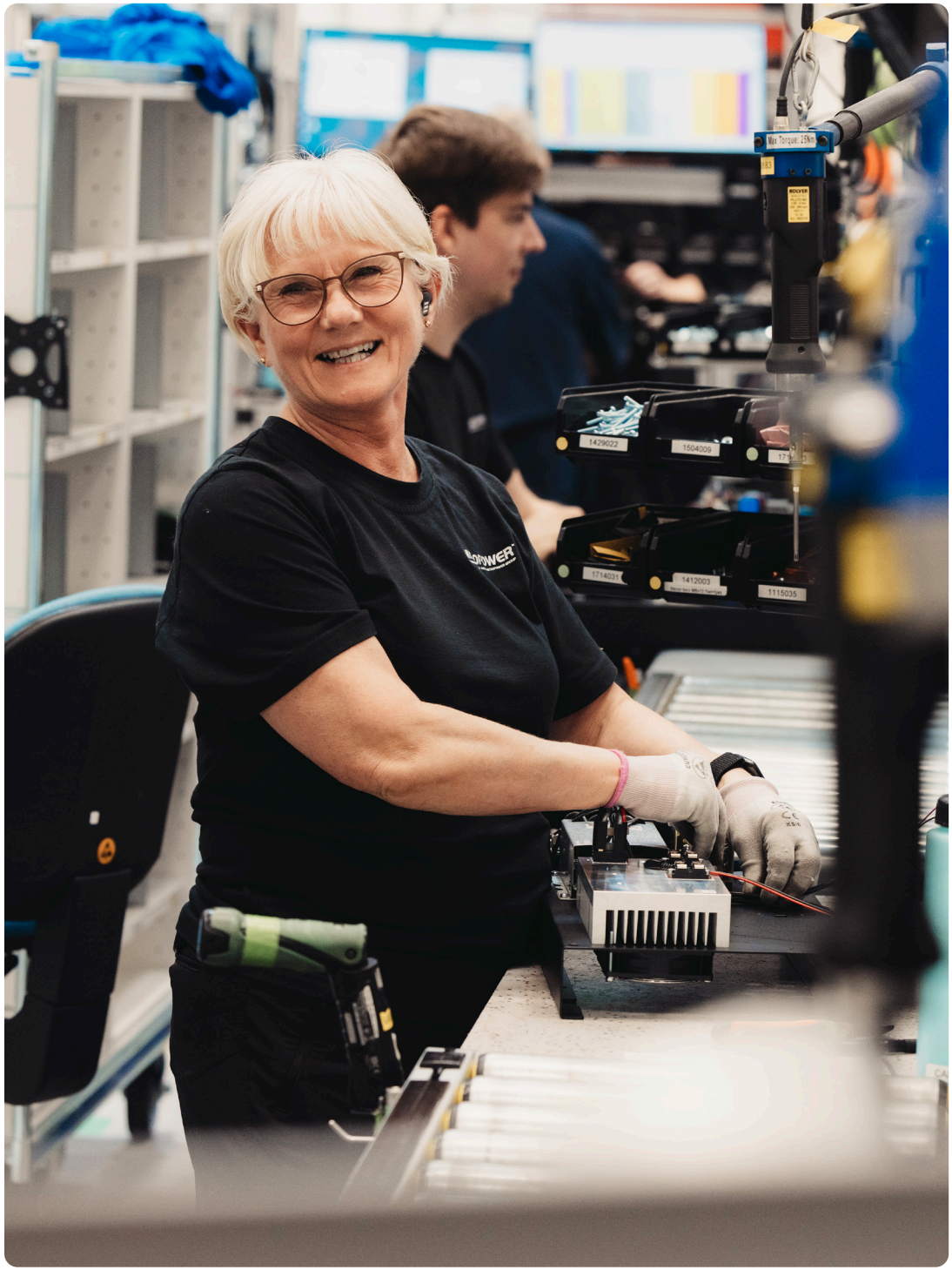
SUSTAINABILITY REPORT 2025

MICROPOWER GROUP™
POWERFUL SOLUTIONS PARTNER

Content



Powering a Sustainable Future

Micropower Group is an internationally established company operating in an industry undergoing a fundamental transformation, as the global economy transitions from fossil-based energy systems to sustainable, electrified alternatives. With a strong focus on the development of lithium-ion battery systems, charging solutions, and power conversion technologies, Micropower actively supports and accelerates this transition toward greener energy solutions.

In 2025, Micropower Group delivered approximately 670 000 units to customers and distributors worldwide, reflecting its strong market position and global presence.

During the year, the acquisition of LEAB Automotive GmbH was finalized—a strategic milestone that strengthened the Group's position in Central Europe and enhanced its ability to support and collaborate with customers.

Sustainability constitutes a central pillar of Micropower's business strategy and operations. This includes both the value we create through our products and solutions, as well as our responsibility to identify, manage, and mitigate any potential environmental and social impacts arising from our activities.

Micropower is committed to reducing its climate footprint, enhancing resource efficiency, and ensuring responsible business conduct across the value chain.

Specialising in electrification, Micropower delivers efficient and optimized battery systems that create long-term value for customers, employees, shareholders, suppliers, local communities, and the environment. In parallel, the Group's long-term strategy is directed toward systematically reducing and, where possible, eliminating negative impacts associated with its activities.

The Sustainability Report 2025 presents Micropower's progress toward the ambition of achieving carbon neutrality by 2045 and describes key initiatives, targets, and milestones within the Group's sustainability strategy. The report has been prepared by the parent company, P-MP Midco 2023 AB (559408-0987), and covers the parent company together with subsidiaries within the Micropower Group. LEAB is included in the turnover but otherwise excluded from this report.

The Sustainability Report is published separately from the Annual Report and is available on the Micropower Group website.

9
SITES

6
COUNTRIES

543
EMPLOYEES

1,8
BSEK TURNOVER

670 000
UNITS

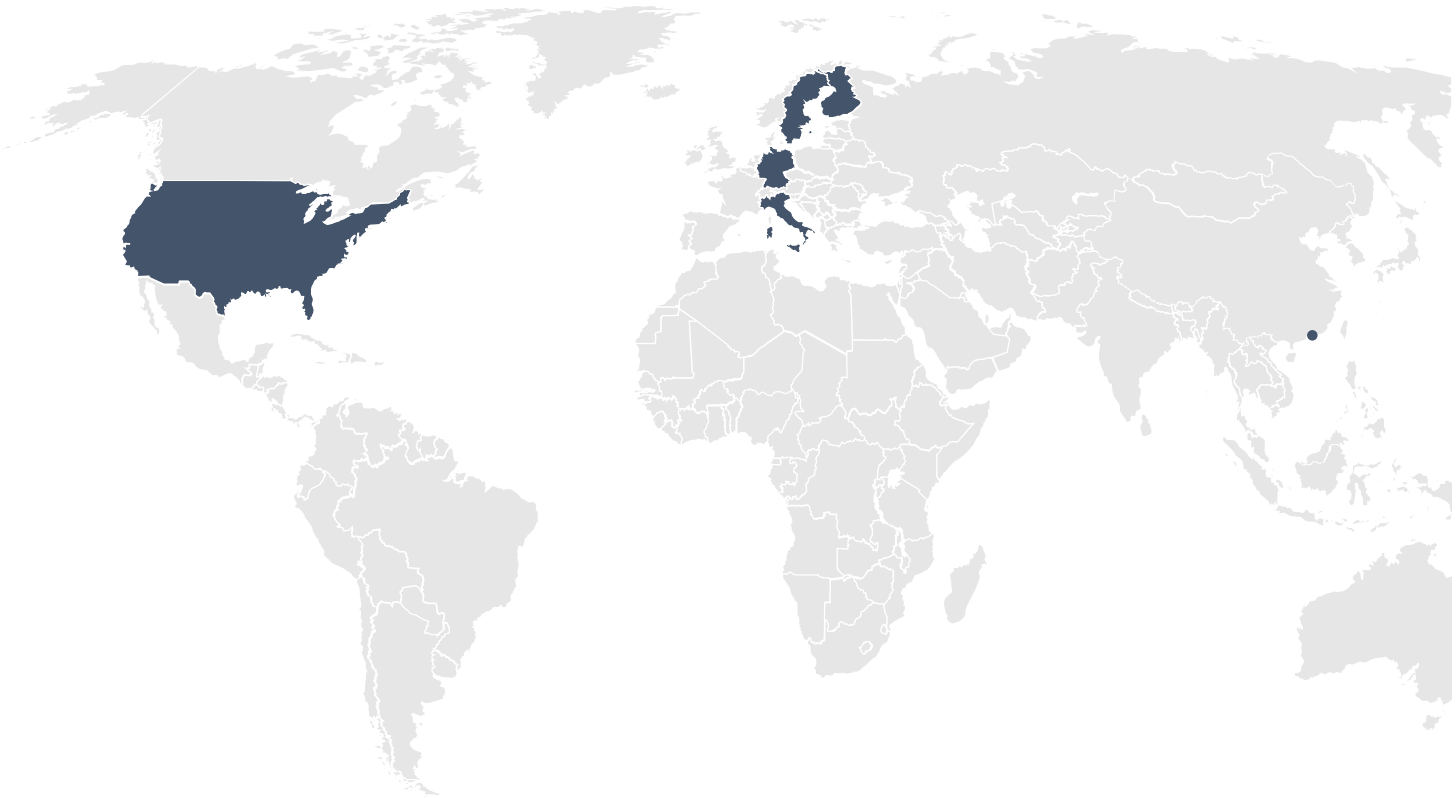
World of Micropower

Micropower Group is a global partner in the electrification of industrial applications. Through our global presence of R&D centres, production facilities and local sales organisations, the Group supports customers across Europe, North America and Asia.

In-house development and manufacturing capabilities in the Nordics and Germany enable strong value chain control, from design and prototyping to assembly and delivery. This ensures high product performance that supports the transition to greener, more efficient energy systems.

We are committed to becoming a global leader in our industry, driving the transition to a more sustainable future.

Headquartered in Växjö, Sweden, Micropower Group operates across six countries, including key markets in Europe and North America. An extensive network of independent distributors ensures that our solutions are available worldwide, supporting industries in their electrification journeys. A reinforced presence in the DACH region, through LEAB acquisition, further supports our ambition to provide closer customer proximity, consistent global support, and long-term, sustainable partnerships.



VÄXJÖ - SWEDEN
Headquarters for Micropower Group. R&D centre, sales, service and production of battery chargers and batteries.

GOTHENBURG - SWEDEN
R&D centre.

SALO - FINLAND
R&D centre, sales, service and production of battery chargers.

STOCKHOLM - SWEDEN
R&D centre and sales.

BERLIN - GERMANY
Sales, production and service.

BUSDORF - GERMANY
Sales, production and service.

HONGKONG - CHINA
Sourcing.

TROY (OH) - USA
Sales and service.

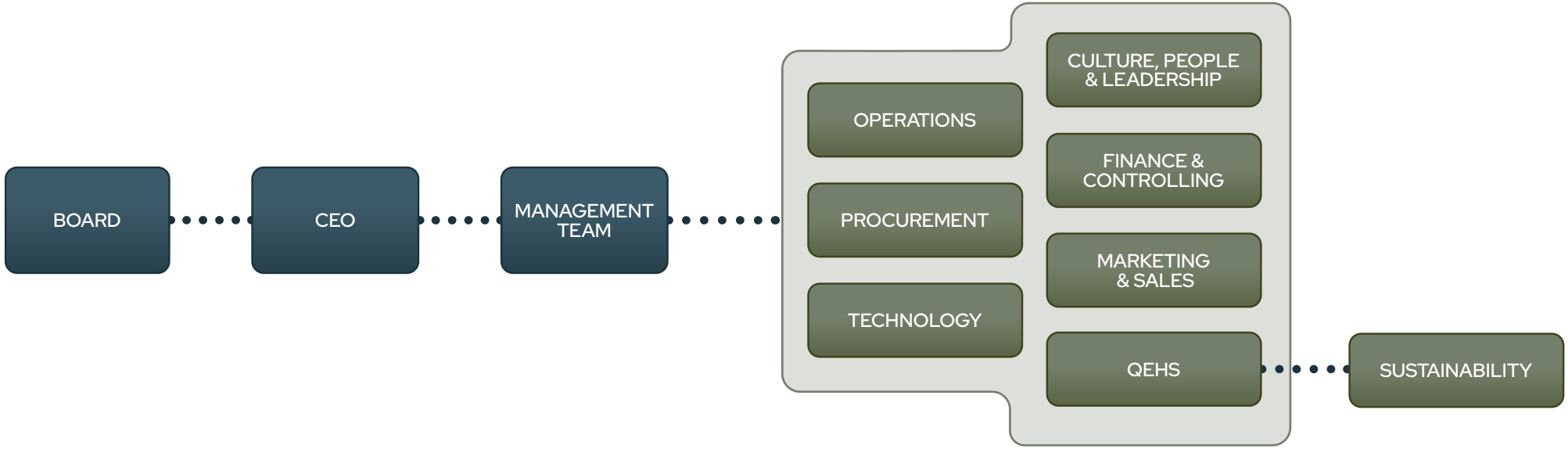
TURIN - ITALY
Sales and service.

Governance

Micropower's Board of Directors holds the overall responsibility for sustainability governance and for managing climate-related risks and opportunities. The Board provides strategic oversight and guides the company toward its long-term ambition of achieving CO_2 neutrality by 2045. It approves key governing documents, including the Code of Conduct and the sustainability strategy, and monitors progress to ensure sustainability objectives remain aligned with Micropower's long-term business goals.

Sustainability governance at Micropower is based on a clear and structured model with defined roles and responsibilities throughout the organisation. The management team is responsible for translating strategy into action and for overseeing implementation. The Director of Sustainability, operating within the QEHS (Quality, Environment, Health, and Safety) function, leads the development of sustainability initiatives and coordinates group-wide activities to ensure alignment, consistency, and effectiveness.

Sustainability considerations are integrated across all major business functions, including technology, operations and procurement. In addition, corporate culture, leadership, and people development support a work environment that reinforces Micropower's sustainability objectives. Through this integrated governance approach, Micropower aims to balance strong economic performance with ethical responsibility and environmental stewardship.



CORE VALUES

Our Culture

Micropower's culture is built on four core values that guide how the organisation acts, collaborates, and creates long-term sustainable impact: Presence, Responsibility, Dedication, and Sincerity. These values are now firmly rooted in daily operations and shape the behaviours, decisions, and priorities of employees across the entire group.

Through its core values, Micropower articulates what the organisation and its employees stand for today and aspire to become in the future.

These values reflect shared beliefs, attitudes, and responsibilities toward customers, colleagues, and suppliers. They serve as a guiding framework for how Micropower operates, collaborates, and takes action to advance industrial electrification and contribute to a more sustainable world.

Micropower firmly stands by the core values of presence and responsibility while approaching the future with dedication and sincerity. By embedding sustainability into the core values, Micropower ensures that every decision and action support long-term environmental responsibility.

Clear and well-defined values provide a foundation for sustainable innovation, and when actively applied throughout the organisation, guide the company in developing energy-efficient solutions and fostering responsible partnerships.

PRESENCE

keeps us agile and adaptable, allowing us to respond swiftly to market changes and emerging trends.

RESPONSIBILITY

ensures accountability and professionalism, guiding us towards sustainable growth and profitability.

SINCERITY

fosters trust and collaboration. enabling us to build strong relationships and seize new opportunities.

DEDICATION

ensures that we consistently deliver excellence, driving momentum and overcoming obstacles.

Powering the Future

Navigating today's global business landscape is increasingly complex. Companies face a challenging regulatory environment, trade barriers, tariffs, and cautious markets, all while stakeholders demand stronger climate action, transparency, and responsible practices. At Micropower, we see these challenges not as obstacles, but as opportunities to innovate, lead, and create lasting value for our customers, partners, and society.

As a leading global equipment and services provider, we are committed to reducing greenhouse gas emissions across our operations while delivering products, technologies, and services that help our customers meet their sustainability goals. Our solutions improve efficiency in battery applications worldwide, reducing energy losses and lowering CO_2 footprints. Efficiency is more than an environmental benefit, it drives cost savings and long-term value creation for our customers.

In 2025, we made significant investments in the developement of advanced battery chargers, high-tech battery modules, and other energy-efficient solutions to strengthen our contribution to a low-carbon future. Collaboration with our suppliers remains central to this effort. By working closely with trusted partners, we ensure responsible sourcing, explore innovative materials, and continuously improve our supply chain processes.

Informed by our Double Materiality Assessment and stakeholder expectations, our reporting remains focused on the topics most material to both our business and society. In 2025, we further established ambitious Group environmental targets, providing a clear framework for action and a structured approach to monitoring and measuring our progress throughout the year.

At Micropower, sustainability is embedded in how we operate, innovate, and grow. Through practical, measurable actions, we are building a more energy-efficient, resilient, and low-carbon future—for our customers, our partners, and our planet.

Torbjörn Gustafsson, CEO

Market Developments

By 2025, sustainability is firmly integrated into industrial operations and business strategies. Electrification, energy efficiency and reduced climate impact are no longer ambitions for the future – they are basic expectations for meeting regulations, staying competitive and building long-term resilience. Rising energy costs, stricter environmental rules, climate targets and higher demands for transparency across supply chains have accelerated this shift, pushing companies to improve performance and adopt more efficient, sustainable solutions.

Over the past decade, the industrial sector has undergone a structural shift in which electrification has become the dominant development pathway. Lithium-ion battery technology has become the standard energy storage solution across many applications, largely replacing both internal combustion engines and legacy lead-acid systems. In the material handling sector, this transition is now established practice for forklifts, AGVs, and automated systems, delivering higher energy efficiency, longer service life, and reduced maintenance needs. As a result, this lowers environmental impact across the product lifecycle.

Similar developments are evident in construction and infrastructure sectors, where electric machinery is increasingly deployed, particularly in urban environments subject to strict emissions and noise regulations. Electrification has also expanded across mobile and service-based applications such as cleaning machines, ground support equipment, municipal vehicles, and industrial transport solutions.

Sustainability in 2025 is assessed across full value chains. Companies are evaluated not only on direct emissions but also on energy use, material sourcing, lifecycle impacts, and supplier performance. ESG reporting, carbon accounting, and regulatory frameworks have made sustainability measurable, comparable, and economically relevant. Environmental, social, and economic dimensions are now directly linked to risk management, access to capital, and long-term business development.

Micropowers technologies support the transition from fossil-based to battery-based energy systems, with a focus on operational efficiency, reliability, and reduced environmental impact.

Charging systems are designed for high efficiency and low energy loss, contributing to reduced energy consumption and extended battery lifetime. Lithium-ion battery systems provide high energy density, fast charging capability, and long technical service life, supporting electrification across a wide range of industrial applications.

In addition to hardware solutions, Micropower develops system-level solutions for connectivity, energy management, and operational monitoring. These enable data-driven operations, predictive maintenance, and structured energy planning. Energy optimization functions support peak-load reduction, efficient power utilization, and improved integration of renewable energy sources.

Sustainability is integrated into product development through a focus on durability, recyclability, and energy-efficient design. Through technical solutions, system integration, and expertise in electrification, Micropower supports the industrial transition toward more resource-efficient, energy-efficient, and long-term sustainable operations.

EU Green Deal Impacting Micropower

The European Green Deal is the EU's overarching strategy to achieve climate neutrality by 2050, while supporting resource efficiency, competitiveness, and inclusive growth. It covers a wide range of regulations affecting energy, transport, industry, and manufacturing sectors relevant to Micropower.

Micropower is impacted by several initiatives under the Green Deal. Below is an overview of those most relevant to our operations and products.

Corporate Sustainability Reporting Directive (CSRD)
CSRD aims to strengthen sustainability reporting through common standards, double materiality assessments, and third-party assurance. Following regulatory developments, Micropower is no longer within the scope of CSRD. For 2025, sustainability reporting will follow the same approach as in 2024, based on Micropower's own requirements as well as customer and other stakeholder expectations. The double materiality analysis conducted in 2024 continues to guide our sustainability priorities.

Corporate Sustainability Due Diligence Directive (CSDDD)
Micropower is not directly subject to the CSDDD due to company size. However, as a business partner in multiple value chains, we are indirectly affected by due diligence expectations, particularly through sector-specific legislation such as the EU Battery Regulation. In 2024, Micropower Sweden AB conducted a due diligence assessment in accordance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. During 2025, a due diligence assessment was conducted at our Finnish site and the due diligence process in Sweden was updated to reflect improvements and new operating conditions.

EU Battery Regulation
The EU Battery Regulation applies directly to Micropower and sets requirements covering the full battery lifecycle, including sustainability, safety, due diligence on raw materials, and circularity. Micropower has worked with the regulation for several years, involving multiple functions across the organisation. Regulatory assessments have been supported by external expertise from the certified body, Intertek Sweden.

Producer Responsibility
Micropower takes producer responsibility in accordance with applicable EU and national legislation for batteries, electrical and electronic equipment, and packaging. This includes compliance with the EU Battery Regulation, the Waste Electrical and Electronic Equipment (WEEE) Directive, and the Packaging and Packaging Waste Directive. Producer responsibility covers the full lifecycle of products placed on the market and includes requirements related to registration, reporting, take-back, collection, recycling, and customer information. Micropower places strong emphasis on supporting and guiding customers to ensure that responsibilities are clearly understood throughout the value chain. Through cooperation with trusted producer responsibility organisations and recycling partners, Micropower ensures responsible end-of-life management of batteries, electronics, and packaging, supporting circular economy principles and reducing environmental impact.

Suppliers

Micropower's suppliers play a vital role in our ability to deliver safe, high-quality, and sustainable energy solutions. A responsible and resilient supply chain is therefore a key part of Micropower's sustainability strategy, built on long-term partnerships, transparency, and shared responsibility across the value chain.

Sustainability, ethical conduct, and compliance requirements for suppliers are defined in Micropower's Supplier Manual and Code of Conduct Business Relationships. These documents set clear expectations related to environmental performance, human rights, working conditions, business ethics, product quality, and regulatory compliance. Compliance with the Supplier Manual and the Code of Conduct is a contractual requirement, and relevant clauses are included in supplier agreements.

Micropower applies a risk-based approach to supplier management and due diligence. This includes assessments related to responsible mineral sourcing, chemical compliance, and environmental and social risks, in line with the EU Battery Regulation and the principles of the Corporate Sustainability Due Diligence Directive (CSDDD). Where risks are identified, Micropower engages with suppliers to implement corrective actions and support continuous improvement.

In addition, Micropower places strong emphasis on supplier engagement and collaboration. Through guidance, dialogue, and follow-up, Micropower works to ensure that suppliers understand their responsibilities and are supported in meeting applicable requirements. This approach strengthens supply chain resilience, supports compliance, and enables Micropower to meet customer and stakeholder expectations in an evolving regulatory landscape.

Chemical Compliance in the Supply Chain

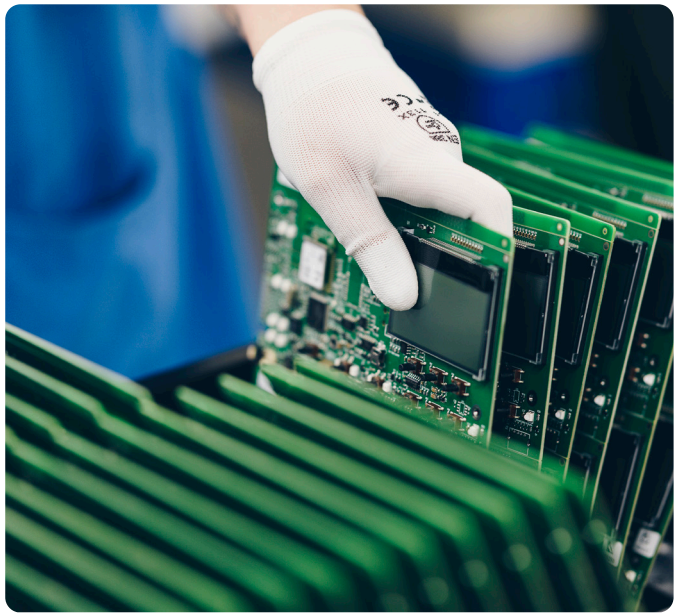
Micropower works systematically with chemical compliance across the supply chain to ensure that products placed on the market are safe for people and the environment. Requirements related to chemical compliance are defined in Micropower's Supplier Manual and apply to all relevant suppliers. These requirements include compliance with applicable chemical legislations.

The regulations govern the use of substances in materials, components, and products and require continuous monitoring of regulated substances. Micropower works closely with suppliers to ensure material transparency, accurate substance declarations, and timely updates in response to regulatory changes. Through clear requirements and ongoing dialogue, Micropower supports suppliers in meeting chemical compliance obligations and ensures reliable chemical information throughout the value chain.

Minerals and Responsible Sourcing

Micropower is committed to responsible sourcing of minerals and raw materials used in its products and battery solutions. The approach is aligned with the EU Battery Regulation, the EU Conflict Minerals Regulation, and internationally recognized frameworks such as the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.
In line with the requirements of the EU Battery Regulation, Micropower is strengthening its processes related to conflict minerals, with increased focus on transparency, supplier engagement, and documentation. At the same time, Micropower is initiating a risk-based due diligence process for critical raw materials, such as lithium, cobalt, and graphite, which are essential for battery production.

Although Micropower is not directly subject to the Corporate Sustainability Due Diligence Directive (CSDDD), the Due Diligence activities are designed to align with its principles. Through structured supplier assessments, dialogue, and follow-up actions, Micropower aims to identify, prevent, and mitigate risks related to human rights, environmental impact, and supply chain integrity across the battery value chain.



"Sustainability starts with everyday decisions."

For Micropower's project teams, they go by one core principle: making informed material decisions. By choosing responsible suppliers and materials, and developing structured component strategies, procurement plays a crucial role in lowering environmental impact while securing longterm product quality and compliance.

As team leader for project purchasing at Micropower Group, Peter Wendel works at the core of where sustainability, technology, and business meet. His role is about making informed choices, balancing performance, cost, availability, and environmental responsibility to support both product quality and long-term sustainability goals.

"Our starting point is always to evaluate what we should manufacture in-house and what we should source externally," Peter says. For areas such as electronics and circuit boards, this means balancing technical capability, cost efficiency, and supplier proximity. While Asia remains highly competitive in advanced electronics manufacturing, the ambition is always to work as locally as possible when conditions allow.

For mechanical components and battery systems, local sourcing is even more central. Peter notes that large components, such as battery trays and enclosures, are areas where local suppliers are actively prioritised, since proximity enables close collaboration, especially during prototyping. Supplier visits help the team understand quality, production flows, and cost drivers. This knowledge supports the development of more efficient, robust, and sustainable solutions from the start.

Standardisation is another focus area. Peter explains that internal component catalogues, for fasteners, fittings, and other recurring parts, help reduce unnecessary variation across projects. This enables more efficient purchasing, better quality control, and reuse of approved materials and solutions, which strengthens both sustainability performance and operational efficiency.

Material selection and packaging represent clear opportunities for near-term impact. "Packaging is a tangible area where change is already underway. We are systematically moving away from plastic and increasing the share of recycled and fibre-based materials," Peter says. In several cases, suppliers are also proposing circular solutions, such as using recycled or residual materials from other production processes. These collaborations create value both environmentally and economically.

Peter emphasises the importance of earlier integration of sustainability in development processes. He notes that to achieve real impact, sustainability needs to be embedded earlier in the project lifecycle, at the design and concept stage. When the right choices are made early, procurement can reinforce them rather than trying to correct them later.

Looking ahead, key priorities include stronger decision support in early phases, clearer internal guidelines, deeper supplier collaboration, and continued focus on packaging, cabling, and component standardisation. "By working proactively, across functions and together with our partners, we can develop solutions that are both sustainable and commercially sound. That is how we create long-term value for Micropower, our customers, and society," Peter concludes.

"It's about choosing the right materials and understanding the impact behind every choice."

Peter Wendel

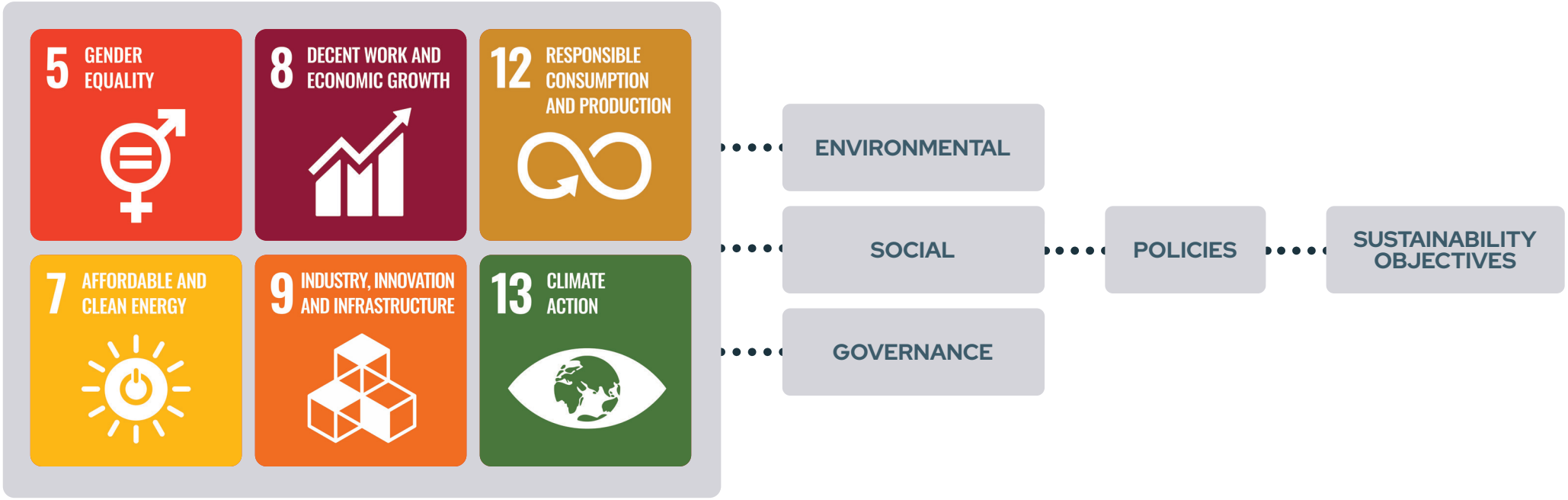
Commitment to the Future

At Micropower, sustainability is an integrated part of how we operate, make decisions, and build for the future. In 2025, we continued to strengthen our long-term focus on social and environmental responsibility. The work is guided by clear sustainability goals and a structured approach that supports consistent implementation across the organisation.

Our sustainability governance is based on the UN Sustainable Development Goals, which are translated into concrete priorities through our ESG framework, internal policies, and company targets. This creates a clear link between global sustainability ambitions and everyday decisions in product development, operations, and business planning.

The social and environmental sections of this report reflect our integrated approach to sustainability. The social focus areas address people, leadership, working conditions, inclusion, and long-term organisational development. In parallel, the environmental focus areas address climate impact across the value chain, from product efficiency and energy use to materials, logistics, and circularity.

Together, these areas define a shared direction for Micropower's development – responsible, transparent, and long-term – in line with our purpose of contributing to a carbon-neutral future through the electrification of the industry.



Environmental Sustainability

Micropower's core purpose is to contribute to a carbon-neutral world by accelerating the electrification of industry. In parallel, our long-term strategy is focused on reducing, and where possible eliminating, any adverse environmental impacts arising from our operations and products throughout their life cycle.

Products

In 2025, Micropower introduced a Sustainability Guidance document that provides structured instructions and decision-support for sustainability considerations in product development and product updates.

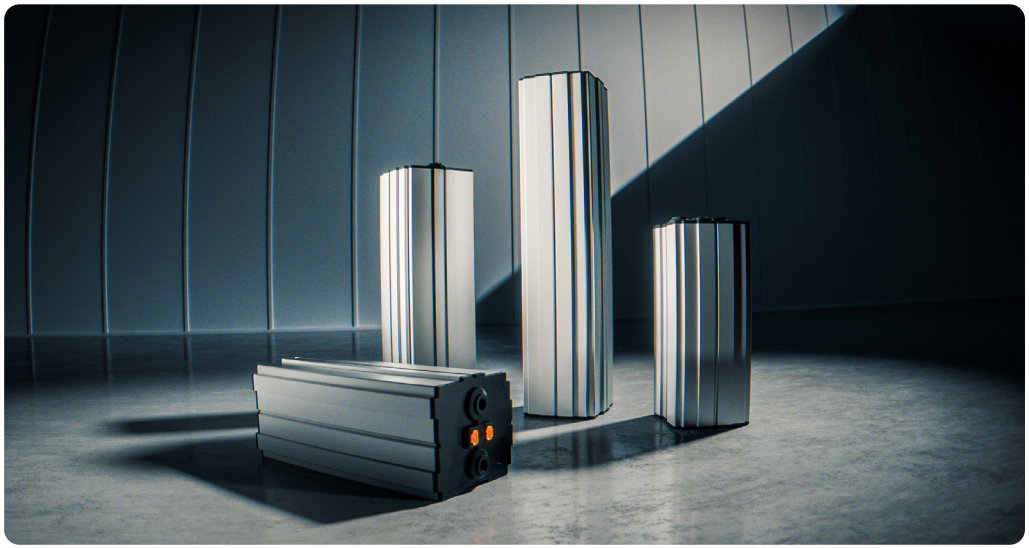
The guidance addresses multiple aspects of sustainability, with a particular focus on reducing the CO_2 footprint of our products. It supports informed decision-making across design, material selection, logistics and production, with the objective of lowering climate impacts while maintaining performance, quality and competitiveness.

Efficiency

The use phase of our products accounts for a significant share of Micropower's total climate impact, as identified in our Scope 3, category 11 calculations. Improvements in product efficiency are therefore an important factor in reducing overall emissions.

Efficiency considerations are integrated into Micropower's operations and product development processes. By reducing energy losses from the product's usage phase, the environmental impact associated with product use can be lowered while maintaining functional performance. Micropower's battery chargers are designed to minimise power losses and support efficient energy use. Higher efficiency contributes to reduced electricity consumption and associated emissions. It can also lower operating costs over time, which may reduce the total cost of ownership for users.

IoT and modern connectivity make it possible to update software remotely, which improves efficiency and helps products last longer. Connected devices also provide useful information about battery performance, making it easier to plan maintenance and reduce energy use. In addition, IoT solutions help distribute power more effectively, lowering energy consumption and improving overall system performance.



Environmental targets and measures
Micropower Group's corporate environmental targets are designed to promote sustainability across the entire organisation. The targets are set to reduce impact from four different environmental areas – energy, transports, materials and waste.

Energy
When developing new products, energy consumption is incorporated into production planning. We estimate the energy use ofz manufacturing equipment and prioritise the selection of highly efficient machinery and tools. Work is ongoing to further refine the tracking of energy consumption at a more granular level, divided by facility and production processes, enabling more targeted actions and continuous improvement.

The purchased electricity has during 2025 decreased by 15% compared to 2024, on a Group level. This is mainly due to divestments of our previous battery factory on Nylandavägen, combined with our new Växjö site being energy efficient. On-site solar panels generated approximately 19 percent of the total energy consumption during the reporting period.

In addition, Micropower has set targets to reduce purchased electricity and to ensure that all European operations are supplied with 100 percent fossil-free energy. Since all our European sites runs on fossil-free energy, we have reached our target.

Transports
During 2025, an additional loop truck was introduced into our operations. As a result, Micropower now operates two loop trucks, reducing transport distances, CO_2 emissions and overall logistics costs.

The second loop truck collects goods from seven suppliers located near Växjö, shortening the transport distance by about 240 km per run compared with the former multi-truck arrangement. As a result, CO_2 emissions per run are reduced by approximately 44%.

Regarding the environmental target on purchased transports, Micropower Group's CO_2 emissions from upstream transportation have increased by 43% 2025 compared to 2024, due to increased air shipments, and a higher data quality of our collected data.

During 2025, a new business travel agency has been introduced, enabling us to more actively encourage sustainable travel options directly in the booking portal. The platform demonstrates the CO_2-impacts directly on the available travel options, and recommends travels based on our travel policy. It also provides us with detailed CO_2-reports.

For the business travels, we have reduced our CO_2 emissions by 46% 2025 compared to 2024, on a Group level. The decrease is mainly due to a reduction of business travels during the year.

Materials

Our efforts to collect primary CO_2 data are ongoing, but challenging. During 2025, we expanded the collection of primary data to include more components in our portfolio. Our ambition is to deepen our engagement with suppliers – both in collecting environmental data and in working jointly to reduce CO_2 emissions.

In terms of materials, product design and component selection are guided by active choices. This includes considerations of material choices in both component and packaging design, selecting suppliers, and evaluating the chemical content of materials.

Collaboration with our suppliers is a key part of this work. Through continuous and transparent dialogue, we address topics such as material sourcing, component design, chemical compliance, customer requirements, production methods, capacity planning, and product development. During 2025, we lowered our CO_2 emissions from our purchased materials by 4% compared to 2024. This is mainly caused by a decrease of purchased material volumes, and a reduced CO_2-impacts from our battery cell suppliers.

Waste

Waste generated from our own operations is handled responsibly through collaboration with established and reliable recycling partners. Recycling is our primary waste treatment option, and we sort our waste into as many recyclable fractions as possible. Our ambition is to further increase the number of sorted fractions as waste treatment technologies and recycling methods continue to develop.

Micropower participates in relevant producer responsibility organisations to ensure responsible and sustainable management of products at the end of their life cycle.

At Group level, Micropower reduced its total amount of waste by 24% in 2025 compared with 2024. The amount of combustible waste also decreased by 31% over the same period.

The primary reason for these reductions is the move to our new facility in Växjö. Emptying the former site generated unusually high waste volumes in 2024. The move to the new factory also reduced the number of operational sites, which contributed to lower waste generation in 2025.

Social Sustainability

Micropower continues to strengthen social sustainability by further integrating our core values into daily operations and recruitment. Sustainable leadership, our external commitments and the initial implementation of competence-based recruitment continue to support a fair, inclusive and resilient organisation.

MEN
74%

WOMEN
26%

ACCIDENTS
2

Employees

Throughout the year, we have continued to strengthen our commitment to social sustainability by integrating our core values – Dedication, Sincerity, Presence and Responsibility – even more deeply into our performance development dialogues and recruitment processes. These values form the cultural foundation that guides how we work together, what we expect from one another, and how we create an inclusive and welcoming workplace for all.

Micropower's core values reflect who we are today and where we aim to go. They shape the way we collaborate, support each other, and take responsibility toward customers, colleagues and partners.

During the year, we began implementing competence-based recruitment. This structured approach ensures that candidates are assessed based on clear, role-specific skills and behaviours rather than intuition, personal networks or solely CV qualifications. It increases transparency, consistency and fairness while reducing the risk of discrimination. Together, these initiatives create the conditions for long-term diversity, inclusion and organisational sustainability.

Workplace

Building a workplace founded on trust and equal opportunities has remained central to our efforts. By aligning our processes with our core values, we continue to shape an environment where each employee feels acknowledged, respected and supported in their development.

Sustainable leadership has been a key focus area. Through continuous leadership dialogues, we have emphasized reflective practice, shared learning and leadership behaviours that foster trust, accountability and long-term well-being. By investing in leaders who support both people and performance, we continue to build a resilient and healthy work environment.

Micropower is a signatory of the Women's Empowerment Principles (WEP), reinforcing our commitment to gender equality and inclusion. Competence-based recruitment further strengthens this work by ensuring fair evaluation for all candidates. These initiatives support our goal of reaching 40% women in the board, management team and across the company.

By the end of 2025, women represented approximately 26% of our workforce.

Work Environment

A safe and secure work environment is a fundamental part of our sustainability efforts, and all employees share responsibility for contributing to this. This includes following established routines and policies, as well as actively reporting and addressing incidents and accidents. Key focus areas in our systematic safety work include electrical safety, forklift operations, and fire prevention.

During 2025, two workplace accidents were reported across our operations, resulting in 10 days absence. Neither of the incidents was classified as severe. Each case was followed up through our incident management process to identify underlying causes and implement preventive measures.

The psychosocial work environment is continuously evaluated through employee satisfaction surveys, performance reviews, and training of managers and leaders.

By integrating preventive psychosocial work as part of the company's overall health initiatives, we can create a healthy work environment. Training our managers and gathering information from our employees provides an insight into how the employees experience Micropower as a workplace and identifies any challenges and areas for improvement.

Working Conditions

Micropower maintains a clear framework for working conditions to ensure a safe, fair and supportive workplace. This applies to all employees within Micropower Group, regardless of their geographic location.

Working hours follow role-specific schedules and collective agreements, with both fixed hours and flex-time available. Breaks, rest periods and overtime are regulated, and overtime must be assigned by management.

Employees have access to benefits including paid sick leave according to national regulations, parental leave, annual vacation, wellness support, occupational health services, and work equipment such as protective clothing or computer eyewear when applicable. Micropower provides insurance coverage and maintains a safe work environment through established routines, health initiatives and internal guidelines.

External endorsements

Micropower Group is engaged in several external endorsements, both locally and globally. We are part of UN Global Compact, a global initiative that commits companies to align strategies towards a more sustainable world.

Micropower is also part of the Women's Empowerment Principles, WEP, working towards gender equality and women's empowerment.

Sustainable Småland, Sydsvenska Handelskammaren and Växjödeklarationen are regional, cross sectoral and membership driven endorsements where we are engaged.

Micropower's sustainability performance has been externally assessed through the Ecovadis rating system, resulting in Silver for 2025.

SILVER | Top 15%
ecovadis
Sustainability Rating
JAN 2026

CO_2 Commitments

Micropower Group continues our progress toward carbon neutrality by 2045. In 2025, the focus has been on improving the accuracy and transparency of our emissions data.

The majority of our carbon footprint comes from the usage phase of our products and the goods and services we purchase, making a clear understanding of these areas essential. By refining measurement methods and providing more reliable data, we can identify where reductions are most effective and track progress with confidence. These efforts reflect our ongoing commitment to sustainable operations, responsible sourcing, and a low-carbon future.

How we calculate emissions
Our greenhouse gas inventory is prepared in accordance with the GHG Protocol Corporate Standard. Emissions are reported as CO_2e and cover Scope 1, Scope 2 (market-based) and Scope 3.

The company's emissions are calculated using a combination of methods: average emission factors, supplier-specific data, and spend-based estimates. Average factors are applied when detailed data is unavailable, supplier-specific data reflects emissions reported directly by our suppliers, and spend-based calculations estimate emissions based on financial expenditures.

Due to incorrect energy consumption figures reported for the US site for 2024, Scope 2 and Scope 3 have been adjusted accordingly.

Scope 1 - Base year 2020

Definition
Refers to direct emissions from company-owned and controlled resources. Includes combustion of fuels in facilities and vehicles, cooling agent leakage from facilities and emissions from industrial processes and on-site manufacturing.

Target
50% decrease 2025 (base year 2020)
CO_2 neutral 2030
Progress – Above target due to added US site 2024

Scope 2 - Base year 2020

Definition
Refers to indirect emissions from the generation of purchased energy by utility providers. Includes consumption of electricity, district heating and district cooling.

Target
50% reduction by 2025 (base year 2020)
CO_2 neutral 2030
Progress – On target

Scope 3 - Base year 2023

Definition
Refers to indirect emissions that occur upstream and downstream in a company's value chain and are noat included in scope 2. Includes purchases of goods and services from suppliers, such as raw materials and transports. Include usage phase, waste and products' end of life.

Target
CO_2 neutral by 2045 (base year 2023)
Progress – On target

Understanding emissions beyond our operations
Scope 3 emissions represent the largest share of Micropower's climate footprint, reflecting the nature of our business as a system supplier with a global value chain.

Usage phase
The usage phase is the main contributor within Micropower's Scope 3 emissions.

Emissions from the use phase are calculated based on energy consumption over the product's lifetime using an average electricity mix for the relevant market.

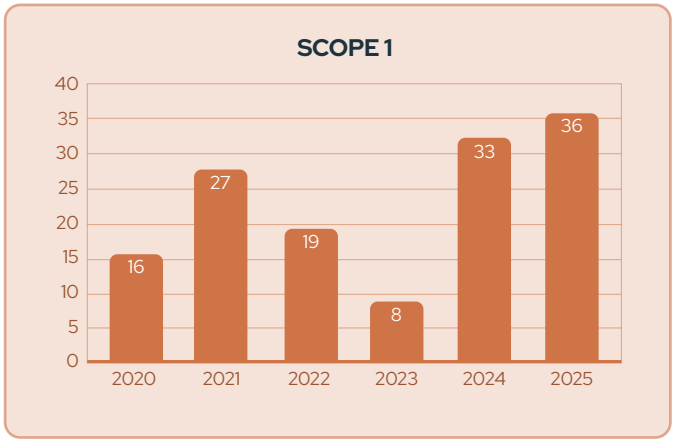
The reduction in impact for 2025 is primarily due to a change in the emission factor applied to products used in Europe. For 2025, an EU-average emission factor has been applied, reflecting the fact that the majority of Micropower products are used within the EU rather than across Europe as a whole.

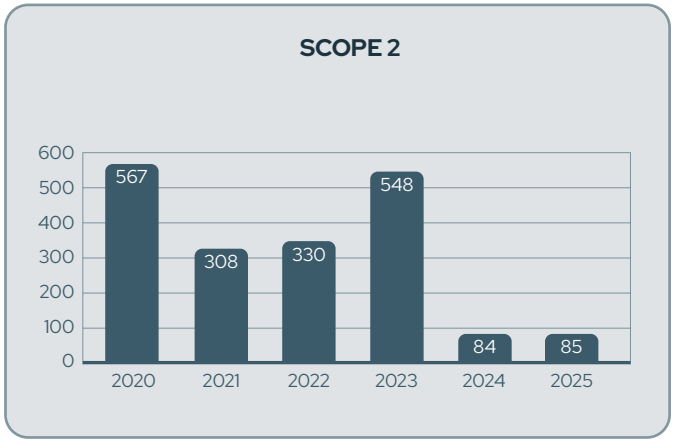
Purchased goods and services
The second largest contributor to Micropower's Scope 3 emissions is purchased goods and services, mainly driven by electronics, copper and aluminum.

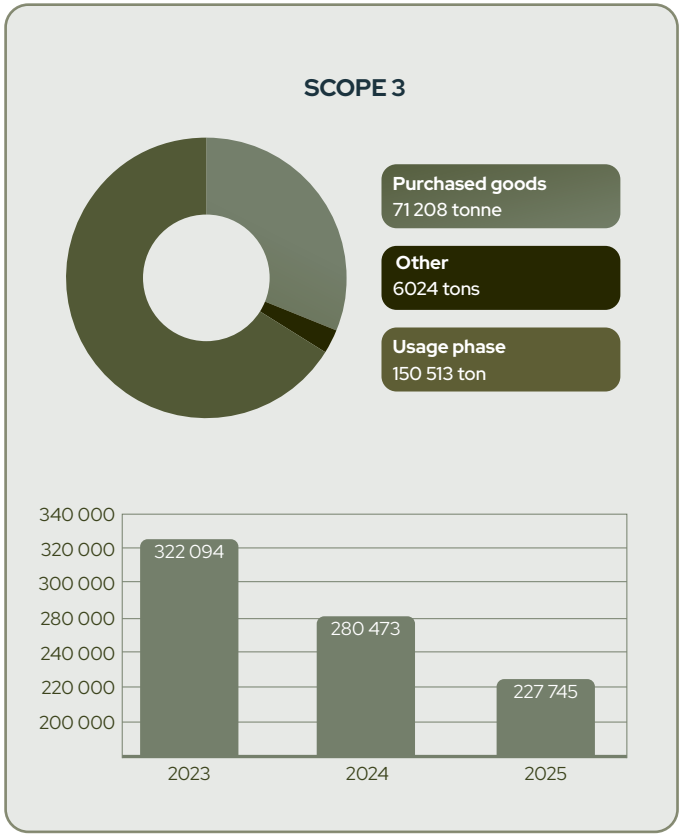
The reduction is primarily driven by improved supplier primary data and slightly lower volumes.
Customer owned material is not included.

Looking ahead
During 2026, Micropower will continue to:

- Increase the share of primary data (Supplier specific) in Scope 3 calculations
- Strengthen climate dialogue with strategic suppliers
- Integrate carbon performance further into product development and sourcing decisions







GRI-table

GRI-ref.	Indicators	Unit	2025	2024	2023	Comments:
204-1	Procurement practices - Performed audits	Audits	6	14	4	
204-1	Procurement practices - Performed CSR audits	Audits	0	0	0	
205-2	Employees trained in business ethics	%	100	100	100	
205-3	Number of reported incidents or legal actions brought against the organization	cases	0	0	0	
205-3	Reported cases from Whistleblowing channel	cases	1	0	1	
205-3	Number of confirmed corruption cases	cases	0	0	0	
305-1	Greenhouse gas emissions from own operations, Scope 1	ton	36	33	8	
305-2	Indirect greenhouse gas emissions, Scope 2, location-based calculation	ton	173	177	151	2024 adjusted for MP US due to reporting errors
305-2	Indirect greenhouse gas emissions, Scope 2, market-based calculation	ton	85	84	548	2024 adjusted for MP US due to reporting errors
305-3	Other indirect (Scope 3) GHG emissions	ton	227,745	280,473	322,094	2024 adjusted for MP US due to reporting errors
302-1	Total energy usage	kWh	5,632,947	5,278,237	-	
302-1	Total renewable energy usage	kWh	4,818,124	4,462,467	-	
302-1	Purchased thermal energy, incl. remote heating	kWh	1,718,327	1,061,925	755,403	
302-1	Total electricity usage, own operations	kWh	3,745,027	4,051,609	3,057,207	2024 adjusted for MP US due to reporting errors
302-1	Purchased electricity	kWh	3,356,459	3,940,723	2,953,716	2024 adjusted for MP US due to reporting errors
302-1	Electricity from internally generated solar power, consumed	kWh	388,570	110,890	-	
302-1	Electricity from internally generated solar power, sold	kWh	116,561	21,719	29,249	More solar power sold due to no operations Nylanda
306-3	Waste by type - sorted	tonnes	251	330	222	2024 adjusted for MP OY due to reporting errors
306-3	Waste by type - hazardous	tonnes	11	7	10	2024 adjusted for MP OY due to reporting errors
306-3	Waste by type - non-hazardous	tonnes	251	330	223	2024 adjusted for MP OY due to reporting errors
306-3	Waste by type - other/unsorted	tonnes	0	0	1	
306-4	Waste by disposal method - recycled	tonnes	155	180	144	2024 adjusted for MP OY due to reporting errors
306-5	Waste by disposal method - landfill	tonnes	5	2	0	
306-5	Waste by disposal method - energy recovery	tonnes	90	148	104	2024 adjusted for MP OY due to reporting errors
306-5	Waste by disposal method - biotreated	tonnes	0	0	2	
308-1	Suppliers that were screened using environmental criteria	%	53	53	48	Not new suppliers only
308-1	Targeted contracts that include clauses on environmental, labor, human rights requirements	%	38	39	36	Signed Code of Conduct

KEY PERFORMANCE INDICATORS

GRI-ref.	Indicators	Unit	2025	2024	2023	Comments:
308-1	Buyers who received training on sustainable procurement	%	100	100	100	
308-2	Suppliers screened for environmental risk through audit or self-assessment	%	13	7	6	
401	Employees payed a living wage	%	100	100	-	
401-1	Employee turnover ESRS	%	7	9	-	
401-2	Share of employees with social benefits	%	100	100	-	
403-2	Number of cases lost time work-related injury, employees	cases	2	4	7	LTI
403-2	Number of cases lost time work-related injury, other workers	cases	0	1	1	LTI
403-2	Number of hours (lost time) work-related injury, employees	hours	100	456	356	
403-2	Number of hours (lost time) work-related injury, other workers	hours	0	8	144	
404-1	Average hours of training per year per employee	hours	6	6	5	
405-1	Diversity of board - share of women	%	25	20	20	
405-1	Diversity of management - share of women	%	10	10	7	Group management team from 2024
405-1	Diversity of management - employees under 30 years	employees	0	0	0	Group management team from 2024
405-1	Diversity of management - employees 30-50 years	employees	4	5	31	Group management team from 2024
405-1	Diversity of management - over 50 years	employees	6	5	25	Group management team from 2024
405-1	Diversity of employees - share of women	%	26	25	27	
405-1	Diversity of employees - employees under 30 years	employees	81	94	84	
405-1	Diversity of employees - employees 30-50 years	employees	287	273	232	
405-1	Diversity of employees - over 50 years	employees	175	168	154	
406-1	Number of discrimination or harassment cases	cases	1	-	-	New KPI 2025
407-1	Employees covered by an employee representative or by a collective bargaining agreement	%	93	92	97	
408-1	Number of reported cases of child labor	cases	0	0	0	
409-1	Employees trained on modern slavery	%	100	100	100	
410-1	Number of confirmed information security incidents	cases	3	1	1	
414-1	Share of suppliers that was screened using social criteria	%	13	11	10	
416-2	Number of product recalls	cases	0	0	0	
416-2	Numbers of customer health and safety incidents	cases	0	0	0	

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