assets are included in Prepaid expenses and accrued income in the Balance sheet and Contract liabilities in Advance payments in the Balance sheet (Note 14).

At the end of the financial year, Patria had no costs to obtain or fulfil contracts capitalised under IFRS 15.

Research and development costs

Research and development costs are expensed as they are incurred. Capitalised unaccomplished development costs are subject to regular impairment assessments of recoverability based on anticipated future revenues. Unamortised capitalised development costs determined to be in excess of their recoverable amounts are expensed immediately.

Income taxes

The Group income tax expense includes taxes of the Group companies based on taxable profit for the period, together with tax adjustments for previous periods and the change in deferred income taxes. The income tax effects of items recognised in other comprehensive income are similarly recognised. The share of results in associated companies and joint ventures is reported in the income statement as calculated from net profit and thus including the income tax charge.

Deferred income taxes are stated using the balance sheet liability method, as measured with enacted tax rates, to reflect the net tax effects of all temporary differences between the financial reporting and tax bases of assets and liabilities. The main temporary differences arise from the depreciation difference on property, plant and equipment, fair valuation of net assets in acquired companies, fair valuation of financial assets and derivatives, intra-group inventory profits, pension and other provisions, untaxed reserves and tax losses and credits carried forward. Deductible temporary differences are recognised as a deferred tax asset to the extent that it is probable that future taxable profits will be available, against which the deductible temporary difference can be utilised.

Tangible assets

Tangible assets are measured at their historical cost, less depreciation and impairment. The assets are depreciated over their economic life using the straight-line depreciation method. The economic life of assets is reviewed if necessary, adjusting it to correspond to possible changes in the expected economic use.

The assessed economic lives are as follows:

Buildings	10 to 30 years
Machinery and equipment	3 to 15 years
Other tangible assets	3 to 20 years

Land areas are not subject to depreciation. Repair and maintenance costs are recognised as expenses for the financial year in question. Improvement investments are capitalised if they will generate future economic benefits. Capital gains and losses resulting from the sale of tangible assets are recognised in the income statement.

Goodwill and other intangible assets

Goodwill is measured at historical cost, less impairment. The Group assesses the carrying value of goodwill annually or, more frequently, if events or changes in circumstances indicate that such carrying value may not be recoverable. Impairment losses are recognised immediately in the profit and loss account.

Intangible assets include capitalised development cost, trademarks, patents, software licences as well as product and marketing rights. Intangible assets originating through development are recognised in the Balance Sheet only if the criteria of the IAS 38 standard are met.

Acquired intangible assets are measured at their historical cost, less depreciation. With the exception of goodwill, the assets are depreciated over their economic life, normally three to twenty years, using the straight-line depreciation method.

Grants received

Government or other grants are recognised as income on a systematic basis over the periods necessary to match them with the related costs, which they are intended to compensate. Grants related to the acquisition of tangible or intangible assets are recognised as decreases of their acquisition costs.

Impairments

Property, plant and equipment and other non-current assets, including goodwill and intangible assets, are reviewed for potential impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Goodwill is in all cases tested annually. For the purposes of assessing impairment, assets are grouped at the lowest cash generating unit level. An impairment loss is the amount by which the carrying amount of the assets exceeds the recoverable amount.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount. However, the reversal must not cause that the adjusted value is higher than the carrying amount that would have been determined if no impairment loss had been recognised in prior years. Impairment losses recognised for goodwill are not reversed.

Leases

IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. These right-of-use assets are depreciated over the contract period or over the useful life of the asset, which is the shorter. The interest cost of leases is presented in financing expenses.

There are optional exemptions for short-term leases and leases of low value items which Patria has selected to utilise and the lease expense on these is recognised as an expense in the income statement. In lessor accounting leases are classified as finance leases or operating leases.

The Group did not have sale and leaseback transactions during the financial year.

Employee benefits

Group companies in different countries have various pension plans in accordance with local conditions and practices. The plans are classified as either defined contribution plans or defined benefit plans. The contributions to defined contribution plans are charged to the income statement in the year to which they relate. The present value of the obligation under defined benefit plans is recorded in the balance sheet at fair value on the balance sheet date. Disability and retirement components of the Finnish Statutory Employment Pension Scheme (TyEL) have been accounted for as a defined contribution plans.

Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined by the first-in, first-out (FIFO) method or weighted average cost that is sufficiently close to the factual cost calculated on FIFO basis.

The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads.

Accounts receivable

Accounts receivable are carried at their anticipated realisable value, which is the original invoice amount less an estimated impairment of these receivables. An impairment of accounts receivable is made when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables.

Liquid funds

Liquid funds comprise current investments as well as cash and cash equivalents including cash in hand and bank deposits. Bank overdrafts are included within borrowings in current liabilities in the balance sheet.

Provisions

Provisions are recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions arise from restructuring plans, onerous contracts, guarantee and claim works.

Dividends

The dividend proposed by the Board of Directors is not deducted from distributable equity until approved by the Annual General Meeting of Shareholders.

Segment reporting

The Group has decided not to apply the voluntary IFRS 8 standard and will not disclose financial information by segment in the financial statements.

Application of new and amended IFRS standards and IFRIC interpretations

Patria has adopted the standards and interpretations that took effect during the financial period and are relevant to its operations. The IFRS standards, IFRIC interpretations and amendments that became effective during the financial year did not have a material impact on the Group's result, financial position or the presentation of the financial statements. Certain standards, amendments and interpretations have been published but have not yet taken effect, and–with the exception of IFRS 18–they are not expected to have a material impact on the Group's future financial statements.

IFRS 18 Presentation and Disclosures in Financial Statements, which replaces IAS 1, will be applied from 1 January 2027 onwards. The new financial reporting standard will affect the presentation of the Group's financial statements and the information disclosed therein. Patria is analysing the changes required by IFRS 18 and preparing for its implementation accordingly.

2. Financial risk management

Main principals of financial risk management

The Board of Directors of Patria has approved the Treasury Management Policy, according to which treasury management and management of financial risks of the parent company and the subsidiaries are conducted.

The key tasks of the Group Treasury Function are the following: securing sufficient funding at all times for the parent company and the subsidiaries, arranging funding and credit lines, liquidity management, optimising net financial costs, organising and implementing management of financial risks, offering and providing subsidiaries with financial services and informing the Group management about the Group's financial position and risks.

Financial risks are later divided into currency risk, interest rate risk, liquidity and refinancing risk, credit and counterparty risk and operational risk. Subsidiaries and business units are responsible for hedging their financial risks according to Group guidelines and instructions given by Group Treasury.

Patria uses derivative financial instruments to hedge the Group's exposure to foreign exchange rate and interest rate risks arising from operational, investment and financing activities in accordance with Patria's treasury policy.

Currency risks

The objective of currency risk management is to hedge against exchange rate fluctuations affecting the future cash flow, result and balance sheet. Foreign currency exposures, which include binding sales, purchase and finance contracts (transaction position), are fully hedged by project or transaction by using foreign exchange derivatives. The subsidiaries are responsible for determining and hedging their exposures against Patria Oyj, which makes the necessary hedging transactions with banks.

Patria applies hedge accounting according to IFRS 9 while hedging estimated future cash flows with foreign currency derivatives (cash flow hedging). Fair value changes of derivatives, which are assigned to hedge forecast transactions, are recognised in other comprehensive income (fair value reserve) to the extent that the hedge is effective. The ineffective portion of the hedging instrument is recognised immediately into financial items in the income statement. Such accumulated fair value changes are released into income statement in the period when the hedged cash flow affects income. The main source of ineffectiveness is the difference in the maturities of the hedged item and the hedging instrument. Hedge accounting is not applied to derivatives hedging balance sheet items.

Hedged item and hedging instrument are considered to have economic relationship if critical terms of hedging instrument and hedged item match. If economic relationship exists, it is expected that changes in fair value or cash flows of the hedging instrument offset changes in fair value or cash flows from the hedged item. The same currency is used for the hedging instrument as the hedged item has, therefore they have an economic relationship.

A sensitivity analysis, in accordance with IFRS 7 shown later, aims to demonstrate the sensitivity of the consolidated income before taxes and equity to foreign exchange rate fluctuations. Net exposures include foreign currency denominated financial assets and liabilities in the balance sheets of the companies and the derivatives used to hedge these as well as derivatives for which hedge accounting is not applied. The change in fair value of these items is recognised in the income statement.

The change in fair value of derivatives to which hedge accounting is applied is recorded directly in the fair value reserve in equity. The change in fair value is expected to be offset by time as the opposite changes in the values of highly probable future forecasted cash flows materialise.

The next table presents the net exposures as well as the effects based on the sensitivity analysis on result before the taxes and shareholders' equity, assuming that euro would have strengthened or weakened against the currency in question on the balance sheet date. The sensitivity is calculated for a 5% exchange rate change.

The most significant currency exposures (net sales, purchases and loans) on 31 December 2025 were in the Swedish krona (SEK) and United States dollar (USD).

Net exposure 31 Dec 2025

1,000 EUR	SEK	USD
Balance sheet items	2,306	5,396
Derivates under hedge accounting	-82	9,349

Sensitivity analysis, effect on income before taxes 31 Dec 2025

1,000 EUR	SEK	USD
EUR strengthens 5%	-110	-257
EUR weakens 5%	121	284

Sensitivity analysis, effect on equity 31 Dec 2025

1,000 EUR	SEK	USD
EUR strengthens 5%	-61	-443
EUR weakens 5%	68	492

Net exposure 31 Dec 2024

1,000 EUR	SEK	USD
Balance sheet items	915	15,073
Derivates under hedge accounting	1,120	999

Sensitivity analysis, effect on income before taxes 31 Dec 2024

1,000 EUR	SEK	USD
EUR strengthens 5%	-44	-718
EUR weakens 5%	48	793

Sensitivity analysis, effect on equity 31 Dec 2024

1,000 EUR	SEK	USD
EUR strengthens 5%	-53	-91
EUR weakens 5%	59	100

Consolidating the Group's subsidiaries, associated companies and joint ventures domiciled in non-euro-countries results in translation differences, which are recorded in shareholders' equity (translation risk). Patria's policy is not to hedge translation risks.

Effects of hedge accounting on the Group's financial position concerning the most significant currencies is presented in the following table.

Effects of hedge accounting on the financial position 2025

Forward foreign exchange contracts - EUR/USD, MEUR	31 Dec 2025
Fair Value	-0.3
Nominal Value	18.2
Expected time for the impact on P&L	January 2026 – May 2028
Hedge Ratio	1:1
Change in spot value of outstanding hedging instruments	-0.4
Change in value of hedged item used to determine hedge effectiveness	0.4
Weighted average hedged rate (including forward points)	1.1483

Forward foreign exchange contracts - EUR/SEK, MEUR	31 Dec 2025
Fair Value	-0.0
Nominal Value	1.8
Expected time for the impact on P&L	January 2026 – November 2027
Hedge Ratio	2:1
Change in spot value of outstanding hedging instruments	0.0
Change in value of hedged item used to determine hedge effectiveness	-0.0
Weighted average hedged rate (including forward points)	10.7281

Forward foreign exchange contracts designated as cash flow hedges, MEUR	31 Dec 2025
Derivative financial assets	0.1
Derivative financial liabilities	-0.3

Effects of hedge accounting on the financial position 2024

Forward foreign exchange contracts - EUR/USD, MEUR	31 Dec 2024
Fair Value	0.2
Nominal Value	29.0
Expected time for the impact on P&L	January 2025 – March 2027
Hedge Ratio	1:1
Change in spot value of outstanding hedging instruments	0.1
Change in value of hedged item used to determine hedge effectiveness	-0.1
Weighted average hedged rate (including forward points)	1.0800

Forward foreign exchange contracts - EUR/SEK, MEUR	31 Dec 2024
Fair Value	0.0
Nominal Value	1.2
Expected time for the impact on P&L	January 2025 – December 2026
Hedge Ratio	1:1
Change in spot value of outstanding hedging instruments	1.1
Change in value of hedged item used to determine hedge effectiveness	-1.1
Weighted average hedged rate (including forward points)	11.4765

Forward foreign exchange contracts designated as cash flow hedges, MEUR	31 Dec 2024
Derivative financial assets	0.6
Derivative financial liabilities	-0.4

Derivative instruments

2025 MEUR	Nominal value	Positive fair values	Negative fair values	Net fair value
Derivative financial instruments designated as cash flow hedges				
Forward foreign exchange contracts	113.5	0.1	-0.3	-0.2
Buy	34.5	0.1	-0.3	-0.3
Sell	9.0	0.0	-0.0	0.0
Interest rate swap	50.0	1.0		1.0
Cash flow hedge	93.5	1.1	-0.3	0.7
Non-hedge accounting derivative financial instruments				
Forward foreign exchange contracts	70.0	0.2	-0.7	-0.5
Buy	16.0	0.0	-0.3	-0.2
Sell	54.0	0.2	-0.4	-0.2
Non-hedging	70.0	0.2	-0.7	-0.5
Total	**163.5**	**1.3**	**-1.1**	**0.3**

MEUR	2026	2027	2028	2029-
Derivative financial assets	1.3	0.0	0.0	0.0
Derivative financial liabilities	-1.0	-0.0	0.0	0.0

2024 MEUR	Nominal value	Positive fair values	Negative fair values	Net fair value
Derivative financial instruments designated as cash flow hedges				
Forward foreign exchange contracts	51.7	0.6	-0.4	0.2
Buy	36.9	0.6	-0.1	0.5
Sell	14.8	0.0	-0.3	-0.3
Interest rate swap	50.0	2.1		2.1
Cash flow hedge	101.7	2.7	-0.4	2.3
Non-hedge accounting derivative financial instruments				
Forward foreign exchange contracts	39.7	0.2	-0.3	-0.1
Buy	6.7	0.2	-0.0	0.1
Sell	32.9	0.1	-0.3	-0.2
Non-hedging	39.7	0.2	-0.3	-0.1
Total	**141.4**	**3.0**	**-0.8**	**2.2**

MEUR	2025	2026	2027	2028-
Derivative financial assets	0.6	2.4	0.0	0.0
Derivative financial liabilities	-0.7	-0.0	-0.0	0.0

Offsetting of financial instruments

2025 MEUR	Gross amounts in balance sheet	Financial instruments - Related amounts not set off in the balance sheet	Net amount
Derivative financial assets	0.4	-1.1	-0.7
Derivative financial liabilities	1.1	-1.1	0.0

2024 MEUR	Gross amounts in balance sheet	Financial instruments - Related amounts not set off in the balance sheet	Net amount
Derivative financial assets	3.0	-0.8	2.2
Derivative financial liabilities	0.8	-0.8	0.0

For the financial assets and liabilities subject to enforceable master netting arrangements or similar arrangements above, each agreement between the Group and the counterparty allows each party to have the option to settle the relevant financial assets and liabilities on a net basis in the event of default of the other party.

Interest rate risk

Fluctuations in interest rates have an effect on the Group's interest expenses and income as well as fair value of interest-bearing liabilities and receivables and derivatives. The objective of interest rate risk management is to hedge against interest rate fluctuations affecting the future cash flow, result and balance sheet. Interest rate risk is managed by monitoring the average interest fixing term (duration) of receivables and liabilities as well as by using derivatives, if needed. The Group has designated all open interest rate swaps as hedging instruments. Interest arising from interest rate swaps is reported under Financial income and expenses concurrently with interest expense arising from hedged floating rate loans from financial institutions.

On 31 December 2025, the average interest fixing term of the liabilities was 0.5 years (0.7) and that of the receivables 2 days (2 days).

On 31 December 2025, the Group's interest-bearing liabilities totalled EUR 488.9 million (384.5) out of which EUR 313.9 million (334.5) was fixed rate and EUR 50.0 million (50.0) was floating rate. Interest-bearing receivables were EUR 400.1 million which were floating rate (2024: Interest-bearing receivables were EUR 38.4 million which were floating rate.) The Group has open interest derivatives EUR 50.0 million (50.0) on 31 December 2025.

A sensitivity analysis in accordance with IFRS 7 and assuming a one percentage point increase in interest rates and the interest-bearing liabilities and receivables in the balance sheet as of 31 December 2025, would lead to a decrease in annual net interest expenses of EUR 2,251 thousand. In the previous year the annual net interest expenses would have increased by EUR 116 thousand. A corresponding decrease in interest rates would result in an equal effect of opposite sign.

Interest fixing periods

2025 MEUR	0-6 mths	6-12 mths	12-24 mths	24-36 mths	Later	Total
Lease liablilities	0.2	1.6	6.8	31.3	62.8	102.7
Loans from financial institutions	208.6	50.0				258.6
Other interest-bearing liabilities	127.6					127.6
Interest-bearing receivables	-400.1					-400.1
Total 2025	**-63.6**	**51.6**	**6.8**	**31.3**	**62.8**	**88.8**

2024 MEUR	0-6 mths	6-12 mths	12-24 mths	24-36 mths	Later	Total
Lease liablilities	0.3	0.7	6.3	2.7	73.4	83.4
Loans from financial institutions	115.0		50.0			165.0
Other interest-bearing liabilities	136.1					136.1
Interest-bearing receivables	-38.4					-38.4
Total 2024	**213.0**	**0.7**	**56.3**	**2.7**	**73.4**	**346.1**

Liquidity and refinancing risks

Liquidity risk is minimised by maintaining sufficient liquidity reserves, so as to secure the operational liquidity requirements at all times.

Refinancing risk is defined as a risk of a high proportion of loans or credit facilities maturing at a time when refinancing may be difficult, or its terms are unattractive. The risk is minimised by balancing the maturities of loans and credit facilities.

On 31 December 2025, the average maturity of the Group's interest-bearing liabilities was 3.7 years (2.0). The values on the following maturity distribution table are undiscounted.

Maturity distribution of financial instruments

2025 MEUR	< 1 year	1-5 years	> 5 years	Total
Lease liablilities	22.6	50.8	29.3	102.7
Loans from financial institutions	83.6	175.0	0.0	258.6
Other interest-bearing liabilities	127.6	0.1	0.0	127.6
Derivative financial liabilities	1.0	0.0	0.0	1.1
Derivative financial assets	-1.3	-0.0	0.0	-1.3
Interest payments	1.2	0.7	0.0	1.9
Total 2025	**234.7**	**226.5**	**29.3**	**490.6**

2024 MEUR	< 1 year	1-5 years	> 5 years	Total
Lease liablilities	19.4	48.9	15.1	83.4
Loans from financial institutions	65.0	100.0	0.0	165.0
Other interest-bearing liabilities	135.9	0.2	0.0	136.1
Derivative financial liabilities	0.7	0.0	0.0	0.8
Derivative financial assets	-0.6	-2.4	0.0	-3.0
Interest payments	1.3	0.0	0.0	1.3
Total 2024	**221.7**	**146.8**	**15.1**	**383.6**

As a part of its liquidity reserves on 31 December 2025, Patria had the following unused financial reserves: committed credit and overdraft facilities totalling EUR 280.5 million (100.4) and commercial paper programme totalling EUR 71.5 million (13.0).

Net debt

MEUR	2025	2024
Loans from financial institutions	175.0	100.0
Other interest-bearing loans	0.1	0.2
Lease liabilities	80.1	64.0
Non-current interest-bearing liabilities	255.1	164.2
Loans from financial institutions	83.6	65.0
Issued commercial papers	127.4	135.8
Other interest-bearing loans	0.1	0.1
Lease liabilities	22.6	19.4
Current interest-bearing liabilities	233.8	220.3
Interest-bearing liabilities total	488.9	384.5
Liquid funds	400.1	38.4
Net debt	**88.8**	**346.1**

Change in net debt

2025 MEUR	Loans from financial institutions	Commercial papers	Other interest-bearing loans	Lease liabilities	Liquid funds	Total
Carrying value, at 1 Jan	-165.0	-135.8	-0.3	-83.4	38.4	-346.1
Change in net debt, cash:						
Non-current liabilities	-125.0					-125.0
Current liabilities	33.3	8.3	0.1			41.8
Current investments					13.6	13.6
Cash and cash equivalents					337.2	337.2
Cash flows total	-91.7	8.3	0.1	0.0	350.8	267.5
Change in net debt, non-cash:						
Increases of lease liabilities				-40.3		-40.3
Repayments of lease liabilities				21.0		21.0
Business combinations	-1.9		0.0		10.9	9.1
Foreign exchange adjustments				-0.0	-0.0	-0.1
Non-cash movements, total	-1.9	0.0	0.0	-19.3	10.9	-10.3
Carrying value, at 31 Dec 2025	**-258.6**	**-127.4**	**-0.2**	**-102.7**	**400.1**	**-88.8**

2024 MEUR	Loans from financial institutions	Commercial papers	Other interest-bearing loans	Lease liabilities	Liquid funds	Total
Carrying value, at 1 Jan	-84.8	-93.1	-0.4	-82.8	44.1	-216.9
Change in net debt, cash:						
Non-current liabilities	-50.0					-50.0
Current liabilities	-30.2	-42.7	0.1			-72.8
Cash and cash equivalents					-8.2	-8.2
Cash flows total	-80.2	-42.7	0.1	0.0	-8.2	-131.0
Change in net debt, non-cash:						
Increases of lease liabilities				-19.3		-19.3
Repayments of lease liabilities				18.6		18.6
Business combinations	-0.0				2.5	2.4
Foreign exchange adjustments				0.0	0.0	0.0
Non-cash movements, total	-0.0	0.0	0.0	-0.6	2.5	1.8
Carrying value, at 31 Dec 2024	**-165.0**	**-135.8**	**-0.3**	**-83.4**	**38.4**	**-346.1**

Related to Lease liabilities Patria has recharge contracts regarding the next 3 (4) years and EUR 3.5 million (4.5) is booked in Other receivables.

Credit and counterparty risks

Patria is not exposed to significant credit risk due to the structure of the customer base. Credit risks are mainly managed by agreeing in sales contracts on terms and conditions, which reduce these risks. Credit insurance may be used on a case-by-case basis. The Group is continuously evaluating the credit loss risk and the possible changes e.g. in the customer base may result to recognition of the loss allowance provision.

Credit risk related to investing liquid funds is managed by defining the acceptable counterparties with good credit rating as well as the maximum allowed exposure by counterparty. The Group does not have material loan receivables. The maximum risk of sales receivables and investments is the full nominal value of those contracts.

Credit risks related to derivative contracts are managed by using multiple counterparties that are well-defined and have a good credit rating. There are netting agreements valid with the counterparties.

Accounts receivable by age

MEUR	2025	2024
Undue accounts receivables	183.1	124.9
Accounts receivables 1–30 days overdue	13.0	6.4
Accounts receivables 31–60 days overdue	6.7	0.5
Accounts receivables more than 60 days overdue	12.0	3.8
Total	**214.9**	**135.6**

Operational risks of the treasury functions

The management of operational risks aims to eliminate losses or increased risk levels due to errors in procedures or insufficient monitoring. The risks are minimised by implementing efficient processes and other procedures with related controls, maintaining a high level of proficiency, defining and documenting routine procedures and properly organising the work. Risks relating to transactions are minimised by monitoring trading limits and trade confirmations and conducting regular general assessments.

Other market risks

In addition to financial risks, Patria is exposed to price risks related to raw materials and components. The business units are responsible for identifying and hedging of these risks. Hedging takes primarily place by applying relevant terms and conditions to sales and purchase contracts. Patria does not use derivatives to hedge these risks. For the parent company and its subsidiaries in Finland, Patria has also done hedging against an increase in electricity prices by having fixed-price purchase agreements for electricity. Hedging is done in accordance with the Treasury's risk policy using external dealers authorised by Patria to manage the electricity purchases.

Capital management

The Group's capital management objectives are to secure the ability to continue as going concern, maintain a healthy balance sheet structure, maintain adequate financial reserves at all times, manage the maturity structure and other terms of interest-bearing debt and credit lines and, at the same time, to optimise the cost of capital in order to enhance value to shareholders. The exact target for the capital structure of Patria has not been specifically defined, but the target is to ensure a good credit rating and thus adequate financing possibilities to support the growth strategy of the Group. The Group's loan and revolving credit facility agreements include an equity ratio covenant. The Group has no indication that it will have difficulty complying with the covenants.

Insurances

Patria has sought to prepare for the materialisation of risks by continuously improving its preparedness to deal with various potential crisis situations and through various insurance programmes. Property damage, business interruption and aviation liability are the most important insurance lines, which account for a major part of the insurance premiums for all non-statutory insurances.

3. Acquisitions and divestments

In January Patria announced the acquisition of the Belgium-based digital defence platform provider ILIAS Solutions Group. With the acquisition, Patria enhances its digital services. Patria's strong foothold and expertise in the maintenance and sustainment of military fleets will be empowered by ILIAS' defence platform. ILIAS' software will feed into the Patria OPTIME service, offering multi-fleet management for optimal performance across defence forces and ensuring the focus on mission success. In addition to Belgium, ILIAS Solutions Group has subsidiaries in Australia, Denmark, the Netherlands and the United States. The acquisition was completed on 1 September 2025.

In June 2025, Patria paid the additional purchase price related to the acquisition of Nordic Drones Oy.

In the beginning of February 2025, Patria Pilot Training Oy and its employees, operations and ongoing training courses were transferred to Airways Aviation Group. On 30 June 2025, Patria signed an agreement to sell its 60% stake in Milworks OÜ, an Estonian provider of lifecycle management services, to Mootor Group. The divestment is in line with Patria's strategy to focus its MRO (Maintenance, Repair and Overhaul) operations in the Baltic region to its growing Valmiera site in Latvia. The transaction was completed on 31 July. Following the transaction, Mootor Group became the sole owner of Milworks.

In June 2024 Patria signed a bill of sale for the acquisition of the entire share capital of Nordic Drones Oy ('Nordic Drones'), a Finnish leading drone pilot trainer and manufacturer of drones designed for professional use. In September 2024 Patria acquired an open source data collection product and business related to its cyber business area from WithSecure. The acquisitions received approvals of the Finnish Ministry of Employment and the Economy ('TEM') and the company and the business were transferred to Patria on 1 October, 2024. In December 2024, Patria established a subsidiary, called Patria Deutschland GmbH, in Germany.

The following table summarises the amounts for the acquisition cost paid, the cash flow from the acquisition and the amounts of the acquired assets and liabilities recognised at the acquisition date. Goodwill related to the acquisition of ILIAS Solutions Group includes new market share, business and technical expertise as well as expected synergies.

Assets and liabilities

MEUR	2025	2024
Acquisition cost transferred	47.5	13.1
Acquisition cost	59.8	15.3
Cash flow from the acquisitions		
Acquisition cost paid in cash	47.5	13.1
Liquid funds of the acquired companies	-10.9	-2.5
Cash flow from the acquisitions	36.5	10.6

MEUR	2025	2024
Assets and liabilities of the acquired businesses		
Intangible assets	38.9	5.8
Tangible assets	4.8	0.4
Inventories	1.9	1.3
Accounts receivables and other assets	13.2	0.5
Liquid funds	10.9	2.5
Total assets	73.9	10.6

MEUR	2025	2024
Interest-bearing loans	2.0	0.0
Other liabilities	32.4	2.1
Total liabilities	34.4	2.1
Net assets	39.5	8.5
Patria's share of net assets	35.6	8.5
Goodwill	24.3	6.8

4. Disaggregation of revenue

MEUR	2025	2024
Products	554.8	365.8
Services	531.8	459.9
Total	**1,086.7**	**825.7**

MEUR	2025	2024
Performance obligation satisfied at a point in time	659.7	528.4
Performance obligation satisfied over time	427.0	297.2
Total	**1,086.7**	**825.7**

5. Other operating income and expenses

Other operating income

MEUR	2025	2024
Rental income	3.3	3.3
Capital gain on sale of fixed assets	0.0	0.1
Other operating income	3.9	3.8
Grants received	9.0	9.5
Total	**16.2**	**16.6**

Other operating expenses

MEUR	2025	2024
Research and development	-0.4	-0.2
Rents	-4.0	-3.8
Losses on sale of fixed assets	-0.0	-0.0
Travel expenses	-15.3	-12.7
Real estate expenses	-32.6	-25.2
Other operating expenses	-103.9	-72.4
Total	**-156.2**	**-114.4**

Principal independent auditor's fees and services

MEUR	2025	2024
Audit fees	-0.5	-0.4
Other audit related fees	-0.0	-0.0
Other services	-0.6	-0.2
Total	**-1.1**	**-0.7**

6. Research and development expenses

MEUR	2025	2024
Research and development expenses, total	-29.9	-15.4
Research and development costs expensed during financial period	-12.5	-3.0

7. Employee benefit expenses

MEUR	2025	2024
Salaries and fees paid to members of the Board, Consultative Committee and President and CEO	-0.9	-1.1
Other wages and salaries	-245.3	-214.1
Pension and pension insurance expenses	-38.7	-34.1
Other employer costs	-12.2	-9.5
Total	**-297.2**	**-258.8**

Compensation to Board of Directors and Consultative Committee

Compensation to the Board of Directors includes a monthly remuneration, which as of 7 April 2025 is EUR 3,200 for the Chairman (previously EUR 2,750) and EUR 1,700 for the members (previously EUR 1,500). In addition, a meeting fee of EUR 600 is paid to each member of the Board for each meeting attended as well as for meetings of the Board committees attended. As per the minority shareholders' policy, Executive Directors are not entitled to compensation for attending Board meetings.

Compensation to the Consultative Committee includes the following meeting fees: Chairman EUR 800, Vice Chairman EUR 600 and members EUR 500 paid for each meeting attended.

Compensation to Board of Directors and attendance at meetings

2025 1,000 EUR	Compensation	Board	Audit Committee	Nomination and Compensation Committee	Other
Board members					
Panu Routila, Chairman	54	15/15		9/9	4/4
Signe Bjarttun Jørgensen	0	14/14	7/7		
Outi Henriksson	33	15/15	7/7		
Jukka Juusti	36	15/15	7/7		5/5
Eirik Lie	0	12/14	7/7		
Ilpo Nuutinen	34	15/15		9/9	
Morten Tiller	33	14/14		8/9	
Eirik Tord Jensen	0	14/14		8/9	
Total	190				

2024 1,000 EUR	Compensation	Board	Audit Committee	Nomination and Compensation Committee	Other
Board members					
Panu Routila, Chairman	45	13/13		5/5	2/2
Mette Toft Bjørgen [1]	0	3/3	1/1		
Outi Henriksson	29	13/13	6/6		
Eirik Tord Jensen [2]	0	9/10		3/3	1/1
Jukka Juusti	31	13/13	5/5	2/2	2/2
Signe Bjarttun Jørgensen [2]	0	9/10	5/5		
Eirik Lie	0	12/13	6/6		1/1
Jarle Næss [3]	17	6/9		3/3	
Ilpo Nuutinen [4]	9	3/4		2/2	
Iver Christian Olerud [1]	0	3/3		1/2	
Morten Tiller [4]	9	3/4		2/2	
Petri Vihervuori [3]	18	8/9	1/1	1/1	
Total	159				

[1] Until 15 April 2024, [2] Starting 16 April 2024, [3] Until 31 August 2024, [4] Starting 1 September 2024

Compensation to Consultative Committee and attendance at meetings

2025 1,000 EUR	Compensation	Attendance
Consultative Committee members		
Mikko Savola, Chairman	4	5/5
Atte Kaleva, Vice Chairman	3	5/5
Petri Huru	3	5/5
Riitta Kaarisalo [1]	3	5/5
Mari Kaunistola	3	5/5
Petri Peltonen	3	5/5
Vesa Virtanen	3	5/5
Total	20	

[1] Riitta Mäkinen's name has changed, current name Riitta Kaarisalo

Personnel representatives attendance at meetings: Matti Falck (3/3) *), Jari Halonen (4/5), Juha Heikkilä (2/2) *), Ilkka Kokko (5/5) ja Juha Kuusi (5/5). Separate meeting fees were not paid for their participation.

*) Starting 7 April 2025 Matti Falck replaced Juha Heikkilä as a member of the Consultative Committee.

2024 1,000 EUR	Compensation	Attendance
Consultative Committee members		
Mikko Savola, Chairman[1]	1	1/1
Atte Kaleva, Vice Chairman	2	4/4
Petri Huru	2	4/4
Antti Kaikkonen[2]	2	3/3
Mari Kaunistola	2	4/4
Ilona Lundström[3]	0	0/0
Riitta Mäkinen	2	4/4
Petri Peltonen[4]	2	4/4
Vesa Virtanen	2	4/4
Total	16	

[1] Starting 6 September 2024 (Chairman), [2] Until 6 September 2024,
[3] Until 31 January 2024, [4] Starting 1 February 2024

Personnel representatives attendance at meetings: Jari Halonen (3/3) *), Juha Heikkilä (4/4), Ilkka Kokko (4/4), Juha Kuusi (4/4) ja Göstä Sundström (1/1) *). Separate meeting fees were not paid for their participation.

*) Starting 1 May 2024 Jari Halonen replaced Göstä Sundström as a member of the Consultative Committee.

Compensation to President and CEO and Management

Salaries, fees and benefits to the President and CEO Esa Rautalinko during 2025 totalled EUR 682,091.82 (EUR 942,148.24) consisting of

- base salary of EUR 503,685.00 (EUR 498,693.00) (including salary of EUR 503,445.00 (498,453.00) and benefits of EUR 240.00 (240.00)),
- yearly bonus for the earning period 2024 was EUR 79,330.00 (15.7% of annual salary of year 2024 and 26.2% of the maximum bonus payout, which is 60.0% of annual salary of year 2024), and
- EUR 99,076.82 (EUR 148,615.24) based on years 2020–2022 (2024: 2020-2022) long-term incentive plans.

The yearly bonus to be paid to the CEO Esa Rautalinko in 2026 for the earning period 2025 is EUR 179,196.00 (35.6% of annual salary of year 2025 and 59.3% of the maximum bonus payout, which is 60.0% of annual salary of year 2025).

The retirement age for the President and CEO of the parent company follows the statutory pension rules. The President and CEO has no additional retirement arrangement. The President and CEO's contract of employment may be terminated with six months' notice by either the President and CEO or the Company. In case the Company gives notice to the President and CEO, the Company shall pay, in addition to the six months' salary for the notice period, an additional compensation corresponding to the amount of six months' salary.

In managing the Group, the President and CEO is supported by a Group Management Team comprising eight members in addition to the President and CEO as of 1 June 2025 (nine members prior to that date). The salaries, fees and benefits paid to the members of the Group Management Team (excluding the President and CEO) totalled EUR 1,993,675 (EUR 2,647,601).

The remuneration of the President and CEO and the other members of the Board of Management for 2025 were based on a fixed monthly salary (including fringe benefits) and a performance-based compensation. Annual performance-based compensation plan can provide a bonus corresponding to a maximum of 50% annual salary, except for the CEO where the maximum is 60% of annual salary in case of exceptionally good performance. The remunerations are agreed using the 'one above' principle, and the remuneration of the CEO is agreed by the Board of Directors.

During the financial period the members of the Group Management Team of Patria as well as 27 other key personnel have been participants in three-year performance-based Long-Term Incentive Plans for the years 2023–2025. Incentive plans have been set up by the Board of Directors in accordance with the respective Finnish State ownership policy.

The on-going Long-Term Incentive Plan consists of a number of strategic targets set and the financial performance of the Company over the programme period. The highest theoretical remuneration in each programme depending on the participant's organisational standing is 40%, 50% or for the CEO in case of exceptional performance 60% of a participant's annual base salary per year during the three-year period of each programme. The outcome of the plan is subject to the Board of Directors' approval.

The outcome of the 2023–2025 plan was 71.9% of the programme potential remuneration. The remunerations of the programme will be paid to the participants after the earning period in three instalments in May 2026 (1/3), in January 2027 (1/3) and in January 2028 (1/3) subject to the terms of the plan.

The outcome of the 2020–2022 plan was 96.6% of the programme potential remuneration. The remunerations of the programme were paid to the participants after the earning period in three instalments in May 2023 (50%), in January 2024 (30%) and in January 2025 (20%) subject to the terms of the plan.

The Group has made a relating cost provision in the balance sheet totalling EUR 4,614,853 (EUR 2,834,564).

All Patria employees are part of a yearly bonus plan. The plan can provide a bonus corresponding to a maximum of 15% to 25% annual salary depending on the employee's organisational standing.

Pension obligations

The contributions to defined contribution plans are charged to the income statement in the year to which they relate. The present value of the obligation under defined benefit plans is recorded in the balance sheet at their fair value on the balance sheet date. The Finnish Statutory Employment Pension Scheme (TyEL) have been accounted for as defined contribution plans. In addition, Millog Oy's additional retirement arrangement and Patria Belgium Engine Center SRL's, ILIAS Solutions N.V.'s, and ILIAS Lightning BE B.V.'s pension obligations have been accounted as a defined benefit plan.

Defined benefit contribution plans expose the Group to various risks which may have influence on the amount of defined benefit obligations. Such risks are changes in corporate bond yields, inflation and life expectancy. If corporate bond yields used as a reference to the discount rate change, the Group may have to change the discount rates used. This will have an effect both on the defined benefit obligation and the recognised remeasurement in other comprehensive income. Some of the Group's defined benefit obligations are linked to general inflation and higher general inflation will increase the present value of the defined benefit obligation. The defined benefit obligations of the Group are related to producing benefits to both employed and retired personnel. Increase in life expectancy may increase the defined benefit obligation of the Group.

Expenses of employment benefits

MEUR	2025	2024
Pension expenses – Defined contribution plans	-38.3	-33.7
Pension expenses – Defined benefit plans	-0.5	-0.4
Total	-38.7	-34.1

Expense recognised in profit or loss

MEUR	2025	2024
Service cost	-0.5	-0.4
Net interest	-0.1	-0.1
Expense recognised in profit or loss	-0.6	-0.5

Statement of financial position

MEUR	2025	2024
Defined benefit obligation	15.1	14.5
Fair value of plan assets	-12.7	-11.4
Funded status	2.4	3.1
Liability in the balance sheet	2.4	3.1

Changes in the present value of the defined benefit obligation

Defined benefit obligation (DBO)

MEUR	2025	2024
Opening defined benefit obligation	14.5	13.9
Addition of defined benefit obligation	1.6	0.0
Current service cost	0.5	0.4
Interest cost	0.5	0.5
Benefits paid	-0.6	-0.6
Actuarial gain(-) / loss (+)	-1.3	0.2
Closing defined benefit obligation	15.1	14.5

Changes in the fair value of plan assets

Fair value of plan assets

MEUR	2025	2024
Opening fair value of plan assets	11.4	10.5
Addition of fair value of plan assets	1.3	0.0
Interest income	0.4	0.4
Contribution paid	0.6	1.0
Benefits paid	-0.7	-0.6
Actuarial gain(+) / loss (-)	-0.3	0.1
Closing fair value of plan assets	12.7	11.4

Expected contribution paid in the next fiscal period

MEUR	Estimate 2026	2025	2024
Expected contribution	0.8	0.6	0.7

Changes in other comprehensive income

MEUR	2025	2024
Recognised remeasurements in other comprehensive income 1 Jan	5.6	5.7
Actuarial gain(+) or loss(-) on obligation	1.3	-0.2
Actuarial gain(+) or loss(-) on plan assets	-0.3	0.1
Recognised remeasurements in other comprehensive income 31 Dec	6.5	5.6

Plan assets

	2025	2024
Qualifying insurance policies	100%	100%

Qualifying insurance policies have not a quoted market price in an active market and they do not include employer's own transferable financial instruments.

Sensitivity analysis

This analysis explains which actuarial assumptions the key assumptions are. The figures in the sensitivity analysis have been calculated by changing one assumption and keeping the other assumptions constant and by using the same method and the same census data which is applied when calculating defined benefit obligation and fair value of plan assets.

Sensitivity analysis of actuarial assumptions as of 31 Dec 2025

Millog Oy MEUR	Change in assumption	Change in defined benefit obligation	%	Change in plan assets	%
Discount rate	+0.5%	-0.5	-6%	-0.3	-5%
Salary increase	+0.5%	0.0	0%	0.0	0%
Life expectancy	+1 year	0.2	3%	0.1	2%
Benefit increase	+0.5%	0.6	7%	0.0	0%
Insurance company's bonus index	+0.5%	0.0	0%	0.4	6%

Census data used in this valuation	2025	2024
Number of actives	45	56
Number of pensioners	472	432
Number of deferred	362	419
Average age actives (years)	53	54
Average remaining service time	7	6
Average serving time	14	14

Patria Belgium Engine Center SRL MEUR	Change in assumption	Change in defined benefit obligation	Variation
Discount rate	+0.5%	-0.1	-5%
Salary increase	+0.5%	0.4	16%
Inflation	+0.5%	0.1	5%

Census data used in this valuation	2025	2024
Number of actives	115	117
Number of pensioners	0	0
Number of deferred	83	71
Average age actives (years)	43	42
Average remaining service time	16	16
Average serving time	8	7

ILIAS Solutions N.V. and ILIAS Lightning BE B.V. MEUR	Change in assumption	Change in defined benefit obligation	Variation
Discount rate	+0.5%	0.1	6%

8. Depreciation, amortisation and impairments

Depreciation according to plan and impairments

MEUR	2025	2024
Development expenses	-0.3	-0.1
Intangible rights	-2.6	-0.9
Buildings and constructions	-5.1	-4.8
Buildings and constructions, IFRS 16	-17.7	-15.5
Land and water, IFRS 16	-0.1	-0.1
Machinery and equipment	-7.5	-7.2
Machinery and equipment, IFRS 16	-1.7	-1.4
Other tangible assets	-0.6	-0.3
Total	**-35.7**	**-30.3**

Impairment tests

The recoverable amount of a cash generating unit is determined based on value-in-use calculations. The tested cash-generating units (CGU) were Protected Mobility, Defence & Weapon Systems, Sustainment Solutions, and Millog.

In accordance with the new growth strategy, Patria's operating model and organisation was renewed in the beginning of June 2025. The former business units were dismantled (excluding Millog) and the Group was reorganised into Millog and three business areas: Protected Mobility, Defence & Weapon Systems, and Sustainment Solutions. As a result of the new reporting structure, the goodwill allocated to the Global and Finland divisions was reallocated to Protected Mobility's, Defence & Weapon Systems', and Sustainment Solutions' cash-generating units (CGU) based on their fair values.

The calculations are based on the cash flow projections in the strategic plans approved by the management covering a three-year period. The assumptions related to the price and cost level development used in the strategic plans and cash flow estimates of the business units are based on the management's estimates of the development of markets. Previous actual development has been taken into consideration while evaluating the assumptions used in the calculations. The cash flow estimates are based on existing fixed assets. Cash flows beyond the period approved by management are calculated using terminal value method, where the figures for the final planning period are calculated with 2% eternal growth and discounted using the WACC described below.

Discount rate is the weighted average pre-tax cost of capital (WACC) as defined for Patria. The components of WACC are risk-free yield rate, market risk premium, industry specific beta, cost of debt, average capital structure of the industry and a premium for asset specific risk. The WACC used in the calculations was 9.5% p.a. in 2025 (11.49%).

In 2025, the impairment testing result showed that the "value in use" in all the cash generating units were equal or more than the book value of the tested assets. Thus, no impairment of goodwill was recognised in 2025. In connection with the impairment testing a sensitivity analysis was performed in which the cash flows of the cash generating units were decreased and the discount rates were increased. Based on the performed sensitivity analysis it seems unlikely that a reasonably possible change in cash flows (10%-20%) or in the discount rate (1-3 percentage points) while other assumptions remain constant would lead to impairment.

Goodwill

MEUR	2025	2024
Protected Mobility	17.0	-
Defence & Weapon Systems	6.7	-
Sustainment Solutions	29.4	-
Finland	-	15.4
Global	-	13.4
Millog	14.7	14.7
Total	**67.8**	**43.6**
1 Jan	43.6	36.7
Additions	24.3	6.8
31 Dec	**67.8**	**43.6**

9. Financial income and expenses

MEUR	2025	2024
Interest income		
Deposits and investments	0.1	0.0
Other	3.3	3.3
Other financial income	0.0	0.0
Interest expenses		
Interest-bearing liabilities	-13.1	-11.2
Leases	-1.9	-1.8
Other financial expense	-1.3	-0.8
Exchange rate difference		
Foreign exchange derivatives, non-hedge accounted	-0.4	0.6
Other	0.5	-1.1
Total	**-12.9**	**-11.0**

Aggregate foreign exchange gains and losses included in consolidated income statement

MEUR	2025	2024
Net sales	0.2	0.0
Expenses	0.2	-0.2
Financial income and expenses	0.1	-0.5
Total	0.6	-0.7

Net gains/losses include realised and unrealised gains and losses on derivative financial instruments.

Net gains/losses on derivative financial instruments included in operating profit

MEUR	2025	2024
Foreign exchange rate derivative contracts under hedge accounting	-0.2	-0.1
Non-hedge accounted foreign exchange rate derivative contracts	0.1	0.0
Total	-0.2	-0.1

10. Income taxes

MEUR	2025	2024
Income taxes	-10.3	-9.1
Income taxes previous period	-0.1	-0.1
Change in deferred tax receivable	-2.3	2.7
Change in deferred tax liability	0.7	0.0
Total	**-12.0**	**-6.5**

Taxes related to other comprehensive income

2025 MEUR	Before-tax amount	Tax	Net-of-tax amount
Cash flow hedges	-0.8	0.2	-0.6
Change of translation difference	1.5	-	1.5
Actuarial gains/losses on defined benefit plans	0.9	-0.1	0.9
Share of comprehensive income in associated companies and joint ventures	0.2	-0.0	0.1
Total	1.8	0.1	1.9

2024 MEUR	Before-tax amount	Tax	Net-of-tax amount
Cash flow hedges	-1.7	0.3	-1.3
Change of translation difference	-1.0	-	-1.0
Actuarial gains/losses on defined benefit plans	-0.1	0.1	-0.1
Share of comprehensive income in associated companies and joint ventures	-2.9	0.6	-2.3
Total	-5.7	1.0	-4.7

Differences between income tax expense calculated at statutory rates compared to the income statement (tax rate in Finland 2025: 20%, 2024: 20%)

MEUR	2025	2024
Income tax expense at statutory rate	-20.5	-14.2
Effect of statutory tax rates of foreign companies	-0.3	-0.1
Untaxed income	0.6	0.0
Non-deductible expenses	-0.9	-0.2
Confirmed losses	-0.6	-0.7
Effect of associated companies and joint ventures result	11.4	9.3
Returns from previous tax years	-0.1	-0.1
Other items	-1.5	-0.6
Income taxes	**-12.0**	**-6.5**

Reconciliation of deferred tax receivables

MEUR	2025	2024
Fixed assets depreciation differences	0.4	0.3
Untaxed reserves	0.8	0.9
Tax losses carried forward	15.6	17.6
Other temporary differences	4.8	1.2
Total	**21.6**	**19.9**

MEUR	2025	2024
1 Jan	19.9	17.1
Income statement	-2.3	2.7
Acquired companies & exchange rate difference	4.0	-0.0
Equity	-0.1	0.1
31 Dec	**21.6**	**19.9**

Reconciliation of deferred tax liabilities

MEUR	2025	2024
Fixed assets depreciation differences	1.5	2.8
Accruals	10.9	0.0
Fair value of derivative financial instruments	0.2	0.3
Total	**12.5**	**3.1**

MEUR	2025	2024
1 Jan	3.1	2.4
Income statement	-0.7	-0.0
Fair value of derivative financial instruments	-0.2	-0.3
Acquired companies & other changes	10.3	1.1
31 Dec	**12.5**	**3.1**

The tax losses, for which no deferred tax assets are recognised due to the uncertainty of the utilisation of the losses, amounted to EUR 33.4 million in the year of 2025 (EUR 28.4 million). These losses do not expire.

11. Intangible and tangible assets

Intangible assets

2025 MEUR	Goodwill	Development expenses	Intangible rights	Advance payments	Total
Acquisition cost 1 Jan	55.4	12.8	29.6	4.5	102.3
Translation differences	0.1	0.0	0.0	0.0	0.1
Reclassifications	0.0	0.0	0.1	-0.1	0.0
Companies acquired	24.3	0.0	38.9	0.0	63.2
Scrapping	0.0	-5.3	0.0	0.0	-5.3
Additions	0.0	1.2	0.3	4.9	6.4
Disposals	0.0	0.0	-0.0	0.0	-0.0
Acquisition cost 31 Dec	79.8	8.7	68.8	9.4	166.7
Accumulated amortisation and impairment losses 1 Jan	-11.8	-12.5	-21.7	0.0	-46.0
Translation differences	-0.1	0.0	0.0	0.0	-0.1
Scrapping	0.0	5.3	0.0	0.0	5.3
Amortisation for the period incl. exchange rate diff.	0.0	-0.3	-2.6	0.0	-3.0
Accumulated amortisation and impairment losses 31 Dec	-12.0	-7.5	-24.3	0.0	-43.8
Net book value at 31 Dec 2025	**67.8**	**1.2**	**44.5**	**9.4**	**122.9**

2024 MEUR	Goodwill	Development expenses	Intangible rights	Advance payments	Total
Acquisition cost 1 Jan	48.6	12.3	23.2	0.0	84.1
Translation differences	-0.1	0.0	0.0	0.0	-0.1
Reclassifications	0.0	0.0	0.0	-0.0	0.0
Companies acquired	6.8	0.3	5.6	0.0	12.8
Scrapping	0.0	0.0	-0.3	0.0	-0.3
Additions	0.0	0.2	1.0	4.5	5.8
Acquisition cost 31 Dec	55.4	12.8	29.6	4.5	102.3
Accumulated amortisation and impairment losses 1 Jan	-11.9	-12.3	-21.1	0.0	-45.3
Translation differences	0.1	0.0	0.0	0.0	0.1
Companies acquired	0.0	-0.1	0.0	0.0	-0.1
Scrapping	0.0	0.0	0.3	0.0	0.3
Amortisation for the period incl. exchange rate diff.	0.0	-0.1	-0.9	0.0	-0.9
Accumulated amortisation and impairment losses 31 Dec	-11.8	-12.5	-21.7	0.0	-46.0
Net book value at 31 Dec 2024	**43.6**	**0.4**	**7.9**	**4.5**	**56.4**

Tangible assets

2025 MEUR	Land and water	Buildings and constructions	Machinery and equipment	Other tangible assets	Advance payments and construction in progress	Total
Acquisition cost 1 Jan	4.6	277.7	157.8	7.0	27.4	474.6
Translation differences	0.0	0.5	0.2	0.0	0.0	0.8
Reclassifications	0.0	8.9	6.2	1.4	-16.5	-0.1
Companies acquired	0.0	0.0	1.0	1.3	0.0	2.3
Scrapping	0.0	-2.6	-0.8	-0.0	0.0	-3.5
Additions	1.3	37.9	8.8	0.5	28.6	77.1
Disposals	-0.1	-4.0	-9.2	-0.0	-0.0	-13.3
Acquisition cost 31 Dec	6.0	318.4	164.0	10.1	39.5	537.9
Accumulated depreciation and impairment losses 1 Jan	-0.7	-179.4	-130.4	-4.1	0.0	-314.6
Translation differences	-0.0	-0.5	-0.2	0.0	0.0	-0.7
Reclassifications	0.0	0.0	0.1	0.0	0.0	0.1
Companies acquired	0.0	0.0	-0.5	-0.1	0.0	-0.6
Scrapping	0.0	2.6	0.7	0.0	0.0	3.3
Disposals	0.0	3.1	6.1	0.0	0.0	9.2
Depreciation for the period incl. exchange rate diff.	-0.1	-22.8	-9.3	-0.6	0.0	-32.8
Accumulated depreciation and impairment losses 31 Dec	-0.8	-197.0	-133.5	-4.7	0.0	-336.1
Net book value at 31 Dec 2025	**5.1**	**121.4**	**30.4**	**5.3**	**39.5**	**201.8**

2024 MEUR	Land and water	Buildings and constructions	Machinery and equipment	Other tangible assets	Advance payments and construction in progress	Total
Acquisition cost 1 Jan	4.4	257.1	149.4	5.0	7.5	423.4
Translation differences	-0.0	-0.3	-0.1	0.0	-0.0	-0.4
Reclassifications	0.0	0.2	4.7	1.2	-6.1	-0.0
Companies acquired	0.0	0.4	0.0	0.0	0.0	0.4
Scrapping	0.0	-0.0	-3.8	-0.0	0.0	-3.9
Additions	0.3	20.6	7.7	0.8	26.1	55.5
Disposals	-0.0	-0.2	-0.2	0.0	0.0	-0.4
Acquisition cost 31 Dec	4.6	277.7	157.8	7.0	27.4	474.6
Accumulated depreciation and impairment losses 1 Jan	-0.6	-159.4	-125.8	-3.8	0.0	-289.6
Translation differences	0.0	0.3	0.1	0.0	0.0	0.4
Companies acquired	0.0	0.0	-0.0	0.0	0.0	-0.0
Scrapping	0.0	0.0	3.8	0.0	0.0	3.9
Disposals	0.0	0.0	0.2	0.0	0.0	0.2
Depreciation for the period incl. exchange rate diff.	-0.1	-20.3	-8.7	-0.3	0.0	-29.4
Accumulated depreciation and impairment losses 31 Dec	-0.7	-179.4	-130.4	-4.1	0.0	-314.6
Net book value at 31 Dec 2024	**4.0**	**98.3**	**27.4**	**2.9**	**27.4**	**160.0**

Tangible assets include capitalised leases

2025 MEUR	Buildings and constructions	Machinery and equipment	Land and water	Total
Acquisition cost 1 Jan	147.7	7.1	1.8	156.6
Translation differences	-0.0	0.0	0.0	0.0
Disposals and other changes	-3.9	-2.7	-0.0	-6.7
Additions	37.0	4.1	0.1	41.2
Acquisition cost 31 Dec	180.8	8.5	1.9	191.1
Accumulated depreciation and impairment losses 1 Jan	-76.9	-3.9	-0.7	-81.6
Disposals and other changes	3.6	2.3	-0.0	5.9
Depreciation for the period	-18.3	-1.7	-0.1	-20.1
Accumulated depreciation and impairment losses 31 Dec	-91.6	-3.4	-0.8	-95.8
Net book value at 31 Dec 2025	**89.2**	**5.1**	**1.0**	**95.3**

2024 MEUR	Buildings and constructions	Machinery and equipment	Land and water	Total
Acquisition cost 1 Jan	130.6	5.1	1.8	137.6
Translation differences	-0.0	-0.0	-0.0	-0.0
Disposals and other changes	-0.2	-0.0	-0.0	-0.3
Additions	17.3	2.0	0.0	19.3
Acquisition cost 31 Dec	147.7	7.1	1.8	156.6
Accumulated depreciation and impairment losses 1 Jan	-60.9	-2.5	-0.6	-63.9
Disposals and other changes	0.0	0.0	0.0	0.0
Depreciation for the period	-16.1	-1.4	-0.1	-17.6
Accumulated depreciation and impairment losses 31 Dec	-76.9	-3.9	-0.7	-81.6
Net book value at 31 Dec 2024	**70.8**	**3.1**	**1.1**	**75.1**

12. Investments in joint ventures

	Domicile	Ownership, %
Nammo AS	Raufoss, Norway	50.0
Kongsberg Aviation Maintenance Services AS	Kjeller, Norway	49.9
Silverskin Information Security Oy	Helsinki, Finland	25.0
H&H Tech GmbH	Lübeck, Germany	30.0

2024 MEUR	Domicile	Ownership, %	Kehittämis-menot	Assets	Liabilities	Profit/Loss
Nammo AS	Raufoss, Norway	50.0	1,395.8	991.6	935.2	77.1

Shares in associated companies and joint ventures

MEUR	2025	2024
1 Jan	280.1	258.0
Share of results in associated companies and joint ventures	57.0	46.7
Share of comprehensive income in associated companies and joint ventures	0.1	-2.3
Dividend income	0.0	-6.7
Exchange rate differences and other changes	6.2	-15.6
31 Dec	**343.5**	**280.1**

Business operations with associated companies and joint ventures

MEUR	2025	2024
Purchases from associated companies and joint ventures	0.0	0.0

Receivables and liabilities, associated companies and joint ventures

MEUR	2025	2024
Accounts receivable	0.1	0.1
Loan receivable	8.4	0.0

13. Other shares

MEUR	2025	2024
Book value	0.2	0.2

Other shares consist of shares which are not publicly traded and thus has no observable market data available.

14. Current assets

Inventories

No significant impairment of inventories has been booked during the financial periods.

Receivables

Group does not have material interest-bearing receivables. Fair values of receivables do not differ materially from the book value. No major credit losses were booked during the financial periods.

Prepaid expenses and accrued income

MEUR	2025	2024
Contract assets	166.5	127.3
Other items	20.8	12.4
Total	**187.3**	**139.8**

Other items of prepaid expenses and accrued income consists of accrued interest income and other accrued income, which are individually insignificant.

Contract balances

MEUR	2025	2024
Trade receivables	214.9	135.7
Contract assets	166.5	127.3
Contract liabilities		
Advances received, other	61.1	42.3
Advances received, over time	495.8	95.1
Revenue recognised in the financial period that was included in the contract liability on 1 Jan	42.5	68.0
Remaining performance obligations from projects and contracts under execution	2,545.2	1,353.9

15. Accruals and deferred income

Accruals and deferred income

MEUR	2025	2024
Accrued wages, salaries and social security costs	71.3	59.0
Other items	16.4	10.8
Total	**87.7**	**69.8**

Other items of accruals and deferred income consist of interest and other accrued expense, which are individually insignificant.

16. Financial assets valued as fair value

MEUR	Shares	Total
1 Jan 2025	0.2	0.2
Additions	0.0	0.0
Deductions	-0.0	-0.0
31 Dec 2025	0.2	0.2

MEUR	Shares	Total
1 Jan 2024	0.2	0.2
31 Dec 2024	0.2	0.2

17. Financial instruments

Fair value reserve including forward contracts

MEUR	2025	2024
Fair value	0.9	1.7
Deferred taxes	-0.2	-0.3
Fair value reserve 31 Dec	**0.7**	**1.4**
Fair value changes recognised in equity	-1.0	-1.8
Fair value changes recognised in income statement	0.2	0.1
Deferred taxes	0.2	0.3
Change	-0.6	-1.3
Fair value	1.7	3.4
Deferred taxes	-0.3	-0.7
Fair value reserve 1 Jan	1.4	2.7

Carrying amounts of financial assets and liabilities by measurement categories and fair value hierarchy

2025 MEUR	At fair value through income statement, Level 2	Measured at amortised cost	Book value	Note
Non-current financial assets				
Other shares	0.2		0.2	13
Current financial assets				
Accounts receivable		214.9	214.9	2
Receivables from associated companies and joint ventures		8.5	8.5	12
Derivative financial instruments	1.3		1.3	2
Liquid funds		400.1	400.1	
Carrying amount by category	1.5	623.5	625.0	
Non-current financial liabilities				
Interest-bearing liabilities		255.1	255.1	2
Current financial liabilities				
Interest-bearing liabilities		233.8	233.8	2
Accounts payable		121.0	121.0	
Derivative financial instruments	1.1		1.1	2
Carrying amount by category	1.1	610.0	611.0	

2024 MEUR	At fair value through income statement, Level 2	Measured at amortised cost	Book value	Note
Non-current financial assets				
Other shares	0.2		0.2	13
Current financial assets				
Accounts receivable		135.6	135.6	2
Receivables from associated companies and joint ventures		0.1	0.1	12
Derivative financial instruments	3.0		3.0	2
Liquid funds		38.4	38.4	
Carrying amount by category	3.2	174.1	177.3	
Non-current financial liabilities				
Interest-bearing liabilities		164.2	164.2	2
Current financial liabilities				
Interest-bearing liabilities		220.3	220.3	2
Accounts payable		88.4	88.4	
Derivative financial instruments	0.8		0.8	2
Carrying amount by category	0.8	472.9	473.7	

Financial instruments that are measured in the balance sheet at fair value are presented according to the following fair value measurement hierarchy:
Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities,
Level 2 inputs other than quoted price included within Level 1 are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

18. Shareholders' equity

Share capital

Patria Oyj share capital on 31 December 2025 stood at EUR 38,024,848.00. All issued shares have been paid up in full.

Fair value reserve

The fair value reserve includes the effective portion of the change in fair value of derivative financial instruments that are designated as and qualify for cash flow hedges.

Reserve for invested non-restricted equity

Patria Oyj was established in 2010 and the assets were credited to the reserve for invested non-restricted equity. The reserve for invested non-restricted equity stood at EUR 136,225,792.95 on 31 December 2024. In 2025, a capital repayment EUR 1.15 per share was paid on the shares owned by the State of Finland and Kongsberg Defence & Aerospace AS. The total amount of capital repayment was EUR 32,018,172.35. The capital repayment was distributed from the reserve for invested non-restricted equity. The reserve for invested non-restricted equity stood at EUR 104,207,620.60 on 31 December 2025.

Translation differences

Translation differences include translation differences arisen from the subsidiaries' equity translation during the consolidation, change of the fair values of the net investment in the foreign subsidiary, and foreign exchange rate differences arisen from the conversion of the foreign subsidiaries' income statement using the average exchange rate of the reporting period and the conversion of their balance sheet using the exchange rate quoted on the balance sheet date.

Shares

The company has a total of 27,841,889 shares and one series of shares.

Distributable funds

The parent company's non-restricted equity on 31 December 2025 is EUR 130,126,204.70 of which the net profit for the financial period is EUR 26,736,967.55.

Capital repayment per share

The Board of Directors proposes to the Annual General Meeting that a capital repayment EUR 1.26 per share be paid on the shares owned by the State of Finland and Kongsberg Defence & Aerospace AS. Under the proposal, the total amount of capital repayment will be EUR 35,080,780.14. The capital repayment is distributed from the reserve for invested non-restricted equity. The Board of Directors further proposes that the remaining non-restricted equity, EUR 95,045,424.56 be retained and carried forward.

The capital repayment to be paid for 2025 will be decided at the Annual General Meeting on 14 April 2026. This capital repayment payable is not reflected in these financial statements.

19. Provisions

MEUR	2025	2024
Warranty provision	11.5	7.7
Other provision	2.1	4.0
Total	**13.7**	**11.7**

During the warranty period the claimed faults will be corrected at Patria's expense. The warranty provisions amounted to EUR 11.5 million (EUR 7.7 million) at the end of 2025. Provisions are based on best estimates on the balance sheet date. The provision for warranties covers the expenses due to the repair or replacement of products during their warranty period. The warranty liability is based on historical realised warranty costs and best estimates on the balance sheet date. The usual warranty period is two to four years. Other provisions include various items, such as those related to defects in quality, litigations and offset obligations.

20. Commitments and contingent liabilities

MEUR	2025	2024
Guarantees given on behalf of others	7.0	7.3
Other own contingent liabilities	19.6	7.7
Total	**26.7**	**15.0**

21. Related party transactions

Patria Oyj's subsidiaries

Subsidiaries	Domicile	Ownership, %
Nordic Drones Oy	Muurame, Finland	100.0
Patria Aviation Oy	Jämsä, Finland	100.0
Kiinteistö Oy Jämsän Hekohalli	Jämsä, Finland	100.0
Patria Aerostructures Oy	Jämsä, Finland	100.0
Patricomp Oy	Jämsä, Finland	100.0
Kiinteistö Oy Jämsän Komposiittihalli	Jämsä, Finland	100.0
Patria Svenska AB	Sigtuna, Sweden	100.0
Patria Helicopters AB	Sigtuna, Sweden	100.0
Patria Holding Slovakia s.r.o.	Trencin, The Slovak Republic	100.0
Patria ISP Oy	Helsinki, Finland	100.0
Patria Belgium Engine Center SRL	Herstal, Belgium	100.0
Patria Latvia SIA	Riga, Latvia	100.0
SIA Defence Partnership Latvia	Cesis, Latvia	70.0
Patria Lithuania UAB	Vilnius, Lithuania	100.0
Patria NL B.V.	Zevenaar, Netherlands	100.0
Patria Netherlands B.V.	Zevenaar, Netherlands	100.0
Patria Land Oy	Helsinki, Finland	100.0
Patria Deutschland GmbH	Frankfurt am Main, Germany	100.0
Patria Japan Ltd.	Tokyo, Japan	100.0
Patria Land Middle East Limited	Abu Dhabi, United Arab Emirates	100.0
Patria Land Sverige AB	Stockholm, Sweden	100.0
Patria Land Systems SA (Pty) Ltd	Pretoria, South Africa	100.0
Patria Polska Sp. z.o.o.	Warsaw, Poland	100.0
ILIAS Solutions N.V.	Diegem, Belgium	90.0
ILIAS A&D B.V.	Almere, Netherlands	100.0
ILIAS APAC PTY LTD	Melbourne, Australia	100.0
ILIAS FEDERAL Solutions Inc.	Fort Worth, United States of America	100.0
ILIAS Lightning BE B.V.	Diegem, Belgium	100.0
ILIAS Nordics Aps	Vojens, Denmark	100.0
Millog Oy	Tampere, Finland	61.8
Oricopa Kiinteistöt Oy	Orivesi, Finland	100.0
Senop Oy	Kangasala, Finland	100.0
Millog Marine & Power Oy	Salo, Finland	100.0
Svensk Försvarslogistik AB	Stockholm, Sweden	100.0

Net sales and purchases between the Group companies

MEUR	2025	2024
Total	138.8	104.8

The policy of internal transfer pricing is to use market prices.

Information concerning business operations between the Group and its associated companies and joint ventures are included in Note 12. Management's employment benefits are included in Note 7.

Key management consists of the members of the Board of Directors, CEO and other members of the Group Management Team. There was no outstanding loans receivable from key management on 31 December 2025. Members of the Group management and their immediate circle have not had any essential business relations with the Group companies.

22. Disputes and litigations

The Group company has a disagreement with a customer regarding revenue recognition. According to the company's management, this does not give rise to a significant risk of impairment.

23. Events after the balance sheet date

Patria and Pratt & Whitney, an RTX business, signed an agreement for the final assembly and inspection of the F135 engines used in Finland's F-35 fighter jets. Production has already begun and is planned to continue until 2030.

Patria signed a contract with Kongsberg Defence & Aerospace AS for the delivery of PROTECTOR RS4 remote weapon stations for more than 300 Patria 6x6 armoured vehicles within the multinational CAVS programme. The contract, valued at approximately EUR 140 million, includes an additional order for Sweden as well as RS4 subsystems for several CAVS vehicle variants ordered by Germany. The assembly of these vehicles will be carried out in cooperation with Patria's industrial partners in Germany, with deliveries scheduled for 2026–2030.

Financial statements of the parent company (FAS)

Balance sheet, parent company

ASSETS

MEUR	Note	31 Dec 2025	31 Dec 2024
Non-current assets			
Intangible assets	9		
Intangible rights		0.4	0.5
Goodwill		0.3	0.7
Tangible assets	9		
Machinery and equipment		0.1	0.4
Other tangible assets		0.0	0.0
Investments			
Shares in group companies	10	190.6	143.1
Receivables from group companies	11	8.1	11.8
Shares in associated companies and joint ventures	10	191.6	191.6
Total Non-current assets		**391.2**	**348.3**
Current assets			
Inventories			
Raw materials and supplies		0.1	0.1
Receivables			
Accounts receivable		0.0	0.0
Receivables from group companies	11	201.4	175.4
Receivables from associated companies	11	8.4	0.0
Other receivables		0.0	0.0
Prepaid expenses and accrued income	11	5.9	7.1
Cash and cash equivalents		372.7	21.9
Total Current assets		**588.6**	**204.5**
Total Assets		**979.8**	**552.8**

SHAREHOLDERS' EQUITY AND LIABILITIES

MEUR	Note	31 Dec 2025	31 Dec 2024
Shareholders' equity	12		
Share capital		38.0	38.0
Other funds			
Reserve for invested non-restricted equity		104.2	136.2
Fair value reserve		0.6	1.4
Retained earnings		-0.8	0.3
Net income for the period		26.7	-1.2
Total Shareholders' equity		**168.7**	**174.8**
Non-current liabilities			
Loans from financial institutions	13	175.0	100.0
Total Non-current liabilities		**175.0**	**100.0**
Current liabilities			
Other interest-bearing liabilities	13	127.4	135.8
Loans from financial institutions	13	83.0	65.0
Accounts payable		6.7	3.9
Liabilities to group companies	13	403.3	60.3
Deferred tax liabilities		0.1	0.3
Other current liabilities		2.4	3.4
Accruals and deferred income	13	13.1	9.2
Total Current liabilities		**636.1**	**278.0**
Total Shareholders' equity and liabilities		**979.8**	**552.8**

Income statement, parent company

MEUR	Note	1-12/2025	%	1-12/2024	%
Net sales	2	**62.3**		**38.2**	
Other operating income	3	7.9		4.6	
Materials and services					
Raw materials and supplies					
Purchases during the financial period		-1.6		-1.6	
Change in inventories		0.0		0.0	
Personnel expenses	4	-24.5		-19.5	
Depreciation and value adjustments	5	-1.0		-0.9	
Other operating expenses	3	-55.9		-35.2	
Operating profit		**-12.8**	-20.6%	**-14.3**	-37.5%
Financial income and expenses	6				
Dividend income from group companies		11.3		10.9	
Dividend income from associated companies and joint ventures		0.0		6.7	
Interest and other financial income		10.6		9.9	
Impairment on investments from non-curr assets		1.7		0.0	
Interest and other financial expenses		-14.7		-14.1	
Exchange gains and losses		0.2		-0.5	
Income before appropriations and taxes		**-3.8**	-6.1%	**-1.5**	-3.8%
Appropriations	7	30.5		0.3	
Income taxes	8	0.0		0.0	
Net income		**26.7**	42.9%	**-1.2**	-3.0%

Cash flow statement, parent company

MEUR	1-12/2025	1-12/2024
Income before appropriations and taxes	-3.8	-1.5
Depreciation	1.0	0.9
Financing items	-9.1	-13.4
Other changes	1.0	-1.5
Change in receivables	-2.8	20.8
Change in liabilities	4.7	-3.0
Change in inventories	-0.0	-0.0
Cash flow from operations before financial items and taxes	**-8.9**	**2.3**
Interests received	10.2	9.8
Interests paid	-13.4	-13.5
Dividends received	11.3	17.6
Other financial items	-0.7	-0.5
Paid taxes	0.0	0.0
Cash flow from operating activities	**-1.5**	**15.8**
Acquired group companies	-48.3	-12.9
Purchase of tangible and intangible assets	-0.1	-1.1
Granted loans	-8.6	-2.9
Cash flow from investing activities	**-57.0**	**-17.0**
Change in short-term loans	25.9	102.9
Proceeds from long-term loans	125.0	50.0
Repayment of long-term loans	-65.0	-30.0
Change in short-term group receivables and liabilities	355.2	-110.6
Capital repayment/Dividends paid	-32.0	-27.8
Paid and received group contributions	0.3	3.2
Cash flow from financing activities	**409.4**	**-12.4**
Change in liquid funds	**350.9**	**-13.6**
Liquid funds 1 Jan	21.9	35.4
Liquid funds 31 Dec	372.7	21.9
Change in liquid funds	**350.9**	**-13.6**

1. Accounting principles, parent company

The financial statements of the parent company have been prepared in accordance with Finnish accounting procedures and regulations. The Company's financial year is a calendar year.

Revenue recognition

Net sales include income from the sale of goods and services, with adjustments for indirect taxes, discounts and conversion differences resulting from sales in foreign currencies. Income from the sale of goods is recognised when the major risks and benefits from the ownership of the goods have been taken over by the buyer. Income from services is recognised when the service has been rendered.

Use of estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the financial statements. Actual results may differ from the estimates. Accounting estimates are employed in the financial statements to determine reported amounts.

Fixed assets and depreciation

Property, plants and equipment are measured at their historical cost, less depreciation and impairment. The assets are depreciated over their economic life using the straight-line depreciation method. The economic life of assets is reviewed if necessary, adjusting it to correspond to possible changes in the expected economic use.

The assessed economic lives are as follows:

Machinery and equipment	3 to 15 years
Other intangible assets	3 to 5 years

Other tangible assets are not subject to depreciation.

Investments in subsidiaries and other companies are measured at cost or fair value in case the fair value is less than cost.

Financial assets

Financial assets are measured at the lower of cost or net realisation value. Derivative instruments are measured at fair value. Accounts receivable are carried at their anticipated realisable value, which is the original invoice amount less an estimated impairment of these receivables. An impairment of accounts receivable is made when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Foreign currency transactions

Foreign currency transactions are translated into Euros using the exchange rates prevailing at the dates of the transactions. Receivables, liabilities and derivative instruments in foreign currencies are translated into Euros at the exchange rates prevailing at the balance sheet date. Foreign exchange gains and losses resulting from translating are recognised in the income statement. Foreign exchange gains and losses related to business operations are included in the corresponding items above the operating profit line. Foreign exchange gains and losses related to loans and receivables in foreign currencies are included in financial income and expenses.

Derivative instruments

The company apply the accounting treatment made applicable by the Accounting Act 5:2a §, according to which all derivative agreements, including embedded derivatives, are recognised at fair value. Determination of fair values is based on quoted market prices and rates, discounting of cash flows and option valuation models.

Exchange differences from derivative agreements, which are used to hedge against risks in operating transactions in other currencies, are included in the corresponding items above the operating profit line. Exchange differences from derivative agreements, which are used to hedge foreign currency liabilities and receivables are included in financial income and expenses. When hedged items are not included in the balance sheet, the exchange rate differences of the derivative agreements have been recorded in liabilities and receivables and the profit impact is directed to the same financial period in which the exchange rate of the hedged operative transaction is booked.

Grants received

Government or other grants are recognised as income on a systematic basis over the periods necessary to match them with the related costs, which they are intended to compensate. Grants related to the acquisition of tangible or intangible assets are recognised as decreases of their acquisition costs.

Income taxes

The income statement includes direct taxes accrued on the basis of the results for the financial period as well as taxes payable or refunded for previous financial periods. Deferred taxes are not included.

Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined by the first-in, first-out (FIFO) method or weighted average cost that is sufficiently close to the factual cost calculated on FIFO basis.

The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads.

Provisions

Future costs in which the parent company has committed to and which probably will not contribute in future revenues are recognised in provisions.

Employee benefits

An external pension insurance company manages the parent company's pension plan. Possible supplementary pension commitments are insured. The Company has no non-funded pension obligations.

Research and development costs

Research and development costs are expensed as they are incurred, with the exception of potential related other capital expenditures. Development costs are capitalised when the criteria in accordance with Finnish accounting procedures and regulations are met.

Leasing

All leasing payments have been expensed in the income statement.

Appropriations

Appropriations include group contributions.

2. Net sales

Net sales by market area

MEUR	2025	2024
Finland	44.9	35.5
Other Europe	17.3	2.7
Total	62.3	38.2

Net sales by product segment

MEUR	2025	2024
Civilian products	62.3	38.2
Total	62.3	38.2

Revenue recognition

MEUR	2025	2024
Delivery based net sales	62.3	38.2
Total net sales	62.3	38.2

3. Other operating income and expenses

Other operating income

MEUR	2025	2024
Rental Income	2.7	2.2
Grants received	2.4	0.0
Other operating income	2.9	2.4
Total	7.9	4.6

Other operating expenses

MEUR	2025	2024
Research and development	-0.0	-0.0
Rents	-3.9	-3.4
Real estate expenses	-3.9	-2.2
Travel expenses	-1.5	-0.9
Sales and marketing expenses	-2.4	-0.6
Other operating expenses	-44.1	-28.1
Total	-55.9	-35.2

Principal independent auditor's fees and services

MEUR	2025	2024
Audit fees	-0.1	-0.1
Other services	-0.1	-0.2
Total	-0.2	-0.2

4. Personnel expenses and average number of personnel

Personnel expenses

MEUR	2025	2024
Salaries and fees paid to members of Board of Directors, Consultative Committee and President and CEO	-0.9	-1.1
Other wages and salaries	-19.7	-15.4
Pension and pension insurance costs	-3.3	-2.7
Other indirect personnel expenses	-0.6	-0.4
Total	-24.5	-19.5

Number of personnel, average

	2025	2024
Salaried staff	222	179
Total	222	179

5. Depreciation

MEUR	2025	2024
Depreciation on intangible rights	-0.3	-0.2
Depreciation on other long-term expenditures	-0.4	-0.4
Depreciation on machinery and equipment	-0.3	-0.3
Total	-1.0	-0.9

6. Financial income and expenses

MEUR	2025	2024
Dividend income, group	11.3	10.9
Dividend income, associated companies and joint ventures	0.0	6.7
Interest income, group	7.5	6.7
Interest income, other	3.1	3.1
Total	21.9	27.5

MEUR	2025	2024
Interest expenses, group	-1.8	-2.6
Interest expenses, other	-12.2	-11.0
Impairment on investments from non-current assets	1.7	0.0
Other financial expenses, other	-0.7	-0.5
Total	-13.0	-14.1

In 2025 Millworks OÜ was sold and the write-down of the shares made in 2023 was reversed as applicable.

MEUR	2025	2024
Exchange rate difference		
Foreign exchange derivatives, non-hedge accounted	-0.9	0.6
Other	1.1	-1.1
Total	0.2	-0.5

7. Appropriations

MEUR	2025	2024
Group contributions	30.5	0.3
Total	30.5	0.3

8. Income taxes

MEUR	2025	2024
Income tax from continuing operations	6.1	0.1
Income tax from appropriations	-6.1	-0.1
Total	0.0	0.0

MEUR	2025	2024
Income taxes	0.0	0.0
Income taxes previous period	0.0	0.0
Total	0.0	0.0

9. Intangible and tangible assets

Intangible assets

MEUR	Intangible rights	Goodwill	Other long-term expenditures	Total
Acquisition cost 1 Jan 2025	7.8	1.4	0.2	9.4
Scrapping	0.0	-0.4	0.0	-0.4
Additions	0.1	0.0	0.0	0.1
Acquisition cost 31 Dec 2025	8.0	1.0	0.2	9.1
Accumulated amortisation and impairment losses 1 Jan 2025	-7.3	-0.7	-0.2	-8.1
Scrapping	0.0	0.4	0.0	0.4
Amortisation for the period incl. exchange rate differences	-0.3	-0.4	0.0	-0.7
Accumulated amortisation and impairment losses 31 Dec 2025	-7.6	-0.7	-0.2	-8.5
Net book value at 31 Dec 2025	**0.4**	**0.3**	**0.0**	**0.7**
Acquisition cost 1 Jan 2024	7.4	0.7	0.2	8.3
Additions	0.4	0.7	0.0	1.1
Acquisition cost 31 Dec 2024	7.8	1.4	0.2	9.4
Accumulated amortisation and impairment losses 1 Jan 2024	-7.2	-0.3	-0.2	-7.6
Amortisation for the period incl. exchange rate differences	-0.2	-0.4	0.0	-0.5
Accumulated amortisation and impairment losses 31 Dec 2024	-7.3	-0.7	-0.2	-8.1
Net book value at 31 Dec 2024	**0.5**	**0.7**	**0.0**	**1.2**

Tangible assets

MEUR	Machinery and equipment	Other tangible assets	Advance payments and construction in progress	Total
Acquisition cost 1 Jan 2025	5.8	0.0	0.0	5.8
Additions	0.0	0.0	0.0	0.0
Acquisition cost 31 Dec 2025	5.8	0.0	0.0	5.9
Accumulated depreciation and impairment losses 1 Jan 2025	-5.4	0.0	0.0	-5.4
Depreciation for the period incl. exchange rate differences	-0.3	0.0	0.0	-0.3
Accumulated depreciation and impairment losses 31 Dec 2025	-5.7	0.0	0.0	-5.7
Net book value at 31 Dec 2025	**0.1**	**0.0**	**0.0**	**0.1**
Acquisition cost 1 Jan 2024	5.8	0.0	0.0	5.8
Additions	0.1	0.0	0.0	0.1
Acquisition cost 31 Dec 2024	5.8	0.0	0.0	5.8
Accumulated depreciation and impairment losses 1 Jan 2024	-5.1	0.0	0.0	-5.1
Amortisation for the period incl. exchange rate differences	-0.3	0.0	0.0	-0.3
Accumulated depreciation and impairment losses 31 Dec 2024	-5.4	0.0	0.0	-5.4
Net book value at 31 Dec 2024	**0.4**	**0.0**	**0.0**	**0.4**

10. Investments

Shares in subsidiaries

MEUR	2025	2024
Jan 1	143.1	129.4
Additions	47.5	13.7
Total 31 Dec	190.6	143.1

Shares in associated companies and joint ventures

MEUR	2025	2024
1 Jan	191.6	191.6
Total 31 Dec	191.6	191.6

11. Non-current and current receivables

Non-current receivables from group companies

MEUR	2025	2024
Loan receivable	8.1	11.8
Total	8.1	11.8

Current receivables from group companies

MEUR	2025	2024
Accounts receivable	18.9	15.7
Loan receivable	3.7	0.0
Other receivables	176.7	158.8
Derivative financial receivables	0.7	0.7
Accruals and deferred income	1.3	0.2
Total	201.4	175.4

Current receivables from associated companies and joint ventures

MEUR	2025	2024
Loan receivable	8.4	0.0
Total	8.4	0.0

Prepaid expenses and accrued income

MEUR	2025	2024
Derivative financial receivables	1.3	3.0
Other receivables	4.6	4.1
Total	5.9	7.1

12. Shareholders' equity

Changes in Shareholders' Equity

MEUR	2025	2024
Share capital 1 Jan	38.0	38.0
Share capital 31 Dec	38.0	38.0
Reserve for invested non-restricted equity 1 Jan	136.2	164.1
Capital repayment	-32.0	-27.8
Reserve for invested non-restricted equity 31 Dec	104.2	136.2
Fair value reserve 1 Jan	1.4	2.6
Change	-0.8	-1.2
Fair value reserve 31 Dec	0.6	1.4
Retained earnings 1 Jan	-0.8	0.3
Distribution of dividends	0.0	0.0
Retained earnings 31 Dec	-0.8	0.3
Net income	26.7	-1.2
Total shareholders' equity 31 Dec	**168.7**	**174.8**

Distributable funds

MEUR	2025	2024
Reserve for invested non-restricted equity 31 Dec	104.2	136.2
Retained earnings 31 Dec	-0.8	0.3
Net income	26.7	-1.2
Distributable funds	130.1	135.4

13. Current liabilities

Maturity of interest-bearing liabilities

MEUR	2026	2027	2028	2029	2030-	Total
Loans from financial institutions	83.0	0.0	100.0	0.0	75.0	258.0
Liabilities, group account	402.5	0.0	0.0	0.0	0.0	402.5
Other interest-bearing liabilities	127.4	0.0	0.0	0.0	0.0	127.4
Total 2025	**613.0**	**0.0**	**100.0**	**0.0**	**75.0**	**788.0**

MEUR	2025	2026	2027	2028	2029-	Total
Loans from financial institutions	65.0	50.0	50.0	0.0	0.0	165.0
Liabilities, group account	58.4	0.0	0.0	0.0	0.0	58.4
Other interest-bearing liabilities	135.8	0.0	0.0	0.0	0.0	135.8
Total 2024	**259.2**	**50.0**	**50.0**	**0.0**	**0.0**	**359.2**

Interest-bearing liabilities

MEUR	2025	2024
Loans from financial institutions	258.0	165.0
Other loans	127.4	135.8
Total	385.4	300.8

Current liabilities to group companies

MEUR	2025	2024
Accounts payable	0.2	0.8
Other liabilities	402.5	58.4
Derivative financial liabilties	0.3	0.8
Accruals and deferred income	0.3	0.3
Total	403.3	60.3

Accruals and deferred income

MEUR	2025	2024
Accruals related to wages and salaries	9.7	6.8
Derivative financial liabilties	1.1	0.8
Other liabilities	2.3	1.7
Total	13.1	9.2

14. Financial instruments and derivative contracts

Derivative instruments

2025 MEUR	Nominal value	Positive fair values	Negative fair values	Net fair value
Derivative financial instruments designated as cash flow hedges				
Interest rate swap	50.0	1.0	0.0	0.0
Cash flow hedge	50.0	1.0	0.0	0.0
Non-hedge accounting derivative financial instruments				
Forward foreign exchange contracts	202.4	1.0	-1.3	-0.3
Buy	114.9	0.9	-0.6	0.3
Sell	87.5	0.1	-0.8	-0.6
Non-hedging	202.4	1.0	-1.3	-0.3
Total	**252.4**	**2.0**	**-1.3**	**-0.3**

MEUR	2026	2027	2028	2029
Derivative financial assets	1.9	0.1	0.0	0.0
Derivative financial liabilities	-1.3	-0.1	-0.0	0.0

2024 MEUR	Nominal value	Positive fair values	Negative fair values	Net fair value
Derivative financial instruments designated as cash flow hedges				
Interest rate swap	50.0	2.1	0.0	2.1
Cash flow hedge	50.0	2.1	0.0	2.1
Non-hedge accounting derivative financial instruments				
Forward foreign exchange contracts	164.7	1.6	-1.5	0.0
Buy	72.8	1.4	-0.1	1.2
Sell	91.9	0.2	-1.4	-1.2
Non-hedging	164.7	1.6	-1.5	0.0
Total	**214.7**	**3.7**	**-1.5**	**2.1**

MEUR	2025	2026	2027	2028
Derivative financial assets	1.3	2.4	0.0	0.0
Derivative financial liabilities	-1.3	-0.3	-0.0	0.0

Offsetting of financial instruments

The Company has not netted financial instruments in its balance sheet.

Carrying amounts of financial assets and liabilities by measurement categories and fair value hierarchy

2025 MEUR	At fair value through income statement Level 2	Measured at amortised cost	Book value
Non-current financial assets			
Long-term receivables from group companies		8.1	8.1
Current financial assets			
Accounts receivables from group companies		18.9	18.9
Other receivables		0.0	0.0
Other receivables from group companies	0.7	180.5	181.2
Derivative financial instruments	1.3		1.3
Cash and cash equivalents		372.7	372.7
Carrying amount by category	**2.0**	**580.3**	**582.3**
Non-current financial liabilities			
Interest-bearing liabilities		175.0	175.0
Current financial liabilities			
Interest-bearing liabilities		210.4	210.4
Accounts payable		6.7	6.7
Accounts payable to group companies		0.2	0.2
Other current liabilities to group companies	0.3	402.5	402.8
Other current liabilities		2.4	2.4
Derivative financial instruments	1.1		1.1
Carrying amount by category	**1.3**	**797.3**	**798.7**

2024 MEUR	At fair value through income statement Level 2	Measured at amortised cost	Book value
Non-current financial assets			
Long-term receivables from group companies		11.8	11.8
Current financial assets			
Accounts receivable		0.0	0.0
Accounts receivables from group companies		15.7	15.7
Other receivables		0.0	0.0
Other receivables from group companies	0.7	158.8	159.5
Derivative financial instruments	3.0		3.0
Cash and cash equivalents		21.9	21.9
Carrying amount by category	**3.7**	**208.2**	**211.9**
Non-current financial liabilities			
Interest-bearing liabilities		100.0	100.0
Current financial liabilities			
Interest-bearing liabilities		200.8	200.8
Accounts payable		3.9	3.9
Accounts payable to group companies		0.8	0.8
Other current liabilities to group companies	0.8	58.4	59.2
Other current liabilities		3.4	3.4
Derivative financial instruments	0.8		0.8
Carrying amount by category	**1.5**	**367.4**	**368.9**

According to Patria's Group Policy, Patria Oyj does derivative contracts with the banks according to requests made by group companies. The derivative financial instruments presented on the table are external derivative assets and liabilities. Internal derivative instruments are presented with the receivables from group companies and liabilities to group companies on the column "at fair value through income statement".

Currency risks

The objective of currency risk management is to hedge against exchange rate fluctuations affecting the future cash flow, result and balance sheet. Foreign currency exposures, which include binding sales, purchase and finance contracts (transaction position), are hedged by project or transaction by using foreign exchange derivatives. Patria Oyj and the other group companies are responsible for determining and hedging their exposures. Patria Oyj makes all necessary hedging transactions with banks.

Hedge accounting is not applied to derivatives hedging balance sheet items. Patria Oyj's own derivative instruments are only hedging balance sheet items.

A sensitivity analysis, in accordance with IFRS 7 shown later, aims to demonstrate the sensitivity of the income before taxes and shareholders' equity to foreign exchange rate fluctuations. Net exposures include foreign currency denominated financial assets and liabilities in the balance sheets of the Company and the derivatives used to hedge these as well as derivatives for which hedge accounting is not applied. The change in fair value of these items is recognised in the income statement.

The next table presents the net exposures as well as the effects based on the sensitivity analysis on result before the taxes assuming that euro would have strengthened or weakened against the currency in question on the balance sheet date. The sensitivity is calculated for a 5% exchange rate change.

The most significant currency exposures on 31 December 2025 were in the Swedish krona (SEK).

Net exposure 31 Dec 2025

1,000 EUR	SEK
Balance sheet items	67
Derivates under hedge accounting	0

Sensitivity analysis, effect on income before taxes 31 Dec 2025

1,000 EUR	SEK
EUR strengthens 5%	-3
EUR weakens 5%	4

Sensitivity analysis, effect on equity 31 Dec 2025

1,000 EUR	SEK
EUR strengthens 5%	0
EUR weakens 5%	0

Net exposure 31 Dec 2024

1,000 EUR	SEK
Balance sheet items	-29
Derivates under hedge accounting	0

Sensitivity analysis, effect on income before taxes 31 Dec 2024

1,000 EUR	SEK
EUR strengthens 5%	1
EUR weakens 5%	-2

Sensitivity analysis, effect on equity 31 Dec 2024

1,000 EUR	SEK
EUR strengthens 5%	0
EUR weakens 5%	0

Interest rate risk

Fluctuations in interest rates have an effect on the Company's interest expenses and income as well as fair value of interest-bearing liabilities and receivables and derivatives. The objective of interest rate risk management is to hedge against interest rate fluctuations affecting the future cash flow, result and balance sheet. Interest rate risk is managed by monitoring the average interest fixing term (duration) of receivables and liabilities as well as by using derivatives, if needed. Patria Oyj has designated all open interest rate swaps as hedging instruments. Interest arising from interest rate swaps is reported under Financial income and expenses concurrently with interest expense arising from hedged floating rate loans from financial institutions.

On 31 December 2025, the average interest fixing term of the liabilities was 0.29 (0.36) years and that of the receivables 5 days (3 days).

On 31 December 2025, the Company's interest-bearing liabilities totalled EUR 788.0 million (359.2) out of which EUR 609.3 million (250.8) was floating rate and EUR 178.7 million (108.4) was fixed rate. EUR 401.3 million (58.4) of the floating rate liabilities were from group account. Interest-bearing receivables were EUR 531.1 million which were floating rate (2024: Interest-bearing receivables were EUR 182.4 million). EUR 146.2 million (158.5) of the interest-bearing receivables were receivables from group account. Patria Oyj has open interest derivatives EUR 50.0 million (50.0) on 31 December 2025.

15. Commitments and contingent liabilities

Commitments and contingent liabilities

MEUR	2025	2024
Guarantees given on behalf of group companies	541.3	82.1
Guarantees given on behalf of others	3.8	3.5
Other own contingent liabilities	0.0	0.4
Total	**545.1**	**86.0**

Leasing commitments

MEUR	2025	2024
Payments due next year	3.9	3.9
1–5 years	3.1	2.0
Total	**7.0**	**5.9**

Board of Directors' proposal for profit distribution

The parent company's non-restricted equity on 31 December 2025 is EUR 130,126,204.70 of which the net profit for the financial period is EUR 26,736,967.55.

The Board of Directors proposes to the Annual General Meeting that a capital repayment EUR 1.26 per share be paid on the shares owned by the State of Finland and Kongsberg Defence & Aerospace AS. Under the proposal, the total amount of capital repayment will be EUR 35,080,780.14. The capital repayment is distributed from the reserve for invested non-restricted equity. The Board of Directors further proposes that the remaining non-restricted equity, EUR 95,045,424.56 be retained and carried forward.

Helsinki, 17 March 2026

Panu Routila
Chairman

Outi Henriksson

Eirik Tord Jensen

Jukka Juusti

Signe Bjarttun Jørgensen

Eirik Lie

Ilpo Nuutinen

Morten Tiller

Esa Rautalinko
President and CEO

Auditor's statement

A report has been given today on the audit performed.

Helsinki, 17 March 2026

Ernst & Young Oy
Authorised Public Accountants

Juha Hilmola
Authorised Public Accountant

GOVERNANCE

Partner in critical operations on land, sea, air and networks

Corporate governance

Applicable statutes, guidelines and recommendations

Patria Oyj's ("Patria") corporate governance complies with the Limited Liability Companies Act, Auditing Act, Accounting Act and any other binding legislation. For example, the Limited Liability Companies Act specifies the company's governing bodies, their roles and responsibilities, and the relationships between governing bodies. The Limited Liability Companies Act is also important for shareholders' rights, as it contains regulations on the rights granted by shares and the exercising of those rights. It also contains the company's main corporate governance principles. Patria also complies with other principles and recommendations for good governance that are applicable to companies that are majority-owned by the State.

Although Patria is not a listed company, it complies with the applicable sections of the Securities Market Association's Finnish Corporate Governance Code 2025, to the extent that compliance with the Code's recommendations is appropriate for ensuring good governance and taking into account the company's ownership structure and/or special characteristics or line of business. The most significant deviations from the Code concern Patria's process for appointing members of the Board of Directors and members' independence. This stems from the company's ownership base and other special characteristics. Ernst & Young Oy is Patria's auditor.

In its statement (KILA 2008/1829), the Finnish Accountancy Board urges companies with a legal obligation to keep books to establish a register of the individuals who are their related parties, in order to enable the monitoring of actions taken by related parties. With the authorisation of the Board of Directors, Patria's General Counsel has arranged the monitoring of the company's related parties, by specifying such parties in a Group and organisation diagram, by sending individuals who are related parties enquiries for the preparation of a register of related parties (a form of declaration of related parties), and by regularly updating the information in the register. Patria's financial management reviews any related party transactions on an annual basis.

Group structure and administrative system

Patria transitioned to a new business model as of 1 June 2025. Patria now focuses its operations on three business areas with profit responsibility: Protected Mobility, Defence and Weapons Systems, and Sustainment Solutions.

The Patria Group consists of the parent company, Patria, and its subsidiaries. In addition to its wholly owned subsidiaries, the Patria Group owns 61.8 per cent of Millog Oy and 50 per cent of NAMMO AS. Patria's 60 per cent holding in Milworks OÜ was divested in 2025.

Governing bodies

Patria's highest decision-making body is the General Meeting, at which shareholders exercise their decision-making authority. The tasks of the General Meeting include matters specified in legislation and Patria's Article of Association, such as deciding on the fees paid to members of the Board of Directors and its committees, the Consultative Committee, and the company's auditor. An Extraordinary General Meeting is held when the Board of Directors deems it necessary, or if the auditor or shareholders holding at least 10 per cent of all shares demand a meeting in writing to handle a specific matter.

Patria's Board of Directors consists of the Board members elected by the General Meeting. The Board of Directors handles Patria's corporate governance and the appropriate organisation of its operations. Patria's operative business is managed by the President & CEO, who is appointed by the Board of Directors. The President & CEO handles the daily management of the company and Patria Group in accordance with the guidelines and instructions issued by the Board of Directors. The President & CEOis supported by the Group Management Team.

Each business unit also has its own management team. The Boards of wholly owned Group companies are only responsible for the statutory minimum duties specified in the relevant legislation.

Consultative Committee

According to its Articles of Association, Patria Oyj must have a Consultative Committee appointed by the General Meeting. Patria's Articles of Association further state that the Board of Directors must consult the Consultative Committee on matters that concern any marked curtailment or expansion of operations or any vital changes to the company's organisation, or which are otherwise of great importance to the line of business that the company is engaged in, either in Finland or internationally.

The Consultative Committee consists of a chair, a vice-chair, and a maximum of ten other members. The Consultative Committee consisted of 11 members during the financial year. The Consultative Committee convened five times in 2025.

Composition, selection procedure and operation of the Board of Directors

According to Patria's Articles of Association, the Board of Directors shall consist of eight members including the chair. Its owners, the State of Finland and Kongsberg, each appoint 50 per cent of the members. These appointments will be discussed in advance at a shareholders' meeting.

The State of Finland appoints the chair. The General Meeting decides on the remuneration paid to Board members. The Board members are elected for one year at a time, their terms of office ending at the close of the first Annual General Meeting held subsequent to their election. The Board met 15 times in 2025.

Principal duties of the Board of Directors and distribution of duties

The Board of Directors is responsible for Patria's corporate governance and the appropriate organisation of its operations in accordance with applicable legislation, the company's Articles of Association, and any instructions issued by the General Meeting. The Board of Directors appoints the President & CEO and supervises their actions. In addition to its statutory tasks, the Board of Directors' main task is to decide on the Group's strategic policies. The Board of Directors steers and supervises the Group's various businesses, to ensure that the Group complies with applicable regulations and operates in a commercially appropriate manner that generates added value for shareholders. The Board therefore makes decisions on the Group's key operating principles, and annually approves the Group's financial targets, operational objectives, Financial Statements, and any interim reports. It also decides on any significant investments. The Board confirms the Group's ethical values and operational principles, and monitors compliance with these values and principles. The Board also approves the general setup of the Group's organisational and operational structure. Its task is to promote the interests of both the Group and its stakeholders. The Board has appointed an Audit Committee and a Nomination and Compensation Committee. The Board has no agreed division of workloads, except for its committees.

Nomination and Compensation Committee

The Nomination and Compensation Committee consists of a chair and at least two members, who are appointed annually by the Board of Directors from among its members following the Annual General Meeting. These members have the experience and expertise required by the Committee's tasks. The Nomination and Compensation Committee prepares the Group's and management's payroll structures, along with any bonus and incentive systems. It also approves key appointments. The Nomination and Compensation Committee convened five times during 2025.

Audit Committee

The Audit Committee consists of a chair and at least two members, who are appointed annually by the Board of Directors from among its members following the Annual General Meeting. These members have the experience and expertise required by the Committee's tasks. At least one of them must have expertise in accounting and auditing. The Audit Committee supervises and monitors matters such as the implementation of the Group's internal controls, risk management and financial reporting. It is also tasked with supervising the Group's financial reporting, the drawing up of its Financial Statements, and matters related to compliance and ethics. The Audit Committee convened six times during 2025.

The company's President and CEO and Group management

Patria's President & CEO is responsible for managing the business activities and governance of both the company and the Group in accordance with the provisions of the Limited Liability Companies Act and any guidelines or rules issued by the Board of Directors. The President and CEO is assisted in Group management by the Group Management Team, which convenes on a monthly basis and consists of the Presidents of each Business Unit and the Chief Financial Officer (who is also responsible for CSR), Chief Legal Officer (who is also in charge of compliance), F-35 Project Manager, Chief Human Resources Officer, and Executive Vice President, Strategic Programmes. The Group management also meets in other combinations as and when necessary.

The Group Management Team supervises Patria's corporate social responsibility work, which is led by the Chief Financial Officer. The Chief Financial Officer appoints the Group's Sustainability Director. Patria also has sustainability working groups operating under the guidance of the Sustainability Director. Their areas of expertise include environmental responsibility, good governance, social responsibility, and procurement. Patria's CSR model is described in more detail in the 'General Information' section of the CSR Report.

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Compensation

Information on the compensation and benefits paid to the Board of Directors, Board Committees and Patria's management is available in the Notes to the Financial Statements.

Monitoring and controls

In accordance with the Limited Liability Companies Act, the Board of Directors must ensure that the supervision of accounting and financial management has been appropriately organised. The President & CEO must ensure that the company's accounting complies with legislation and that financial administration has been reliably organised. Patria's management is responsible for ensuring that the Group's routine operations comply with all of the relevant legal provisions and Board resolutions, and that Group risk management has been organised in an appropriate manner.

The presidents of Patria's business areas are responsible for operative business. They are also members of the Group Management Team, which enhances and clarifies leadership and leads to more effectively organised internal controls. A reporting system has been set up to handle the Group's financial control, and it produces diverse information about the Group's financial position and its development on a monthly basis. The Group has a clearly defined decision-making hierarchy for investments.

Patria has an Internal Audit function outsourced to an independent operator. This audit evaluates and verifies the efficiency and appropriateness of the Group's risk management and internal controls, the reliability of financial reporting, and compliance with the legislation and guidelines.

Patria's internal auditors comply with the International Standards for the Professional Practice of Internal Auditing. The Internal Audit reports on its activities and findings to the Audit Committee and the President & CEO. The Audit Committee approves the internal audit plans on an annual basis. The company's auditors report their observations at least once a year to the relevant business units and to the Group's financial management, Board of Directors and Audit Committee. The auditors also submit a statutory auditors' report to the company's shareholders.

Industrial participation

In defence procurement, Industrial participation (IP) in the target country is a common condition and requirement for supply contracts. In an industrial participation agreement, the seller (a company) must commit to compensating the value of the purchasing contract to the purchaser (a country), either in whole or in part. The aim is to ensure industrial participation via a purchasing contract that will create the agreed added value for the procuring country. The requirements and processes for industrial participation are defined in accordance with each target country's national regulations and any contract-specific requirements. The European Union also regulates the framework for industrial participation.

Patria operates in the defence sector, in which industrial participation is a general requirement and condition of defence contracts. Patria can export its products either directly through a project or, if the government purchasing defence materiel from Patria so requires, via other industrial participation arrangements or activities. When deciding on involvement in projects requiring industrial participation, Patria considers factors such as its business interests, the value of industrial participation and its relation to the value of the main agreement or transaction. Senior management must also steer and supervise any activities related to industrial participation in accordance with clearly stated responsibilities. Industrial participation arrangements and activities comply with the regulations and practices of the countries in question. These arrangements may also include externally created industrial participation activities and collaboration with others who have industrial participation obligations (that is, with those considered to be third parties to the agreement), but only as long as this is permissible under the applicable regulations and practices. Bilateral industrial participation relief or exchanges are also possible if they are conducted with a permit from the relevant authorities and in accordance with the applicable regulations and contractual terms and conditions. Patria's management, Board of Directors and the Board's Audit Committee are duly notified of the company's industrial participation obligations.

All industrial participation obligations and activities are governed by the following unconditional requirements:

- Industrial participation obligations and activities that are permissible under the applicable legislation, regulations and international agreements must comply with legislation and regulations.
- The arrangements must comply with the Patria Group's ethical and standardisation practices, the Patria Group's Ethical Code of Conduct, and the guidelines and other instructions governing industrial participation.
- Applicable due diligence reports must be made on any and all partners and vendors related to such arrangements and transactions, with a special focus on anti-bribery and anti-corruption.
- In order to mitigate legal risks and ensure the compliance of Patria's industrial participation activities, Patria must conduct a comprehensive legal analysis of the industrial participation regulations applicable in the country in question.
- All relevant financial and non-financial risks must be assessed and systematically controlled.

Risk management and internal control

Risk management and internal control are a vital part of Patria's corporate governance system. Risk management and internal control also help to ensure that operational and profitability targets are achieved. They can likewise help to ensure appropriate reporting, compliance with legislation and regulations, and the protection of Patria's reputation.

Risk management framework

Patria has a risk management and internal control policy approved by the Board of Directors, which specifies the related tasks, objectives, components, responsibilities and authorisations. The Board of Directors, and in practice the Audit Committee appointed by the Board, supervises risk management and internal control as the highest decision-making body. Primary responsibility for risk management and internal control lies with business units and group functions within their respective fields of responsibility.

The President & CEO is responsible for the appropriateness and monitoring of Patria's risk management and internal controls. Patria's group functions steer the Group's risk management and internal controls and supervise them at various levels.

Patria's internal audit and external auditors assess the effectiveness of the company's risk management and internal control. Patria's customers also carry out their own audits and use various means to monitor Patria's compliance with their requirements. A risk is either a negative or positive uncertainty factor that may affect Patria's operational targets, profitability or other aspects of the company's business. Risk management is the process of ensuring the appropriate and adequate identification, assessment and handling of both risks and opportunities.

Risk management helps to ensure that targets are achieved and resources are not wasted. Patria's risk management is based on the COSO ERM framework, ISO 31000 standard, and the sector's own standards and requirements.

In 2021, the Group began updating its Enterprise Risk Management (ERM) operating model. Work to develop and implement the updated operating model began in 2022 and continued actively throughout 2025.

Internal audit

Patria has an Internal Audit function outsourced to an independent operator. This audit evaluates and verifies the effectiveness and appropriateness of the Group's operations, risk management and internal controls; the reliability of internal and external reporting; and compliance with applicable legislation and guidelines.

The Audit Committee approves the internal audit plan on an annual basis. From time to time, the Audit Committee and Board of Directors may give instructions to carry out specific internal audits or other control measures. The results of internal audits are regularly reported to both the Audit Committee and Patria's management.

Risks and opportunities

The key areas and issues related to Patria's companies, business units and risk management are described below, that is, those that may pose risks, subject Patria to risks, or create opportunities. Financial risks are mentioned in the Notes to the Financial Statements.

Export licences and changes in the defence sector

The international defence sector is in a constant state of flux. Acquisitions and mergers are taking place, new operators are emerging, the complexity of customer requirements and use of new technologies is increasing, and competition is intensifying. The operating environment is also being affected by changes in international relations, such as developments in NATO cooperation after Finland and Sweden joined NATO, and the military operations initiated by Russia in Ukraine, which led to large-scale sanctions to which Finland is also committed. Patria responds to competition by improving its understanding and anticipation of customer needs, and by developing and commercialising new competitive products, services and solutions. The export of defence materiel requires an export or transfer licence, which in Finland is issued by the Ministry of Defence or, in some cases, by the Government.

Circumstances in the potential destination country may prevent the issue of an export licence; or circumstances in the country to which an export licence has been granted may change such that the licence is permanently withdrawn or temporarily suspended.

Strategic partnerships

Building strategic partnerships with key customers, contractors and suppliers is vital for Patria's success. Patria is constantly seeking to identify new business opportunities and create, maintain and develop strategic partnerships.

Process quality and cost-effectiveness

Patria's success also requires efficient and flexible processes and improved cost competitiveness. Patria continuously and systematically develops its processes and improves its competitiveness.

Sales and delivery projects

Due to the nature of certain segments of Patria's business, individual sales and delivery projects can be very large in relation to the Group's annual net sales. They may include product development, require extensive subcontracting and cooperation with third parties, and last for several years.

The content of these deliveries and forms of collaboration may be complex in nature. The risks involved in such projects are typically diverse and significant, requiring thorough assessment and management.

Project management and project-related risk management is constantly being developed and improved, and their connection to the Group-level ERM operating model is being taken into account during the model's preparation and implementation.

Safeguarding and developing competencies and expertise

Patria's business units require versatile competencies, often in highly specialised fields in which the availability of expertise may be scarce. The timely securing and development of required resources and competencies is vital and is therefore the subject of systematic long-term efforts.

Compliance

Patria is committed to compliance with ethical conduct, any applicable laws and regulations in its operating countries, and the agreements and commitments signed by the company. Patria invests considerable effort in ensuring compliant and ethical business practices through regular training, communications, and guidelines and processes for ethical conduct. As Patria's operating environment is complex and Patria operates in many countries and under different jurisdictions and complex regulations, violations may occur despite Patria's good intentions and efforts to ensure ethical operations. Violations may result in financial losses and damage to Patria's reputation. Patria's ethical principles are presented in the company's Ethical Code of Conduct, which defines the principles that apply to Patria and all of its personnel. Compliance with these ethical guidelines is monitored internally, and any non-conformities are investigated and dealt with. Patria's partners and critical suppliers are also subjected to a thorough advance review, and contractual obligations concerning ethical conduct are defined for such parties.

Information and cybersecurity

A significant amount of Patria's business involves the management of secret and confidential information belonging to both Patria and third parties. This makes Patria a target for cyberattacks and other threats. If secret or confidential information were accessed or used by unauthorised parties, it could be highly detrimental to both Patria and the owners of the information. Patria maintains a high level of information security and continuously works to make further improvements.

Other security and accident risks

Patria's business units and group functions regularly assess risks relating to persons, the environment or other damage. These assessments are used to define and implement annual development measures to ensure the security and continuity of operations.

Board of Directors 2025

Panu Routila
Chairman of the Board of Directors
Doctor of Business Administration
Board member as of 4 February 2020

Signe Bjarttun Jørgensen
Executive Vice President Finance,
Kongsberg Defence & Aerospace AS
Board member as of 15 April 2024

Outi Henriksson
Board Professional/Non-Executive Director
Board member as of 27 March 2023

Eirik Lie
Executive Vice President,
Kongsberg Gruppen ASA and President,
Kongsberg Defence & Aerospace AS
Board member as of 2017

Eirik Tord Jensen
Senior Vice President Special Programs,
Kongsberg Defence & Aerospace AS
Board member as of 15 April 2024

Ilpo Nuutinen
Senior Government Counsellor
LL.Lic.; M.Sc. Economics
Board member as of 1 September 2024

Jukka Juusti
MSc. (Eng.)
Board member as of 1 July 2022

Morten Tiller
M.Poli.Sci.
Board member as of 1 September 2024

Patria

Consultative Committee

According to the Articles of Association, Patria Oyj must have a Consultative Committee appointed by the Finnish Parliament and the General Meeting of Shareholders. The Articles of Association further state that the Board of Directors shall consult the Consultative Committee on matters that concern a major decrease or increase of operational activities, material changes in the company's organisation, and on issues which are otherwise of material importance to the industry that the company is engaged in, either in Finland or internationally.

Consultative Committee 2025

Mikko Savola
Chairman
Member of Parliament
Member since September 2024

Atte Kaleva
Vice Chairman
Member of Parliament
Member since August 2023

Riitta Kaarisalo
Member
Member of Parliament
Member since October 2019

Vesa Virtanen
Member
Lieutenant General,
(Chief of Defence Command from 1 July 2022), Finland
Member since March 2022

Petri Huru
Member
Member of Parliament
Member since October 2019

Petri Peltonen
Member
Under-Secretary, Ministry of Economic Affairs and Employment
Member since February 2024

Mari Kaunistola
Member
Member of Parliament
Member since August 2023

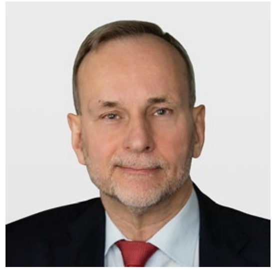
Jari Halonen
Member
Tooling Controller, Patria
Member since May 2024

Matti Falck
Member
Mechanic, Patria
Member since April 2025

Juha Kuusi
Member
System Specialist, Patria
Member since 2011

Ilkka Kokko
Member
Specialist, Defence & Security, Patria
Member since 2019

Group Management Team 2025



Esa Rautalinko
President and CEO
Master of Economic Sciences
Employed by Patria since 2019

Kari Renko
Executive Vice President,
Strategic Programs
Master of Science (Eng.),
Major General (Eng. Ret.)
Employed by Patria since since 2023

Mikko Leino
Executive Vice President,
Defence and Weapon Systems
(as of 1 June, 2025)
Master of Science (Eng.)
Employed by Patria since 2024

Päivi Lindqvist
Chief Financial Officer
M.Sc. Econ; MBA
Employed by Patria since 2025

Pekka Ruutu
Executive Vice President,
Sustainment Solutions
(as of 1 June 2025)
Master of Science (Eng.)
Employed by Patria since 2022

Petri Hepola
Executive Vice President,
Sales and Marketing,
Chief Program Officer, F-35
(as of 1 June, 2025)
PhD (Eng.)
Employed by Patria since 2002

Ara Haikarainen
Chief Legal Officer
LL.M./Master of Administrative Sciences
Employed by Patria since 2021

Jussi Järvinen
Executive Vice President,
Protected Mobility
(as of 1 June 2025)
Master of Science (Economics and Business Administration)
Employed by Patria since 2013

Leena Orpo
Chief Human Resources Officer (CHRO)
Master of Science (Econ.)
Employed by Patria since 2017

Patria

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