



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

### Enheten

|                      |                                 |
|----------------------|---------------------------------|
| Organisasjonsnummer: | 942 593 821                     |
| Organisasjonsform:   | Allmennaksjeselskap             |
| Foretaksnavn:        | KONGSBERG AUTOMOTIVE ASA        |
| Forretningsadresse:  | Dyrmyrgata 48<br>3611 KONGSBERG |

### Regnskapsår

|                         |                         |
|-------------------------|-------------------------|
| Årsregnskapets periode: | 01.01.2024 - 31.12.2024 |
|-------------------------|-------------------------|

### Konsern

|                           |    |
|---------------------------|----|
| Morselskap i konsern:     | Ja |
| Konsernregnskap lagt ved: | Ja |

### Regnskapsregler

|                                                            |                |
|------------------------------------------------------------|----------------|
| Regler for små foretak benyttet:                           | Nei            |
| Benyttet ved utarbeidelsen av årsregnskapet til selskapet: | Forenklet IFRS |
| Benyttet ved utarbeidelsen av årsregnskapet til konsernet: | IFRS           |

### Årsregnskapet fastsatt av kompetent organ

|                                          |                     |
|------------------------------------------|---------------------|
| Bekreftet av representant for selskapet: | Christian Johansson |
| Dato for fastsettelse av årsregnskapet:  | 26.03.2025          |

### Grunnlag for avgivelse

År 2024: Årsregnskapet er elektronisk innlevert  
År 2023: Tall er hentet fra elektronisk innlevert årsregnskap fra 2024

*Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.*

Brønnøysundregistrene, 20.08.2025



### Resultatregnskap

| Beløp i: EUR                                                 | Note | 2024                        | 2023                          |
|--------------------------------------------------------------|------|-----------------------------|-------------------------------|
| <strong>RESULTATREGNSKAP</strong>                            |      |                             |                               |
| <strong>Inntekter</strong>                                   |      |                             |                               |
| Salgsinntekt                                                 | 21   | 5 300 000                   | 6 000 000                     |
| <strong>Sum inntekter</strong>                               |      | <strong>5 300 000</strong>  | <strong>6 000 000</strong>    |
| <strong>Kostnader</strong>                                   |      |                             |                               |
| Lønnskostnad                                                 | 5    | 300 000                     | 500 000                       |
| Annen driftskostnad                                          | 6    | 3 500 000                   | 3 200 000                     |
| <strong>Sum kostnader</strong>                               |      | <strong>3 800 000</strong>  | <strong>3 700 000</strong>    |
| <strong>Driftsresultat</strong>                              |      | <strong>1 500 000</strong>  | <strong>2 300 000</strong>    |
| <strong>Finansinntekter og finanskostnader</strong>          |      |                             |                               |
| Inntekt på investering i datterselskap og tilknyttet selskap | 7    | 26 600 000                  | 1 700 000                     |
| Annen renteinntekt                                           | 7    | 4 000 000                   | 23 200 000                    |
| Annen finansinntekt                                          | 7    | 28 000 000                  | 3 300 000                     |
| <strong>Sum finansinntekter</strong>                         |      | <strong>58 600 000</strong> | <strong>28 200 000</strong>   |
| Annen rentekostnad                                           | 7    | 12 000 000                  | 10 100 000                    |
| Annen finanskostnad                                          | 7    | 500 000                     | 200 000                       |
| Nedskrivning av aksjer i konsern                             | 7    |                             | 172 000 000                   |
| Nedskrivning av konsernlånn                                  | 7    | 300 000                     | 3 000 000                     |
| <strong>Sum finanskostnader</strong>                         |      | <strong>12 800 000</strong> | <strong>185 300 000</strong>  |
| <strong>Netto finans</strong>                                |      | <strong>45 800 000</strong> | <strong>-157 100 000</strong> |
| <strong>Resultat før skattekostnad</strong>                  |      | <strong>47 300 000</strong> | <strong>-154 800 000</strong> |
| Skattekostnad                                                | 8    | 7 200 000                   | 3 600 000                     |
| <strong>Årsresultat</strong>                                 |      | <strong>40 100 000</strong> | <strong>-158 400 000</strong> |
| <strong>Overføringer og disponeringer</strong>               |      |                             |                               |
| Overføringer til/fra annen egenkapital                       |      | 40 100 000                  | -158 400 000                  |
| <strong>Sum overføringer og disponeringer</strong>           |      | <strong>40 100 000</strong> | <strong>-158 400 000</strong> |



### Balanse

| Beløp i: EUR                                   | Note  | 2024               | 2023               |
|------------------------------------------------|-------|--------------------|--------------------|
| <b>BALANSE - EIENDELER</b>                     |       |                    |                    |
| <b>Anleggsmidler</b>                           |       |                    |                    |
| <b>Immaterielle eiendeler</b>                  |       |                    |                    |
| <b>Finansielle anleggsmidler</b>               |       |                    |                    |
| Investering i datterselskap                    | 4     | 228 600 000        | 113 700 000        |
| Lån til foretak i samme konsern                | 21    | 238 600 000        | 354 900 000        |
| Right-of use-assets                            | 11    |                    | 100 000            |
| Other non-current assets                       |       | 100 000            | 100 000            |
| <b>Sum finansielle anleggsmidler</b>           |       | <b>467 300 000</b> | <b>468 800 000</b> |
| <b>Sum anleggsmidler</b>                       |       | <b>467 300 000</b> | <b>468 800 000</b> |
| <b>Omløpsmidler</b>                            |       |                    |                    |
| <b>Varer</b>                                   |       |                    |                    |
| <b>Fordringer</b>                              |       |                    |                    |
| Andre fordringer                               | 12    | 500 000            | 300 000            |
| Konsernfordringer                              | 12,21 | 11 000 000         | 54 600 000         |
| <b>Sum fordringer</b>                          |       | <b>11 500 000</b>  | <b>54 900 000</b>  |
| <b>Bankinnskudd, kontanter og lignende</b>     |       |                    |                    |
| Bankinnskudd, kontanter og lignende            |       |                    | 1 400 000          |
| <b>Sum bankinnskudd, kontanter og lignende</b> |       |                    | <b>1 400 000</b>   |
| <b>Sum omløpsmidler</b>                        |       | <b>11 500 000</b>  | <b>56 300 000</b>  |
| <b>SUM EIENDELER</b>                           |       | <b>478 800 000</b> | <b>525 100 000</b> |
| <b>BALANSE - EGENKAPITAL OG GJELD</b>          |       |                    |                    |
| <b>Egenkapital</b>                             |       |                    |                    |
| <b>Innskutt egenkapital</b>                    |       |                    |                    |
| Selskapskapital                                | 13    | 80 600 000         | 84 600 000         |
| Beholdning av egne aksjer                      | 13    | -5 200 000         | -3 200 000         |



### Balanse

| Beløp i: EUR                               | Note | 2024               | 2023               |
|--------------------------------------------|------|--------------------|--------------------|
| Overkurs                                   |      | 172 000 000        | 180 600 000        |
| <b>Sum innskutt egenkapital</b>            |      | <b>247 400 000</b> | <b>262 000 000</b> |
| <b>Opptjent egenkapital</b>                |      |                    |                    |
| Annen egenkapital                          |      | 38 100 000         |                    |
| Udekket tap                                |      |                    | 2 600 000          |
| <b>Sum opptjent egenkapital</b>            |      | <b>38 100 000</b>  | <b>-2 600 000</b>  |
| <b>Sum egenkapital</b>                     |      | <b>285 500 000</b> | <b>259 400 000</b> |
| <b>Gjeld</b>                               |      |                    |                    |
| <b>Langsiktig gjeld</b>                    |      |                    |                    |
| Pensjonsforpliktelser                      | 4    | 300 000            | 300 000            |
| Utsatt skatt                               | 81   | 26 500 000         | 22 700 000         |
| <b>Sum avsetninger for forpliktelser</b>   |      | <b>26 800 000</b>  | <b>23 000 000</b>  |
| <b>Annen langsiktig gjeld</b>              |      |                    |                    |
| Gjeld til kredittinstitusjoner             | 14   | 110 000 000        |                    |
| Langsiktig konserngjeld                    | 14   |                    | 199 000 000        |
| Capitalized arrangement fees               | 14   | -2 500 000         | -1 300 000         |
| Interest-bearing lease liabilities         | 14   |                    | 100 000            |
| <b>Sum annen langsiktig gjeld</b>          |      | <b>107 500 000</b> | <b>197 800 000</b> |
| <b>Sum langsiktig gjeld</b>                |      | <b>134 300 000</b> | <b>220 800 000</b> |
| <b>Kortsiktig gjeld</b>                    |      |                    |                    |
| Leverandørgjeld                            | 16   | 800 000            | 1 000 000          |
| Betalbar skatt                             | 81   |                    | 100 000            |
| Kortsiktig konserngjeld                    | 16   | 57 000 000         | 43 100 000         |
| Annen kortsiktig gjeld                     | 16   | 1 000 000          | 600 000            |
| Other current interest bearing liabilities | 16   | 200 000            | 100 000            |
| <b>Sum kortsiktig gjeld</b>                |      | <b>59 000 000</b>  | <b>44 900 000</b>  |
| <b>Sum gjeld</b>                           |      | <b>193 300 000</b> | <b>265 700 000</b> |
| <b>SUM EGENKAPITAL OG GJELD</b>            |      | <b>478 800 000</b> | <b>525 100 000</b> |



### Konsernets resultatregnskap

| Beløp i: EUR                                                  | Note            | 2024               | 2023               |
|---------------------------------------------------------------|-----------------|--------------------|--------------------|
| <b>RESULTATREGNSKAP</b>                                       |                 |                    |                    |
| <b>Inntekter</b>                                              |                 |                    |                    |
| Salgsinntekt                                                  | 7               | 788 000 000        | 885 000 000        |
| Annen driftsinntekt                                           | 9               | 5 000 000          | 2 000 000          |
| <b>Sum inntekter</b>                                          |                 | <b>793 000 000</b> | <b>887 000 000</b> |
| <b>Kostnader</b>                                              |                 |                    |                    |
| Varekostnad                                                   |                 | 364 000 000        | 425 000 000        |
| Lønnskostnad                                                  | 8               | 235 000 000        | 265 000 000        |
| Avskrivning på varige driftsmidler og immaterielle eiendeler  | 12,13,<br>14    | 30 000 000         | 33 000 000         |
| Nedskrivning av varige driftsmidler og immaterielle eiendeler | 12,13,<br>14,15 | -5 000 000         | 27 000 000         |
| Annen driftskostnad                                           | 9               | 151 000 000        | 156 000 000        |
| <b>Sum kostnader</b>                                          |                 | <b>775 000 000</b> | <b>906 000 000</b> |
| <b>Driftsresultat</b>                                         |                 | <b>18 000 000</b>  | <b>-19 000 000</b> |
| <b>Finansinntekter og finanskostnader</b>                     |                 |                    |                    |
| Annen finansinntekt                                           | 10              | 3 000 000          | 5 000 000          |
| <b>Sum finansinntekter</b>                                    |                 | <b>3 000 000</b>   | <b>5 000 000</b>   |
| Annen finanskostnad                                           | 10              | 24 000 000         | 31 000 000         |
| <b>Sum finanskostnader</b>                                    |                 | <b>24 000 000</b>  | <b>31 000 000</b>  |
| <b>Netto finans</b>                                           |                 | <b>-21 000 000</b> | <b>-26 000 000</b> |
| <b>Resultat før skattekostnad</b>                             |                 | <b>-3 000 000</b>  | <b>-45 000 000</b> |
| Skattekostnad                                                 | 11              | 16 000 000         | 13 000 000         |
| <b>Årsresultat</b>                                            |                 | <b>-19 000 000</b> | <b>-58 000 000</b> |
| <b>Overføringer og disponeringer</b>                          |                 |                    |                    |
| Overføringer til/fra annen egenkapital                        |                 | -19 000 000        | -58 000 000        |
| <b>Sum overføringer og disponeringer</b>                      |                 | <b>-19 000 000</b> | <b>-58 000 000</b> |



### Konsernets balanse

| Beløp i: EUR                                                        | Note  | 2024               | 2023               |
|---------------------------------------------------------------------|-------|--------------------|--------------------|
| <b>BALANSE - EIENDELER</b>                                          |       |                    |                    |
| <b>Anleggsmidler</b>                                                |       |                    |                    |
| <b>Immaterielle eiendeler</b>                                       |       |                    |                    |
| Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter | 12,15 | 11 000 000         | 8 000 000          |
| Utsatt skattefordel                                                 |       | 10 000 000         | 11 000 000         |
| Goodwill                                                            | 12,15 | 74 000 000         | 71 000 000         |
| <b>Sum immaterielle eiendeler</b>                                   |       | <b>95 000 000</b>  | <b>90 000 000</b>  |
| <b>Varige driftsmidler</b>                                          |       |                    |                    |
| Tomter, bygninger og annen fast eiendom                             | 13,15 | 9 000 000          | 7 000 000          |
| Driftsløsøre, inventar, verktøy, kontormaskiner og lignende         | 13,15 | 108 000 000        | 109 000 000        |
| Right-of-use-assets                                                 | 14,15 | 55 000 000         | 55 000 000         |
| <b>Sum varige driftsmidler</b>                                      |       | <b>172 000 000</b> | <b>171 000 000</b> |
| <b>Finansielle anleggsmidler</b>                                    |       |                    |                    |
| Investeringer i aksjer og andeler                                   | 17    | 1 000 000          | 2 000 000          |
| Other non-current assets                                            | 17    | 2 000 000          | 2 000 000          |
| <b>Sum finansielle anleggsmidler</b>                                |       | <b>3 000 000</b>   | <b>4 000 000</b>   |
| <b>Sum anleggsmidler</b>                                            |       | <b>270 000 000</b> | <b>265 000 000</b> |
| <b>Omløpsmidler</b>                                                 |       |                    |                    |
| <b>Varer</b>                                                        |       |                    |                    |
| Varer                                                               | 16    | 81 000 000         | 102 000 000        |
| <b>Sum varer</b>                                                    |       | <b>81 000 000</b>  | <b>102 000 000</b> |
| <b>Fordringer</b>                                                   |       |                    |                    |
| Kundefordringer                                                     | 17    | 154 000 000        | 177 000 000        |
| Other current assets                                                | 17    | 14 000 000         | 13 000 000         |
| <b>Sum fordringer</b>                                               |       | <b>168 000 000</b> | <b>190 000 000</b> |
| <b>Bankinnskudd, kontanter og lignende</b>                          |       |                    |                    |
| Bankinnskudd, kontanter og lignende                                 | 21    | 84 000 000         | 165 000 000        |
| <b>Sum bankinnskudd, kontanter og lignende</b>                      |       | <b>84 000 000</b>  | <b>165 000 000</b> |



### Konsernets balanse

| Beløp i: EUR         | Note | 2024               | 2023               |
|----------------------|------|--------------------|--------------------|
| Sum omløpsmidler     |      | 333 000 000        | 457 000 000        |
| <b>SUM EIENDELER</b> |      | <b>603 000 000</b> | <b>722 000 000</b> |

### BALANSE - EGENKAPITAL OG GJELD

#### Egenkapital

##### Innskutt egenkapital

|                                 |    |                    |                    |
|---------------------------------|----|--------------------|--------------------|
| Selskapskapital                 | 18 | 81 000 000         | 85 000 000         |
| Beholdning av egne aksjer       | 18 | -5 000 000         | -3 000 000         |
| Overkurs                        |    | 172 000 000        | 181 000 000        |
| <b>Sum innskutt egenkapital</b> |    | <b>248 000 000</b> | <b>263 000 000</b> |

##### Opptjent egenkapital

|                                 |  |                    |                    |
|---------------------------------|--|--------------------|--------------------|
| Fond                            |  | 110 000 000        | 91 000 000         |
| Udekket tap                     |  | 158 000 000        | 140 000 000        |
| <b>Sum opptjent egenkapital</b> |  | <b>-48 000 000</b> | <b>-49 000 000</b> |

|                      |  |           |           |
|----------------------|--|-----------|-----------|
| Minoritetsinteresser |  | 3 000 000 | 4 000 000 |
|----------------------|--|-----------|-----------|

|                        |  |                    |                    |
|------------------------|--|--------------------|--------------------|
| <b>Sum egenkapital</b> |  | <b>203 000 000</b> | <b>218 000 000</b> |
|------------------------|--|--------------------|--------------------|

#### Gjeld

##### Langsiktig gjeld

|                                             |  |                    |                    |
|---------------------------------------------|--|--------------------|--------------------|
| Pensjonsforpliktelser                       |  | 13 000 000         | 12 000 000         |
| Utsatt skatt                                |  | 25 000 000         | 21 000 000         |
| Non-current lease liabilities               |  | 64 000 000         | 65 000 000         |
| Other non-current interest-free liabilities |  | 1 000 000          | 4 000 000          |
| <b>Sum avsetninger for forpliktelser</b>    |  | <b>103 000 000</b> | <b>102 000 000</b> |

##### Annen langsiktig gjeld

|                                   |  |                    |                    |
|-----------------------------------|--|--------------------|--------------------|
| Gjeld til kredittinstitusjoner    |  | 132 000 000        | 189 000 000        |
| <b>Sum annen langsiktig gjeld</b> |  | <b>132 000 000</b> | <b>189 000 000</b> |

|                             |  |                    |                    |
|-----------------------------|--|--------------------|--------------------|
| <b>Sum langsiktig gjeld</b> |  | <b>235 000 000</b> | <b>291 000 000</b> |
|-----------------------------|--|--------------------|--------------------|

##### Kortsiktig gjeld

|                 |    |            |             |
|-----------------|----|------------|-------------|
| Leverandørgjeld | 25 | 85 000 000 | 117 000 000 |
|-----------------|----|------------|-------------|



### Konsernets balanse

| Beløp i: EUR                        | Note  | 2024                   | 2023                   |
|-------------------------------------|-------|------------------------|------------------------|
| Betalbar skatt                      | 11    | 1 000 000              | 4 000 000              |
| Trade and other payables            | 25    | 69 000 000             | 81 000 000             |
| Current lease liabilities           | 15,22 | 10 000 000             | 10 000 000             |
| <b>Sum kortsiktig gjeld</b>         |       | <b>165 000 000</b>     | <b>212 000 000</b>     |
| <br><b>Sum gjeld</b>                |       | <br><b>400 000 000</b> | <br><b>503 000 000</b> |
| <br><b>SUM EGENKAPITAL OG GJELD</b> |       | <br><b>603 000 000</b> | <br><b>721 000 000</b> |



22.03.2014

## Skattedirektoratet

Saksbehandler  
Geir Johannessen

Deres dato  
04.04.2014

Vår dato  
14.04.2014

Telefon  
22 66 11 14

Deres referanse

Vår referanse  
2014/239266

Kongsberg Automotive Holding ASA  
Postboks 62

3601 KONGSBERG

Att: Martin Bjerke Hogganvik

## Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Kongsberg Automotive Holding ASA, org.nr. 942 593 821

Det vises til deres brev av 4. april 2014 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Kongsberg Automotive Holding ASA.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Kongsberg Automotive Holding ASA dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk fra og med regnskapsåret 2013, jf. regnskapsloven § 3-4 tredje ledd.

Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

### Bakgrunn

Kongsberg Automotive Holding ASA er et børsnotert selskap og konsernspiss i Kongsberg Automotive Group. Konsernet er en global underleverandør til bilindustrien, som er en svært internasjonal bransje. Europa og Nord-Amerika er konsernets største markeder. Kun 12 % av konsernets inntekter er generert i Norge. Av totalt 10 135 ansatte er det bare 5 % som er bosatt i Norge. Andel utenlandske aksjonærer er mer enn 35 %, og profesjonelle investorer utgjør den største eiergruppen i konsernet. Kommunikasjonen med aksjemarkedet foregår på engelsk. Selskapet har tillatelse til å rapportere på engelsk til Oslo børs. Engelsk er også arbeidsspråket i konsernet. Årsregnskap og årsberetning må derfor også utarbeides på engelsk.

Kongsberg Automotive Holding ASA er et holdingselskap hvor konsernets ledelse og enkelte støttefunksjoner er hjemmehørende. Den norske driftsdelen av konsernets virksomhet er samlet i Kongsberg Automotive AS, en enhet det ikke søkes dispensasjon for.

Kravet til å utarbeide årsregnskap og årsberetning på norsk medfører betydelige kostnader og gir et dårligere produkt for brukerne. På denne bakgrunn bes det om fritak for å utarbeide norsk versjon.

### Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal ”årsregnskapet og årsberetningen ... være på norsk.

Postadresse  
Postboks 9200 Grønland  
0134 Oslo

Besøksadresse:  
Se [www.skatteetaten.no](http://www.skatteetaten.no)  
Org.nr: 996250318  
E-post: [skatteetaten.no/sendepost](mailto:skatteetaten.no/sendepost)

Sentralbord  
800 80 000  
Telefaks  
22 17 08 60



*Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk.”*

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

*”Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”*

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til *”informative regnskaper for ulike grupper av regnskapsbrukere”*. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at selskapet er kontrollert av utenlandske interessenter og profesjonelle investorer, at konsernets arbeidsspråk er engelsk og at konsernet har betydelig internasjonal virksomhet. Videre er det lagt vekt på at selskapet er et rent holdingselskap, der all vesentlig operasjonell virksomhet i Norge skjer i et underliggende datterselskap som fortsatt vil avlegge sine årsregnskaper og årsberetninger på norsk språk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Helleland  
Seniorrådgiver  
Rettsavdelingen, foretaksskatt  
Skattedirektoratet

  
Geir Johannessen



# ANNUAL REPORT 2024





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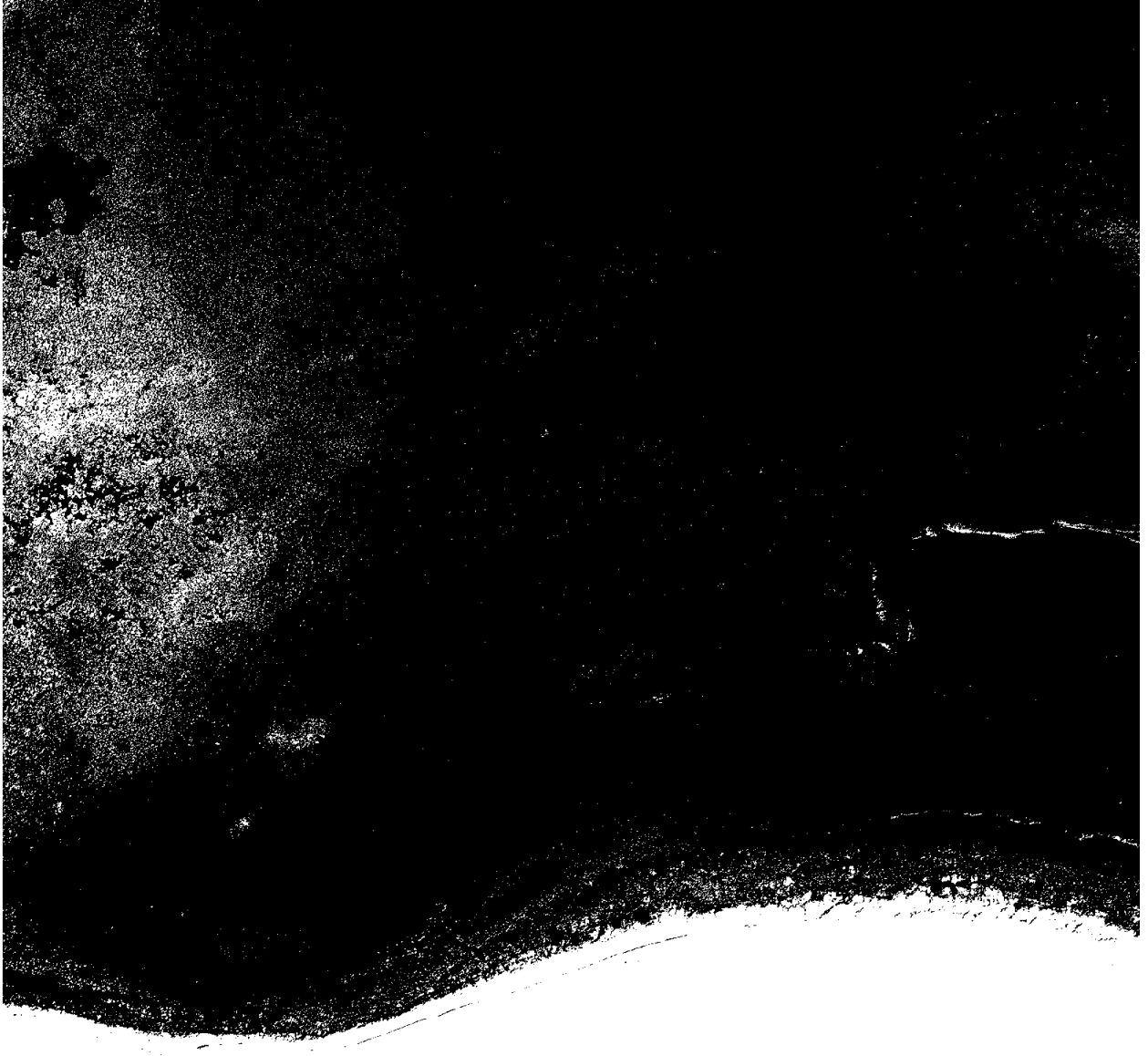
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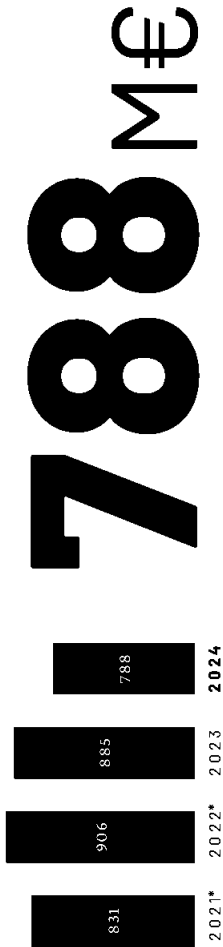


# 2024 IN BRIEF

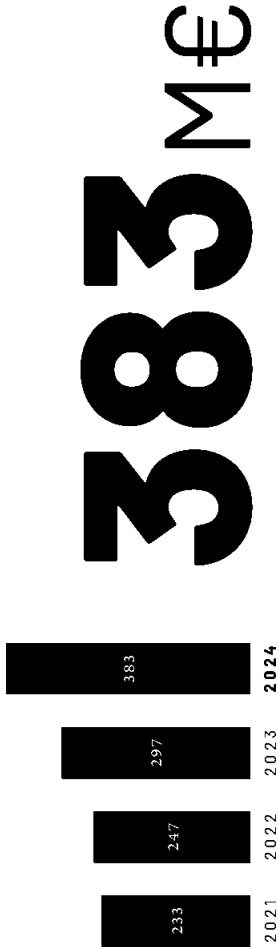


# KEY FIGURES

REVENUES MEUR

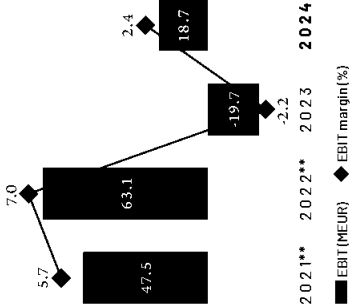


BUSINESS WINS MEUR, estimated annual sales



\* The revenues for 2021 and 2022 include sales of Powersports products to EBP.  
\*\* The operating results for 2022 and 2023 include the impact of the Powersports product sale to BPP. Additionally, the 2022 results reflect a EUR 4.2 million gain from the sale of the Powersports business to BPP.

EBIT, EBIT MARGIN

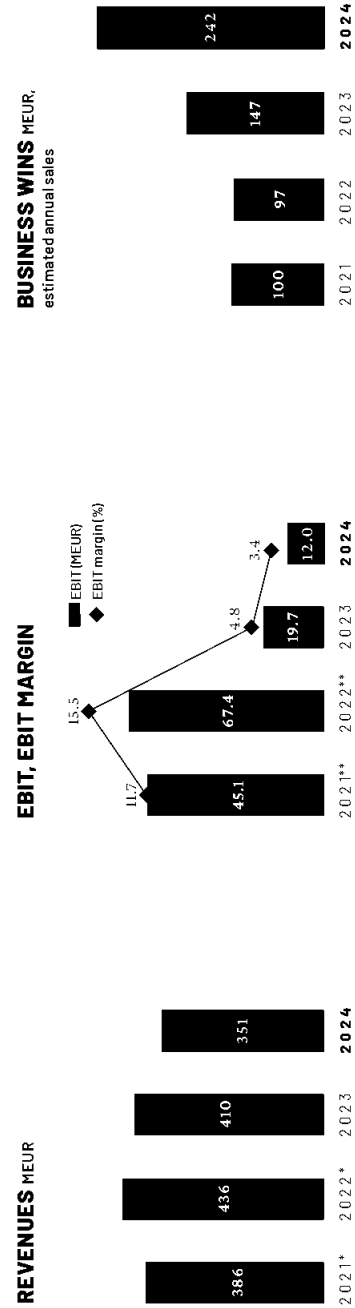


18.7 M€  
2.4%



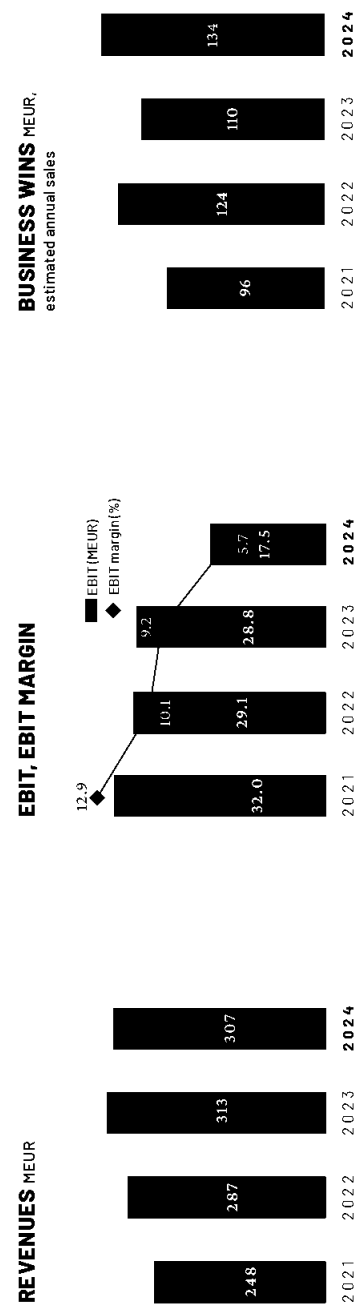
# KEY FIGURES BUSINESS SEGMENTS

## DRIVE CONTROL SYSTEMS



\* the revenues for 2021 and 2022 include sales of Powo sports products to BRE.  
\*\* the operating results for 2023 and 2024 include the impact of the Powo sports products sale to BRE. Additionally, the 2023 results reflect a EUR 4.1 million gain from the sale of the Powo sports business to BRE.

## FLOW CONTROL SYSTEMS



# DEAR KONGSBERG AUTOMOTIVE SHAREHOLDERS

Looking back at 2024, I am pleased to conclude that our financial performance improved despite a weak market. The operating result measured as reported EBIT improved, as did the EBIT margin. Return on capital employed improved to 5.8% versus -5.9% in 2023. In 2024, we successfully implemented cost adjustment programs, which offset lost contributions from declining volumes.

Free cash flow improved during the year versus 2023 and was positive in the fourth quarter. Full-year cash flow was still negative, and further improvements are required going forward.

2024 was a year of transformation. After the conclusion of the strategic review, the previous Board of Directors (BoD) and management decided that the Driveline business (excluding e-actuators) was not to be considered core business for Kongsberg Automotive (KA) going forward. We also decided to focus on strengthening the core business by reorganizing the business into the two areas of Flow Control Systems (FCS) and Drive Control Systems (DCS), a change which came into force on January 1, 2024. Among other things, this decision has enabled us to capture cost and competence synergies between the business units within DCS.

In spring 2024 the market demand in all three of our end customer markets – commercial vehicle, passenger car, and off-road – started to weaken due to high interest rates and general economic uncertainty. The decline intensified in the second half of the year, leading us to conclude that 2024 was a challenging year for the automotive and off-road markets.

To strengthen KA's competitiveness and navigate through the market uncertainties, we prioritized cost reductions and operational efficiency, implementing various adjustment programs which have lowered the cost base and improved efficiency. These initiatives led to an 11% reduction in total employees by year-end compared to 2023.

In 2024, the company analyzed product profitability and reviewed its manufacturing footprint. Late in the year, cross-functional initiatives were launched to enhance profitability and manufacturing footprint priorities were set.

On the positive side, 2024 was a year of exceptionally high business wins. Renewals and new incremental business awards amounted to above EUR 1.5 billion. KA is pleased to note the confidence top-tier customers have in the company as a business partner for the future. This also proves that KA's product offerings are well aligned with customers' evolving needs, a future built on four megatrends: electrification, automation, safety, and sustainability. This shows that improving market shares is possible even in a declining market.

## BUSINESS AREA DEVELOPMENT

Both of our business areas, FCS and DCS, introduced new products in 2024. The continued transition of the vehicle industry towards sustainable solutions gives growth opportunities for KA. The industry needs to be prepared for any powertrain solution, whether it is fully electric, hydrogen, hybrid, or – for now – an internal combustion engine (ICE).





Due to the high cost of the transition, the market-leading OEMs are in the process of moving towards modular systems. Base vehicles will be the same regardless of the brand within the respective group. This provides great growth opportunities as the volume will increase and KA has product systems that are modular and lend themselves to multi-platform delivery, one prime example being the Raufoss ABC™ System.

Driven by geopolitical factors and post-pandemic lessons, OEMs are prioritizing a robust regional supply chain, emphasizing the importance of local sourcing near their facilities. Sustainability and CO<sub>2</sub> footprint reduction are further driving this shift. With manufacturing capabilities across three continents, KA has secured business with market leaders, partly due to its strategic geographic presence.

Like the rest of the industry, FCS and DCS faced revenue declines due to market headwinds, with DCS being more affected. FCS was able to compensate for volume declines in the market with new incremental business wins, while weak demand in the off-road market, especially in North America, negatively impacted DCS.

Meanwhile, innovation continues to remain a core priority for KA. To stay ahead, both business areas will invest in research and development, by enhancing testing and simulation capabilities. FCS will focus on streamlining processes to improve cost efficiency and product development. DCS will prioritize product reliability enhancements and expand its engineering footprint in emerging markets.

OPERATIONAL EXCELLENCE

In late 2023, a cost reduction program was initiated that targeted overhead functions. A second program was launched in the second half of 2024, in response to the weak market demand and to further lower our cost base. The transfer of work from high- and medium-cost countries to best-cost countries continued during the year in order to benefit from salary arbitrage.

Significant direct material cost savings have been achieved. In manufacturing more than 300 improvement initiatives were implemented across all plants in 2024, helping to offset inflation, improve productivity, fulfill commitments to customer contracts, and enhance profitability. During the year more than 200 employees were trained in systematic tools and methods such as LEAN, Six Sigma and Value Engineering at our internal Operational Excellence Academy.

SUSTAINABILITY

KA's success is built on the dedication of our workforce. We are committed to fostering a safe and productive work environment, as safety is fundamental to operational excellence. Our safety initiatives have yielded positive results, with several plants reporting no workplace accidents for over a year.

KA is now subject to the Corporate Sustainability Reporting Directive (CSRD). As a result, our Annual Report integrates sustainability reporting, incorporating a revised double materiality analysis based on European Sustainability Reporting Standards (ESRS). More detail about our

sustainability achievements is provided in the integrated report. The following are some of the highlights of 2024:

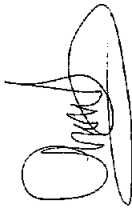
- > KA joined the United Nations Global Compact
- > KA improved its Ecovadis Sustainability Rating to a score of 60
- > 54% share of renewable resources in total energy consumption, compared to 47% in 2023
- > Approx. 14% reduction in Scope 1 and 2 combined CO<sub>2</sub>e emissions compared to 2023
- > 10 plants switched to 100% renewable electricity

OUTLOOK

2025 is expected to be challenging, with no significant market growth. The impact of new US tariffs on costs and demand remains uncertain. We anticipate stable revenues in the first half of 2025, with potential upside in the second half, along with improved EBIT margins through cost optimization.

My sincere thanks go to my colleagues at KA for their dedication and hard work during 2024. I would also like to thank our newly elected Board of Directors for their direct, and our customers, shareholders, and creditors for their faith in KA.

Sincerely,



Christian Johansson  
Interim President & CEO and CFO



# DRIVE CONTROL SYSTEMS HIGHLIGHTS

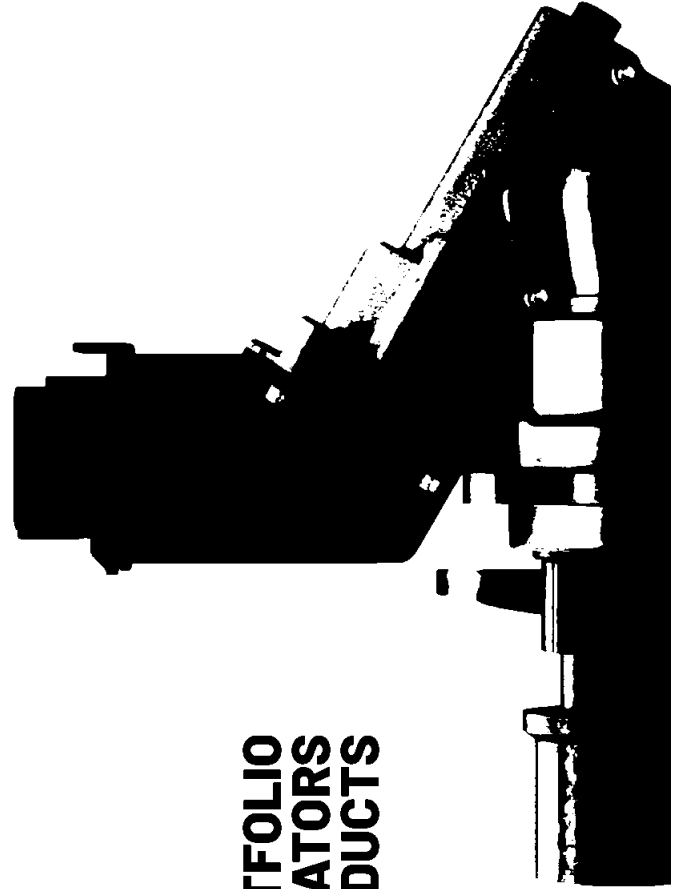
REVENUES

**351** M€

BUSINESS WINS estimated lifetime sales

**1045** M€

**EXPANDED PRODUCT PORTFOLIO  
OF ELECTRONIC ACTUATORS  
WITH FOUR NEW PRODUCTS**





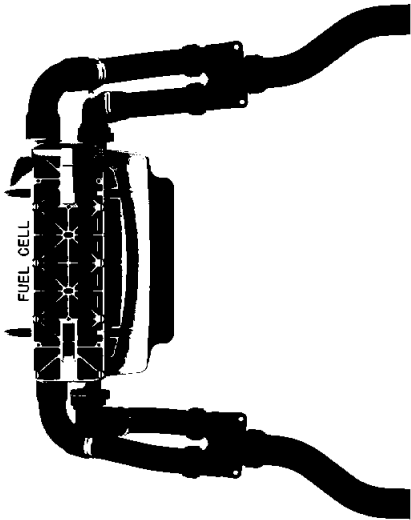
# FLOW CONTROL SYSTEMS HIGHLIGHTS

REVENUES

307€M

BUSINESS WINS estimated lifetime sales

451€M



DESIGNED AND SUPPLIED  
PROTOTYPE LINES  
FOR LARGE FUEL CELL  
ELECTRIC VEHICLE  
(FCEV) TRUCK PROJECT



INTRODUCED TWO  
NEW PRODUCT LINES  
FOR AIR COUPLINGS



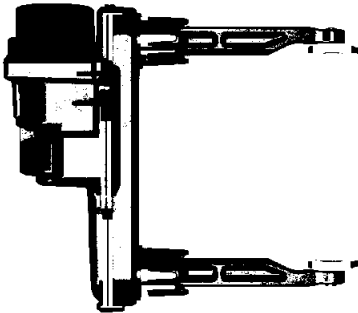
DELIVERED RECORD SALES  
FOR PTFE HOSES IN THE  
EUROPEAN MARKET



# PRODUCT HIGHLIGHTS



## DOG CLUTCH ACTUATOR



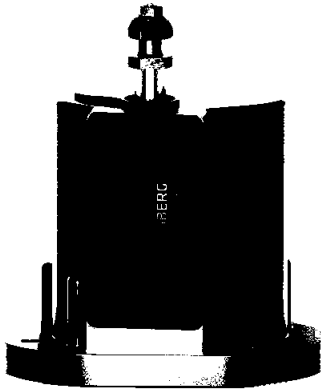
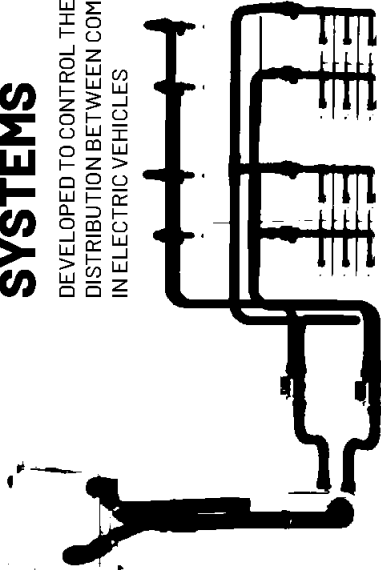
DESIGNED FOR GEAR-SHIFTING AND DE-COUPLING APPLICATIONS FOR MULTI-SPEED TRANSMISSIONS, FOR HYBRID, BATTERY ELECTRIC, AND FUEL CELL VEHICLE APPLICATIONS, RANGING FROM PASSENGER CARS TO HEAVY-DUTY COMMERCIAL VEHICLES

## ABC TWISTLOCK

ABC HOSE MODULE WITH TWISTLOCK IS DEVELOPED FOR AIR BRAKING SYSTEMS AND THE CONNECTION BETWEEN VALVES ON THE CHASSIS AND BRAKE CYLINDERS ON THE AXLES

## THERMAL MANAGEMENT SYSTEMS

DEVELOPED TO CONTROL THERMAL DISTRIBUTION BETWEEN COMPONENTS IN ELECTRIC VEHICLES



## ELECTRIC GEAR SHIFT ACTUATOR

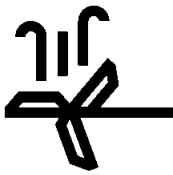
ACTUATOR FAMILY DEVELOPED TO ENGAGE AND DISENGAGE GEARS OF MULTI-SPEED TRANSMISSIONS, AS WELL AS OTHER DRIVE/TRACTION ELEMENTS



## SUSTAINABILITY HIGHLIGHTS



**JOINED THE  
UNITED NATIONS  
GLOBAL COMPACT**



**54%**

**SHARE OF RENEWABLE  
RESOURCES IN TOTAL  
ENERGY CONSUMPTION  
COMPARED TO 47% IN 2023**

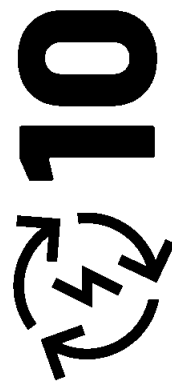


**14%**

**APPROX. REDUCTION  
IN SCOPE 1 AND 2  
COMBINED CO<sub>2</sub>e  
EMISSIONS  
COMPARED TO 2023**



**IMPROVED ECOVADIS  
SUSTAINABILITY  
RATING TO SCORE OF 60**  
TOP 14% OF COMPANIES IN KA'S INDUSTRY



**PLANTS USING  
100% RENEWABLE  
ELECTRICITY**



# BOARD OF DIRECTORS' LETTER





# BOARD OF DIRECTORS' LETTER

Kongsberg Automotive (KA) is focused on strengthening its market position and driving profitability through a leaner platform, innovation, and regaining positive cash flow from operations. The company aims to capitalize on growth in the commercial vehicle market and the shift toward sustainable mobility solutions, while navigating ongoing geopolitical and global economic challenges.

During the year under review, the company took active steps to adjust its cost base and improve cash generation. Both operating results and cash flow improved in 2024. Efforts to improve operational efficiency, profitability, and operating cash flow will continue in the years to come.

The company performed well in securing new incremental and renewed business awards despite weak market demand. This confirms that KA's product offerings are well aligned with customers' evolving needs, a future built on four megatrends: electrification, automation, safety, and sustainability.

The market outlook for the coming years indicates relatively unchanged demand in 2025 versus 2024, while demand is expected to improve from 2026 onwards. By maintaining a strong focus to ensure a lean platform and innovation, the company will be in a good position when market demand picks up.

In recent years, the pandemic, the war in Ukraine and other geopolitical tensions have been posing sub-

stantial challenges to the global economy. Geopolitical as well as economic uncertainty has lately increased, following political shifts and the recently announced tariff increases in North America. Navigating these uncertainties is a priority for KA in 2025.

As we enter 2025, the Board has appointed a new President & CEO, Trond Fiskum. Fiskum previously held roles at KA from 2005 to 2015 and will take up his position at KA's headquarters in Kongsberg, Norway, on March 31, 2025. Until then, CFO Christian Johansson serves as interim President and CEO while continuing in his role as CFO.

Fiskum succeeds Linda Nyquist-Evenrud. The Board thanks her for her hard work, strong dedication to KA, and the improvements achieved throughout her term.

The Board would like to thank all KA customers, employees, management, partners, and shareholders who continue to contribute to the growth of KA.



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# CORPORATE GOVERNANCE

The Board of Directors (BoD) of Kongsberg Automotive ASA (KA) has established a set of general principles and guidelines for corporate governance. These principles cover the Board of Directors' responsibility for determining the group's risk profile, approving the organization of the business, allocating responsibility and authority, as well as providing requirements with respect to reporting lines and information, risk management, and internal control.

The tasks and responsibilities of the Board of Directors and the CEO are laid out in separate directives covering the Board of Directors and the CEO, respectively.

The guidelines and KA's policy for investor relations aim to ensure that investors, lenders, and other stakeholders are provided with reliable, timely, and identical information. As an extension of the general principles and guidelines, a Code of Conduct has been adopted that applies to all group employees and elected officers. Uniform regulations for risk management, internal control, financial reporting, handling of insider information, and primary insiders' own trading activities have also been adopted.

KA complies with the latest version of the Norwegian Code of Practice for Corporate Governance of October 14, 2021. The group's compliance with the requirements of each of the 15 main principles of the Norwegian Code of Practice for Corporate Governance and the provisions of section 2–9 of the Norwegian Accounting Act is further detailed below. KA implemented its Diversity Policy in 2013, which aimed at ensuring equality for all regardless of gender, age, ethnicity, cultural background, disability, sexual orientation, and religion. With this policy

KA aims at having a diverse and representative workforce and management structure; where everyone is valued and respected for their skills, experience and views. This principle is also part of the company's Human Rights Policy of 2024 and Code of Conduct. The principle is fundamental for all decisions on recruitment, promotions and remuneration. Kongsberg Automotive ASA has obtained directors and officers insurance covering the CEO and the Board of Directors. This information is also available on the company's website. The parent company Kongsberg Automotive ASA is listed on the Oslo Stock Exchange (OSE) and the address of its registered office and headquarters is Dyrmyrgata 48, NO-3601 Kongsberg, Norway.

## PRINCIPLES OF CORPORATE GOVERNANCE 1. IMPLEMENTATION OF THE PRINCIPLES FOR CORPORATE GOVERNANCE

KA's Guidelines for Corporate Governance conform to the Norwegian Code of Practice for Corporate Governance of October 14, 2021, and the company's compliance with the 15 recommendations of the Code is explained in the following.

The Board of Directors has defined the company's core values which are reflected in the company's Code of Con-

|          |               |              |            |                          |                           |                      |                  |
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The Code of Conduct includes ethical guidelines and guidelines for corporate social responsibility, including a ban on bribery, corruption, and facilitation payments, the prohibition of unlawful discrimination, and the prohibition of forced and child labor. For details about policies for diversity and equal opportunities, please refer to the Board of Directors' Social Information section. Suppliers to the company are required to confirm their adherence to these principles by signing a particular certificate. The company has further clear policies on environmental issues and health and safety. The policies are available on the company's website.

## 2. DEFINITION OF KA'S BUSINESS

The objective of the group is defined in the Articles of Association for the company, Article 2:

*The company's objective is to engage in the engineering industry and other activities naturally related thereto, and the company shall emphasize development, marketing and manufacturing of products to the car industry. The company shall be managed in accordance with general business practice. The company may co-operate with, establish, and participate in other companies.*

Article 2 provides a clear description of the actual business of the company at present. Further, the Annual Report contains a description of the company's objectives and principal strategies. The Board of Directors evaluates the company's objectives, strategies, and risk profile every year to ensure that the company creates value for its shareholders in a sustainable manner and that financial, social, and environmental matters are considered.

### 3. EQUITY AND DIVIDENDS

The company shall have an equity capital which over a period of time is at an appropriate level for its objective,

strategy, and risk profile. The company's Dividends Policy of November 26, 2015, states the following:

Kongberg Automotive shall create good value for its shareholders, employees, and society. Returns to shareholders will be a combination of changes in share price and dividends. The Board of Directors' intention is that dividends will be approximately 30% of the company's net income, provided that the company has an efficient capital structure.

The share capital of KA currently amounts to NOK 951,423,131.00 with a nominal share value of NOK 1.00.

The General Meeting of May 30, 2024, granted a mandate to purchase up to 95,142,313 treasury shares.

The above mandate is time-limited and expires at the earlier of the next ordinary General Meeting or June 30, 2025.

#### 4. EQUAL TREATMENT OF SHAREHOLDERS AND TRANSACTIONS WITH RELATED PARTIES

KA has only one class of shares and all shareholders in KA enjoy equal rights. Transactions in own shares are carried out through the stock exchange or at prevailing stock exchange prices. Possible buybacks will be carried out at market prices.

There were no significant transactions in 2024 between the company and the company's shareholders, Board directors, members of the executive management, or parties closely associated with such parties and the company.

## 5. SHARES AND NEGOTIABILITY

The shares in KA are freely negotiable and there are no restrictions on the negotiability of the shares.

## 6. GENERAL MEETINGS

The notice to convene the General Meeting is published on the company's website ([www.kongsbergautomotive.com](http://www.kongsbergautomotive.com)) no later than 21 days prior to the meeting. Furthermore, the

notice is sent to all known shareholders on the same date. Supporting information, such as proposals for resolutions to be considered by the General Meeting and recommendations by the Nomination Committee, are enclosed with the notice and made available on the website at the same time. The supporting material is sufficiently detailed and comprehensive to allow all shareholders to form a view on all matters to be considered at the General Meeting. Documents that according to law shall be distributed to the shareholders may, according to the Articles of Association, be made available on the company's website. The company encourages all shareholders to consent to receiving the notice electronically through a third-party service VPS.

Shareholders who wish to attend the General Meeting shall, according to the Articles of Association, notify the company or its announced representative no later than two business days prior to the General Meeting.

The notice calling the General Meeting provides information on procedures that the shareholders must observe at the General Meeting, including the procedure for representation by proxy.

Shareholders who cannot attend the General Meeting may vote by proxy. Forms for the granting of proxies are enclosed with the summons to the General Meetings and are also available on the company's website. The form of proxy includes provisions that allow for instructions on the voting on each individual agenda item. The company will nominate a person who will be available to vote on behalf of the shareholders as their proxy.

Further to the amendment of the Articles of Association of the company in 2024, shareholders may also, alternatively, vote in advance of the General Meetings.

The Chair of the Board of Directors and the Chief Executive Officer will attend the General Meeting and to the extent possible, other members of the Board of Directors, members of the Nomination Committee, the auditor, and the Chief Financial Officer will also attend.



The General Meetings are usually opened by the Chair of the Board of Directors. A person that is independent of the Board of Directors, the management, and the major shareholders is proposed to be elected to chair the General Meeting. The shareholders are encouraged to propose candidates.

The General Meeting follows a procedure that allows the shareholders to vote on each individual matter, including on each individual candidate nominated for election. The company's website will further provide information regarding the right of the shareholders to propose matters to be considered by the General Meeting. The General Meeting is usually held as a virtual meeting to allow more shareholders to attend. The Articles of Association for the company do not prescribe any exception from chapter five of the Act on Public Limited Liability Companies.

7. NOMINATION COMMITTEE

It follows from the Articles of Association for the company § 5 that the company shall have a Nomination Committee consisting of three members elected by the General Meeting for three years at a time unless the General Meeting resolves otherwise.

The duties of the Nomination Committee are to propose candidates to the Board of Directors and to propose remuneration to the directors and members of the Board committees.

The members of the Nomination Committee elected at the Extraordinary General Meeting on December 20, 2024, are Arild Christoffersen, Endre Kolbjørnsen, and Tore Vik. All members of the Nomination Committee are independent of the Board directors and members of management and have no other functions in the company. The General Meeting has adopted an instruction for the Nomination Committee, which is available on the company's website. The Committee's nominations and recommendations are enclosed with the summons for the

General Meeting and are available on the company's website. The Nomination Committee stays in regular contact with major shareholders, Board directors, and management. The Nomination Committee's recommendation to the General Meeting includes reasons for its recommendation and relevant background information on the nominated candidates and current directors, and furthermore an assessment of how the candidates meet the company's needs for expertise, capacity, and diversity.

Information about the Nomination Committee and the deadlines for submitting proposals to the Nomination Committee is available on the company's website, where the shareholders are encouraged to propose candidates for directorships.

The remuneration to the Nomination Committee is determined by the General Meeting.

8. BOARD OF DIRECTORS, COMPOSITION, AND INDEPENDENCE

The Board of Directors shall, according to the Articles of Association of the company, consist of between three and nine members, of whom up to five members shall be elected by the General Meeting. The Board of Directors elects its Chair according to §6–1,2,2 of the Public Limited Liability Companies Act. The Board consists, at present, of the following directors elected by the General Meeting: Olav Vollidal (Chair), Bård Klungseth (Deputy Chair), Synnøve Gjønnes, Brian Kristoffersen, and Junyang (Jenny) Shao. The following directors have been elected by the employees: Siw Reidun Wærås, Bjørn Ivan Ødegård, and Knut Magne Alfsvåg. All Board directors elected by the General Meeting are elected for periods of one year and are eligible for re-election. All Board elections are based on a simple majority vote. The Board directors are independent of executive management and material business contacts of the company. All Board directors elected by the General Meeting are independent of the main shareholders.

Participation in Board meetings and Board committees in 2024 was as follows:

|                                   | BOARD MEETINGS | COMPENSATION COMMITTEE | AUDIT COMMITTEE |
|-----------------------------------|----------------|------------------------|-----------------|
| OLAV VOLLIDAL <sup>1)</sup>       | 1              |                        |                 |
| BÅRD KLUNGSETH <sup>1)</sup>      | 1              |                        |                 |
| SYNNØVE GJØNNES <sup>1)</sup>     | 1              |                        |                 |
| PETER THOSTRUP <sup>2)</sup>      | 17             | 5                      | 5               |
| JUNYANG SHAO                      | 18             |                        | 5               |
| BRIAN KRISTOFFERSEN               | 18             | 5                      |                 |
| ERIK VOLDEN <sup>3)</sup>         | 17             | 5                      |                 |
| EMESE WEISSENBACHER <sup>3)</sup> | 6              |                        | 1               |
| CHRISTINA HALLJUN <sup>4)</sup>   | 5              |                        | 3               |
| SIW REIDUN WÆRÅS                  | 18             |                        |                 |
| KNUT MAGNE ALFSVÅG                | 17             |                        |                 |
| BJØRN IVAN ØDEGÅRD                | 18             |                        | 4               |

1) Elected at Extraordinary General Meeting on December 20, 2024  
2) Tenure until Extraordinary General Meeting on December 20, 2024  
3) Tenure until Annual General Meeting on May 30, 2024  
4) Elected at the Annual General Meeting on May 30, 2024, tenure until Extraordinary General Meeting on December 20, 2024

Information about the shareholdings of the Board directors is included in the Annual Report and is also available on the company's website.

9. WORK OF THE BOARD OF DIRECTORS

The Board of Directors holds the ultimate responsibility for managing the group and for monitoring day-to-day management and the group's business activities. The Board of Directors is also responsible for establishing control systems for the group. The Board's responsibilities also include developing and adopting the company's strategies.

The Board of Directors has issued Rules of Procedure for the Board as well as instructions for the Chief Executive Officer of the company with the aim of establishing a clear internal allocation of responsibilities and duties.



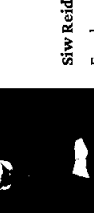
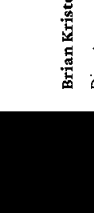
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|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| The Rules of Procedure include regulations pertaining to agreements with closely related parties. The Rules of Procedure are available on the company's website. The Board schedules at least six Board meetings per year. Additional Board meetings are held when deemed necessary.                                                                                                                                  |               |              | approved by the Audit Committee. The manager of Internal Audit reports to the CFO. The Audit Committee is kept informed of the current status of internal audits and also approves the audit plan.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                          |                           | ing. The Board directors hold no function in the company other than the directorships of the Board and memberships of committees to the Board. The Board directors are not entitled to performance-related compensation and are not granted or entitled to any share options.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                  |
| The Board hires the CEO, defines the work instructions, and decides on the CEO's remuneration. The Board of Directors has appointed a Compensation Committee and an Audit Committee. The members of said committees are independent of executive management. The authority of the committees is to make recommendations to the Board.                                                                                 |               |              | <b>10.2 FINANCIAL REPORTING</b><br>KA publishes its quarterly financial statements in addition to the annual report. Internal reports are produced monthly and quarterly, in which the performance of each business area and product segment is analyzed and evaluated against forecasts. KA's consolidated financial statements are prepared by the group accounting team, which reports to the group CFO.                                                                                                                                                                                                                                                                                                                        |                          |                           | <b>12. REMUNERATION TO THE EXECUTIVE MANAGEMENT</b><br>The Board of Directors has established guidelines relating to remuneration to executive management which are presented to the Annual General Meeting for consideration. The guidelines are available to shareholders and are included in the appendices to the notice for the Annual General Meeting. The remuneration to executive management is reviewed annually by the Compensation Committee and the Board. Each year, the Board prepares a report on the compensation and benefits provided to senior personnel in accordance with the Act on Public Limited Liability Companies, section 6–16b. Information about the remuneration paid to the executive management of the company is included in the notes to the annual accounts. Performance-related remuneration, such as bonuses and share option programs, are based on the company's financial results and are subject to absolute limits. |                  |
| The Board of Directors evaluates its performance and expertise annually by means of self-assessment. This assessment is usually conducted using questionnaires which are completed by each director, followed by a common review. A self-assessment was scheduled for late autumn 2024 but called off due to the demand at the Extraordinary General Meeting (December 20, 2024) for the election of Board directors. |               |              | <b>10. RISK MANAGEMENT, INTERNAL CONTROL, AND FINANCIAL REPORTING</b><br><b>10.1 RISK MANAGEMENT AND INTERNAL CONTROL</b><br>Risk assessment is a management responsibility. Its objective is to identify, evaluate, and manage risks that could reduce an individual unit's ability to achieve its goals. The assessment and handling of risk are integrated into the group's value-based management system. The management system is intended to ensure that there is a correlation between objectives and actions at all levels of the group and the general principle of value creation for KA's stakeholders.<br>The group has a separate, independent Internal Audit unit, which follows an annual internal auditing program |                          |                           | <b>13. INFORMATION AND COMMUNICATION</b><br>The Board of Directors has established guidelines for the company's reporting of financial and other information based on openness and compliance with the requirement for equal treatment of all participants in the securities markets. A financial calendar for the company is available on the company's website.<br>All information distributed to shareholders is made available simultaneously on the company's website.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                  |



| Contents                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 2024 in Brief                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | BoD's Letter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Governance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Business and Performance | Sustainability Statements | Financial Statements | Auditor's Report |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------------------------|----------------------|------------------|
| <div><div>14. TAKEOVERS</div><div>The Board of Directors has established guiding principles for how it will act in the event of a takeover bid. These are compliant with Article 14 of the Code of Practice. The main elements of these principles are included in the Rules of Procedure for the Board of Directors and are available on the company's website.</div><div>There are no defense mechanisms in the Articles of Association for the company or any underlying documents, nor are there any measures implemented to limit opportunities to acquire shares in the company.</div><div>If an offer is made for the company's shares, the company's Board of Directors shall issue a statement evaluating the offer and making a recommendation as to whether shareholders should or should not accept the offer. The Board shall consider whether to arrange a valuation by an independent expert.</div><div>The Board of Directors shall not seek to hinder or obstruct takeover bids for the company's activities or shares unless there are particular reasons for this.</div></div> | <div><div>15. AUDITOR</div><div>The auditor presents the main elements of the plan for the auditing of the company to the Audit Committee on an annual basis. The auditor participates in all Audit Committee meetings and the Board meeting where the annual financial statements are approved. The auditor further meets with the Board without the management of the company present at least once a year. The auditor reviews the internal controls of the company and presents the results of its review to the Audit Committee together with any weaknesses identified and proposals for improvements. The company has established guidelines for the auditor's and associated persons' non-auditing work. The compensation to the auditor is disclosed in a note to the annual accounts hereto and is also reported and approved by the Annual General Meeting.</div></div> | <div><div>GOING CONCERN</div><div>In accordance with section 2–2 of the Norwegian Accounting Act, the Board hereby confirms that the consolidated financial statements and the financial statements of the parent company have been prepared on a going concern basis, and that there are reasonable grounds to assume that the company is a going concern.</div><div><div>SUBSEQUENT EVENTS</div><div>No significant subsequent events have been identified.</div></div><div><div>OPERATIONAL RISK</div><div>KA supplies products that are safety-critical. Suppliers in the automotive industry face the possibility of substantial financial liability for warranty claims relating to potential product or delivery failures. This liability represents a potential risk. Working methods and validation procedures implemented by the company are designed to minimize this risk. KA is normally contracted as a supplier with a long-term commitment. This commitment is usually based on a vehicle platform for which volumes are estimated and not guaranteed. Even if present commitments are cost-reimbursable, they can be adversely affected by many factors and short-term variances, including shortages of materials, components, equipment, and labor, inflation, political risk, customer default, industrial disputes, accidents, environmental pollution, the prices of raw materials, the implementation of new tariffs, and other unforeseen problems, changes in circumstances that may lead to cancellations, and other risk factors beyond the control of the group.</div></div><div><div>RISK MANAGEMENT</div><div>Responsibility for the group's financial risk management is mostly centralized, and risk exposure is continuously monitored. The group has identified a specific risk catalog in line with ISO 31000 and has classified all risks accord-</div></div></div> | <div><div>ing to their potential impact. The group constantly evaluates its financial, infrastructure, marketplace, and reputational risks, and has developed procedures and strategies to mitigate all risks classified as "high." For more information regarding risk management, see note 23.</div><div></div><div></div></div> |                          |                           |                      |                  |



# BOARD OF DIRECTORS

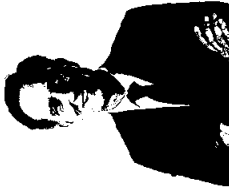
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|-------------------------------------------------------------------------------------|------------------------------------------------------|----------------------|-------------------------------|-----------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|    | <b>Brian Kristoffersen</b><br>Director               | <b>Elected:</b> 2023 | <b>Nationality:</b> Danish    | <b>Current positions:</b><br>CEO, BK Company Group<br>Investor and holder of various positions at different companies | <b>Education:</b><br>MBA from Henley University in London (1999-2004)<br>Merkonom in sales and marketing (1992-1994)                                                                                                                                                                                                          | <b>Experience:</b><br>CEO and owner of BK Invest Company Ltd (2023-present)<br>CEO and owner of BK Company ApS (2011-present)<br>CEO and co-owner of B.K. Company ApS (2012-present)<br>CEO and co-owner of S-13 Vedbæk ApS (2011-present)<br>CEO and owner SpH BK (2003-2024)<br>CEO and co-owner of Rosenunde ApS (2011-2012), acquired by a Swedish listed company<br>CEO Circle Europe A/S (1998-2011)<br>CEO A/S Deres Design (1998-2011) | <b>Experience in sustainability issues:</b><br>Implementing activities that consciously aimed at minimizing impact on the environment in close collaboration with our suppliers (manufacturing and supply chain)<br>Activities involve making choices that reduce waste, conserve resources, and support ethical practices. At the same time, the focus was to improve the social and economic balance | <b>Other experience:</b><br>Member of the Board at several companies, including in Circle Europe A/S, A/S Deres Design, Everyday Luxury Frelang A/S, and various entities within the Rosenunde group<br>Local council member at Sydbank A/S (2012-2022)<br>Member of the Board of Directors of BK Company ApS<br>Number of shares as of December 31, 2024: 12.601.486 |
|                                                                                     |                                                      | <b>Elected:</b> 2021 | <b>Nationality:</b> Norwegian | <b>Current positions:</b><br>Quality & HSE Manager, Flow Control Systems (Couplings) at Raufoss, Norway               | <b>Education:</b><br>> Technical education in computer programming at Fagskolen Inlander in Norway                                                                                                                                                                                                                            | <b>Experience:</b><br>> QA & HSE Manager at Kongberg Automotive (2019-present)<br>> Senior QA Engineer at Kongberg Automotive (2018-2019)<br>> Purchase and QA Manager at Ring Mekanikk (2015-2017)<br>> Quality Engineer at Kongberg Automotive (2012-2015)<br>> Experience in the automotive industry since 1994, and within Quality and HSE since 1997                                                                                      | <b>Experience in sustainability issues:</b><br>> Responsible for the implementation of ISO 14001 (Environmental Management Systems) since 2005<br>> Responsible for the implementation of ISO 45001 (Occupational Health and Safety) since 2021                                                                                                                                                        | <b>Number of shares as of December 31, 2024:</b> 7,500                                                                                                                                                                                                                                                                                                                |
|   | <b>Siw Reidun Wærås</b><br>Employee representative   | <b>Elected:</b> 2021 | <b>Nationality:</b> Norwegian | <b>Current positions:</b><br>AM Warranty Tester                                                                       | <b>Education:</b><br>> Certificate car mechanic light vehicle<br>> AM Warranty Tester (2007-present)                                                                                                                                                                                                                          | <b>Other experience:</b><br>> Function tester MTM<br>> Prototype builder<br>> CNC operator<br>> Car painter                                                                                                                                                                                                                                                                                                                                    | <b>Number of shares as of December 31, 2024:</b> 0                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                       |
|                                                                                     |                                                      | <b>Elected:</b> 2017 | <b>Nationality:</b> Norwegian | <b>Current positions:</b><br>Industrial Mechanic, Flow Control Systems (Couplings) at Raufoss, Norway                 | <b>Education:</b><br>> Completed further education at Fagsholten Inlander, focusing on three key modules: Internet of Things and Big Data, Flexible Digitalized Production, and Industrial Intelligence (2021-2022)<br>> High school in electro and mechanics, Norway. Trade certificate as an industrial mechanic since 2001 | <b>Experience:</b><br>> Apprentice at Raufoss ASA (automotive and defense industry) (1999-2001)<br>> Industrial mechanic at Streeter (2002-2005)<br>> Industrial mechanic at Kongberg Automotive, Raufoss (2005-present)                                                                                                                                                                                                                       | <b>Number of shares as of December 31, 2024:</b> 1,972                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                       |
|  | <b>Bjørn Ivan Ødegård</b><br>Employee representative | <b>Elected:</b> 2021 | <b>Nationality:</b> Norwegian | <b>Current positions:</b><br>AM Warranty Tester                                                                       | <b>Education:</b><br>> Certificate car mechanic light vehicle<br>> AM Warranty Tester (2007-present)                                                                                                                                                                                                                          | <b>Other experience:</b><br>> Function tester MTM<br>> Prototype builder<br>> CNC operator<br>> Car painter                                                                                                                                                                                                                                                                                                                                    | <b>Number of shares as of December 31, 2024:</b> 0                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                       |
|                                                                                     |                                                      | <b>Elected:</b> 2017 | <b>Nationality:</b> Norwegian | <b>Current positions:</b><br>Industrial Mechanic, Flow Control Systems (Couplings) at Raufoss, Norway                 | <b>Education:</b><br>> Completed further education at Fagsholten Inlander, focusing on three key modules: Internet of Things and Big Data, Flexible Digitalized Production, and Industrial Intelligence (2021-2022)<br>> High school in electro and mechanics, Norway. Trade certificate as an industrial mechanic since 2001 | <b>Experience:</b><br>> Apprentice at Raufoss ASA (automotive and defense industry) (1999-2001)<br>> Industrial mechanic at Streeter (2002-2005)<br>> Industrial mechanic at Kongberg Automotive, Raufoss (2005-present)                                                                                                                                                                                                                       | <b>Number of shares as of December 31, 2024:</b> 1,972                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                       |
|  | <b>Knut Magne Alfsvåg</b><br>Employee representative | <b>Elected:</b> 2021 | <b>Nationality:</b> Norwegian | <b>Current positions:</b><br>AM Warranty Tester                                                                       | <b>Education:</b><br>> Certificate car mechanic light vehicle<br>> AM Warranty Tester (2007-present)                                                                                                                                                                                                                          | <b>Other experience:</b><br>> Function tester MTM<br>> Prototype builder<br>> CNC operator<br>> Car painter                                                                                                                                                                                                                                                                                                                                    | <b>Number of shares as of December 31, 2024:</b> 0                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                       |
|                                                                                     |                                                      | <b>Elected:</b> 2017 | <b>Nationality:</b> Norwegian | <b>Current positions:</b><br>Industrial Mechanic, Flow Control Systems (Couplings) at Raufoss, Norway                 | <b>Education:</b><br>> Completed further education at Fagsholten Inlander, focusing on three key modules: Internet of Things and Big Data, Flexible Digitalized Production, and Industrial Intelligence (2021-2022)<br>> High school in electro and mechanics, Norway. Trade certificate as an industrial mechanic since 2001 | <b>Experience:</b><br>> Apprentice at Raufoss ASA (automotive and defense industry) (1999-2001)<br>> Industrial mechanic at Streeter (2002-2005)<br>> Industrial mechanic at Kongberg Automotive, Raufoss (2005-present)                                                                                                                                                                                                                       | <b>Number of shares as of December 31, 2024:</b> 1,972                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                       |



# EXECUTIVE MANAGEMENT



**Christian Johansson**  
Interim President  
& Chief Executive Officer  
and Chief Financial Officer



**Christian Amsel**  
Chief Technology Officer  
*Until May 31, 2025*



**David Redfearn**  
Chief Sales Officer



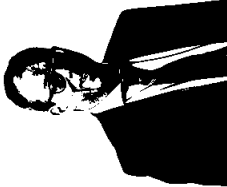
**Oscar Jaeger**  
Chief Human Resources Officer  
and Executive Vice President,  
People & Culture



**Robert Pigg**  
Executive Vice President  
Drive Control Systems



**Eduardo Pamies**  
Executive Vice President  
Flow Control Systems



**Jon Munthe**  
General Counsel



**Dzeki Mackinowski**  
Executive Vice President  
Purchasing



**Henrik Ruud**  
Executive Vice President  
Information Systems & Technology



RISKS

FINANCIAL RISKS

Due to its capital structure and the nature of its operations, the group is exposed to the following financial risks: market risk (including foreign exchange rate risk, raw material price risk, and interest rate risk), credit risk as well as liquidity and capital management risk.

FOREIGN EXCHANGE RATE RISK

The group operates in many different geographical markets and the resulting net assets, earnings, and cash flows are influenced by multiple currencies. Kongsberg Automotive (KA) is exposed to foreign exchange rate risk in transaction and translation exposures. Transaction exposures include commercial transactions and financing transactions, both internally and externally. Translation exposures relate to net investments in foreign entities which are then converted to EUR in the consolidated financial statements. This concerns European operations in non-Euro-area countries, where costs are in local currencies and revenues primarily in EUR, as well as Mexican operations, where both costs and revenues are primarily in USD. The group seeks to align its revenue and cost base to reduce the currency exposure on a net-cash-flow basis.

The group has its ultimate parent company and operations with functional currency Norwegian krone (NOK) in Norway, as well as certain investments in foreign operations with functional currencies other than EUR, which has resulted in foreign currency translation risk towards the presentation currency EUR. Furthermore, EUR-denominated financial instruments like intercompany loans and the new EUR bond held by the ultimate parent have led to significant FX losses when the NOK weakened. In line with the relocation of the operational headquarters back

to Norway, the functional currency of the ultimate parent Kongsberg Automotive ASA and its holding subsidiary was changed to EUR, which will eliminate FX gains or losses on the EUR-denominated financial instruments as well as the translation risk related to Norwegian holding operations.

INTEREST RISK

KA successfully refinanced its main outstanding financial debt in June 2024 using the Norwegian bond market. At the time of refinancing, KA launched a EUR 110 million bond with a maturity of June 2028. The bond can be drawn down up to a maximum of EUR 50 million at any one time, with an aggregate maximum of EUR 160 million. Furthermore, the group concluded a super senior revolving credit facility (SSRCF) with Danske Bank for an amount of EUR 15 million, maturing six months earlier than the bond.

As both instruments are based on floating rates, KA is well-positioned to benefit from the current interest rate environment with declining rates.

Internally, KA has defined certain interest rate levels, at which interest rate swaps will be concluded to lock in lower interest rates for the remaining maturity of the outstanding bond.

In the fourth quarter of 2024, two interest rate swaps with a total volume of EUR 30 million were con-

cluded. Further transactions will be evaluated once the predefined interest rate levels have been reached.

In addition, KA uses an accounts receivable securitization (ARS) facility provided by NORD/LB with a maximum amount of EUR 25 million for certain receivables in the US and Poland. The funding costs are based on the actual usage and are floating-rate-based.

CREDIT RISK

Credit risk arises primarily from customer trade receivables and financial institutions and is managed at both the group and entity levels. Overdue receivables are monitored weekly, and historical losses have been minimal. While no material increase in credit risk is expected based on forward-looking assessments (see note 17 of the consolidated financial statements), the automotive industry's structure presents some concentration risk. However, the group considers that this risk is limited, as it maintains a diversified customer base, including two individual customers contributing more than 10% of total revenue, as well as solvent OEMs and Tier 1 suppliers.

LIQUIDITY AND CAPITAL RISK

The group's capital consists of shareholders' equity, long-term borrowings, and third-party financing. Total capi-



tal is defined as total equity plus net debt and is managed to safeguard the business as a going concern, to maximize returns for its owners, and to maintain an optimal capital structure to minimize the weighted average cost of capital. All activities around cash funding, borrowing, and financial instruments are centralized within the Kongsberg Automotive Treasury department. The development of net interest-bearing debt and liquidity reserves is closely monitored.

RATING RISK

The group is subject to non-public solvency ratings by external business partners and institutions, and to public ratings by the rating agency Moody's.

PENSION LIABILITY RISKS

The evaluation of the group's pension liabilities is subject to changes in actuarial assumptions, such as discount rates and local pension evaluation guidelines.

REGULATORY AND TAX RISKS

The group is subject to a wide variety of laws, tax regulations, and government and supranational policies, which may change in significant ways. There can be no assurance that laws, tax regulations, and policies or their practical application by authorities will not be altered in ways that will require the group to modify its business models and objectives or affect returns on investment. For regulatory and tax risks, the group consults professional advisors and implements the recommended actions. For further risk analysis, see note 23 to the financial statements.

OTHER RISKS

CLIMATE-RELATED RISKS

Climate-related risks are mainly linked to the potential disruption of supply chains by extreme weather, increased costs of energy and supplies, and increased carbon costs imposed by local and global institutions. For more information in this regard and insights into climate change risks and opportunities, please refer to the Sustainability section in this report.

POLITICAL RISKS

Political instability in countries relevant to KA's supply chain, production facilities, and product destinations may cause or intensify operational, product supply availability, and free trade risks. In 2024, persisting geopolitical tensions, including the war in Ukraine, conflicts in the Middle East, and the results of numerous national elections, led to further economic uncertainties in the world markets. In February 2025, the United States implemented tariffs on imports from certain countries relevant to KA's operation which have also contributed to uncertainties in markets around the world. KA continues to very carefully monitor geopolitical situations and developments and is in close contact with industry partners to remain responsive and implement adequate measures to mitigate potential risks.

HEALTH AND SAFETY RISKS

KA facilities have aligned their safety management systems to ISO 45001 standards. KA has developed key

performance indicators to track and drive continuous improvement in safety and introduced safety engagement measures, policies, and contingency plans to protect all KA employees as well as visitors to KA facilities.

STRATEGIC RISKS

As a supplier of advanced technology to the automotive and industrial markets, KA is exposed to competitive efforts of both established and new market players to gain market share at KA's expense. KA actively mitigates this risk by implementing new product development initiatives and fostering customer relationships to remain a supplier of choice for its customers. KA is also exposed to potential strategic M&A activities by its suppliers, customers, or competitors that may negatively impact KA's market position. KA constantly observes and monitors its business environment for possible M&A events in the market environment and has developed response strategies for different scenarios.

RISKS RELATED TO PRODUCT DEVELOPMENT

Product development and product improvement activities are associated with a range of risks. These risks include delays in time-to-market, deviations from product specification and quality requirements, deviations from development budgets, and potential infringements of third-party intellectual property rights. KA manages these risks



| Contents                                                                                                                                                                                                                                  | 2024 in Brief                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | BoD's Letter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Governance                                                                                                                                                                                             | Business and Performance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Sustainability Statements                                                                                                                                                                                                                                                                                                                                                    | Financial Statements                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Auditor's Report                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       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| <p>with dedicated teams of highly qualified engineers, technicians, and other product development staff, in addition to IP counsels, well-equipped modern development facilities as well as test laboratories and dedicated controls.</p> | <p><b>RISKS ASSOCIATED WITH PURCHASING AND SUPPLY CHAINS</b><br/>Risks in the procurement process include the risk of supplier insolvencies, quality defects, new non-tariff trade barriers and market fluctuations in the price and availability of some raw materials. Manufacturing and supply arrangements may be lost or disrupted because of issues such as labor disputes, the inability to procure sufficient raw or input materials, natural disasters, disease outbreaks, or other external factors over which the company has no control. Sudden changes in market conditions could impact the group's financial position, revenues, profits, and cash flow. Raw material sourcing costs are also subject to customs and duties. To mitigate these risks and ensure sustainability, KA applied a variety of countermeasures, ranging from commercial negotiations with suppliers and customers to implementing financial instruments to achieve a fair share of cost burden and risk, while measuring supplier performance KPIs constantly. The current difficulties and disruptions in global supply chains will continue into 2025, posing new challenges, which will impact the company's operations.</p> | <p><b>PRODUCTION-RELATED RISKS</b><br/>Bottlenecks and delays can occur in manufacturing processes due to insufficient production resources. These can relate to materials, utilities, manpower, or equipment used in the production process, but are increasingly driven by highly fluctuating customer demand due to supply chain instability. KA manages these risks by means of a comprehensive and risk-avoiding production material resources replenishment (MRP) planning process, by hiring and training sufficient and skilled production staff,</p> | <p>by maintaining its production equipment in good order using operational excellence methods, and by continuously reviewing its production footprint and supply chain set up to reduce lead time.</p> | <p><b>PROJECT MANAGEMENT-RELATED RISKS</b><br/>The launch of new products requires comprehensive and long-term planning as well as customer project management. Project management represents an important coordination role at the intersection of different business functions: Sales, product development, purchasing, production equipment suppliers, plant operations, quality, and finances. There are risks related to poor communication, selecting incorrect manufacturing equipment, missing project timelines, and cost budgets. Historically, some of these risks did occur in certain projects. To lessen these risks going forward, KA relies on effective project management and intensive management supervision.</p> | <p>ket abuse, bribery, money laundering, trade sanctions, and data protection as well as privacy. KA will be subject to risks arising from alleged, or actual, violations of any of the foregoing, and could also be subject to risks arising from potential employee misconduct, including non-compliance with internal policies and procedures as well as malfeasance.</p> | <p><b>CYBERCRIME RISK</b><br/>The group uses various digital technologies for communication and process management. Like other multinational companies, KA is facing active cyber threats which pose risks to the security of its processes, systems, and networks as well as the confidentiality, availability, and integrity of data. There is a risk that confidential information may be stolen or that the integrity of its portfolio may be compromised, for example through attacks on KA's networks, social engineering, data manipulation in critical applications, or a loss of critical resources, resulting in financial damages. The cyber security measures KA implemented cover the whole group's information systems and technologies (IS&amp;T), ranging from managerial systems and applications to KA's operational environment such as manufacturing and research and development (R&amp;D). In addition, KA mitigates these risks by employing several measures including employee training, comprehensive monitoring of its networks and systems, external services to examine and benchmark its cyber security standards, and maintenance of backup and protective systems such as firewalls and virus scanners.</p> | <p><b>LEGAL PROCEEDINGS</b><br/>In the ordinary course of business, KA is involved in lawsuits, arbitrations, and other formal or informal dispute resolution procedures, including the matters described in the Contingent Liabilities section. Reserves have been established for these and other legal matters as appropriate, in line with IFRS® guidelines. However, estimating the legal reserves required for possible losses involves significant judgment and may not reflect the full range of uncertainties and unpredictable outcomes inherent in litigation. Consequently, actual losses arising from particular matters may exceed current estimates and adversely affect the results of operations. KA may also be involved in investigations and regulatory proceedings, which could result in adverse judgments, settlements, fines, and other outcomes. The areas of increased focus of investigations and proceedings are compliance with broader business conduct rules, including those in respect of mar-</p> |
|                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            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# BUSINESS AND PERFORMANCE



STRATEGY

BUSINESS MODEL

Kongsberg Automotive (KA) provides cutting-edge technology to the global vehicle industry. KA's vision is to “drive the global transition to sustainable mobility” by putting engineering, sustainability, and innovation into practice. Its product portfolio includes drive and motion control systems, fluid and thermal management systems, air management systems, and industrial driver interface products.

ORGANIZATIONS

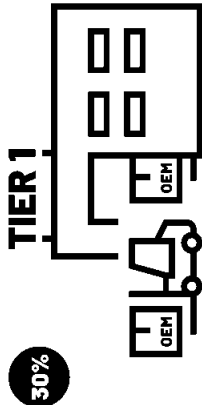
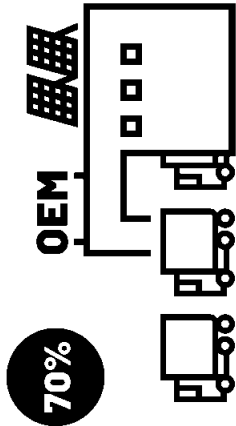
DRIVE CONTROL SYSTEMS (DCS)



CHANNELS

Over 70% of KA's global sales are direct to OEM vehicle builders, the remainder are through Tier 1 suppliers, distributors, and industrial OEMs for KA's PTFE assembly portfolio. KA's customer list is made up of over 40 OEM brands for whom KA is an important supplier and development partner.



CUSTOMER RELATIONSHIPS

KA focuses on establishing and nurturing long-term, strategic partnerships for automotive and non-automotive customers. KA's customer relationships are focused around understanding the specific customer's needs, collaboration, innovation, and the highest levels of service.

PERSONALIZED SERVICE AND SUPPORT:

Offering tailored engineered solutions and dedicated support to meet the unique needs of each customer, fostering trust and long-lasting relationships. KA offers engineering and sales support in each major automotive market.

CO-DEVELOPMENT AND INNOVATION:

Working closely with customers during the product development phase to create customized solutions that enhance vehicle performance, safety, driver comfort, and overall value, enabling our customers to meet current and future vehicle legislations around the world.

LONG-TERM CONTRACTS AND PARTNERSHIPS:

Securing long-term agreements with automotive manufacturers ensures stability and continuity in business relationships, enabling phased and direct investment. These collaborations drive innovation through joint R&D projects, resulting in advanced automotive technologies and strengthening KA's competitive market position.

CUSTOMER-CENTRIC APPROACH:

Continuously engaging with customers to understand their evolving needs enables KA to offer unique solutions and maintain competitive advantage. This

approach enhances both product and service quality while driving innovation through customer insight integration in the development process. Through personalized experiences and proactive engagement, KA strengthens its market position, builds long-term customer trust, and identifies emerging trends to stay ahead of the competition.

To further increase competitiveness, KA focuses on achieving the lowest total cost for function and improving agility. The company aims to enhance service levels and become a co-developer of systems to support customers' increasingly demanding innovation process and embrace a global mindset while acting locally. Continuous improvements are driven through the continuous improvement process (CIP), Value Analysis/Value Engineering (VAVE), and KA's Performance Excellence Tool (PET).

SUSTAINABILITY AND QUALITY COMMITMENT:

KA's ambition is to make a meaningful contribution to society's efforts to tackle climate change and support environmental protection. The company works to reduce carbon emissions and environmental impact from both operations and products, helping customers achieve their sustainable production goals. More information on KA's sustainability achievements can be found in the Sustainability section in this report.

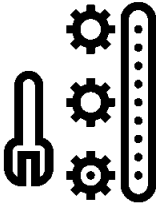
REVENUE STREAMS

The company generates revenue primarily through the design, manufacturing, and sale of products to customers.



DESIGN AND R&D

The design phase involves creating engineering solutions and providing services such as simulations, drawings, and validations. KA is, to a certain extent, compensated separately for these services by customers. In some cases, local governments also offer R&D subsidies.



MANUFACTURING

During manufacturing, KA converts raw materials into components. These components, along with other purchased parts, are then assembled into final products or submodules.



SALES

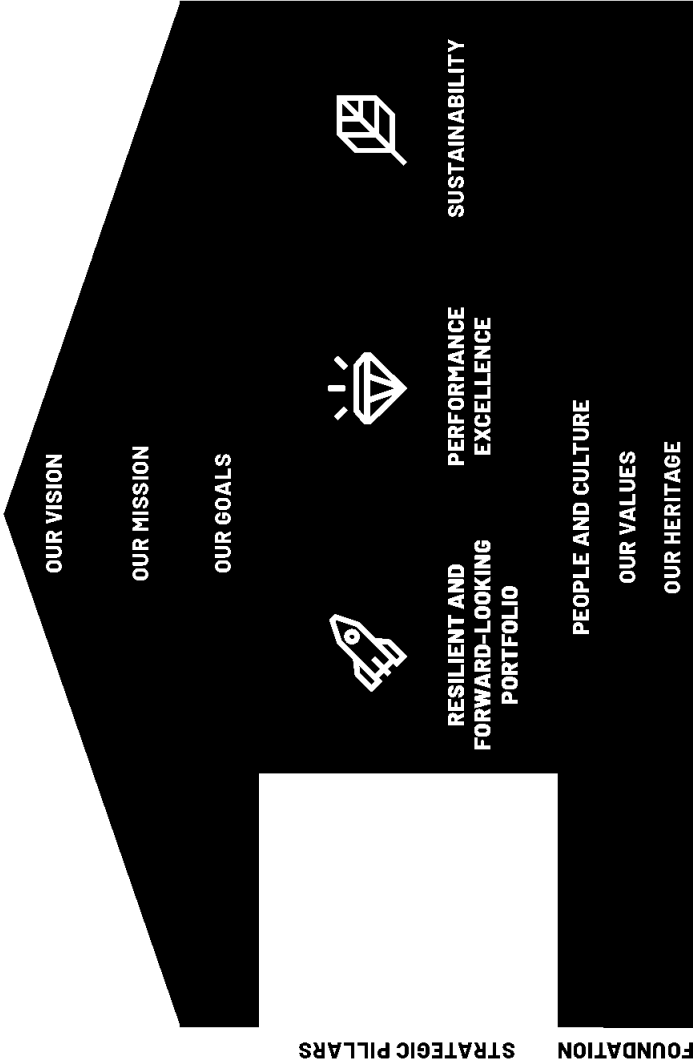
Revenues in the sales phase come from delivered products and modules and from customer-specific machinery and tooling necessary for producing these specialized products.



# STRATEGIC DIRECTION

Kongsberg Automotive's (KA) strategic framework is built around its vision, mission, and goals. The vision represents its aspirations, the mission outlines the path to achieve them, and the goals focus on key areas for success. The company's foundation rests on its

people and culture, celebrating a diverse, skilled workforce that thrives on teamwork and collaboration. Rooted in Scandinavian values, KA values efficiency, creativity, and accountability, positioning itself as a trusted partner to global stakeholders.





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KA'S PATH TOWARDS ITS GOALS IS BUILT ON FOUR KEY PILLARS



GROWTH

KA has outlined a plan aiming for significant growth by 2028. The company's key objectives include achieving revenues exceeding EUR 1 billion and attaining an EBIT margin of at least 8.5% by 2028.

To reach these targets, KA is focusing on securing new business opportunities, enhancing cost efficiency, strengthening strategic customer relationships, acquiring strategic patents, expanding its customer base, evaluating potential M&A opportunities, and building a robust product portfolio as well as exploring opportunities in best-cost countries.

With a clear growth strategy and commitment to innovation, KA is poised for sustainable growth and long-term success.



RESILIENT AND  
FORWARD-LOOKING  
PORTFOLIO

KA is optimizing its portfolio based on megatrends and establishing a balanced product mix between:

- Powertrain-independent products in air management, driver interface, vehicle dynamics, and industrial applications
- Products for conventional and hydrogen powertrains in gear control and powertrain fluid control
- Products for electric and hydrogen-electric powertrains in thermal management and electric actuation

KA leverages its strength, market position, unique technologies, and solutions with a focus on sustainability and profitability. The company continues to expand its product portfolio and services around the world in air management, gear control, thermal management, and electric actuation.

In the product portfolio review that KA conducted in 2024, the company critically reviewed product/market combinations where profitability, technology, and market size are declining with the aim of exiting or actively winding down. An example of this is KA's gear shift business in the passenger car segment. During the review, KA clustered its products into three categories: future core products, backbone products, and critical products. KA defined clear five-year roadmaps for all three categories. The strategy aims to further reduce product portfolio complexity through global scaling to secure leadership in selected product and market segments.



PERFORMANCE  
EXCELLENCE

KA is committed to continuous improvement and operational excellence. To achieve this, the company is leveraging Lean methodology, Six Sigma, and Value Analysis/Value Engineering (VAVE) as core strategies to drive efficiency, reduce waste, maximize value creation, and improve profitability and cash generation. The approach is built on three key pillars:

**1. DEVELOPING INTERNAL RESOURCES ON METHODS AND SOFT SKILLS**  
KA believes that sustainable improvement starts with people. By investing in in-house training programs and skill development initiatives, like the recently launched Operational Excellence Academy, KA is equipping its employees with Lean, Six Sigma, and VAVE expertise. This enables them to not only identify inefficiencies but also implement effective solutions that drive measurable improvements. KA is also focused on improving organizational effectiveness, rightsizing operations with an emphasis on reducing overhead costs to enhance financial sustainability.

**2. INCREASING CROSS-FUNCTIONAL COLLABORATION FOR PROBLEM-SOLVING AND SAVINGS**  
KA enhances its cross-functional approach to problem-solving by bringing together teams from different departments to ideate, analyze, and implement cost-saving initiatives. Leveraging diverse perspectives and expertise leads to innovative solutions that drive efficiency, cost optimization, and improved cash generation.

Supply chain coordination improves operational performance and cross-organizational collaboration. For example, value stream analysis and design approaches or VAVE workshops optimize direct material costs while reducing operational waste and supporting environmental targets.

**3. DRIVING SYNERGIES BETWEEN FUNCTIONS AND BUSINESS AREAS**  
To reinforce continuous improvement, KA's teams create synergies between functions and business areas. The Operational Excellence team establishes platforms for sharing lessons learned and best practices, enabling replication of successful initiatives across the organization. Systematical knowledge capture and dissemination accelerates improvement efforts and avoids redundant work, thereby optimizing resources and maximizing impact. Cross-functional collaboration enables optimization of the operational footprint and implementation of shop floor improvements, improving profitability while reducing environmental impact and reinforcing sustainable practices.

KA recognizes that operational excellence, financial performance, and sustainability go hand-in-hand. Through commitment to Lean, Six Sigma, VAVE, and sustainable practices, KA fosters a culture of continuous improvement, driving efficiency and long-term growth.



SUSTAINABILITY

Sustainability, encompassing ESG (environment, social, governance) dimensions, plays an important role for KA. The company's most ambitious goals are using 100% renewable energy by 2030, carbon-neutral products by 2039, and the ongoing commitment to zero accidents.

In the reporting period, various initiatives advanced KA's operational and corporate sustainability, earning recognition from leading sustainability rating agencies.

KA's 2025 sustainability targets support its long-term ambitions at both a strategic and operational level. Strategic targets focus on completing the sustainability roadmap, particularly for Scope 3 CO<sub>2</sub>e emission reduction and circularity approaches, while operational targets address specific environmental, social, and governance topics for 2025.

Key sustainability targets for 2025:

ENVIRONMENT

- Reduction of Scope 1 and 2 CO<sub>2</sub>e emissions in comparison to base year 2023 by 12%
- Switch to 100% renewable energy for one additional plant
- 2% reduction in both energy and waste Index and 1% reduction of water index (compared to 2024 target values)

SOCIAL

- Update and enhance Human Rights Policy
- Implement equal pay analysis
- Achieve incident rate (IR) of <1.0

GOVERNANCE

- Pilot life cycle calculations for selected products
- Responsible sourcing:
  - Supplier assessments: 80% spend coverage with direct materials suppliers
  - Supplier sustainability audits: 10 on-site audits



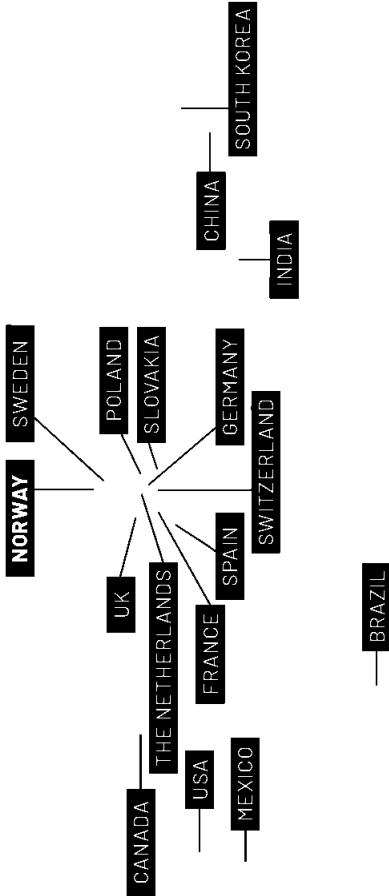
# WORLDWIDE

WORKFORCE\*  
4,714

17

COUNTRIES  
WORLDWIDE  
32 LOCATIONS

Kongsberg Automotive (KA) is present in 32 locations around the globe, covering the world's key automotive markets. KA's footprint is based largely on its customers: Wherever they are located, KA aims to be there, serving and supporting them in the best possible way. KA is committed to adapting to market conditions: 6.6% of its total workforce were agency workers in 2024, allowing it to build up or scale down in response to market movements.



## EUROPE

WORKFORCE: 2,347

Europe represents KA's largest region. Sweden and Norway are hosts to KA's three major tech centers in Europe, while the two largest manufacturing plants in the region are in Poland and Spain.

## NORTH & SOUTH AMERICA

WORKFORCE: 1,758

KA is well-represented in this region, with seven manufacturing plants and two tech centers. Notably, two locations serve as both manufacturing plants and tech centers. Mexico has the largest manufacturing workforce in the region, split across two manufacturing plants, while Canada is home to the largest tech center in the region.

## ASIA

WORKFORCE: 609

KA's pivotal market: KA operates five manufacturing sites (one of which also serves also as a tech center) and one site office in Asia, spread across China, India, and Korea. The largest manufacturing plant and tech center in this region is in Wuxi, China.

\*Workforce Full Time Equivalent (FTE)



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# CUSTOMERS

Kongsberg Automotive is proud to serve leading original equipment manufacturers (OEMs) and Tier 1 suppliers in commercial vehicle, off-highway, and passenger car markets globally.





# MARKETS

## COMMERCIAL VEHICLE PRODUCTION

Global production output declined by 4.1% in 2024 to 3.3 million vehicles, primarily due to reduced production in Europe, China, and North America. In contrast, South America was one of the few regions to experience growth, with production rebounding after years of post-emissions regulation downturn. The global market faced headwinds from weaker construction activity, persistently high (though easing) interest rates, and ongoing economic policy uncertainty. After a strong recovery in 2023 from the COVID pandemic and the effects of the war in Ukraine, most truck markets lost momentum in 2024.

A significant portion of the year-on-year (YoY) decline occurred in the second half of the year, primarily due to lower production output in Europe and North America. However, this was partially offset by the strong performance in South America throughout 2024. China's production showed growth of 5.3% in the first half, which however was offset by a 6.8% decline in the second half of the year.

In Europe, deliveries and order intake for most Original Equipment Manufacturers (OEMs) in the first half of 2024 were temporarily boosted by early purchases ahead of the General Safety Regulations mandate, which took effect in July 2024. Despite this brief uplift, European production output in the first half of 2024 fell by 16.8% compared to the first half of 2023. The decline intensified in the second half of 2024, with production contracting by 24.8% YoY due to disruptive regulatory changes.

In North America, commercial vehicle production showed mixed performance in 2024, declining by 1.8% overall. The first half of 2024 saw a 4.9% increase compared to the previous year, but this was offset by an 8.8% YoY decrease in the second half. The slowdown in the second half was partly due to uncertainty over tariff policies and a slower-than-expected normalization of US interest rates.

Mainland China, the primary contributor to global production growth in 2023, recorded a slight decline of 0.5% in 2024. The Chinese truck market lost momentum, remaining significantly below the annual levels recorded between 2019 and 2021. However, the Chinese government plans to revitalize growth through a stimulus package designed to inject liquidity into the industrial sector, which is expected to support commercial vehicle production.

South American production surged by 39.0% in 2024, largely driven by robust growth in Brazil.

A decline in orders during the third and fourth quarters of 2024, particularly in Europe and North America, suggests that global truck production in 2025 may grow at a slower-than-expected pace, at least in the first half of the year. This outlook is further complicated by uncertainties surrounding the potential negative impact of tariffs introduced by the Trump administration.

## LIGHT VEHICLE PRODUCTION

In 2024, the global production of light vehicles reached approximately 89.5 million units, reflecting a 1.1% decline compared to 2023. Production trends fluctuated throughout the year: In the first quarter, 21.4 million units were recorded, followed by a modest increase to 22.2 million units in the following quarter. However, the third quarter saw a dip to 21.6 million units, before recovering strongly in the last quarter of the year to 24.3 million units, signaling a year-end rebound.

European light-vehicle production declined by 4.7% to 17.1 million units in 2024. The region faced persistent challenges, with notably weaker production volumes in the second half of the year, largely driven by economic uncertainty and a weaker demand for new vehicles. The North American market experienced a decent start in the first half of 2024, but momentum slowed down significantly in the second half, leading to an overall decline of 1.4%, bringing the total production to 15.5 million units. In contrast to the global downturn, China's light-vehicle production grew by 3.8% to 30.1 million units in 2024. The first half saw a 4.8% YoY increase, supported by government incentives, rising electric vehicle (EV) production, and strong domestic demand. However, the second half saw a slight deceleration, with YoY growth of 2.9%.

Sources: S&P Global Mobility (formerly IHS Markit / Automotive) (January 2025) for light vehicle production; LMC Global Commercial Vehicle Forecast (January 2025) for truck production.

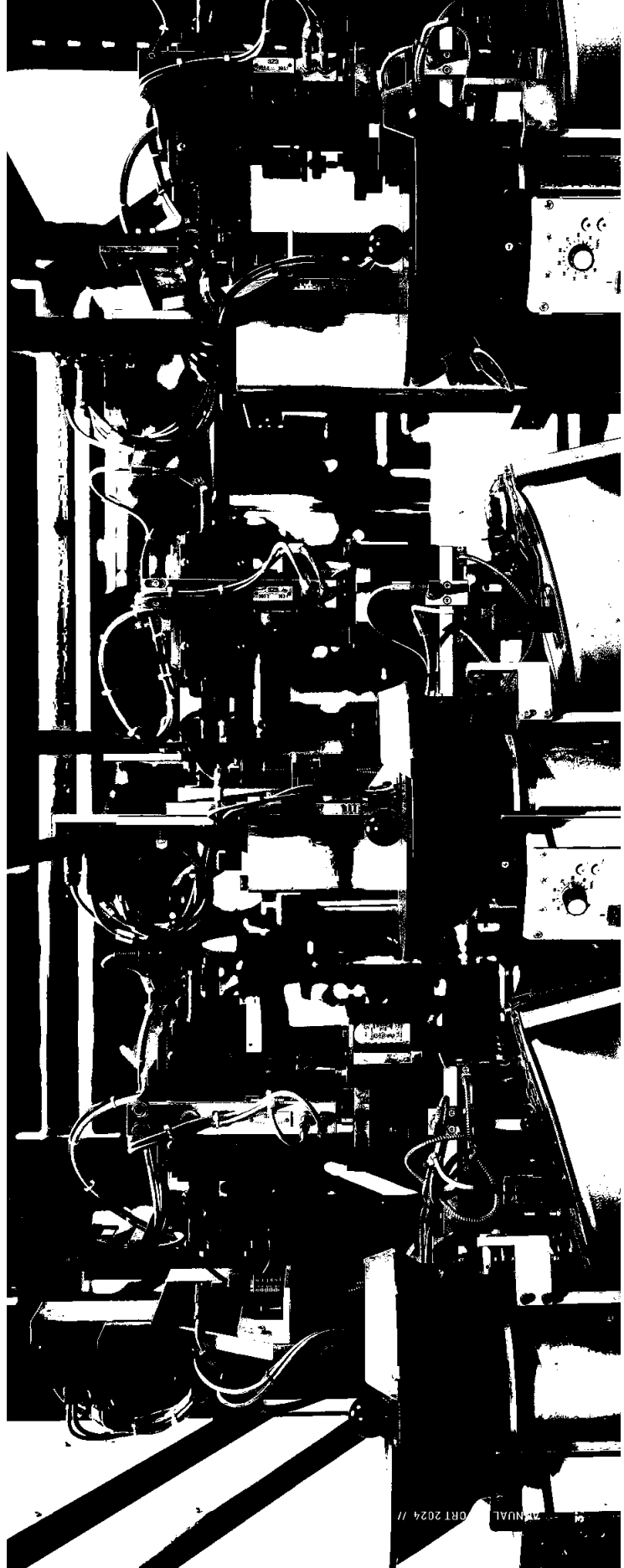
## OPERATIONS

In 2024, Kongsberg Automotive (KA)'s Drive Control Systems (DCS) and Flow Control Systems (FCS) business areas faced market challenges but demonstrated resilience through a strong focus on cost optimization and operational improvements.

The DCS business area, impacted by a soft market, responded with lean initiatives and process enhancements, positioning itself for a more adaptable and positive outlook in the coming year.

Similarly, the FCS business area, facing lower-than-expected sales, implemented strategic measures such as relocating to best-cost countries. This allowed FCS to optimize costs and improve operational efficiency.

Additionally, business wins reached record levels for KA in 2024, confirming that KA has the right products to meet the requirements of globally recognized industry brands.





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| <b>FLOW CONTROL SYSTEMS (FCS)</b>           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |              |            |                                                                                                                                                                                                                                                                                    |                           |                                                                                                                                                                                                                                                                                       |                  |
| <b>OPERATIONAL PERFORMANCE SUMMARY 2024</b> | In 2024, the efforts for operational improvements in FCS showcased resilience and strategic focus across Europe, the Americas, and the Asia Pacific region.<br>Although sales were lower than the intended target, FCS was able to implement improvements and will continue to optimize costs by relocating to best-cost countries.                                                                                                                                    |              |            | Academy. This allowed FCS to execute an ambitious CI roadmap in 2024, both in Europe and the Americas. KA placed a strong focus on reducing fixed costs as revenues declined in order to maintain stability.                                                                       |                           |                                                                                                                                                                                                                                                                                       |                  |
| <b>KEY ACHIEVEMENTS IN 2024</b>             | Safety topics were a priority, resulting in 324 days without accidents in KA plants in Europe and strong safety results in the Americas and the Asia Pacific region.<br>KA successfully opened its relocated plant in Ramos Arizpe, Mexico. The Asia Pacific region maintained stable on-time delivery and achieved a 45% inventory reduction. In Europe, production transfers proceeded smoothly, supporting KA's strategy to move operations to best-cost countries. |              |            | <b>SUPPLY CHAIN RESILIENCE</b><br>Supply chains in Europe and the Asia Pacific region remained stable throughout 2024. To manage disruptions from the port strike on the US east coast, operations in the Americas region successfully redirected shipments through Mexican ports. |                           | <b>KEY ACHIEVEMENTS 2024</b><br>DCS successfully reduced cost to offset the decline in sales driven by adverse market conditions. A record year in new and recurring contracts will support the business area's growth plan in the near future.                                       |                  |
| <b>FOCUS AREAS FOR IMPROVEMENT IN 2025</b>  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |              |            |                                                                                                                                                                                                                                                                                    |                           | <b>FOCUS AREAS FOR IMPROVEMENT IN 2025</b><br>Improving production efficiency as well as executing a fixed cost optimization program will be a priority for DCS. Furthermore, the business area aims to strengthen its product launch organization.                                   |                  |
| <b>OPERATIONAL EXCELLENCE</b>               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |              |            |                                                                                                                                                                                                                                                                                    |                           | <b>OPERATIONAL EXCELLENCE</b><br>The DCS team exceeded the target set for continuous improvements for 2024, underlining the business area's potential.                                                                                                                                |                  |
| <b>SUPPLY CHAIN RESILIENCE</b>              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |              |            |                                                                                                                                                                                                                                                                                    |                           | <b>SUPPLY CHAIN RESILIENCE</b><br>DCS' global supply chains performed well, and customers were not impacted. Multiple resource optimization projects were executed without disrupting production.                                                                                     |                  |
| <b>FINANCIAL PRUDENCE AND SALES</b>         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |              |            |                                                                                                                                                                                                                                                                                    |                           | <b>FINANCIAL PRUDENCE AND SALES</b><br>Sales in DCS were down by 4% in the Americas, by 19% in the Asia Pacific region, and by 15% in Europe.                                                                                                                                         |                  |
| <b>STRATEGIC EXPANSION AND RELOCATION</b>   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |              |            |                                                                                                                                                                                                                                                                                    |                           | <b>STRATEGIC EXPANSION AND RELOCATION</b><br>Relocation of KA India's operations to a new plant in Faridabad, India was completed in late 2024 and the final plant transfer will take place during 2025. The additional floor space will support the company's five-year growth plan. |                  |
| <b>DRIVE CONTROL SYSTEMS (DCS)</b>          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |              |            |                                                                                                                                                                                                                                                                                    |                           |                                                                                                                                                                                                                                                                                       |                  |
| <b>OPERATIONAL PERFORMANCE SUMMARY 2024</b> | The DCS business area managed to implement several cost reduction measures in order to offset the declining sales in 2024. Record results in new and recurring contracts support growth going forward.                                                                                                                                                                                                                                                                 |              |            |                                                                                                                                                                                                                                                                                    |                           |                                                                                                                                                                                                                                                                                       |                  |
| <b>KEY ACHIEVEMENTS IN 2024</b>             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |              |            |                                                                                                                                                                                                                                                                                    |                           |                                                                                                                                                                                                                                                                                       |                  |
| <b>FOCUS AREAS FOR IMPROVEMENT IN 2025</b>  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |              |            |                                                                                                                                                                                                                                                                                    |                           |                                                                                                                                                                                                                                                                                       |                  |
| <b>OPERATIONAL EXCELLENCE</b>               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |              |            |                                                                                                                                                                                                                                                                                    |                           |                                                                                                                                                                                                                                                                                       |                  |
| <b>SUPPLY CHAIN RESILIENCE</b>              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |              |            |                                                                                                                                                                                                                                                                                    |                           |                                                                                                                                                                                                                                                                                       |                  |
| <b>FINANCIAL PRUDENCE AND SALES</b>         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |              |            |                                                                                                                                                                                                                                                                                    |                           |                                                                                                                                                                                                                                                                                       |                  |
| <b>STRATEGIC EXPANSION AND RELOCATION</b>   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |              |            |                                                                                                                                                                                                                                                                                    |                           |                                                                                                                                                                                                                                                                                       |                  |

# ENGINEERING AND DEVELOPMENT

In both of Kongsberg Automotive (KA)'s business areas, the automotive industry's transition towards e-mobility drove product innovation. As development processes continue to be optimized, the generated cost savings will allow for future investments in testing capabilities. KA's resourceful engineering workforce consisted of 307 engineers globally.

## FLOW CONTROL SYSTEMS (FCS) KEY ACHIEVEMENTS IN 2024

- FCS' Product Engineering and Innovation teams continued to develop key products throughout 2024 to meet future market and customer needs:
- > **Twistlock Program:** Successful launch in global commercial vehicle markets. The new Twistlock program delivers a robust and innovative solution for brake lines operating in the chassis areas
  - > **Next generation of couplings:** Significant progress in developing a sustainable product that offers superior performance for air management systems

## FOCUS AREAS FOR IMPROVEMENT IN 2025

Streamlining processes will be a priority heading into 2025. The adoption of product lifecycle management (PLM) and SharePoint across all areas will contribute to reduced development lead times and improved coordination among stakeholders. This will help the business area achieve critical innovation milestones more efficiently.

## E-MOBILITY TRANSITION AND PRODUCT DEVELOPMENT

- > **KA connector development:** Completed the development of the company's proprietary KA Connector for BEV/FCEV applications, offering superior perfor-

mance in low-pressure drops, reduced weight, and minimized leak rates

- > **Coolant lines for battery electric vehicles (BEV) and fuel cell electric vehicles (FCEV) applications:** Designed and supplied connector and tube assemblies for BEV/FCEV applications to key customers, including major Original Equipment Manufacturers (OEMs). The function of the coolant lines on the BEV is to optimize battery conditioning for life, endurance, and range. The purpose of cooling in FCEV vehicles is to manage the high temperatures caused by on-board hydrogen fuel cell recharging systems.
- > **Growth in emerging markets:** To further expand FCS' business in emerging markets, the business area is planning targeted product developments in air management systems
- > **Cost-effective solutions:** Introducing a new, economical Firtree coupling and integrated solutions, tailored for Tier 1 customers. These efforts will strengthen KA's product portfolio in emerging markets

## R&D INVESTMENT AND SYNERGIES

FCS remain committed to investing in its R&D capabilities. This includes enhancements in software, tools, and testing equipment to deliver innovative, high-quality products to KA's customers.





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**DRIVE CONTROL SYSTEMS (DCS)**

**KEY ACHIEVEMENTS IN 2024**

2024 saw the launch of DCS' first Dog Clutch Actuator for an electric axle in bus applications.

**FOCUS AREAS FOR IMPROVEMENT IN 2025**

Among the goals for DCS in the coming year is enhanced product reliability. This will be achieved through simulations and rigorous test plans.

**E-MOBILITY TRANSITION AND PRODUCT DEVELOPMENT**

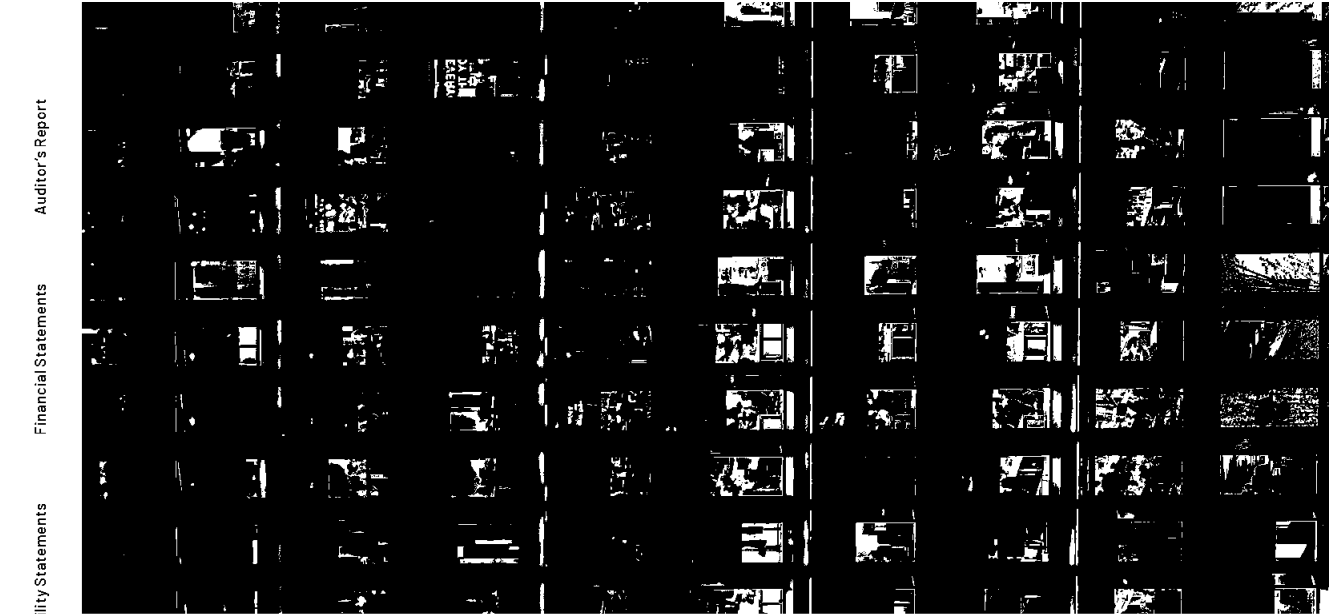
- > **Dog Clutch Actuator** – DCS expanded its product offering for both 2-speed and 4-speed applications.
- > **Electronic Gear Shift Actuator** – DCS continued to work with several OEMs to improve the product performance through both lab and vehicle testing.

**GROWTH IN EMERGING MARKETS**

DCS will expand the engineering footprint in emerging markets to ensure it designs products for their needs

**R&D INVESTMENT AND SYNERGIES**

- > DCS continues to invest in simulation tools and additional testing capacity to improve development time and increase product reliability
- > It also continues to support and develop steer-by-wire technology together with Chassis Autonomy



# FINANCIAL PERFORMANCE

## GROUP

In 2024, full-year (FY) revenues amounted to EUR 788.2 million, compared to EUR 884.9 million in 2023, a decrease of EUR 96.7 million, including negative currency translation effects of EUR 2.3 million (-10.7%). The decrease was mainly driven by the weak automotive markets in the second half of 2024, in particular in Europe and North America.

Commercial vehicles revenues (55.7% of total revenues) were EUR 439.1 million, or EUR 441.9 million in constant currencies, a decrease of EUR 45.9 million (-9.4%) compared to the full year 2023. Following the high order level of 2023, revenues in Europe declined by EUR 34.2 million to EUR 243.3 million (-12.3% in constant currencies). However, the results outperformed the broader market trend, which declined by -20.8%. Revenues in North America declined by EUR 11.7 million to EUR 125.7 million (-8.5% in constant currencies), compared to the market which shrank by -1.8%. The weaker sales in North America were attributable to lower sales of Kongsberg Automotive (KA's) gear control units to a large Tier 1 customer due to Original Equipment Manufacturer (OEM) customer demand reduction. In China, revenues were EUR 32.5 million in 2024, representing an organic decline of EUR 4.9 million (-12.8%), which was below market performance (-0.5%) due to the declining sales of KA's couplings and shift-by-wire products.

Passenger car revenues (32.2% of total revenues) totaled EUR 253.8 million, or EUR 253.5 million at constant currencies, representing a decrease of EUR 29.7 million (-10.5%) compared to 2023. This was mainly driven

by the ongoing wind-down process of KA's Driveline business. In Europe, revenues in 2024 amounted to EUR 92.9 million, down by EUR 23.3 million compared to 2023 (-20.4% in constant currencies), against a market decline of -4.7%. Revenues in North America totaled EUR 107.8 million, EUR 1.0 million lower than the previous year (-0.9% in constant currencies). This was still slightly better than the decline of this region's production output in 2024 vs 2023 (-1.4%). Revenues in China amounted to EUR 39.5 million, a decrease of EUR 7.6 million (-15.9%) at constant currencies, while the market grew by +3.8% in 2024. In 2024, revenues generated in other markets totaled EUR 95.3 million (EUR 95.0 million at constant currencies), compared to EUR 113.8 million in the previous year. This was mainly attributable to the overall decline in agriculture and construction markets.

Despite the sharp volume decline, 2024 EBIT reached EUR 18.7 million with a margin of +2.4%, compared to negative EUR 19.7 million (margin -2.2%) in 2023. The 2023 result was negatively impacted by adjusting items, comprising asset impairment and onerous contracts in non-core business (EUR 29.0 million in total), restructuring provisions, severance payments, and other adjusting items.

The revenue decline resulted in a lost contribution of EUR -26.6 million, which was offset by EUR +30.4 million in cost reductions across manufacturing overhead and administrative expenses. Warranty expenses increased by EUR 8.4 million, all related to a DCS product issue as reported on in the third quarter of 2024.

## SEGMENTS

Effective January 1, 2024, the business area structure was reorganized into two reportable areas: Drive Control Systems (DCS) and Flow Control Systems (FCS). In addition, Driveline (excluding electric actuators) is no longer considered a core business for KA and is reported under other operations. Following the adoption of the new segment structure on January 1, 2024, figures in 2023 have been restated for comparative purposes.

Revenues of the DCS business area amounted to EUR 3351.2 million, compared to EUR 410.4 million in 2023, a decrease of EUR 59.2 million including negative translation effects of EUR 1.4 million (-14.1%). This decline in topline is mainly attributed to the commercial vehicles sales in Europe, North America, and Asia, where revenues declined on a constant-currencies basis by EUR 18.9 million (-14.1%), EUR 10.7 million (-9.3%), and EUR 6.0 million (-14.6%) respectively, compared to last year.

While sales in Europe have outperformed the commercial vehicles market decline of -20.8%, sales in North America and Asia lagged behind their respective markets, which declined by (-1.9%) and (-1.7%), respectively. Also, sales in the electronic actuator business in the passenger car market as well as the off-highway business serving agriculture and construction markets deteriorated significantly compared to 2023. In addition to the volume decline, DCS was impacted by warranty expenses that exceeded 2023 numbers by EUR 9.9 million due to malfunctions in a product manufactured from 2019 to 2022. The operating profit (EBIT) in 2024 reached EUR 12.0 million, compared to EUR 19.7 million in 2023. The reduction of manufacturing cost and the administrative expenses contributed to mitigating the negative impacts from the YoY volume decline and additional warranty expenses in 2024.

Revenues of the FCS business area amounted to EUR 307.3 million in 2024 compared to EUR 313.0 million

in 2023, a decrease of EUR 5.7 million, despite positive currency translation effects of EUR 0.3 million (-1.9%), mainly due to the declining sales in the weak market for commercial vehicles in Europe. EBIT amounted to EUR 17.5 million in 2024, compared to EUR 28.8 million in 2023. In addition to lower sales volumes and unfavorable mix effects, the business area's performance in FY 2024 was impacted by negative inventory revaluation effects but benefited from positive inventory revaluation effects in 2023.

## NET FINANCIAL ITEMS

Net financial items in FY 2024 totaled negative EUR 21.0 million compared to negative EUR 26.0 million in 2023. While interest expense increased by EUR 0.7 million, primarily due to usage of the accounts receivable securitization facility, the currency result in FY 2024 was negative EUR 1.9 million, compared to negative EUR 13.3 million in 2023. The significantly improved currency result primarily reflects more favorable NOK exchange rates against EUR and USD compared to 2023.

## NET PROFIT/LOSS

The loss before taxes of EUR 2.3 million resulted in an income tax expense of EUR 15.9 million, as losses could not be capitalized. Additionally, the tax expense included EUR 3.0 million withholding taxes on intercompany dividends.

## CAPITAL

The group's interest-bearing liabilities amounted to EUR 206.2 million as of December 31, 2024, compared to EUR 264.9 million as of December 31, 2023. This was mainly due to the settlement of the old bond notes at EUR 190.2 million and the issuance of a new bond of EUR 107.5 million (net of capitalized arrangement fees of EUR 2.5 million).

million), as well as drawing up the account receivables securitization of EUR 25.0 million.

As of December 31, 2024, shareholders' equity totaled EUR 203.0 million, a decrease of EUR 15.1 million compared to EUR 218.1 million at the end of 2023. This is mainly due to the net loss of EUR 18.2 million in 2024, partially offset by positive other comprehensive income of EUR 5.6 million. The share-based compensation led to an increase of EUR 1.1 million. In 2024, the treasury shares of EUR 2.4 million were repurchased. Dividends to the minority shareholder amounted to EUR 1.2 million.

The equity ratio was 33.7% at the end of the year 2024, compared to 30.2% in 2023.

## CASH FLOW

Cash flow from operating activities in 2024 amounted to EUR 32.4 million, coming off the operating result of EUR 18.7 million, adjusted for non-cash items such as depreciation (EUR +29.1 million), amortization (EUR +0.7 million) and reversal of impairment (EUR -5.0 million), as well as changes in net working capital (NWC) of EUR +9.9 million. In 2023, cash flow from operating activities came in at EUR 21.5 million, being derived from an operating result of EUR -19.7 million primarily adjusted for following non-cash items, such as depreciation (EUR +31.9 million), amortization (EUR +1.0 million) and reversal of impairment (EUR +27.0 million), as well as changes in net working capital (NWC) of EUR -5.3 million. In addition, tax payments in 2024 amounted to EUR 11.1 million, compared to EUR 14.7 million in 2023.

Cash flow used by investing activities decreased to EUR 21.4 million in 2024, compared to EUR 29.1 million in 2023. The reduction is partially explained by reduced spending on investments in tangible and intangible assets of EUR 24.7 million, compared to EUR 28.5 million in 2023. Furthermore, the subsequent proceeds resulting



from the divestment of the Powersports business in the fourth quarter of 2022 led to an inflow of EUR 1.9 million, whereas in 2023, investments in associates resulted in an outflow of EUR 2.6 million.

Cash used by financing activities increased to EUR 90.1 million in 2024 from EUR 39.7 million in 2023. The June 2024 refinancing resulted in a net repayment of EUR 57.7 million, compared to a EUR 9.4 million repurchase of old bond notes in 2023. Additionally, interest payments increased in 2024 due to the transition from bi-annual to quarterly payments under the new bond and the usage of the accounts receivable securitization facility.

#### LIQUIDITY

The liquidity reserve totaled EUR 99.2 million (excluding the restricted cash of EUR 0.1 million) by the end of 2024, compared to EUR 219.2 million as of December 31, 2023. At the end the fourth quarter of 2024, the liquidity reserve consisted of EUR 84.2 million in cash and cash equivalents (excluding the restricted cash of EUR 0.1 million) and the revolving credit facility (RCF) of EUR 15.0 million.

#### BUSINESS WINS

Business wins for the year 2024 amounted to EUR 1,526 million in estimated lifetime revenues and EUR 383 million in estimated annualized revenues, compared to EUR 989 million and EUR 297 million in 2023, respectively. This corresponds to an increase of 54% and 29% in estimated lifetime revenues and estimated annual revenues, respectively, as compared to the previous year.

**KONGSBERG AUTOMOTIVE ASA – THE PARENT COMPANY**  
In 2024, the parent company generated total operating (inter-company) revenues of EUR 5.3 million, compared to EUR 6.0 million in 2023. This reduction is caused by the lower group sales which the trademark fee is based upon. With operating costs being at a comparable level, the operating profit amounted to EUR 1.5 million in 2024, compared to EUR 2.3 million in 2023. The parent company had positive net financial items of EUR 45.8 million in 2024, compared to negative net financial items of EUR 157.1 million in 2023. The positive financial items in 2024 were mainly due to intercompany (IC) dividend income of EUR 26.6 million and positive currency gains of EUR

25.1 million, resulting from realized foreign exchange (FX) gains on the debt equity conversion with Kongsberg Automotive Holding II, the revaluation effects on the USD loan towards this entity and the proceeds from the capital reduction of a subsidiary. The weakening NOK exchange rate resulted in FX losses from both the repayment of the EUR 199.0 million IC loan to KA Group AG and the revaluation of the EUR-denominated bond notes. The net profit for the year 2024 amounted to EUR 40.1 million, compared to a net loss of EUR 158.4 million in 2023. Including negative translation differences of EUR 12.7 million, the total comprehensive income for the year 2024 amounted to positive EUR 27.4 million. Kongsberg Automotive ASA's equity totaled to EUR 285.5 million as of December 31, 2024 (EUR 259.4 million in 2023).

In accordance with the Dividends Policy, the Board of Directors (BoD) will propose that no dividend be paid for 2024 at the 2025 Annual General Meeting. The BoD proposes the parent company's net profit of EUR 40.1 million be transferred to retained earnings.



# OUTLOOK

Kongsberg Automotive (KA) continues to adapt to a dynamic market environment while maintaining its focus on efficiency and profitability. The company has taken steps to strengthen its competitive position, and the business wins in 2024 reflect its ability to maintain customer trust. While the global automotive market outlook for 2024 and 2025 has been revised downward, KA remains committed to delivering on its strategic priorities.

Following the US presidential election, geopolitical uncertainty has increased. In February, the newly elected US president signed executive orders imposing higher tariffs on imported goods, with other countries responding with countermeasures. The potential impact on cost, inflation, vehicle prices, and market demand remains uncertain.

Looking ahead, 2025 is expected to be a challenging year for the automotive and off-road markets, with no market growth anticipated and ongoing geopolitical risks. However, KA is well positioned to support the industry's shift toward sustainable solutions, a segment projected to experience underlying growth. Looking further ahead, commercial vehicle production is projected to see growth picking up, with North America playing a key role in this development. Passenger vehicle production is forecast to see steady growth over the same period.

Given the market outlook, financial discipline remains a key priority. KA is taking measures to manage costs, improve efficiency and profitability, and safeguard the company's cash position. The company will also seek to mitigate the impact of tariff-related cost increases, in line with best industry practice.

For 2025, revenues are expected to remain largely stable in the first half of the year compared to the second half of 2024, with potential for improvement later in the year. The company's ongoing cost and efficiency initiatives are expected to contribute positively to EBIT margin development, though external uncertainties remain a factor.

The Board acknowledges the efforts made by KA's management and employees in adapting to changing conditions and trusts that there will be continued support in executing key initiatives.





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# SUSTAINABILITY STATEMENTS



GENERAL INFORMATION

BASIS FOR PREPARATION

Sustainability is a key principle in Kongsberg Automotive (KA)'s operations and business relationships. The company is striving for higher standards of performance across environmental, social, and governance topics to ensure that our value creation is aligned with the principle of sustainable development for people and planet.

- In 2024, KA intensified its sustainability reporting in response to new regulations as well as stakeholder demand. Based on previous sustainability reports which followed the requirements of the Global Reporting Initiative (GRI), KA conducted the following changes:
- > Basing the double materiality assessment (DMA) process on the ESRs approach, see page 52
  - > Ensuring a higher degree of governing body involvement in the DMA process and in the preparation of the sustainability statements
  - > Embedding the sustainability statements in the integrated annual report
  - > Applying the ESRs sustainability statement's structure and disclosure requirements. The ESRs, and other relevant regulations will continue to shape the way KA works and reports on sustainability

SCOPE OF CONSOLIDATION AND GENERAL REPORTING STANDARDS

The consolidated sustainability statements 2024 are prepared in accordance with the requirements of the Norwegian Accounting Act Sections 2-3 and 2-4, including the European Sustainability Reporting Standards (ESRS).

The consolidation scope of KA's sustainability statements is aligned with our IFRS® financial statements in accordance with the IFRS® Accounting Standards as adopted by the EU, and covers the reporting year 2024 of Kongsberg Automotive ASA and the subsidiaries over which it exercises control, unless otherwise noted. For a full account of entities included in KA's consolidated financial statements, please refer to page 128.

We have not opted to omit information corresponding to intellectual property, know-how or results of innovation, but in this first year of preparation of the sustainability statements we opted to use the applicable phase-in provisions listed in ESRs 1 Appendix C.

The sustainability statements address the material impacts, risks and opportunities (IROs) of both our own operations and our upstream and downstream value chain. The extent to which our policies, actions and targets include our value chain depends on our double materiality assessment.

NORWEGIAN TRANSPARENCY ACT

KA continues to report on the requirements in the Norwegian "Act relating to enterprises' transparency and work on fundamental human rights and decent working con-

ditions" (Transparency Act). The latest available report can be found on KA's external website in the corporate governance section. The 2024 report will be published by June 2025.

SOURCES OF ESTIMATION AND OUTCOME UNCERTAINTY

The use of estimates for performance metrics, including when upstream and downstream value chain data is included, is described in the individual accounting policies. Overall, metrics related to our own operations have a higher amount of primary data, while value chain metrics are often estimated and therefore have a higher level of measurement uncertainty. All assumptions and potential uncertainties are documented in the accounting policies. The highest degree of estimation uncertainty is related to material and product weight estimations for scope 3 GHG emission calculations, as well as weight estimations for resource inflows metrics and product-related resource outflows' metrics.

RESTATEMENTS AND CHANGES IN PREPARATION AND PRESENTATION

KA is issuing a sustainability report in accordance with ESRs for the first time in 2024. Certain measures are therefore included for the first time and comparative figures are thus not provided for all metrics. Notifications of restatements of information from previous reports are provided where relevant in this report.



# SUSTAINABILITY GOVERNANCE

## INCORPORATION BY REFERENCE

An overview of all incorporation by references used within the sustainability statements is listed in the chapter Disclosure Requirements and Incorporation by Reference.

## STATEMENT ON DUE DILIGENCE

Sustainability due diligence (SDD) is the process by which KA identifies, prevents, limits, and reports actual and potential negative impacts on the environment and people as a result of its activities. It also pertains to the practices applied to changes in the operation's strategy, business model, activities, business relationships, actual operations, and the context of acquisitions or divestments. The core of this practice is how the different steps in the SDD process identify and measure the negative impacts that arise or may arise due to KA's operations and that are directly linked to its activities, products, and services, as well as its business relationships across the value chain.

| CORE ELEMENTS OF DUE DILIGENCE                                               | PARAGRAPHS IN THE SUSTAINABILITY STATEMENT                        |
|------------------------------------------------------------------------------|-------------------------------------------------------------------|
| A) EMBEDDING DUE DILIGENCE IN GOVERNANCE, STRATEGY AND BUSINESS MODEL        | pages 47-50, 52-59, 70-71, 78-80, 83, 93-94, 104, 108             |
| B) ENGAGING WITH AFFECTED STAKEHOLDERS IN ALL KEY STEPS OF THE DUE DILIGENCE | pages 47-50, 52-53, 72-74, 76, 80, 84-85, 88, 90, 94-102, 105-108 |
| C) IDENTIFYING AND ASSESSING ADVERSE IMPACTS                                 | pages 52-59, 70-71, 78-80, 83, 93-94, 104, 108                    |
| D) TAKING ACTIONS TO ADDRESS THOSE ADVERSE IMPACTS                           | pages 72-74, 78, 80, 85, 88, 90, 94-102, 105-108                  |
| E) TRACKING THE EFFECTIVENESS OF THESE EFFORTS AND COMMUNICATING             | pages 74-78, 80-82, 86-89, 91, 97, 100, 102-103, 105-108          |

## THE ROLE OF ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The composition, expertise, experience, and diversity of the Board of Directors (BoD) and Executive Management are presented on in the Corporate Governance section pages 17-18, in particular, reporting points eight to ten and in the BoD profiles, on pages 20-21. These pages also contain information on employee representatives, independence of Board members, and responsibility for monitoring, measurement, and control of the operation's impact, risks, and opportunities. The Board of Directors is the highest governing body for sustainability issues and approves sustainability-related group policies of strategic relevance, including the group's Code of Conduct, which is the most important document for all employees' business conduct, refer to pages 85, 88 and 105. More specific policies are approved by the Sustainability Steering Committee or the Executive Management.

In response to current and forthcoming EU legislation on sustainability reporting, KA focused on two key areas: Adjusting the double materiality assessment to meet the Corporate Sustainability Reporting Directive (CSRD) requirements (see pages 52-54) and following developments in EU Taxonomy regulations (pages 64-69). During 2025, KA will further develop group policies and directives for issues or risks that are considered material from a sustainability perspective, throughout the value chain. Since 2024, a Sustainability Steering Committee has been implemented which consists of the CEO, CFO, CHRO, EVP Purchasing, and VP Operational Excellence (see the illustration of the sustainability governance's organizational setup on page 48).

Much of the day-to-day sustainability activities are covered by the Corporate Sustainability Manager and the Sustainable Purchasing Experts. In addition, sustainability working groups were implemented during 2024. These working groups consist of topic experts from a variety of functions, business units, and departments and cover different sustainability topics.



| Contents                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 2024 in Brief | BoD's Letter | Governance | Business and Performance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Sustainability Statements | Financial Statements | Auditor's Report |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------------|------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|----------------------|------------------|
| <p>The sustainability working groups prepare topics and submit proposals to the Sustainability Steering Committee. The Committee then drafts sustainability targets, strategies, and policies for the group based on the working groups' suggestions. The Sustainability Steering Committee met five times in 2024.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |               |              |            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                           |                      |                  |
| <p><b>RISK MANAGEMENT AND INTERNAL CONTROL</b></p> <p>The group's risk management process and internal control system aim to identify, assess, and manage risk factors that may potentially have adverse effects on the overall operational performance of the group. This includes sustainability-related risks. The Board oversees the risk management process and carries out annual reviews of the company's most important risk categories and internal control arrangements. The group has implemented ownership to indicators published in the sustainability statements, with Board oversight of material topics.</p> <p>Expert functions are responsible for their respective topics and the related data capturing processes. The importance and priority of the material topics is defined through an assessment which evaluates the impact and likelihood of the related risks versus their control effectiveness at the time of the assessment. Expert functions develop and maintain existing controls through the implementation of action plans, cross-functional workshops and follow-up sessions. Internal control activities are developed for topics of material importance to KA and its stakeholders.</p> <p>Contingent on topic importance, data is gathered quarterly or annually in efforts to support the path toward maturity. Data quality is ensured through the "three lines model," consisting of line management, Risk and Internal Control, and KA Internal Audit. The main risks identified within the risk management process are described on pages 23-25. These risks are part of the inputs to the double materiality process which is the basis for sustainability reporting. Conversely, additional significant risks identified during the double materiality process are considered and included in the risk management process by the corporate sustainability manager.</p> |               |              |            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                           |                      |                  |
| <p><b>SUSTAINABILITY-RELATED INCENTIVE SCHEMES</b></p> <p>To strengthen sustainability governance, KA incorporates sustainability performance metrics in both short-term and long-term executive incentive schemes. A sustainability-related target is included in KA's principles</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |               |              |            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                           |                      |                  |
| <div><div><div><div><div></div><div>AUDIT COMMITTEE</div></div><div>Oversees financial, sustainability and risk reporting.</div></div><div><div></div><div>BOARD OF DIRECTORS</div></div><div>Provides oversight and ensures alignment of business conduct practices with long-term corporate goals.</div></div><div><div></div><div>REMUNERATION COMMITTEE</div></div><div>Determines executive remuneration structure including sustainability target incentives.</div></div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |               |              |            | <div><div><div><div></div><div>INTERNAL AUDIT</div></div><div>Monitors compliance, identifies and evaluates risks related to business conduct, recommendations for mitigation.</div></div><div><div></div><div>EXECUTIVE MANAGEMENT</div></div><div>Decides the strategic direction, targets, roadmaps, investments and reporting.</div></div> <div><div></div><div>COMPLIANCE COMMITTEE</div></div> <div>General Counsel + CFO + Head of People and Culture</div> <div>Oversees compliance policies, investigates reported incidents, and evaluates risk management strategies.</div> |                           |                      |                  |
| <div><div><div><div></div><div>SUSTAINABILITY WORKING GROUP 1</div></div><div>G1 (Business ethics), S1 (Employee development &amp; wellbeing) and S2 (Human rights &amp; workers in the value chain)</div></div><div>Develop, prepare and submit sustainability actions and plans for sustainability steering committee</div></div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |               |              |            | <div><div><div><div></div><div>SUSTAINABILITY WORKING GROUP 2</div></div><div>S1 (Health &amp; safety and product quality &amp; safety)</div></div><div>Develop, prepare and submit sustainability actions and plans for sustainability steering committee</div></div>                                                                                                                                                                                                                                                                                                                 |                           |                      |                  |
| <div><div><div><div></div><div>SUSTAINABILITY WORKING GROUP 3 AND 4</div></div><div>S3 (Separated by business area E1 Emissions &amp; energy, E5 Resource use)</div></div><div>Develop, prepare and submit sustainability actions and plans for sustainability steering committee</div></div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |               |              |            | <div><div><div><div></div><div>SUSTAINABILITY WORKING GROUP 3 AND 4</div></div><div>S3 (Separated by business area E1 Emissions &amp; energy, E5 Resource use)</div></div><div>Develop, prepare and submit sustainability actions and plans for sustainability steering committee</div></div>                                                                                                                                                                                                                                                                                          |                           |                      |                  |

INTERNAL AUDIT

Monitors compliance, identifies and evaluates risks related to business conduct, recommendations for mitigation.

EXECUTIVE MANAGEMENT

Decides the strategic direction, targets, roadmaps, investments and reporting.

COMPLIANCE COMMITTEE

General Counsel + CFO + Head of People and Culture

Oversees compliance policies, investigates reported incidents, and evaluates risk management strategies.



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|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------------|------------|--------------------------|---------------------------|----------------------|------------------|
| <div><div><div>for remuneration of senior executives. These principles are adopted by the company's Annual General Meeting. For the senior executives belonging to a supporting function such as finance, legal, information systems, and human resources, 80% of the short-term incentive programs are linked to financial targets and 20% to sustainability targets described in the company's sustainability roadmap.</div><div>The Board approves incentive program design and outcomes based on recommendations from the Remuneration Committee. More information about the incentive programs is available in the 2024 Remuneration Report, which is published on KA's website as well.</div></div><div><div><div>STRATEGY, BUSINESS MODEL, AND VALUE CHAIN</div><div>KA's operations are part of the automotive value chain with main inputs and outputs as well as business partners as illustrated above. KA's business model, including segments, markets, channels, customer relationships and strategy are further outlined on pages 27-40. KA develops and offers a wide range of products for the passenger car, commercial vehicle, and off-highway markets. The differences between KA's business areas (Drive Control Systems and Flow Control Systems) are mainly in terms of materials, suppliers and products, but the different steps in the value chain are the same. A detailed description of KA's main product groups is available on page 27, detailed financial information on its operating segments is available on pages 129-132, and a breakdown of employee-related figures is available on pages 86 ff.</div></div><div><div><div>SUPPLIERS' SUPPLIERS (TIER X)</div><div>Metals, monomers, polymers, etc.</div></div><div><div>PRODUCTION</div><div>KA products / components</div></div><div><div>SUPPLIERS (TIER 1)</div><div>Polymers, steel, brass, rubber, electronics, etc.</div></div><div><div>OWN PRODUCTION</div><div>KA products / components</div></div><div><div>CUSTOMERS</div><div>Customers' vehicles (mainly) with KA's components</div></div><div><div>END CUSTOMERS (PRODUCT USE)</div><div>End products</div></div><div><div>RECYCLING / DISPOSAL</div><div>End of life</div></div><div><div>Disposal / recycling after use</div><div>KA's value chain</div></div></div></div></div> |               |              |            |                          |                           |                      |                  |
| <div><div>PROCESSING</div><div><div>Raw material extraction, mines, basic industry</div><div><div>SUPPLIERS' SUPPLIERS (TIER X)</div><div>Metals, monomers, polymers, etc.</div></div><div><div>TRANSPORT</div><div>KA products / components</div></div><div><div>SUPPLIERS (TIER 1)</div><div>Polymers, steel, brass, rubber, electronics, etc.</div></div><div><div>OWN PRODUCTION</div><div>KA products / components</div></div><div><div>CUSTOMERS</div><div>Customers' vehicles (mainly) with KA's components</div></div><div><div>END CUSTOMERS (PRODUCT USE)</div><div>End products</div></div><div><div>RECYCLING / DISPOSAL</div><div>End of life</div></div><div><div>Disposal / recycling after use</div><div>KA's value chain</div></div></div></div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |               |              |            |                          |                           |                      |                  |



# INTERESTS AND VIEWS OF STAKEHOLDERS

Kongsberg Automotive (KA)'s most recent stakeholder assessment identified the following five stakeholder groups for KA: Customers, investors and shareholders, employees, suppliers, and local communities. KA engages with these stakeholders on a regular basis to identify business and sustainability issues relevant to them. Sustainability ratings and assessments are of growing importance in this context. Investors, customers, and suppliers in particular use established platforms such as CDP, EcoVadis, or SupplierAssurance to evaluate their own performance or that of their suppliers. KA uses such platforms as an important element of its stakeholder engagement. The outcome of this engagement and dialog has a direct impact on KA's strategy and business (e.g. lighter products, avoidance of certain input materials, or reducing CO<sub>2</sub>e footprint). The stakeholder perspective is reflected in regular discussions between KA's executive management and the Board of Directors.

| STAKEHOLDER GROUP          | TYPE OF ENGAGEMENT                                                                                                                                                                                                                                                      | EXAMPLES OF OUTCOMES                                                                                                                                                                                                                                                            |
|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| CUSTOMERS                  | <ul style="list-style-type: none"><li>&gt; KA's website</li><li>&gt; Trade fairs</li><li>&gt; Customer meetings</li><li>&gt; Surveys and assessments</li><li>&gt; Request for quotation processes</li></ul>                                                             | <ul style="list-style-type: none"><li>&gt; Sustainability of products (e.g. recyclability)</li><li>&gt; Innovation for battery electric vehicles</li><li>&gt; KA sustainability performance ratings</li></ul>                                                                   |
| INVESTORS AND SHAREHOLDERS | <ul style="list-style-type: none"><li>&gt; Capital Market Days</li><li>&gt; Annual General Meeting</li><li>&gt; Annual and quarterly reports</li><li>&gt; Breakfast meetings</li></ul>                                                                                  | <ul style="list-style-type: none"><li>&gt; Sustainability ratings</li><li>&gt; Capital Market Day, May 13, 2024: Sustainability approach presented</li></ul>                                                                                                                    |
| EMPLOYEES                  | <ul style="list-style-type: none"><li>&gt; KA intranet</li><li>&gt; Townhall meetings</li><li>&gt; Board representation for employees</li><li>&gt; Day-to-day cooperation between unions and employers</li><li>&gt; Staff meetings</li><li>&gt; Social events</li></ul> | <ul style="list-style-type: none"><li>&gt; Health and safety as a top focus for plant management</li><li>&gt; Wellbeing topics to be developed</li></ul>                                                                                                                        |
| SUPPLIERS                  | <ul style="list-style-type: none"><li>&gt; Supplier days</li><li>&gt; Supplier meetings and visits</li><li>&gt; KA website</li><li>&gt; Surveys and assessments</li><li>&gt; Quoting processes</li></ul>                                                                | <ul style="list-style-type: none"><li>&gt; Supplier sustainability risk assessments</li><li>&gt; Supplier's sustainability performance</li><li>&gt; Human rights and supplier's employees' working conditions</li><li>&gt; Responsible sourcing (especially minerals)</li></ul> |
| LOCAL COMMUNITIES          | <ul style="list-style-type: none"><li>&gt; Open house days</li><li>&gt; Press releases</li><li>&gt; Collaboration with universities</li><li>&gt; Participation in initiatives</li></ul>                                                                                 | <ul style="list-style-type: none"><li>&gt; Educational support (e.g. KA Mexico Scholarship Program)</li><li>&gt; Participation in the Planet 2030 initiative (Rauross Indus-try Park)</li></ul>                                                                                 |

## SUSTAINABILITY FRAMEWORKS AND RATINGS

**WE SUPPORT**



## UN Global Compact

The UN Global Compact (UNGC) is the world's largest joint initiative of socially and environmentally committed companies and other stakeholders. It is a strategic initiative for companies committing to align their business activities and principles with ten universally recognized principles in the areas of human rights, labor standards, environmental protection, and fighting corruption. KA joined the UNGC in October 2024.



## Carbon Disclosure Project (CDP)

The Carbon Disclosure Project (CDP) is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states, and regions to manage their environmental impacts. The world's economy views CDP as the gold standard of environmental reporting with the richest and most comprehensive dataset on corporate and city action. Kongsberg Automotive has been reporting in accordance with the CDP framework since 2017 and obtained a C score in the CDP Climate Change 2024 rating.

eco'vadis

## Ecovadis

Since its foundation in 2007, EcoVadis has grown to become the world's largest and most trusted provider of business sustainability ratings, creating a global network of more than 100,000 rated companies. Kongsberg Automotive's sustainability efforts have been rated by EcoVadis since 2012 and we achieved a score of 60 (out of 100) and Bronze status with our latest rating.



## Sustainable Development Goals (UN SDGs)

The Sustainable Development Goals are a UN framework that identifies the key areas where action should be taken to build a more sustainable world. KA recognizes that companies have an influence over all SDGs, but the following SDGs are those that are most relevant to the company's activities:



## SDG 5: GENDER EQUALITY

**5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life**



## SDG 8: DECENT WORK AND ECONOMIC GROWTH

**8.2** Achieve higher levels of economic productivity through diversification, technological upgrading, and innovation, including through a focus on high-value-added and labor-intensive sectors

**8.5** By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

**8.8** Protect labor rights and promote a safe and secure working environment for all workers, including migrant workers, in particular women migrants, and those in precarious employment



## SDG 9: INDUSTRY, INNOVATION AND INFRASTRUCTURE

**9.4** By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technology and industrial processes, with all countries taking action in accordance with their respective capabilities



## SDG 13: CLIMATE ACTION

**13.3** Improve education, awareness-raising, and human and institutional capacity on climate change mitigation, adaptation, impact reduction, and early warning



# DOUBLE MATERIALITY ASSESSMENT

At the end of 2023, Kongsberg Automotive (KA) applied the principles of the ESRS to conduct the double materiality assessment. The analysis was reconfirmed and slightly adjusted in 2024. KA used a four-step approach to implement the ESRS requirements. The materiality assessment process was facilitated by the Group Sustainability Manager.

## STEP 1: PREPARATION AND TOPIC LIST

The ESRS 1 longlist of sustainability topics served as the starting point for KA's materiality assessment. This longlist has been reviewed in the context of previous KA materiality processes and sustainability reports as well as other sources to complement the list with KA-specific topics.

## STEP 2: IMPACT MATERIALITY

The goal of the impact assessment is to identify those topics that have the greatest impact on environment, society, and economy along the entire value chain of Kongsberg Automotive. For certain topics, potential heightened risks for specific activities, stakeholders, and geographies have been discussed. In the process, the actual and potential positive and negative impacts along the value chain have been assessed for all topics based on the following four criteria (in accordance with the GRI and ESRS 1 guidelines):

- > Scale: Gravity of negative impacts or extent of potential or actual benefit for negative impacts and how beneficial the impact is or could be for positive impacts
- > Scope: Evaluates the extent of impacts, e.g. geographical reach and population affected
- > Irremediability: Measures the degree to which an impact cannot be reversed, considering time needed for recovery
- > Likelihood: The likelihood that a potential impact occurs.

These criteria have been scored from 0 ("no impact") to 4 ("very high/likely") for each topic at each value chain stage.

External experts performed the assessment using both internal documents and external sources, including studies and specialist reports.

The assessment of the topics considered both current and potential impacts. Current impacts are those already occurring, whether positive or negative. Potential impacts include both the risks of negative outcomes and opportunities for positive developments. Where possible, a time horizon was added, with the following categories: short- (less than one year), medium- (one to five years), or long-term (more than five years).

For the calculation, the product is formed from the scores for "scale," "scope," "irremediability," and "likelihood" for each stage of the value chain. This reflects the interrelation of the respective levels of the individual criteria with each other. The total value per topic consists of the sum of the scores per value chain stage. Thus, the impacts of all three stages of the value chain are weighted equally.

Following the external assessment, internal subject matter experts across the organization evaluated the impact of identified topics and reviewed the initial scoring.

The involvement of various experts from different areas of the company ensures sufficient consideration for internal stakeholder views. To some extent, the internal stakeholders also represent some external stakeholder groups. The views of external stakeholders, especially silent stakeholders in the value chain, were predominantly incorporated through the consideration of various external sources of information.

## STEP 3: FINANCIAL MATERIALITY

The key objective of the financial materiality analysis was to identify the financial risks and opportunities in KA's business stemming from the entire value chain.

The analysis contains three parts which are weighted as follows:

1. Analysis of external documents representing different stakeholder groups. Weight 20%.
2. Risk and opportunity workshops with KA's in-house experts. Weight 56% (combined).
3. Expert evaluation from an external party. Weight 24%

The analysis consists of an evaluation based on the criteria of magnitude and likelihood applied to risks and opportunities. Financial effects were qualitatively considered in terms of performance, financial situation, cash flow, and access to cost of capital. The applied time horizons are identical to the approach described above for the impact assessment.



Risks and opportunities were analyzed as inherent risks and opportunities. The list of potential material impacts has been considered to assess whether there are sources of current or potential risks and opportunities.

The scores for risks and opportunities were individually calculated as a weighted sum of the results of the three mentioned steps of the analysis and then added together as the total financial impact. All risks identified are sustainability-related risks and were prioritized as such. Risks and opportunities were weighted equally.

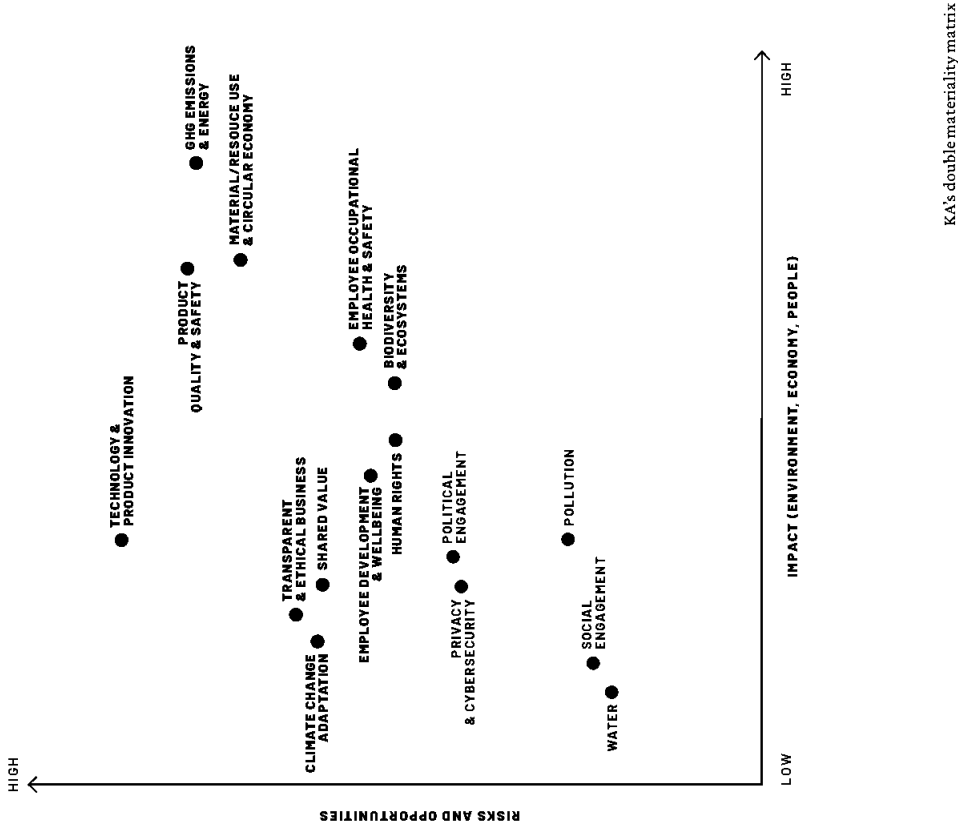
STEP 4: CONSOLIDATION AND APPROVAL

The results from the impact assessment and the risk and opportunity analysis were consolidated into a matrix. The x-axis represents the result of the impact assessment, while the y-axis represents the result of the risk and opportunity analysis. A detailed description of the identified IROs per material topic is included after this subchapter and in the different subsequent topic-related chapters.

Through setting a 50% threshold, the material topics are selected. The threshold should not cut off topics that either have a high outward impact or are related to high risks and opportunities. Particular care was taken to ensure that no topics with a high impact at any stage of the value chain are excluded from the selection. The threshold is therefore set at 50% of the total scoring.

After the preparation by the KA project team, the material topics were presented to the Sustainability Steering Committee (SteerCo) for validation. The SteerCo did not propose any changes. Finally, the Executive Management and the Board of Directors signed off on the results.

The double materiality process dictates the content for KA's sustainability disclosures and guides its priorities on sustainability issues. In many areas identified as material, KA has defined specific KPIs and responses to measure performance and disclose these metrics and targets in the company's sustainability statements. Where processes are less mature, KA is working continuously to devise strategies, define action plans, and implement change. In areas with less mature processes, KA focuses on continuous strategy development, action planning, and change implementation. KA will conduct a review and update of the materiality assessment on a regular basis.



KA's double materiality matrix



KA'S MATERIAL TOPICS

The material topics for Kongsberg Automotive are:

| KA TOPIC DESCRIPTION                       | ESRS TOPIC                                               |
|--------------------------------------------|----------------------------------------------------------|
| GHG EMISSIONS & ENERGY                     | ESRS E1 - Climate change                                 |
|                                            | ESRS E1 - Climate change                                 |
| CLIMATE CHANGE ADAPTATION                  | ESRS E1 - Climate change                                 |
|                                            | ESRS E1 - Climate change                                 |
| TECHNOLOGY & PRODUCT INNOVATION            | ESRS E1 - Climate change                                 |
|                                            | ESRS E4 - Biodiversity and ecosystems                    |
| BIODIVERSITY & ECOSYSTEMS                  | ESRS E1 - Climate change                                 |
|                                            | ESRS E5 - Circular economy and resource use              |
| MATERIAL / RESOURCE USE & CIRCULAR ECONOMY | ESRS E5 - Circular economy and resource use              |
|                                            | ESRS S1 - Own workforce                                  |
| EMPLOYEE OCCUPATIONAL HEALTH & SAFETY      | ESRS S1 - Own workforce                                  |
|                                            | ESRS S1 - Own workforce                                  |
| EMPLOYEE DEVELOPMENT & WELLBEING           | ESRS S1 - Own workforce                                  |
|                                            | ESRS S1 - Own workforce                                  |
| HUMAN RIGHTS IN THE VALUE CHAIN            | ESRS S1 - Own workforce, S2 - Workers in the value chain |
|                                            | ESRS S1 - Own workforce, S2 - Workers in the value chain |
| TRANSPARENT & ETHICAL BUSINESS             | ESRS G1 - Business conduct                               |
|                                            | ESRS G1 - Business conduct                               |
| SHARED VALUE                               | ESRS G1 - Business conduct                               |
|                                            | ESRS G1 - Business conduct                               |
| PRODUCT QUALITY & SAFETY (ENTITY-SPECIFIC) | Entity-specific                                          |
|                                            | Entity-specific                                          |

The double materiality assessment also produced topics and sub-topics that are not material for KA and therefore do not fall under the ESRS reporting requirements:

- > ESRS E2: Pollution
- > ESRS E3: Water and marine resources
- > ESRS S3: Affected communities
- > ESRS S4: Consumers and end users

In addition, there are sub-topics or sub-sub-topics which are not material (e.g. animal welfare) even though the topic level as such is material. The double materiality assessment established that material factors under ESRS S2 (workers in the value chain) are limited to upstream value chain impacts, risks, and opportunities with suppliers. This aligns with KA's role as an automotive supplier to Original Equipment Manufacturers (OEMs).

The DMA process also identified one topic – “Product quality and safety” – that is considered material for KA but does not match the ESRS topics directly. This topic is reported on in the entity-specific disclosure chapter.



|          |               |              |            |                          |                                  |                      |                  |
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# IMPACTS, RISKS AND OPPORTUNITIES

| IRO NAME                                               | IRO TYPE                    | DESCRIPTION                                                                                                                                                                                                                                                                                                            | TIME HORIZON |   |   | BUSINESS MODEL & VALUE CHAIN |                              |                                   |              |
|--------------------------------------------------------|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|---|---|------------------------------|------------------------------|-----------------------------------|--------------|
| E1 CLIMATE CHANGE                                      |                             |                                                                                                                                                                                                                                                                                                                        |              |   |   |                              |                              |                                   |              |
| CO <sub>2</sub> emissions (Scope 1, 2 and 3)           | Actual negative impact      | GHG emissions from the combustion of fuels and the consumption of electricity from fossil sources in the extraction of raw materials and production of products (e.g. coal-fired electricity). Steel production leads to process emissions.                                                                            |              |   |   | X                            | Purchased goods and services | KA plant's operations & emissions | Distribution |
| CO <sub>2</sub> emissions (Scope 1, 2 and 3)           | Transitional financial risk | Global focus on emissions and energy → customers demand products for green shift, legacy products become unmarketable → financial risks and compliance necessary to maintain license to operate. Risk of disruptive technologies, losing R&D investments, not competitive.                                             |              | X | X |                              | n/a                          | KA operations                     | n/a          |
| CO <sub>2</sub> emissions (Scope 1, 2 and 3)           | Opportunity                 | Financial opportunities due to green shift in car market with demand for less carbon-intensive products and transition to BEVs and opportunity to grow product portfolio to align with low-carbon car market demands. Opportunity by developing new products to open up new business areas and replacement businesses. |              | X | X |                              | n/a                          | KA operations                     | n/a          |
| Climate change adaptation -physical risks              | Physical risk               | Physical risks to operations due to changing climate: Damage to property, supply chain disruption, cost for climate hazard protection                                                                                                                                                                                  |              | X | X |                              | n/a                          | KA plants                         | n/a          |
| Climate change adaptation - transitional risks         | Transitional financial risk | Customers demand products for green shift, legacy products become unmarketable → financial risks. Transitional risks through costs associated with changing legislation and taxes due to CC. Investments needed to maintain license to operate.                                                                        |              | X | X |                              | n/a                          | KA operations                     | n/a          |
| Renewable energies                                     | Transitional financial risk | Increasing/volatile energy prices increase operational costs as energy production shifts to low carbon solutions.                                                                                                                                                                                                      |              | X | X |                              | n/a                          | KA production plants              | n/a          |
| Renewable energies and energy consumption & efficiency | Opportunity                 | Financial opportunities by shifting to renewable energies and financial opportunity to save money by gaining energy efficiency in production.                                                                                                                                                                          |              | X | X |                              | n/a                          | KA plants                         | n/a          |



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|                                               |                             |                                                                                                                                                                                                                                                                                                                                |            |                          |                           |   |                                   |                                         |                                    |                      |                  |
| IRO NAME                                      | IRO TYPE                    | DESCRIPTION                                                                                                                                                                                                                                                                                                                    |            | TIME HORIZON             |                           |   | BUSINESS MODEL & VALUE CHAIN      |                                         |                                    |                      |                  |
| E4 BIODIVERSITY AND ECOSYSTEMS                |                             |                                                                                                                                                                                                                                                                                                                                |            |                          |                           |   |                                   |                                         |                                    |                      |                  |
| Land degradation                              | Actual negative impact      | Land degradation due to mining operations for raw materials. Mining of ores (iron, copper, zinc, aluminum) all require drastic interventions in local ecosystems and can cause damage. Most prominent impact is in direct proximity to mining operations, but through chemical emissions these impacts can cover larger areas. |            |                          |                           | X | Suppliers of raw material         | n/a                                     | n/a                                |                      |                  |
| Exploitation                                  | Physical risk               | Risks to operation/value of services (provisioning) at stake due to progressed exploitation.                                                                                                                                                                                                                                   |            |                          |                           | X | n/a                               | KA operations                           | n/a                                |                      |                  |
| E5 CIRCULAR ECONOMY AND RESOURCE USE          |                             |                                                                                                                                                                                                                                                                                                                                |            |                          |                           |   |                                   |                                         |                                    |                      |                  |
| Material/resource inflows                     | Actual negative impact      | Actual resource consumption for product manufacturing (steel, aluminum, etc.) and the provision of energy (electricity and fuels) is high.                                                                                                                                                                                     |            | X                        |                           | X | Resource consumption of suppliers | KA plant's resource consumption         | KA customer's resource consumption |                      |                  |
| Circular principles including generated waste | Transitional financial risk | Risk of regulatory non-compliance / loss of investors (Taxonomy objective circular economy).                                                                                                                                                                                                                                   |            |                          | X                         | X | n/a                               | KA operations                           | n/a                                |                      |                  |
| Material/resource availability                | Transitional financial risk | Financial risk due to price and availability of raw materials as this might lead operations to halt production.                                                                                                                                                                                                                |            | X                        |                           | X | n/a                               | KA operations, purchasing in particular | n/a                                |                      |                  |
| Generated waste                               | Transitional financial risk | Risk of regulatory non-compliance / loss of investors.                                                                                                                                                                                                                                                                         |            |                          | X                         | X | n/a                               | KA operations                           | n/a                                |                      |                  |
| Circular principles                           | Opportunity                 | Opportunity by shifting to circular economic principles to require less raw materials (reusing/recycling waste to reduce overall costs of production).                                                                                                                                                                         |            |                          | X                         | X | n/a                               | KA production plants                    | n/a                                |                      |                  |
| Circular principles                           | Opportunity                 | Opportunity by designing products with substitute materials.                                                                                                                                                                                                                                                                   |            |                          | X                         | X | n/a                               | KA engineering & product portfolio      | n/a                                |                      |                  |
| S1 OWN WORKFORCE                              |                             |                                                                                                                                                                                                                                                                                                                                |            |                          |                           |   |                                   |                                         |                                    |                      |                  |
| Working conditions of own workforce           | Financial risk              | Risk of skill shortage/talent retention to keep up with the market. Reputational damage can lead to loss of attractiveness as employer.                                                                                                                                                                                        |            |                          | X                         | X | n/a                               | KA workforce                            | n/a                                |                      |                  |
| Collective bargaining                         | Financial risk              | Legal/reputational financial risks associated with human rights/working rights non-compliance in the supply chain.                                                                                                                                                                                                             |            | X                        |                           | X | n/a                               | KA workforce                            | n/a                                |                      |                  |



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|                                                                                  |                           |                                                                                                                                                                                                                                                                                                                                                                                                           |            |                          |                           |   |   |           |                                           |                              |                  |     |  |
| IRO NAME                                                                         | IRO TYPE                  | DESCRIPTION                                                                                                                                                                                                                                                                                                                                                                                               |            |                          | TIME HORIZON              |   |   |           |                                           | BUSINESS MODEL & VALUE CHAIN |                  |     |  |
| S1 OWN WORKFORCE                                                                 |                           |                                                                                                                                                                                                                                                                                                                                                                                                           |            |                          |                           |   |   |           |                                           |                              |                  |     |  |
| Child labor and forced labor                                                     | Financial risk            | Legal/reputational financial risks associated with human rights/working rights non-compliance in the supply chain.                                                                                                                                                                                                                                                                                        |            |                          | X                         | X | X | n/a       | KA workforce                              | n/a                          |                  |     |  |
| Employee development and career opportunities                                    | Potential positive impact | Skilled and educated workers benefit in future career opportunities. KA is a technological company, and workers require skills and knowledge to work safely and efficiently. As the industry is moving forward, workers need to develop their skills or face danger of falling behind. KA can have positive impacts on employees by providing continuous education, development and career opportunities. |            |                          | X                         | X | X | n/a       | KA training and development opportunities | n/a                          |                  |     |  |
| Employee development and career opportunities                                    | Opportunity               | Opportunity to create competitive advantage by highly trained workforce enabling BEV shift with new products. This will have a long-term effect on competitiveness and successful innovation. Skilled people will be attracted if education and training is good.                                                                                                                                         |            |                          |                           | X | X | n/a       | KA workforce                              | n/a                          |                  |     |  |
| Employee development and career opportunities                                    | Financial risk            | Financial risk of skill shortage/talent retention to keep up with the market (R&D, engineering). Company can lose its competitiveness, which can lead to market loss.                                                                                                                                                                                                                                     |            |                          |                           | X | X | n/a       | KA workforce                              | n/a                          |                  |     |  |
| Occupational accidents, absence days and work-related physical and mental health | Financial risk            | Financial risks due to accidents/sickness, lost time and insurance cost can increase. Risk of not attracting talent in case of bad performance in this area.                                                                                                                                                                                                                                              |            |                          | X                         | X | X | n/a       | KA workforce                              | n/a                          |                  |     |  |
| S2 WORKERS IN THE VALUE CHAIN                                                    |                           |                                                                                                                                                                                                                                                                                                                                                                                                           |            |                          |                           |   |   |           |                                           |                              |                  |     |  |
| Inadequate wages in producing countries                                          | Potential negative impact | Possible negative impacts through unintentional contribution to: Excessive working hours or low and non-transparent or partly non-legal wages and benefits.                                                                                                                                                                                                                                               |            |                          | X                         | X | X | Suppliers | n/a                                       | Distribution                 |                  |     |  |
| Occupational accidents and work-related physical and mental health               | Potential negative impact | Possible negative impacts through unintentional contribution to: Limitations of social dialog, freedom of association, or collective bargaining, poor health and safety awareness.                                                                                                                                                                                                                        |            |                          | X                         | X | X | Suppliers | n/a                                       | Distribution                 |                  |     |  |
| Collective bargaining                                                            | Financial risk            | Legal/reputational financial risks associated with human rights/working rights non-compliance in the supply chain.                                                                                                                                                                                                                                                                                        |            |                          | X                         | X | X | Suppliers | n/a                                       | Distribution                 |                  |     |  |
| Occupational accidents, absence days and work-related physical and mental health | Financial risk            | Legal/reputational financial risks associated with human rights/working rights non-compliance in the supply chain.                                                                                                                                                                                                                                                                                        |            |                          | X                         | X | X | Suppliers | n/a                                       | n/a                          |                  | n/a |  |



| IRO NAME                                                                             | IRO TYPE                  | DESCRIPTION                                                                                                                                                                                                                                                           | TIME HORIZON |   |   |           | BUSINESS MODEL & VALUE CHAIN |              |  | Sustainability Statements | Financial Statements | Auditor's Report |
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|                                                                                      |                           |                                                                                                                                                                                                                                                                       | S            | M | L | UPSTREAM  | OWN OPERATIONS               | DOWNSTREAM   |  |                           |                      |                  |
| S2 WORKERS IN THE VALUE CHAIN                                                        |                           |                                                                                                                                                                                                                                                                       |              |   |   |           |                              |              |  |                           |                      |                  |
| Employee development and career opportunities                                        | Financial risk            | Financial risk of skill shortage/talent retention to keep up with the market (R&D, engineering). Company can lose its competitiveness, which can lead to market loss.                                                                                                 | X            | X | X | Suppliers | n/a                          | Distribution |  |                           |                      |                  |
| Employee development and career opportunities                                        | Opportunity               | Opportunity to create competitive advantage by highly trained workforce enabling battery electric vehicle shift with new products. Long-term effect on competitiveness and successful innovation. Skilled people will be attracted if education and training is good. | X            | X | X | Suppliers | n/a                          | Distribution |  |                           |                      |                  |
| Forced labor                                                                         | Potential negative impact | Possible negative impact through unintentional contribution during mineral sourcing. Forced or child labor.                                                                                                                                                           | X            | X | X | Suppliers | n/a                          | n/a          |  |                           |                      |                  |
| Child labor and forced labor                                                         | Financial risk            | Legal/reputational financial risks associated with human rights/working rights non-compliance in the supply chain.                                                                                                                                                    | X            | X | X | Suppliers | n/a                          | Distribution |  |                           |                      |                  |
| G1 BUSINESS CONDUCT                                                                  |                           |                                                                                                                                                                                                                                                                       |              |   |   |           |                              |              |  |                           |                      |                  |
| Responsible marketing practices incl. assurance and labels, taxes and profit sharing | Financial risk            | Greenwashing risk, reputational damage, financial risk of losing license to operate if not adequately contributing to local community, employee fluctuation can increase if profits are not shared fairly.                                                            | X            | X | X | n/a       | KA operations                | n/a          |  |                           |                      |                  |
| Corruption, bribery & anti-competitive behavior                                      | Financial risk            | Financial/legal/litigation risks due to global supply chain with lots of inherent risks for fraud, corruption, bribery, disruption of supply chain due to political reasons potentially leading to financial damages. Reputational damage can be long lasting.        | X            | X | X | n/a       | KA operations                | n/a          |  |                           |                      |                  |
| Protection of whistleblowers                                                         | Financial risk            | Financial/legal/litigation risks due to global supply chain with lots of inherent risks for fraud, corruption, bribery, disruption of supply chain due to political reasons potentially leading to financial damages. Reputational damage can be long-lasting.        | X            | X | X | n/a       | KA operations                | n/a          |  |                           |                      |                  |
| Responsible marketing practices incl. assurance and labels                           | Opportunity               | Responsible communication can be marketing tool for KA to improve its image, gain new customers and new business.                                                                                                                                                     | X            | X | X | n/a       | KA operations                | n/a          |  |                           |                      |                  |
| Infrastructure                                                                       | Opportunity               | Financial sustainability is a precondition for long-term economic success. Contributing to the local community through taxes and profit sharing, infrastructure investments, etc., has a positive reputational impact.                                                | X            | X | X | n/a       | KA operations                | n/a          |  |                           |                      |                  |
| Management of relationships with suppliers                                           | Opportunity               | Opportunity through supplier engagement/localization to gain competitive advantage, create a more resilient supply chain as well as reputational gains.                                                                                                               | X            | X | X | n/a       | KA operations                | n/a          |  |                           |                      |                  |



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| IRO NAME                                                 | IRO TYPE       | DESCRIPTION                                                                                                                              | TIME HORIZON |            |                          | BUSINESS MODEL & VALUE CHAIN     |                      |                  |
|                                                          |                |                                                                                                                                          | S            | M          | L                        | UPSTREAM                         | OWN OPERATIONS       | DOWNSTREAM       |
| ENTITY-SPECIFIC - PRODUCT QUALITY AND SAFETY             |                |                                                                                                                                          |              |            |                          |                                  |                      |                  |
| Product safety (customer) and consumer health (customer) | Financial risk | High financial risks for safety-critical products. Reputational damage can have severe impact.                                           | X            | X          | X                        | n/a                              | KA operations        | Distribution     |
|                                                          | Opportunity    | High priority of safety for customers -> opportunity to be attractive to customers.                                                      |              | X          | X                        | n/a                              | KA operations        | Distribution     |
|                                                          | Opportunity    | Shift with electric vehicles --> powertrain bigger part of overall value (more effect on final price and thus accessibility of product). |              | X          | X                        | n/a                              | KA operations        | Distribution     |



# DISCLOSURE REQUIREMENTS AND INCORPORATION BY REFERENCE

The following tables list all of the ESRS disclosure requirements in ESRS 2 and the six topical standards which are material to Kongsberg Automotive and which have guided the preparation of KA's sustainability statements. The company has omitted all the disclosure requirements in the topical standards E2, E3, S3 and S4 as these are below materiality thresholds. The tables can be used to navigate to information relating to a specific disclosure requirement in the sustainability statements. The tables also show where to find information relating to a specific disclosure requirement that lies outside of the sustainability statements and is 'incorporated by reference' to either the management's review or the financial statements within this Annual Report, or to the Remuneration Report, published as a separate report. In cases where no information related to a disclosure requirement is available, no reference is made.

| CROSS-CUTTING STANDARDS<br>DISCLOSURE REQUIREMENT |                                                                   |       |                                                                                                                                                                                                                                                                                  |
|---------------------------------------------------|-------------------------------------------------------------------|-------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ESRS 2                                            | GENERAL DISCLOSURES                                               | PAGE  | ADDITIONAL INFORMATION                                                                                                                                                                                                                                                           |
| BP-1                                              | General basis for preparation of the sustainability statement     | 46    |                                                                                                                                                                                                                                                                                  |
|                                                   | Disclosures in relation to specific circumstances                 | 46-47 |                                                                                                                                                                                                                                                                                  |
| GOV-1                                             | The role of the administrative, management and supervisory bodies | 47-49 | Incorporation by reference - (ESRS 2 GOV-1 21a-3, 23 a, b). See page 20-21 for composition and competences of BoD, meeting attendance, independence, work and risk assessment/internal controls on page 17-18 (Corporate governance point 8-10) and diversity metrics on page 89 |

| ESRS 2 | GENERAL DISCLOSURES                                                                                                                 | PAGE      | ADDITIONAL INFORMATION                                                                                                                                                                                                                                               |
|--------|-------------------------------------------------------------------------------------------------------------------------------------|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| GOV-2  | Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies | 47-48     | Incorporation by reference - (ESRS 2 GOV-3 (29a-e)). For incentive schemes dependent on sustainability-related performance, see remuneration report, page 18 'Global long-term incentive plan 2024 for management (share-based remuneration)'                        |
| GOV-3  | Integration of sustainability-related performance in incentive schemes                                                              | 48-49     |                                                                                                                                                                                                                                                                      |
| GOV-4  | Statement on sustainability due diligence                                                                                           | 47        |                                                                                                                                                                                                                                                                      |
| GOV-5  | Risk management and internal controls over sustainability reporting                                                                 | 48        |                                                                                                                                                                                                                                                                      |
| SBM-1  | Strategy, business model and value chain (products, markets, customers)                                                             | 49        | Incorporation by reference - (ESRS E2 SBM-1 38, 40a-g). For overall strategy and business model (products, markets, customers), see pages 27-33. For sustainability related strategy see pages 31, 33. For headcount of employees by geographical areas, see page 34 |
| SBM-2  | Interests and views of stakeholders                                                                                                 | 50        |                                                                                                                                                                                                                                                                      |
| SBM-3  | Material impacts, risks and opportunities and their interaction with strategy and business model                                    | 55-59     |                                                                                                                                                                                                                                                                      |
| IRO-1  | Description of the process to identify and assess material impacts, risks and opportunities                                         | 52-53     |                                                                                                                                                                                                                                                                      |
| IRO-2  | Disclosure requirements in ESRS covered by the undertaking's sustainability statement                                               | 54, 60-63 |                                                                                                                                                                                                                                                                      |



ENVIRONMENTAL STANDARDS  
DISCLOSURE REQUIREMENT

| ESRS E1       | CLIMATE CHANGE                                                                                                          | PAGE      | ADDITIONAL INFORMATION                                                                                                                                    | ESRS E4       | BIODIVERSITY AND ECOSYSTEMS                                                                                                             | PAGE         | ADDITIONAL INFORMATION |
|---------------|-------------------------------------------------------------------------------------------------------------------------|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-----------------------------------------------------------------------------------------------------------------------------------------|--------------|------------------------|
| ESRS 2, GOV-3 | Integration of sustainability-related performance in incentive schemes                                                  | 48-49     | Incorporation by reference - ESRS E113: See Remuneration Report, page 16 "Global long-term incentive plan 2024 for management (share-based remuneration)" | ESRS 2, IRO-1 | Description of the processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities        | 52-53, 78    |                        |
| E1-1          | Transition plan for climate change mitigation                                                                           | 72-74     |                                                                                                                                                           | E4-2          | Policies related to biodiversity and ecosystems                                                                                         | 78           |                        |
| ESRS 2, SBM 3 | Material impacts, risks and opportunities, and their interaction with strategy and business model                       | 55, 70-71 |                                                                                                                                                           | E4-3          | Actions and resources related to biodiversity and ecosystems                                                                            | 78           |                        |
| ESRS 2, IRO-1 | Description of the processes to identify and assess material climate-related impacts, risks and opportunities           | 52-53, 70 |                                                                                                                                                           | E4-4          | Targets related to biodiversity and ecosystems                                                                                          | 78           |                        |
| E1-2          | Policies related to climate change mitigation and adaptation                                                            | 71        |                                                                                                                                                           | E4-5          | Impact metrics related to biodiversity and ecosystems change                                                                            | 78           |                        |
| E1-3          | Actions and resources in relation to climate change policies                                                            | 72-74     |                                                                                                                                                           | E4-6          | Anticipated financial effects from biodiversity and ecosystems-related risks and opportunities                                          | n/a          |                        |
| E1-4          | Targets related to climate change mitigation and adaptation                                                             | 74-75     |                                                                                                                                                           | ESRS E5       | RESOURCE USE AND CIRCULAR ECONOMY                                                                                                       | PAGE         | ADDITIONAL INFORMATION |
| E1-5          | Energy consumption and mix                                                                                              | 75, 77    |                                                                                                                                                           | ESRS 2, IRO-1 | Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities | 52-53, 79-80 |                        |
| E1-6          | Gross Scopes 1, 2, 3 and total GHG emissions                                                                            | 76-77     |                                                                                                                                                           | E5-1          | Policies related to resource use and circular economy                                                                                   | 80           |                        |
| E1-7          | GHG removals and GHG mitigation projects financed through carbon credits                                                | n/a       |                                                                                                                                                           | E5-2          | Actions and resources related to resource use and circular economy                                                                      | 80           |                        |
| E1-8          | Internal carbon pricing                                                                                                 | n/a       |                                                                                                                                                           | E5-3          | Targets related to resource use and circular economy                                                                                    | 80           |                        |
| E1-9          | Anticipated financial effects from material physical and transitional risks and potential climate-related opportunities | n/a       | Phase-in option used                                                                                                                                      | E5-4          | Resource inflows                                                                                                                        | 79-82        |                        |
| ESRS E4       | BIODIVERSITY AND ECOSYSTEMS                                                                                             | PAGE      | ADDITIONAL INFORMATION                                                                                                                                    | E5-5          | Resource outflows                                                                                                                       | 79, 81-82    |                        |
| E4-1          | Transition plan and consideration of biodiversity and ecosystems in strategy and business model                         | 78        |                                                                                                                                                           | E5-6          | Anticipated financial effects from material resource use and circular economy-related risks and opportunities                           | n/a          | Phase-in option used   |
| ESRS 2, SBM 3 | Material impacts, risks and opportunities, and their interaction with strategy and business model                       | 56, 78    |                                                                                                                                                           |               |                                                                                                                                         |              |                        |



SOCIAL STANDARDS DISCLOSURE REQUIREMENT

| ESRS S1       | OWN WORKFORCE                                                                                                                                                                                    | PAGE                | ADDITIONAL INFORMATION | ESRS S1       | OWN WORKFORCE                                                                                                                                                                                              | PAGE                | ADDITIONAL INFORMATION |
|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|------------------------|---------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|------------------------|
| ESRS 2, SBN-2 | Interest and views of stakeholders                                                                                                                                                               | 50                  |                        | S1-16         | Compensation metrics (pay gap and total compensation)                                                                                                                                                      | 89                  |                        |
| ESRS 2, SBN-3 | Material impacts, risks and opportunities and their interaction with strategy and business model                                                                                                 | 52-53, 56-57, 83-84 |                        | S1-17         | Incidents, complaints and severe human rights impacts                                                                                                                                                      | 84, 87              |                        |
| S1-1          | Policies related to own workforce                                                                                                                                                                | 85-88, 90           |                        | ESRS S2       | WORKERS IN THE VALUE CHAIN                                                                                                                                                                                 | PAGE                | ADDITIONAL INFORMATION |
| S1-2          | Processes for engaging with own workers and workers' representatives about impacts                                                                                                               | 50, 84              |                        | ESRS 2, SBN-2 | Interest and views of stakeholders                                                                                                                                                                         | 50, 100-101         |                        |
| S1-3          | Processes to remediate negative impacts and channels for own workers to raise concerns                                                                                                           | 84, 107             |                        | ESRS 2, SBN-3 | Material impacts, risks and opportunities and their interaction with strategy and business model                                                                                                           | 52-53, 57-58, 93-94 |                        |
| S1-4          | Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions | 85-86, 88, 90-91    |                        | S2-1          | Policies related to value chain workers                                                                                                                                                                    | 94-95               |                        |
| S1-5          | Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities                                                                 | 86, 88-89, 91       |                        | S2-2          | Processes for engaging with value chain workers about impacts                                                                                                                                              | 100-101             |                        |
| S1-6          | Characteristics of the undertaking's employees                                                                                                                                                   | 86-87               |                        | S2-3          | Processes to remediate negative impacts and channels for value chain workers to raise concerns                                                                                                             | 101                 |                        |
| S1-7          | Characteristics of non-employee workers in the undertaking's own workforce                                                                                                                       | 86-87               |                        | S2-4          | Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions | 94-100, 102         |                        |
| S1-8          | Collective bargaining coverage and social dialogue                                                                                                                                               | 86-87               |                        | S2-5          | Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities                                                                           | 102-103             |                        |
| S1-9          | Diversity metrics                                                                                                                                                                                | 89                  |                        |               |                                                                                                                                                                                                            |                     |                        |
| S1-10         | Adequate wages                                                                                                                                                                                   | 89                  |                        |               |                                                                                                                                                                                                            |                     |                        |
| S1-11         | Social protection                                                                                                                                                                                | 85-86               |                        |               |                                                                                                                                                                                                            |                     |                        |
| S1-12         | Persons with disabilities                                                                                                                                                                        | n/a                 | Phase in option used   |               |                                                                                                                                                                                                            |                     |                        |
| S1-13         | Training and skills development metrics                                                                                                                                                          | 88-89               |                        |               |                                                                                                                                                                                                            |                     |                        |
| S1-14         | Health and safety metrics                                                                                                                                                                        | 91                  |                        |               |                                                                                                                                                                                                            |                     |                        |
| S1-15         | Work-life balance metrics                                                                                                                                                                        | n/a                 | Phase in option used   |               |                                                                                                                                                                                                            |                     |                        |



| GOVERNANCE STANDARDS<br>DISCLOSURE REQUIREMENT |                                                                                               |                   |                                                    |
|------------------------------------------------|-----------------------------------------------------------------------------------------------|-------------------|----------------------------------------------------|
| ESRS 61                                        | BUSINESS CONDUCT                                                                              | PAGE              | ADDITIONAL INFORMATION                             |
| ESRS 2:<br>GOV-1                               | The role of the administrative, supervisory and management bodies                             | 47-49             | Refer to ESRS 2 GOV for incorporation by reference |
| ESRS 2:<br>IRO-1                               | Description of the processes to identify and assess material impacts, risks and opportunities | 52-53,<br>58, 104 |                                                    |
| 61-1                                           | Business conduct policies and corporate culture                                               | 105               |                                                    |
| 61-2                                           | Management of relationships with suppliers                                                    | 107,<br>94-99     |                                                    |
| 61-3                                           | Prevention and detection of corruption and bribery                                            | 106               |                                                    |
| 61-4                                           | Incidents of corruption or bribery                                                            | 106               |                                                    |
| 61-5                                           | Political influence and lobbying activities                                                   | n/a               | Subtopic not material                              |
| 61-6                                           | Payment practices                                                                             | 107               |                                                    |



# ENVIRONMENTAL INFORMATION

## EU TAXONOMY

The Regulation (EU) 2020/852 of the European Parliament and European Council, known as the EU Taxonomy Regulation, introduces a comprehensive classification system for economically and environmentally sustainable activities. This system aims to streamline the recognition of sustainable practices, encouraging a shift in financial investments toward businesses and technologies that promote environmental responsibility and support the goals outlined in the European Green Deal and the EU's climate targets.

According to the Taxonomy Regulation, an economic activity is deemed environmentally sustainable if it significantly contributes to at least one of the EU's six climate and environmental objectives. Simultaneously, it must not cause significant harm to any of these objectives and must adhere to minimum social safeguards. These six objectives are: Climate-change mitigation, climate-change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems.

To qualify as Taxonomy-eligible, an economic activity must align with an activity described in the Taxonomy delegated acts and be considered likely to substantially contribute to at least one of the six environmental objectives. To qualify as Taxonomy-aligned, an economic activity must substantially contribute to one or more of the environmental objectives by meeting the corresponding technical screening criteria outlined in the applicable delegated act. Further, the economic activity must not

significantly harm any other objectives, and the activity must be carried out in compliance with the minimum social safeguards in place. To comply with articles 3 and 9 of the Taxonomy Regulation (EU) 2020/852 (eligibility and alignment), Kongsberg Automotive (KA) is required to disclose turnover, capital expenditure (CAPEX), and operating expenditure (OPEX) related to environmentally sustainable economic activities.

### ASSESSMENT OF KA'S ACTIVITIES' TAXONOMY-ELIGIBILITY

The main focus of the assessment of eligible activities was set on the income-generating economic operations and is based on best judgment and availability of data through the existing reporting channels. Workshops were held with representatives of the finance and engineering departments of the different business units to analyze the group's economic activities regarding their relevance to the EU Taxonomy eligibility. As a first step, the activities were allocated to the applicable NACE codes (nomenclature of economic activities), which were then mapped to the potential activities listed in the delegated acts in a second step and confirmed based on the activity descriptions. The group's core activities across all business units primarily pointed to the activities "3.18 Manufacture of automotive and mobility vehicle components" and "3.6 Manufacture of other low carbon technologies." The corresponding economic activities' alignment with the activity descriptions was then further analyzed in detail. Independently of this first analysis, the full list of EU Tax-

onomy activities was screened for applicable activities based on the activity descriptions which included supporting economic activities as well. The additional activities identified as eligible are "6.5 Transport by motorbikes, passenger cars and light commercial vehicles" and "7.7 Acquisition and ownership of buildings."

### CLIMATE-RELATED ENVIRONMENTAL OBJECTIVES: 3.18 MANUFACTURE OF AUTOMOTIVE AND MOBILITY VEHICLE COMPONENTS

The activity description refers to the manufacture, repair, maintenance, retrofitting, repurposing, and upgrade of mobility components for zero-emission personal mobility devices and of automotive and mobility systems, components, separate technical units, parts, and spare parts.

A clarification was published for this activity description during 2024, narrowing down the eligible components to include only essential parts necessary for the environmental performance of the zero-emission vehicle.

As a technology development and manufacturing company for vehicle components, most of KA's income generating activities were analyzed for eligibility with 3.18. Together with experts from the Engineering and Sales departments, the product families were discussed for each business unit. As a first step, the assessment identified products and development projects specifically for electric vehicles and their electronic components. Products for hybrid and internal combustion engine vehicles were excluded. A second step evaluated whether the identified products qualify as essential components for



| Contents                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 2024 in Brief                                                                                                                                                                                                                                                                                                                                                                                                                                                                              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| <p>electric vehicle environmental performance, determining their eligibility under 3.18.</p> <p><b>3.6 MANUFACTURE OF OTHER LOW CARBON TECHNOLOGIES</b></p> <p>This activity comprises the manufacture of technologies that are aimed at and demonstrate substantial GHG emission savings compared to the best-performing alternative technology/product/solution available on the market. While KA has identified activities that show best-in-market performance based on internal benchmarking, it is difficult to demonstrate lifetime GHG emission savings that are substantial. Therefore, the corresponding activities have been classified as non-eligible for the fiscal year 2024. KA will continue to analyze these activities in more detail going forward through lifetime GHG savings analyses.</p> <p><b>6.5 TRANSPORT BY MOTORBIKES, PASSENGER CARS, AND LIGHT COMMERCIAL VEHICLES</b></p> <p>The definition of this activity includes the purchase, financing, renting, leasing, and operation of vehicles designated as category M1. Therefore, this activity includes the leasing of company cars by employees.</p> <p><b>7.7 ACQUISITION AND OWNERSHIP OF BUILDINGS</b></p> <p>The definition of this activity includes buying real estate and exercising ownership of that real estate. This also includes leased real estate and thus buildings owned or leased by KA.</p> <p>All four listed activities are attributed to climate-change mitigation objectives. No activities were identified that comply with the climate-change adaptation objective.</p> | <p><b>NON-CLIMATE-RELATED ENVIRONMENTAL OBJECTIVES</b></p> <p>KA did not identify any economic activities that match the description of economic activities of the four non-climate-related environmental objectives as outlined in the environmental delegate act.</p> <p><b>MINIMUM SAFEGUARDS</b></p> <p>Minimum safeguards refer to implemented procedures that ensure alignment with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the eight fundamental ILO conventions and the International Bill of Human Rights. The main topics included are human rights, anti-bribery, anti-corruption, fair competition, and taxation.</p> <p>KA has analyzed compliance by breaking down the main topics into specific criteria. It is committed to conducting business with the highest standards of integrity and transparency. Many aspects are thus covered in the Code of Conduct and the policies on bribery and corruption. Corresponding procedures and processes are in place. However, a formal Human Rights Policy covering all aspects referred to in the above minimum safeguards was only developed in 2024 and had not been implemented at the beginning of the reporting period. The policy was published on December 18, 2024. Therefore, the policy and the corresponding processes are not yet implemented for the full reporting year 2024, meaning that minimum safeguards are not yet fulfilled.</p> <p><b>ASSESSMENT OF KA'S ACTIVITIES' TAXONOMY-ALIGNMENT</b></p> <p>Since 2024, KA is required to report Taxonomy-alignment for all identified activities for all six environmental objectives. Activities can be classified as Taxonomy-aligned only when they meet all requirements: minimum safeguards, substantial contribution criteria, and "Do No Significant</p> | <p>Harm" (DNSH) criteria. As outlined above, KA currently does not yet fully comply with all aspects required by the minimum safeguards and therefore, no activities can be reported as Taxonomy-aligned in 2024. Because of this, the substantial contribution and the DNSH criteria were not assessed for the 2024 reporting year.</p> <p><b>KEY PERFORMANCE INDICATORS (KPIs)</b></p> <p>The consolidated financial statements of KA follow EU-endorsed International Financial Reporting Standards (IFRS) and International Financial Reporting Interpretations Committee (IFRIC) interpretations. These statements serve as the basis for EU Taxonomy calculations of turnover, capital expenditure (CAPEX), and certain operational expenditure (OPEX). Double counting is avoided by clearly allocating each item of Taxonomy-eligible turnover, capital expenditure, and operating expenditure to a single Taxonomy-eligible economic activity.</p> <p><b>TURNOVER</b></p> <p>The Taxonomy-eligible share of turnover (numerator) is defined as the net turnover derived from products or services and derived from the Taxonomy-eligible income generating activities (3.18). The denominator for the turnover KPI consists of the consolidated operating revenues (2024: EUR 788.2 million) in accordance with IFRS 15 and IAS 1 82(a) and can be reconciled to the consolidated statement of comprehensive income of 2024. Further information can be found in note 7 of the consolidated financial statements 2024.</p> <p><b>CAPITAL EXPENDITURE (CAPEX)</b></p> <p>The Taxonomy-eligible share of CAPEX (numerator) consists of investments in capitalized development project costs (IAS 38) and production machinery related to current and future income generating Taxonomy-eligible</p> |            |                          |                           |                      |                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        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                                                     |            |                          |                           |                      |                  |



activities (3.18), investment in buildings and building leases (activity 7.7) that are included in the scope of IFRS 16, and investment car leases for employees (activity 6.5) that are included in the scope of IFRS16.

The denominator for the CAPEX KPI consists of all additions to tangible and intangible assets as well as right-of-use assets in accordance with IAS 16, IAS 38 and IFRS 16 before any depreciation, amortization or reemeasurement (2024: 34.2 million). It can be reconciled with the additions reported in notes 12 to 14 of the consolidated financial statements 2024.

OPERATING EXPENDITURE (OPEX)

The operating expenditure KPI is defined as Taxonomy-eligible operating expenditure (numerator) divided by the total operating expenditure (denominator) as defined in the EU Taxonomy.

The denominator for the operating expenditure (OPEX) KPI consists of the expenses for non-capitalized research and development costs, short-term and low-value leases, building renovation measures as well as costs for maintenance and repair of property, plant, and equipment (2024: 70 million). To derive the Taxonomy-eligible share of OPEX, the above costs were allocated based on the corresponding current and future Taxonomy-eligible income generating activities (3.18). For the research and development costs specifically, the individual projects were included if the underlying product development is for use in electric vehicles only. Furthermore, the costs for car leases for employees (activity 6.5) were included for those leases that are excluded in the scope of IFRS16. There are no low-value building leases.

CHANGES TO PRIOR REPORTING YEAR

In 2023, Kongsberg Automotive focused on reporting on income-generating activities and has reported eligible turnover, CAPEX and OPEX for activity 3.18. Because

of the revised scope of eligible activities, the 2023 numbers have been recalculated and restated as well. The eligibility KPIs 2024 for activity 3.18 show comparable numbers to the 2023 reporting year (restated):

> Activity 3.18: Turnover (2024: 1.2% / 2023: 0.7%) / CAPEX (2024: 5.8% / 2023: 6.0%) / OPEX (2024: 1.4% / 2023: 0.8%)

In 2024, supporting activities were added to the reporting (6.5 and 7.7) and comparative figures for 2023 were also calculated and included in the reporting tables. The eligibility KPIs for activities 6.5 and 7.7 also show comparable numbers for 2024 and 2023:

> Activity 6.5: CAPEX (2024: 1.2% / 2023: 0.9%), OPEX (2024: 0.1% / 2023: 0.1%)  
> Activity 7.7: CAPEX (2024: 31.6% / 2023: 35.2%), OPEX (2024: 0% / 2023: 0%)

NOTE ON EXPOSURE TO 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 |
| ROW | 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 |



| FINANCIAL YEAR 2024                                                                                                  |  |  |  | 2024     |              | SUBSTANTIAL CONTRIBUTION CRITERIA |                               |                               |            |               |                      |                   |                                |                                |            | DNSH CRITERIA (DO NO SIGNIFICANT HARM) |                       |                   |                         |                                                                             |                                 |                                     |  |  |  | TURNOVER |  |  |  |
|----------------------------------------------------------------------------------------------------------------------|--|--|--|----------|--------------|-----------------------------------|-------------------------------|-------------------------------|------------|---------------|----------------------|-------------------|--------------------------------|--------------------------------|------------|----------------------------------------|-----------------------|-------------------|-------------------------|-----------------------------------------------------------------------------|---------------------------------|-------------------------------------|--|--|--|----------|--|--|--|
| ECONOMIC ACTIVITIES (1)                                                                                              |  |  |  | CODE (2) | TURNOVER (3) | PROPORTION OF TURNOVER, 2024 (4)  | CLIMATE CHANGE MITIGATION (5) | CLIMATE CHANGE ADAPTATION (6) | WATER (7)  | POLLUTION (8) | CIRCULAR ECONOMY (9) | BIODIVERSITY (10) | CLIMATE CHANGE MITIGATION (11) | CLIMATE CHANGE ADAPTATION (12) | WATER (13) | POLLUTION (14)                         | CIRCULAR ECONOMY (15) | BIODIVERSITY (16) | MINIMUM SAFEGUARDS (17) | PROPORTION OF TAXONOMY-ALIGNED (A.1) OR -ELIGIBLE (A.2) TURNOVER, 2023 (18) | CATEGORY ENABLING ACTIVITY (19) | CATEGORY TRANSITIONAL ACTIVITY (20) |  |  |  |          |  |  |  |
|                                                                                                                      |  |  |  | MEUR     | %            | Y: N/ N/EL                        | Y: N/ N/EL                    | Y: N/ N/EL                    | Y: N/ N/EL | Y: N/ N/EL    | Y: N/ N/EL           | Y: N/ N/EL        | Y: N/ N/EL                     | Y: N/ N/EL                     | Y: N/ N/EL | Y: N/ N/EL                             | Y: N/ N/EL            | Y: N/ N/EL        | Y: N/ N/EL              | %                                                                           | E                               | T                                   |  |  |  |          |  |  |  |
| A. TAXONOMY-ELIGIBLE ACTIVITIES                                                                                      |  |  |  |          |              |                                   |                               |                               |            |               |                      |                   |                                |                                |            |                                        |                       |                   |                         |                                                                             |                                 |                                     |  |  |  |          |  |  |  |
| A.1. Environmentally sustainable activities (Taxonomy-aligned)                                                       |  |  |  |          |              |                                   |                               |                               |            |               |                      |                   |                                |                                |            |                                        |                       |                   |                         |                                                                             |                                 |                                     |  |  |  |          |  |  |  |
| Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)                                          |  |  |  | 0.0      | 0.0%         | 0.0%                              | 0.0%                          | 0.0%                          | 0.0%       | 0.0%          | 0.0%                 | 0.0%              | Y                              | Y                              | Y          | Y                                      | Y                     | Y                 | Y                       | 0.0%                                                                        |                                 |                                     |  |  |  |          |  |  |  |
| Of which enabling                                                                                                    |  |  |  | 0.0      | 0.0%         | 0.0%                              | 0.0%                          | 0.0%                          | 0.0%       | 0.0%          | 0.0%                 | 0.0%              | Y                              | Y                              | Y          | Y                                      | Y                     | Y                 | Y                       | 0.0%                                                                        | E                               |                                     |  |  |  |          |  |  |  |
| Of which transitional                                                                                                |  |  |  | 0.0      | 0.0%         | 0.0%                              |                               |                               |            |               |                      |                   | Y                              | Y                              | Y          | Y                                      | Y                     | Y                 | Y                       | 0.0%                                                                        |                                 | T                                   |  |  |  |          |  |  |  |
| A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)              |  |  |  |          |              |                                   |                               |                               |            |               |                      |                   |                                |                                |            |                                        |                       |                   |                         |                                                                             |                                 |                                     |  |  |  |          |  |  |  |
| Manufacture of automotive and mobility components                                                                    |  |  |  | 3.18     | 2.9          | 0.4%                              | EL                            | N/EL                          | N/EL       | N/EL          | N/EL                 | N/EL              | EL: N/EL                       | EL: N/EL                       | EL: N/EL   | EL: N/EL                               | N/EL                  | N/EL              |                         | 0.0%                                                                        |                                 |                                     |  |  |  |          |  |  |  |
| Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2) |  |  |  |          | 2.9          | 0.4%                              | 0.0%                          | 0.0%                          | 0.0%       | 0.0%          | 0.0%                 | 0.0%              | 0.0%                           | 0.0%                           | 0.0%       | 0.0%                                   | 0.0%                  | 0.0%              | 0.0%                    |                                                                             | 0.0%                            |                                     |  |  |  |          |  |  |  |
| A. Turnover of Taxonomy-eligible activities (A.1+A.2)                                                                |  |  |  |          | 2.9          | 0.4%                              | 0.0%                          | 0.0%                          | 0.0%       | 0.0%          | 0.0%                 | 0.0%              | 0.0%                           | 0.0%                           | 0.0%       | 0.0%                                   | 0.0%                  | 0.0%              | 0.0%                    |                                                                             | 0.0%                            |                                     |  |  |  |          |  |  |  |
| B. TAXONOMY-NON-ELIGIBLE ACTIVITIES                                                                                  |  |  |  |          |              |                                   |                               |                               |            |               |                      |                   |                                |                                |            |                                        |                       |                   |                         |                                                                             |                                 |                                     |  |  |  |          |  |  |  |
| Turnover of Taxonomy-non-eligible activities                                                                         |  |  |  |          | 785.3        | 99.6%                             |                               |                               |            |               |                      |                   |                                |                                |            |                                        |                       |                   |                         |                                                                             |                                 |                                     |  |  |  |          |  |  |  |



| FINANCIAL YEAR 2024                                                                                             |          |           | 2024  | SUBSTANTIAL CONTRIBUTION CRITERIA |                               |                               |            |                               |            |           |            |               |            | DNSH CRITERIA (DO NO SIGNIFICANT HARM) |            |                   |            |                                |            |                                |            |            |            | CAPEX          |            |                       |            |                   |                         |                                                        |                                 |                                     |
|-----------------------------------------------------------------------------------------------------------------|----------|-----------|-------|-----------------------------------|-------------------------------|-------------------------------|------------|-------------------------------|------------|-----------|------------|---------------|------------|----------------------------------------|------------|-------------------|------------|--------------------------------|------------|--------------------------------|------------|------------|------------|----------------|------------|-----------------------|------------|-------------------|-------------------------|--------------------------------------------------------|---------------------------------|-------------------------------------|
| ECONOMIC ACTIVITIES (1)                                                                                         | CODE (2) | CAPEX (3) | MEUR  | %                                 | PROPORTION OF CAPEX, 2024 (4) | CLIMATE CHANGE MITIGATION (5) | Y: N/ N/EL | CLIMATE CHANGE ADAPTATION (6) | Y: N/ N/EL | WATER (7) | Y: N/ N/EL | POLLUTION (8) | Y: N/ N/EL | CIRCULAR ECONOMY (9)                   | Y: N/ N/EL | BIODIVERSITY (10) | Y: N/ N/EL | CLIMATE CHANGE MITIGATION (11) | Y: N/ N/EL | CLIMATE CHANGE ADAPTATION (12) | Y: N/ N/EL | WATER (13) | Y: N/ N/EL | POLLUTION (14) | Y: N/ N/EL | CIRCULAR ECONOMY (15) | Y: N/ N/EL | BIODIVERSITY (16) | MINIMUM SAFEGUARDS (17) | PROPORTION OF TAXONOMY-ALIGNED (A.1.) CAPEX, 2023 (18) | CATEGORY ENABLING ACTIVITY (19) | CATEGORY TRANSITIONAL ACTIVITY (20) |
|                                                                                                                 |          |           |       |                                   |                               |                               |            |                               |            |           |            |               |            |                                        |            |                   |            |                                |            |                                |            |            |            |                |            |                       |            |                   |                         |                                                        |                                 |                                     |
| A. TAXONOMY-ELIGIBLE ACTIVITIES                                                                                 |          |           |       |                                   |                               |                               |            |                               |            |           |            |               |            |                                        |            |                   |            |                                |            |                                |            |            |            |                |            |                       |            |                   |                         |                                                        |                                 |                                     |
| A.1. Environmentally sustainable activities (Taxonomy-aligned)                                                  |          |           |       |                                   |                               |                               |            |                               |            |           |            |               |            |                                        |            |                   |            |                                |            |                                |            |            |            |                |            |                       |            |                   |                         |                                                        |                                 |                                     |
| CAPEX of environmentally sustainable activities (Taxonomy-aligned)(A.1)                                         |          | 0.0       | 0.0%  | 0.0%                              | 0.0%                          | 0.0%                          | 0.0%       | 0.0%                          | 0.0%       | 0.0%      | 0.0%       | 0.0%          | 0.0%       | 0.0%                                   | 0.0%       | 0.0%              | 0.0%       | Y                              | Y          | Y                              | Y          | Y          | Y          | Y              | Y          | Y                     | Y          | Y                 | Y                       | 0.0%                                                   |                                 |                                     |
| Of which enabling                                                                                               |          | 0.0       | 0.0%  | 0.0%                              | 0.0%                          | 0.0%                          | 0.0%       | 0.0%                          | 0.0%       | 0.0%      | 0.0%       | 0.0%          | 0.0%       | 0.0%                                   | 0.0%       | 0.0%              | 0.0%       | Y                              | Y          | Y                              | Y          | Y          | Y          | Y              | Y          | Y                     | Y          | Y                 | Y                       | 0.0%                                                   | E                               |                                     |
| Of which transitional                                                                                           |          | 0.0       | 0.0%  | 0.0%                              |                               |                               |            |                               |            |           |            |               |            |                                        |            |                   |            | Y                              | Y          | Y                              | Y          | Y          | Y          | Y              | Y          | Y                     | Y          | Y                 | Y                       | 0.0%                                                   |                                 | T                                   |
| A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)         |          |           |       |                                   |                               |                               |            |                               |            |           |            |               |            |                                        |            |                   |            |                                |            |                                |            |            |            |                |            |                       |            |                   |                         |                                                        |                                 |                                     |
| Acquisition and ownership of buildings                                                                          | 7.7      | 10.8      | 31.8% | EL                                | N/EL                          | EL: N/EL                      | EL: N/EL   | N/EL                          | N/EL       | N/EL      | N/EL       | N/EL          | N/EL       | N/EL                                   | N/EL       | N/EL              | N/EL       | EL: N/EL                       | EL: N/EL   | EL: N/EL                       | EL: N/EL   |            |            |                |            |                       |            |                   |                         | 35.2%                                                  |                                 |                                     |
| Manufacture of automotive and mobility components                                                               | 3.18     | 2.0       | 5.8%  | EL                                | N/EL                          | N/EL                          | N/EL       | N/EL                          | N/EL       | N/EL      | N/EL       | N/EL          | N/EL       | N/EL                                   | N/EL       | N/EL              | N/EL       | N/EL                           | N/EL       | N/EL                           | N/EL       |            |            |                |            |                       |            |                   |                         | 6.0%                                                   |                                 |                                     |
| Transport by motorbikes, passenger cars and light commercial vehicles                                           | 6.5      | 0.4       | 1.2%  | EL                                | N/EL                          | N/EL                          | N/EL       | N/EL                          | N/EL       | N/EL      | N/EL       | N/EL          | N/EL       | N/EL                                   | N/EL       | N/EL              | N/EL       | N/EL                           | N/EL       | N/EL                           | N/EL       |            |            |                |            |                       |            |                   |                         | 0.9%                                                   |                                 |                                     |
| CAPEX of Taxonomy-eligible but not environmentally sustainable activities(not Taxonomy-aligned activities)(A.2) |          | 13.2      | 38.8% | 0.0%                              | 0.0%                          | 0.0%                          | 0.0%       | 0.0%                          | 0.0%       | 0.0%      | 0.0%       | 0.0%          | 0.0%       | 0.0%                                   | 0.0%       | 0.0%              | 0.0%       |                                |            |                                |            |            |            |                |            |                       |            |                   |                         | 42.1%                                                  |                                 |                                     |
| A. CAPEX of Taxonomy-eligible activities (A.1+A.2)                                                              |          |           |       |                                   |                               |                               |            |                               |            |           |            |               |            |                                        |            |                   |            |                                |            |                                |            |            |            |                |            |                       |            |                   |                         |                                                        |                                 |                                     |
|                                                                                                                 |          | 13.2      | 38.6% | 0.0%                              | 0.0%                          | 0.0%                          | 0.0%       | 0.0%                          | 0.0%       | 0.0%      | 0.0%       | 0.0%          | 0.0%       | 0.0%                                   | 0.0%       | 0.0%              | 0.0%       |                                |            |                                |            |            |            |                |            |                       |            |                   |                         | 42.1%                                                  |                                 |                                     |
| B. TAXONOMY-NON-ELIGIBLE ACTIVITIES                                                                             |          |           |       |                                   |                               |                               |            |                               |            |           |            |               |            |                                        |            |                   |            |                                |            |                                |            |            |            |                |            |                       |            |                   |                         |                                                        |                                 |                                     |
| CAPEX of Taxonomy-non-eligible activities                                                                       |          | 21.0      | 61.4% |                                   |                               |                               |            |                               |            |           |            |               |            |                                        |            |                   |            |                                |            |                                |            |            |            |                |            |                       |            |                   |                         |                                                        |                                 |                                     |
| TOTAL                                                                                                           |          | 34.2      | 100 % |                                   |                               |                               |            |                               |            |           |            |               |            |                                        |            |                   |            |                                |            |                                |            |            |            |                |            |                       |            |                   |                         |                                                        |                                 |                                     |



| Contents                                                                                                         | 2024 in Brief | BoD's Letter | Governance                        | Business and Performance      | Sustainability Statements     |            |                                        | Financial Statements | Auditor's Report  |                                |                                |            |                |                       |                   |                         |                                                      |                                 |                                     |
|------------------------------------------------------------------------------------------------------------------|---------------|--------------|-----------------------------------|-------------------------------|-------------------------------|------------|----------------------------------------|----------------------|-------------------|--------------------------------|--------------------------------|------------|----------------|-----------------------|-------------------|-------------------------|------------------------------------------------------|---------------------------------|-------------------------------------|
| OPEX                                                                                                             |               |              |                                   |                               |                               |            |                                        |                      |                   |                                |                                |            |                |                       |                   |                         |                                                      |                                 |                                     |
| FINANCIAL YEAR 2024                                                                                              |               | 2024         | SUBSTANTIAL CONTRIBUTION CRITERIA |                               |                               |            | DNSH CRITERIA (DO NO SIGNIFICANT HARM) |                      |                   |                                |                                |            |                |                       |                   |                         |                                                      |                                 |                                     |
| ECONOMIC ACTIVITIES (1)                                                                                          | CODE (2)      | OPEX (3)     | PROPORTION OF OPEX, 2024 (4)      | CLIMATE CHANGE MITIGATION (5) | CLIMATE CHANGE ADAPTATION (6) | WATER (7)  | POLLUTION (8)                          | CIRCULAR ECONOMY (9) | BIODIVERSITY (10) | CLIMATE CHANGE MITIGATION (11) | CLIMATE CHANGE ADAPTATION (12) | WATER (13) | POLLUTION (14) | CIRCULAR ECONOMY (15) | BIODIVERSITY (16) | MINIMUM SAFEGUARDS (17) | PROPORTION OF TAXONOMY-ALIGNED (A.1) OPEX, 2023 (18) | CATEGORY ENABLING ACTIVITY (19) | CATEGORY TRANSITIONAL ACTIVITY (20) |
|                                                                                                                  |               | MEUR         | %                                 | Y: N/ N/EL                    | Y: N/ N/EL                    | Y: N/ N/EL | Y: N/ N/EL                             | Y: N/ N/EL           | Y: N/ N/EL        | Y/N                            | Y/N                            | Y/N        | Y/N            | Y/N                   | Y/N               | Y/N                     | %                                                    |                                 |                                     |
|                                                                                                                  |               |              |                                   | Y: N/ N/EL                    | Y: N/ N/EL                    | Y: N/ N/EL | Y: N/ N/EL                             | Y: N/ N/EL           | Y: N/ N/EL        |                                |                                |            |                |                       |                   |                         |                                                      |                                 |                                     |
|                                                                                                                  |               |              |                                   | EL: N/EL                      | EL: N/EL                      | EL: N/EL   | EL: N/EL                               | EL: N/EL             | EL: N/EL          | EL: N/EL                       |                                |            |                |                       |                   |                         |                                                      |                                 |                                     |
| A. TAXONOMY-ELIGIBLE ACTIVITIES                                                                                  |               |              |                                   |                               |                               |            |                                        |                      |                   |                                |                                |            |                |                       |                   |                         |                                                      |                                 |                                     |
| A.1. Environmentally sustainable activities (Taxonomy-aligned)                                                   |               |              |                                   |                               |                               |            |                                        |                      |                   |                                |                                |            |                |                       |                   |                         |                                                      |                                 |                                     |
| OPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1)                                          |               | 0.0          | 0.0%                              | 0.0%                          | 0.0%                          | 0.0%       | 0.0%                                   | 0.0%                 | 0.0%              | Y                              | Y                              | Y          | Y              | Y                     | Y                 | Y                       | 0.0%                                                 |                                 |                                     |
| Of which enabling                                                                                                |               | 0.0          | 0.0%                              | 0.0%                          | 0.0%                          | 0.0%       | 0.0%                                   | 0.0%                 | 0.0%              | Y                              | Y                              | Y          | Y              | Y                     | Y                 | Y                       | 0.0%                                                 | E                               |                                     |
| Of which transitional                                                                                            |               | 0.0          | 0.0%                              | 0.0%                          |                               |            |                                        |                      |                   | Y                              | Y                              | Y          | Y              | Y                     | Y                 | Y                       | 0.0%                                                 |                                 | T                                   |
| A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)          |               |              |                                   |                               |                               |            |                                        |                      |                   |                                |                                |            |                |                       |                   |                         |                                                      |                                 |                                     |
| Manufacture of automotive and mobility components                                                                | 3.18          | 0.9          | 1.3%                              | EL                            | N/EL                          | N/EL       | N/EL                                   | N/EL                 | N/EL              | EL: N/EL                       | EL: N/EL                       | EL: N/EL   | EL: N/EL       | N/EL                  | N/EL              |                         | 0.5%                                                 |                                 |                                     |
|                                                                                                                  | 6.5           | 0.1          | 0.1%                              | EL                            | N/EL                          | N/EL       | N/EL                                   | N/EL                 | N/EL              | N/EL                           | N/EL                           | N/EL       | N/EL           | N/EL                  | N/EL              |                         | 0.1%                                                 |                                 |                                     |
|                                                                                                                  |               | 1.0          | 1.4%                              | 0.0%                          | 0.0%                          | 0.0%       | 0.0%                                   | 0.0%                 | 0.0%              | 0.0%                           | 0.0%                           | 0.0%       | 0.0%           | 0.0%                  | 0.0%              |                         | 0.6%                                                 |                                 |                                     |
| OPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2) |               |              |                                   |                               |                               |            |                                        |                      |                   |                                |                                |            |                |                       |                   |                         |                                                      |                                 |                                     |
| A. OPEX of Taxonomy-eligible activities (A.1+A.2)                                                                |               | 1.0          | 1.4%                              | 0.0%                          | 0.0%                          | 0.0%       | 0.0%                                   | 0.0%                 | 0.0%              |                                |                                |            |                |                       |                   |                         | 0.6%                                                 |                                 |                                     |
| B. TAXONOMY-NON-ELIGIBLE ACTIVITIES                                                                              |               |              |                                   |                               |                               |            |                                        |                      |                   |                                |                                |            |                |                       |                   |                         |                                                      |                                 |                                     |
| OPEX of Taxonomy-non-eligible activities                                                                         |               | 69.0         | 98.6%                             |                               |                               |            |                                        |                      |                   |                                |                                |            |                |                       |                   |                         |                                                      |                                 |                                     |



# CLIMATE CHANGE

## ESRS E1

Climate change is one of the most daunting challenges of the present era, introducing serious risks across sectors, economies, and ecosystems. The automotive sector is a significant contributor to global greenhouse gas (GHG) emissions and on a transition pathway to enable low-emission mobility. Kongsberg Automotive (KA) is constantly working towards reducing GHG emissions from its own operations and in the supply chain. KA's vision is to make a meaningful contribution to society's efforts to tackle climate change and support its customers' strategic goals to transition to more sustainable transport.

### IMPACTS, RISKS, AND OPPORTUNITIES

As part of the process to identify climate-related material impacts, risks and opportunities, KA has discussed climate-related physical risks in its own operations and along the value chain considering its exposure to climate-related hazards of lower and higher magnitudes (above and below 1.5°C global warming scenario). Discussions on transitional risks within the double materiality process were mainly driven by the anticipated shift of the automotive industry as a whole to lower- and zero-emission vehicle solutions and the industry's alignment with the Paris Climate Agreement (1.5°C global warming limit). The same time horizons were applied as for the double materiality assessment for both physical and transition risks. KA has not performed a separate formal climate risk scenario analysis and no external climate risk simulation tools or standards have been used. The discussions considered KA's existing product portfolio and strategic direction. Identification of KA's own actual and potential climate change impacts included already existing reporting within KA and its upstream value chain

(such as energy consumption and emissions reporting) as well as external sources (full value chain).

KA's climate change impacts occur through its production processes and supply chain operations. When it comes to the risks of climate change, KA faces both physical and transitional dimensions. Physical risks present themselves in the form of exposing the company's operations, suppliers, and customers to the increasing severity of climate change. Transitional risks heavily manifest in the form of challenges associated with transitioning away from fossil fuels used in KA's operations and the transition to electrical vehicles. But climate change also offers opportunities for KA and is therefore heavily influencing the company's future strategy, product portfolio, and decision-making processes. The following table summarizes KA's main impacts, risks, and opportunities:



| IRO NAME                                               | IRO TYPE                    | DESCRIPTION                                                                                                                                                                                                                                                                                                                          | KA'S RESPONSE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|--------------------------------------------------------|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| CO <sub>2</sub> EMISSIONS (SCOPE 1, 2 AND 3)           | Actual negative impact      | 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.                                                                                        | <ul style="list-style-type: none"><li>&gt; Implementation of energy efficiency measures and setting energy reduction targets to reduce energy consumption and related GHG emissions</li><li>&gt; Ongoing shift to the usage of renewable energy for KA's production processes and buildings to reduce GHG emissions</li><li>&gt; Product design reflecting requirements for lower weight, recyclability, lower embedded GHG emissions, and compatibility with battery electric vehicles</li><li>&gt; Purchase of input materials with lower GHG emissions</li></ul> |
|                                                        | Transitional financial risk | 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. |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|                                                        | Opportunity                 | 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.                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| CLIMATE CHANGE ADAPTATION - PHYSICAL RISKS             | Physical risk               | Physical risks to operations due to changing climate. Damage to property, supply chain disruption, cost for climate hazard protection.                                                                                                                                                                                               | <ul style="list-style-type: none"><li>&gt; ISO 14001 certification of all plants (includes climate change-related topics)</li><li>&gt; Broad supplier portfolio and supplier risk mapping</li><li>&gt; Internal team of sustainability experts</li></ul>                                                                                                                                                                                                                                                                                                            |
|                                                        | Transitional financial risk | Customer demand products for green shift, legacy products become unmarketable → financial risks. Transitional risks through costs associated with changing legislation & taxes due to CC. Investments needed to maintain license to operate.                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| RENEWABLE ENERGIES                                     | Transitional financial risk | Increasing/volatile energy prices increase operational costs as energy production shifts to low carbon solutions.                                                                                                                                                                                                                    | <ul style="list-style-type: none"><li>&gt; Roadmap defined to switch to 100% renewable electricity by 2030</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| RENEWABLE ENERGIES AND ENERGY CONSUMPTION & EFFICIENCY | Opportunity                 | Financial opportunities by shifting to renewable energies and financial opportunity to save money by gaining energy efficiency in production.                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

POLICIES

KA's Sustainability Policy articulates the key areas of its own operations approach addressing climate change mitigation as well as renewable energy deployment and is approved by the CEO. The two key pillars are:

- > Alignment of KA's climate goals with the Paris Climate Agreement
- > Reduction of CO2e emissions through increased usage of renewable energy and alternative raw materials

The policy does not include further elaborations. It was developed to provide general guidance and further details in terms of actions and targets are laid out in the sustainability roadmap instead.

In addition, there are two policies (KA's supplier deceleration and KA's supplier sustainability manual) which both focus on upstream value chain that address the need for suppliers to mitigate and adapt to climate change within their operations. Further details on these two policies can be found within S2 – Workers in the value chain, on pages 94 ff.

KA has not adopted formal policies addressing climate change adaptation or energy efficiency. The transition plan for KA's own operations is laid out in KA's sustainability roadmap and not as a policy.



ACTIONS AND TRANSITION PLAN FOR

CLIMATE CHANGE MITIGATION

ACTIONS IN OWN OPERATIONS

KA's climate change transition plan covers scope 1 and 2 and is based several key elements. It does not cover scope 3 yet. Climate risks are included in KA's overall risk management system to reflect implications on an ongoing basis and in a structured way.

For climate change mitigation, KA has defined three long-term strategic goals supporting the transition to sustainable products and decarbonization:



CARBON-NEUTRAL PRODUCTS BY 2039



100% RENEWABLE PURCHASED ENERGY BY 2030



REDUCTION OF SCOPE 1 AND 2 CO<sub>2e</sub> EMISSIONS BY 85% (BASE YEAR 2023) BY 2030 AND ACHIEVING ZERO SCOPE 1 AND 2 CO<sub>2e</sub> EMISSIONS BY 2035

KA's target setting is in line with European climate neutrality targets and also reflects science-based targets initiative recommendations. KA is not excluded from the EU Paris-aligned benchmarks. The targets and transition plan have been approved by Executive Management.

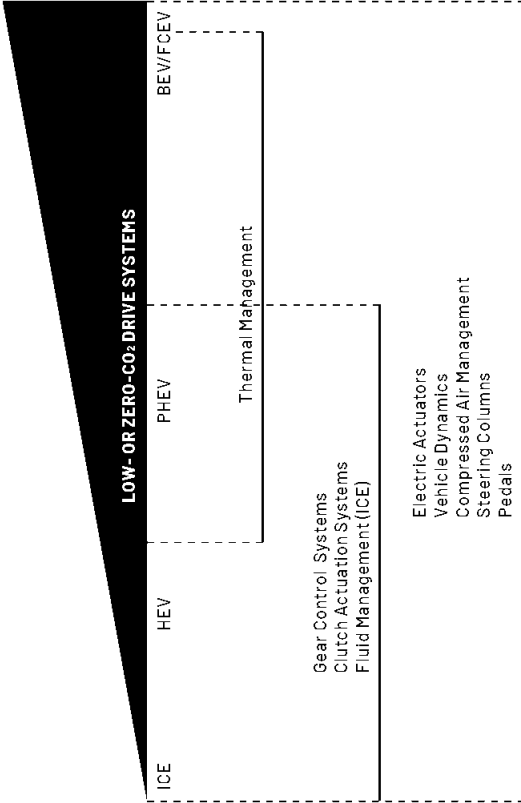
Detailed Scope 3 reduction roadmaps are currently under development. Their focus lies on Scope 3.1 (purchased goods and services) as this category represents the largest share of upstream CO<sub>2e</sub> emissions and can be actively influenced by KA.

Climate change is significantly affecting the automotive sector and contributes to the transition to low-carbon and zero-emission vehicles. KA's product portfolio strategy addresses this transition by balancing requirements between traditional combustion engines and electric vehicles. The following graphic provides an overview of KA's main product groups and how they contribute to the different types of drive systems.

As shown in the illustration above, KA's product groups are already applied in multiple powertrains

underlining the resilience in the product portfolio to climate-related megatrends such as electrification. More detailed information on KA's strategy can be found on pages 27 ff. KA is working on conducting a formal resilience analysis, but has not completed one in 2024.

To reach the 2025 and 2030 KPIs for Scope 1 and 2 CO<sub>2e</sub> emissions, KA has set up a centrally managed working group to identify opportunities as well as a policy deployment program to manage project execution, coordinate and track progress.



(ICE: Internal combustion engine / HEV: Hybrid electric vehicle / PHEV: Plug-in hybrid electric vehicle / BEV: Battery electric vehicle / FCEV: Fuel cell electric vehicle)

KA's product groups



| Contents                             |                                                                      | 2024 in Brief                                                                                                | BoD's Letter     | Governance                            | Business and Performance                                                                                                                                                | Sustainability Statements                                    | Financial Statements                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Auditor's Report |
|--------------------------------------|----------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|------------------|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| KEY ACTIONS / DECARBONIZATION LEVERS | DESCRIPTION                                                          | SCOPE OF ACTION                                                                                              | TARGET IN PLACE? | OVERALL PROGRESS IN 2024 AND TRACKING |                                                                                                                                                                         | ESTIMATED DECARBONIZATION LEVER CONTRIBUTION FOR 2035 TARGET |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                  |
|                                      | ENERGY EFFICIENCY INCREASE AND ENERGY USE REDUCTION (SCOPE 1 AND 2)  | Energy use optimization initiatives and energy consumption reduction initiatives (e.g. use of waste heat)    | Own operations   | YES                                   | Energy reduction initiatives across manufacturing plants resulted in total energy reduction of 8,354 MWh                                                                | APPROX. 5%                                                   | <p>KA's GHG emissions reduction strategy at present does not utilize removals and/or offsetting credits. It is also not based on an internal carbon pricing model. Potential locked-in GHG emissions are limited but relevant in relation to KA's partially fossil fuel-based production sites and machinery, which KA is working to convert to renewable energy. To achieve the above key actions, opex and capex are necessary and are considered within the annual budgeting planning process. Future alignment of KA's activities (sales, capex and opex) with EU Taxonomy is mainly tied to the global shift from fossil fuel-based vehicles to electric vehicles and the corresponding portfolio transformation.</p> <p><b>UPSTREAM AND DOWNSTREAM VALUE CHAIN-RELATED ACTIONS</b></p> <p>As climate change, resource scarcity, and biodiversity issues present new challenges across the globe and for the automotive industry, KA has started to establish two-way communication and engagement with suppliers on decarbonization targets and environmental responsibility. KA's risk assessments and the decarbonization questionnaire as well as the onsite sustainability audit checklist all contain topics regarding environmental and energy management policies and systems, yearly environmental targets, and employee training.</p> <p>Since 2023, KA has inquired about the percentage of renewable energy used in electricity and heating. In 2023, KA started to collect primer performance data enabling future hybrid Scope 3 upstream emission calculations and further supplier engagement to decrease emissions throughout the value chain. KA plans to establish a Supplier Academy, offering training on to climate change, sustainable development, ESG, human rights, and other relevant topics to suppliers and their employees.</p> |                  |
|                                      | SWITCH TO RENEWABLE ELECTRICITY (SCOPE 2)                            | Achieve 100% renewable electricity at all plants by 2030.                                                    | Own operations   | YES                                   | Increased number of plants using 100% renewable electricity (renewable energy share of 48%)                                                                             | APPROX. 85%                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                  |
|                                      | ELECTRIFICATION OF PROCESSES (SCOPE 1 AND 2)                         | Replacement of fossil fuel-based heating systems, machinery and vehicles with electric alternatives by 2035. | Own operations   | YES                                   | Growing number of fossil fuel based forklifts are replaced by electric ones                                                                                             | APPROX. 10%                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                  |
|                                      | REDUCTION OF EMISSIONS FROM PURCHASED GOODS AND SERVICES (SCOPE 3.1) | KA aims to produce and sell carbon-neutral products by 2039.                                                 | Supply chain     | YES                                   | Roadmap for Scope 1 and 2 emissions is defined. For Scope 3 (purchased goods) more transparency has been achieved, a clear reduction roadmap still needs to be defined. | TBD                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                  |



In 2023, KA started to calculate upstream Scope 3 CO<sub>2</sub>e emissions at a company level with a spend-based calculation model, enabling the company to analyze hot spots and develop effective measurements to decrease carbon emissions in its supply chain. The calculation showed that purchased goods account for the largest share of KA's upstream CO<sub>2</sub>e emissions, followed by logistics.

For the calculation of downstream Scope 3 emissions a calculation project was established in 2024. The results show that the use phase of KA products (category 3.11 use of sold products) is by far the largest contributor to overall Scope 3 CO<sub>2</sub>e emissions. Although KA's products do not cause any emissions of their own during the use phase, they contribute to the emissions of commercial and passenger vehicles with internal combustion engines by being an integral part of them. Scope 3.11 emissions are expected to decline in coming years due to increasing adoption of electric vehicles.

KA will analyze different options to reduce Scope 3 upstream and downstream emissions in the future and will develop a roadmap in 2025.

METRICS AND TARGETS

KA has set specific targets across Scope 1 and 2 GHG emissions to align its climate targets with the commitments of the Paris Agreement. To achieve the long-term strategic goal for Scope 1 and 2 emissions, KA has established the following reduction milestone targets:

12% ABSOLUTE REDUCTION BY 2025  
(2023 BASELINE)

85% ABSOLUTE REDUCTION BY 2030  
(2023 BASELINE)

NET (100% ABSOLUTE REDUCTION)  
BY 2035 FOR SCOPE 1 AND 2  
(MARKET-BASED)

The described targets follow the absolute contraction approach as there is no sectoral decarbonization pathway for KA's industry defined by any institution (e.g. Science Based Target Initiative (SBTi)). The targets are compatible with limiting global warming to 1.5°C considering the SBTi target setting tool and the SBTi Net-Zero tool. KA's targets for reducing Scope 1 and 2 CO<sub>2</sub>e emissions by 100% by 2035 are even more ambitious than SBTi requirements, which propose 63% Scope 1 and 2 reductions between 2023 and 2035 (SBTi target setting tool, 1.5 degree scenario) or 90% (SBTi Net-Zero tool) Scope 1 and 2 reduction for this period. Missing Scope 3 reduction targets will be developed by KA.

The targets were developed through workshops with operations management. They are based on internal reduction scenarios and are not externally assured.

The above-mentioned combined Scope 1 and 2 reduction targets will be achieved with a focus on Scope 2 emissions in a first step. This means in detail that the combined (Scope 1 and 2) reduction of 85% by 2030 will be achieved with a 100% reduction of Scope 2 emissions. The remaining approximately 15% emissions (only Scope 1) will be reduced between 2030 and 2035 with the replacement of fossil fuel-based machines and heating systems with zero-emission alternatives.

The long-term strategic goal of achieving 100% renewable purchased energy by 2030, which refers to repurchased electricity and heat, underlines the prioritization of removing emissions related to Scope 2 first and remain Scope 1 emissions by 2035. The next milestone for this long-term strategic goal is to switch one additional plant to 100% renewable electricity in 2025.

On top of the milestone targets, KA sets targets to decrease its energy consumption and increase its use of renewable energy sources on an annual basis for the following year. All of KA's plants set a target for 2024 to decrease their energy consumption by 2% relative to total product sales ("energy intensity"). The upcoming target for 2025 is set to a 2% reduction compared to the 2024 target value.

To achieve the long-term goal of carbon-neutral products by 2039, upstream Scope 3 GHG emissions also need to be addressed. KA is currently developing a Scope 3 roadmap and aims to break down this long-term goal into milestones as well.

In 2024, the group's CO<sub>2</sub>e emissions (Scope 1 and 2) were approximately 15,557 tonnes of CO<sub>2</sub>e (market-based), a 14% reduction from the 18,113 tonnes of CO<sub>2</sub>e emitted in 2023. Following the location-based approach, the decrease was slightly lower. These significant reductions were achieved to some extent through energy efficiency.



KA set a target in 2024 to reduce its Scope 1 and 2 CO<sub>2</sub>e emissions by 12% by the end of 2025 (compared to 2023), which corresponds to a reduction of approximately 2,173 tonnes of CO<sub>2</sub>e (market-based). This target includes a large variety of projects, from increasing energy efficiency to the electrification of forklifts and other vehicles to the purchase of more renewable electricity. KA already achieved its target in 2024 but will keep on track to further reduce emissions in 2025 and achieve its long-term targets.

In 2024, nine of KA's production sites reached a 100% implementation grade of LED lights, which led to significant reductions in energy use. Other key activities included implementing air leak reduction programs, replacing old equipment with newer and more energy-efficient devices, and reusing waste/process heat. KA's energy intensity in 2024 amounted to 112 megawatt hours used in production for every million EUR of total product sales, a 2.7% increase from the 109 megawatt hours per million EUR of total product sales in 2023. While energy intensity was the primary key performance indicator, manufacturing units reported that absolute energy use decreased by 8.7% to approximately 88,217 megawatt hours from approximately 96,571 megawatt hours in 2023. To achieve the strategic target of using 100% renewable energy by 2030, KA continued centralizing energy supply contracts to better manage energy market volatility in the future. Options under evaluation include power purchase agreements, on-site generation of renewable energy, and green tariffs. Renewable electricity usage across KA manufacturing facilities increased from 55% in 2023 to 61% in 2024. Additional production sites have been identified for transition to renewable electricity tariffs in 2025.

Total Scope 3 CO<sub>2</sub>e emissions decreased from 5.1 million tonnes in 2023 to 4.3 million tonnes in 2024, which is to some extent driven by reduced products sold and a reduced amount of purchased goods. The CO<sub>2</sub>e intensity values (market-based) on net revenues also decreased between 2023 and 2024 by 6%, demonstrating that a CO<sub>2</sub>e reduction was achieved aside from sales effects.

| ENERGY CONSUMPTION AND MIX                                                                                                                                                |        |        |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|--------|--|
|                                                                                                                                                                           | 2023*  | 2024** |  |
| (1) Fuel consumption from coal and coal products (MWh)                                                                                                                    | -      | -      |  |
| (2) Fuel consumption from crude oil and petroleum products (MWh)                                                                                                          | 188    | 267    |  |
| (3) Fuel consumption from natural gas (MWh)                                                                                                                               | 13,834 | 12,295 |  |
| (4) Fuel consumption from other fossil sources (MWh)                                                                                                                      | 651    | 857    |  |
| (5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)                                                                  | 26,753 | 23,214 |  |
| (6) Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)                                                                                         | 41,436 | 36,832 |  |
| Share of fossil sources in total energy consumption (%)                                                                                                                   | 43%    | 43%    |  |
| (7) Consumption from nuclear sources (MWh)                                                                                                                                | 9,836  | 5,530  |  |
| Share of consumption from nuclear sources in total energy consumption (%)                                                                                                 | 10%    | 6%     |  |
| (8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh) | -      | -      |  |
| (9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)                                                               | 45,299 | 46,054 |  |
| (10) The consumption of self-generated non-fuel renewable energy (MWh)                                                                                                    | -      | -      |  |
| (11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)                                                                                    | 45,299 | 46,054 |  |
| Share of renewable sources in total energy consumption (%)                                                                                                                | 47%    | 54%    |  |
| Total energy consumption (MWh) (calculated as the sum of lines 6, 7 and 11)                                                                                               | 96,571 | 88,217 |  |
| Energy intensity (MWh /mEUR)                                                                                                                                              | 109    | 112    |  |
| Renewable electricity share (%)                                                                                                                                           | 55%    | 61%    |  |

\*Comparative figures have been restated to reflect the CSRD-required categories and do not include office locations and fuel consumption of company cars. The comparative figures are not subject to limited assurance by Deloitte.

\*\*2024 figures do not include fuel consumption of company cars.



|                                                                                 | MILESTONES AND TARGET YEARS |           |                    |        |       |                                     |
|---------------------------------------------------------------------------------|-----------------------------|-----------|--------------------|--------|-------|-------------------------------------|
|                                                                                 | BASE YEAR<br>2023*          | 2024      | Δ (%)<br>2023-2024 | 2025   | 2030  | ANNUAL %<br>TARGET +/-<br>BASE YEAR |
| Gross Scope 1 GHG emissions (tCO <sub>2</sub> e)                                | 2,742                       | 2,493     | -9%                | 2,413  | 411   | 0                                   |
| Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%) | 0%                          | 0%        | 0%                 | 0%     | 0%    | 0%                                  |
| Gross location-based Scope 2 GHG emissions (tCO <sub>2</sub> e)                 | 17,705                      | 16,410    | -7%                | 15,580 | 1,856 | 0                                   |
| Gross market-based Scope 2 GHG emissions (tCO <sub>2</sub> e)                   | 15,371                      | 13,064    | -15%               | 13,527 | 1,306 | 0                                   |
| Total gross indirect (Scope 3) GHG emissions (tCO <sub>2</sub> e)               | 5,074,530                   | 4,254,202 | -16%               |        |       |                                     |
| 1 Purchased goods and services                                                  | 261,760                     | 198,726   | -24%               |        |       |                                     |
| 2 Capital goods                                                                 | 16,803                      | 5,298     | -68%               |        |       |                                     |
| 3 Fuel and energy-related activities (not included in Scope 1 or Scope 2)       | 4,985                       | 4,115     | -17%               |        |       |                                     |
| 4 Upstream transportation and distribution                                      | 11,933                      | 12,127    | 2%                 |        |       |                                     |
| 5 Waste generated in operations                                                 | 1,258                       | 1,044     | -17%               |        |       |                                     |
| 6 Business travel                                                               | 388                         | 312       | -20%               |        |       |                                     |
| 7 Employee commuting                                                            | 4,531                       | 4,218     | -7%                |        |       |                                     |
| 8 Upstream leased assets                                                        |                             |           |                    |        |       |                                     |
| 9 Downstream transportation                                                     | 1,363                       | 1,149     | -16%               |        |       |                                     |
| 10 Processing of sold products                                                  | 8,641                       | 7,697     | -11%               |        |       |                                     |
| 11 Use of sold products                                                         | 4,762,161                   | 4,018,921 | -16%               |        |       |                                     |
| 12 End-of-life treatment of sold products                                       | 707                         | 596       | -16%               |        |       |                                     |
| 13 Downstream leased assets                                                     |                             |           |                    |        |       |                                     |
| 14 Franchises                                                                   |                             |           |                    |        |       |                                     |
| 15 Investments                                                                  |                             |           |                    |        |       |                                     |
| Total GHG emissions (location-based) (tCO <sub>2</sub> e)                       | 5,094,977                   | 4,273,104 | -16%               |        |       |                                     |
| Total GHG emissions (market-based) (tCO <sub>2</sub> e)                         | 5,092,643                   | 4,269,759 | -16%               |        |       |                                     |

| GHG INTENSITY BASED ON NET REVENUE                                             |  | 2023* | 2024  |
|--------------------------------------------------------------------------------|--|-------|-------|
| Total GHG emissions (location-based) per net revenue (tCO <sub>2</sub> e/mEUR) |  | 5,756 | 5,421 |
| Total GHG emissions (market-based) per net revenue (tCO <sub>2</sub> e/mEUR)   |  | 5,755 | 5,417 |

\*Comparative figures have been restated or newly calculated (scope 3) to reflect the CSRD-required categories and do not include office locations. The comparative figures are not subject to limited assurance by Deloitte.



| Contents                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 2024 in Brief | BoD's Letter | Governance | Business and Performance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Sustainability Statements                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Financial Statements | Auditor's Report |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------------|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|------------------|
| <b>ACCOUNTING POLICIES</b><br><b>SCOPE 1 EMISSIONS</b><br>Total GHG emissions, expressed in tonnes of CO <sub>2</sub> equivalent (tCO <sub>2</sub> e), mainly from natural gas and propane and to a much lower extent gas/diesel oil and kerosene. Energy consumption is monitored and reported monthly by invoices or building-specific meter readings or estimates in the absence of either. The reporting of both Scope 1 and 2 follows the ESRS and the GHG Protocol Guidance. GHG removals, carbon credits and avoided emissions are not used and thus not included. For Scope 1 emissions, CO <sub>2</sub> e conversion factors from the UK Department for Energy Security and Net Zero are applied across all locations. Fuel consumption of company cars is not material and has not been included for 2023 and 2024 reporting. |               |              |            | Protocol standards. Accounting policies are only included for the two most material categories of Scope 3 – category 1 and category 11.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                      |                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |               |              |            | <b>CATEGORY 1: PURCHASED GOODS AND SERVICES</b><br>Emissions related to all spend from external suppliers, except for investment spend and travel categories, which are included in other Scope 3 categories. Purchased goods and services mainly comprise direct and indirect purchases of raw materials for products, services, packaging materials and consumables for offices. The total spend is converted into CO <sub>2</sub> e emissions using the spend-based method which is based on environmentally extended input-output (EIO) models (Estell by company Sustain). These models reflect the different categories of purchased goods and services, the volume in terms of monetary spend and the countries and regions that the products and services are purchased from.                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                      |                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |               |              |            | <b>CATEGORY 11: USE OF SOLD PRODUCTS</b><br>Emissions related to the use phase of sold products are based on the average weight of KA's main product groups. Where no primary weight data are available, an average product weight was applied. These weight values enable KA to calculate its portion of the CO <sub>2</sub> e emissions that the different types of vehicles which KA products are built into emit during the average lifetime. Therein, there are four main vehicle categories considered: Passenger cars, trucks, buses and sports vehicles. For each category, the assumed product lifetime is 10 years, whereas the annual mileage and average CO <sub>2</sub> emissions per kilometer differ per category. The emissions rate for passenger cars is based on statistical data of the average CO <sub>2</sub> emission for newly registered passenger cars in Germany between 1998 and 2024. The emission rate used for trucks is based on the publication "Transport & Environment (2021). Easy Ride: why the EU truck CO <sub>2</sub> targets are unfit for the |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                      |                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |               |              |            | <b>SCOPE 2 EMISSIONS</b><br>Total GHG emissions, expressed in tonnes of CO <sub>2</sub> equivalent (tCO <sub>2</sub> e), from purchased electricity, heat and steam consumed by KA. Location-based emissions are based on country/region-specific average CO <sub>2</sub> e conversion factors for defined locations retrieved from <a href="http://www.carbonfootprint.com">www.carbonfootprint.com</a> (released 06.09.2024). Market-based Scope 2 emissions consider contractual instruments such as energy attribute certificates and guarantees of origins for renewable energy sources. For sites without such contractual agreements, residual mix emission factors of the corresponding country have been used for the CO <sub>2</sub> e emission calculation (retrieved from <a href="http://www.carbonfootprint.com">www.carbonfootprint.com</a> , released 06.09.2024).                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                      |                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |               |              |            | <b>SCOPE 3 EMISSIONS</b><br>Total GHG emissions, expressed in tonnes of CO <sub>2</sub> equivalent (tCO <sub>2</sub> e), originating from our value chain. KA has identified four out of the fifteen categories defined by the GHG Protocol as not applicable and calculated CO <sub>2</sub> e emissions for the other eleven categories applying the GHG                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                      |                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |               |              |            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 2020s." The emission rate used for buses is based on the UBA (Umweltbundesamt) publication: <i>Aktualisierung TREMOD/TREMOD-MM und Ermittlung der Emissionsdaten des Verkehrs nach KSG im Jahr 2023</i> . The emission rate used for sports vehicles is based on the indirect emissions through electricity production (German Residual Mix), retrieved from the European Residual Mixes 2023 publication by the association of issuing bodies (IAB).                                                                                                |                      |                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |               |              |            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>TOTAL GHG EMISSIONS</b><br>Total GHG emissions, expressed in tonnes of CO <sub>2</sub> equivalent (tCO <sub>2</sub> e), are calculated as the sum of Scope 1, 2 and 3 emissions.                                                                                                                                                                                                                                                                                                                                                                  |                      |                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |               |              |            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>TOTAL ENERGY CONSUMPTION (MWH)</b><br>Total energy includes all energy derived from fuels, electricity, district heating, and cooling consumed by KA across all its activities. The total energy consumption is split into fossil, nuclear, and renewable sources. For the split of conventional purchased electricity into origin categories fossil, nuclear and renewable, the corresponding country's electricity generation sources as published by <a href="http://www.iea.org">www.iea.org</a> (retrieved as at 13.02.2025) have been used. |                      |                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |               |              |            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>ENERGY INTENSITY (MWH/MEUR)</b><br>The ratio is calculated by dividing total energy consumption by total net revenue. Total net revenue is used in the calculation. All KA revenue relates to high-climate-impact sectors as defined by EU 2022/1288. Net revenue used in the calculation reconciles to Group FS consolidated statement of comprehensive income, page 112.                                                                                                                                                                        |                      |                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |               |              |            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>RENEWABLE ELECTRICITY SHARE (%)</b><br>The ratio is calculated by dividing total consumption of purchased renewable electricity by total electricity consumption.                                                                                                                                                                                                                                                                                                                                                                                 |                      |                  |



BIODIVERSITY  
AND ECOSYSTEMS

ESRS E4

Biodiversity plays a crucial role in limiting climate change, with ecosystems absorbing a significant portion of greenhouse gas emissions. Ecosystems provide vital benefits to both human society and business operations. Kongsberg Automotive (KA) has identified biodiversity and ecosystems as a standalone material topic for the first time.

IMPACTS, RISKS, AND OPPORTUNITIES

Within the process to identify biodiversity and ecosystem-related material impacts, risks and opportunities, KA has discussed potential impacts and the potential physical and transitional risks with internal stakeholders and by reflecting on its own operations and up- and downstream value chain. KA has identified its main impact and risks related to biodiversity and ecosystems, primarily concentrated in the upstream value chain, especially for raw materials extraction and mining. During this process KA has not consulted with potentially affected communities or other external parties and no external tools were used in the screening of this topic.

The analysis resulted in no impacts or risks directly related to KA sites. The potential impacts and risks are limited to the upstream part of KA's supply chain. Due to KA's diversified supply chain no short- or mid-term risks have been identified which could negatively affect KA's resilience in this context.

The following table summarizes KA's main impacts, risks, and opportunities:

| IRO NAME         | IRO TYPE               | DESCRIPTION                                                                                                                                                                                                                                                                                                                    | KA'S RESPONSE                                                                                                                                                                                                                              |
|------------------|------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| LAND DEGRADATION | Actual negative impact | Land degradation due to mining operations for raw materials. Mining of ores (iron, copper, zinc, aluminum) all require drastic interventions in local ecosystems and can cause damage. Most prominent impact is in direct proximity to mining operations, but through chemical emissions these impacts can cover larger areas. | There is an understanding within KA that this topic will become more of a focus area in the long term. However, the concrete consequences (mechanism of action) remain unspecified. The risks remain abstract. KA will monitor this topic. |
|                  | Physical risk          | Risks to operation/value of services (provisioning) at stake due to progressed exploitation.                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                            |
| EXPLOITATION     |                        |                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                            |

POLICIES

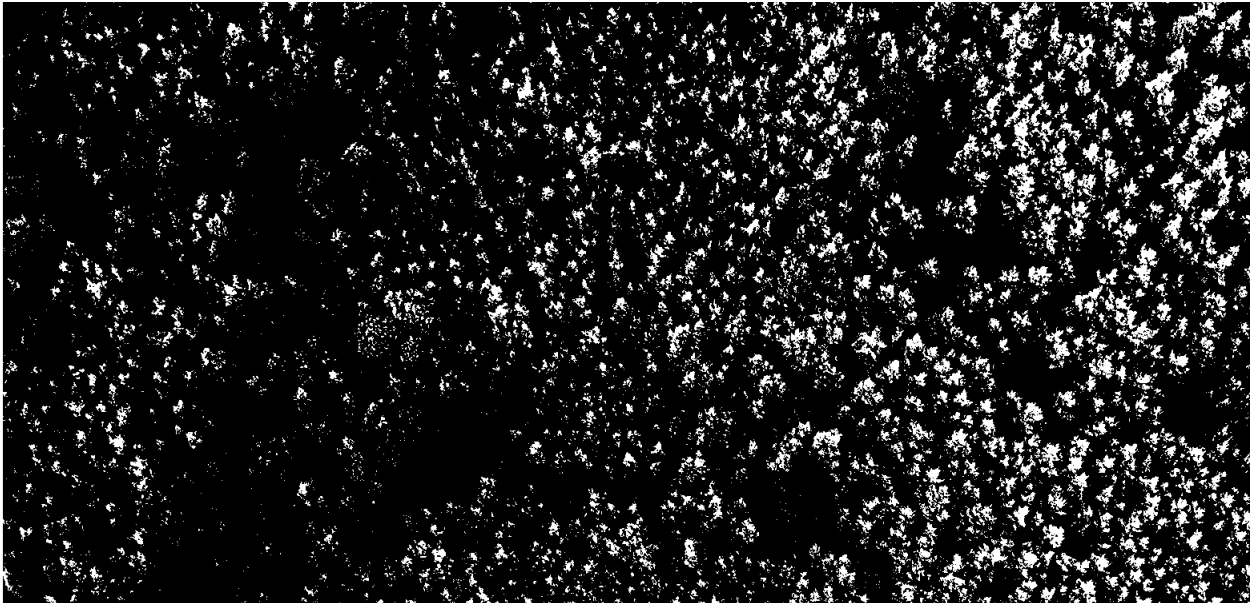
KA currently has no specific biodiversity policy. However, given its high relevance in the supply chain, biodiversity requirements are incorporated into KA's supplier policies, including the Supplier Declaration and Supplier Sustainability Manual. See also S2 chapter, page 92 ff. This topic was added to KA's material topics list recently and there is an understanding within KA that this topic will become more of a focus area in the long term. However, the concrete consequences remain unspecified, and the risks remain abstract. Due to these reasons and for the purpose of internal resource prioritization, KA will monitor developments on this topic.

ACTIONS

KA conducted an analysis by using the WWF Risk Filter with a focus on key biodiversity areas (KBAs). KBAs are places in the world with a high relevance for species and their habitats. KA used the Risk Filter to screen its locations for proximity to KBAs. There is only one location (Ramos Arizpe, Mexico) which is directly located in a KBA and no material negative impacts on the surrounding area were identified. Therefore, no mitigating actions were taken. KA will continue to analyze potential implications and determine required follow-up actions in subsequent steps.

METRICS AND TARGETS

Currently, no quantitative metrics or targets have been defined.



# RESOURCE USE AND CIRCULAR ECONOMY

## ESRS E5

Effective resource and waste management practices are important to Kongsberg Automotive (KA) and the communities where it operates. KA is committed to reducing waste generation, improving waste management practices, and implementing circularity approaches. These waste reduction strategies help conserve natural resources and reduce KA's environmental footprint.

KA's primary input materials include different metals (e.g. brass and steel) and plastic (e.g. PTFE and polyamide). These materials are either directly assembled or transformed during production processes such as molding, braiding, or stamping, depending on material type and final product requirement. The use of water within the manufacturing processes is limited and biological materials are not used.

KA's products mainly consist of metals and plastic in a variety of degrees depending on the product group. The durability of the products is about 10-15 years because they have to align at least with the lifetime of the vehicle they are built into as defined by industry standards. In general, most product materials are recyclable, but the actual recycling rate is dependent on the recycling infrastructure for vehicles in the different countries. Some products would be repairable but repairing would be less efficient than recycling and replacing parts with new ones. The packaging of products is mainly cardboard and plastics, which are fully recyclable, and in some instances, products are delivered in multi-use boxes provided by the customer itself, which are then reused for future deliveries.

Materials present in KA's waste includes scrap metal, wood, electronic waste, paper, cardboard, plastic, lubricants and solvents.

### IMPACTS, RISKS, AND OPPORTUNITIES

Within the process of identifying material impacts, risks and opportunities related to resource inflows and outflows, KA has screened its assets and activities and has considered the results from periodical supplier assessments. KA has not consulted affected communities in relation to this topic. The main business functions associated with resource use and circular economy are development, manufacturing and purchasing across all business units.

KA has identified its main impact, risks, and opportunities related to resource use and circular economy. This topic is of relevance at all steps of the value chain and requires collaboration with suppliers, customers, and external parties (e.g. recycling companies). The following table summarizes KA's main impacts, risks, and opportunities:



| IRO NAME                                      |  | DESCRIPTION                 |                                                                                                                                                                                                                     | KA'S RESPONSE |                                                                                                                                                                                                        |
|-----------------------------------------------|--|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| MATERIAL/RESOURCE INFLOWS                     |  | Actual negative impact      | Actual resource consumption for product manufacturing (steel, aluminum, etc.) and the provision of energy (electricity and fuels) is high.                                                                          |               | KA has already implemented several measures regarding waste treatment, waste management, and production scrap reuse. Building on these initiatives, additional measures and targets will be developed. |
| CIRCULAR PRINCIPLES INCLUDING GENERATED WASTE |  | Transitional financial risk | Risk of regulatory non-compliance / loss of investors (Taxonomy objective circular economy).                                                                                                                        |               |                                                                                                                                                                                                        |
| MATERIAL/RESOURCE AVAILABILITY                |  | Transitional financial risk | Financial risk due to price and availability of raw materials as this might lead operations to halt production.                                                                                                     |               |                                                                                                                                                                                                        |
| GENERATED WASTE                               |  | Transitional financial risk | Risk of regulatory non-compliance / loss of investors.                                                                                                                                                              |               |                                                                                                                                                                                                        |
| CIRCULAR PRINCIPLES INCLUDING GENERATED WASTE |  | Opportunity                 | Opportunity by shifting to circular economic principles to require less raw materials (reusing/recycling waste to reduce overall costs of production). Opportunity by designing products with substitute materials. |               |                                                                                                                                                                                                        |

POLICIES

KA's Environmental Policy, Sustainability Policy, and the Supplier Sustainability Manual outline the company's commitment to circular economy principles through efficient material use and improved waste management. The Environmental and Sustainability Policy are approved by the CEO, and the Supplier Sustainability Manual is approved by the Executive Vice President Purchasing. The Environmental Policy includes the commitment to optimize resource use, including reuse, recycling, and recovery of material to minimize waste. Due to the nature of the products and business, the focus is on prevention of waste, reduction, reuse, recycling and recovery. Repair, refurbishment, remanufacturing and repurposing are less applicable. The Sustainability Policy includes a commitment to produce safe and sustainable products promoting circular business models and the use of recycled materials. The policy content addresses the material negative impact of material/resource inflows as well as the circular principles opportunity directly and the other risks indirectly. KA has policies and initiatives in place and is monitoring resource use but recognizes that the actions and initiatives require further development. The company

continues to investigate approaches for advancing and formalizing corresponding initiatives.

ACTIONS

KA maintains a continuous focus on product innovations aimed at increasing durability, enhancing post-use recyclability, reducing product weight, and minimizing production resource requirements.

All KA manufacturing locations are certified according to the ISO 14001 Environmental Management Systems standard. This standard ensures that organizations consider the environmental impact of their work and set appropriate targets for improved performance, which also includes resources and waste management. Waste KPIs and local measures are reported monthly for all manufacturing locations and are reviewed in formalized monthly discussion calls as well. Actions often depend on local circumstances and individual local initiatives. A few examples in 2024 are reuse of scrap, specifically for plastics and brass, testing of new material solutions and redesigns in the research and development department, and increase of recycling share through enhanced local waste separation processes.

KA implemented a waste oil reuse program at one of its locations in 2023 which has ongoing positive effects on waste. The collected waste oil, instead of being disposed of, is filtered using a portable fluid cleansing rig. This reduced virgin oil purchases by about 90%, resulting in waste reduction, and cost savings. For 2025, further actions will be determined as part of the sustainability roadmap including corresponding time horizons and resources necessary.

METRICS AND TARGETS

To track the effectiveness of our actions, an annual global target for own operations is set to reduce the Disposed Waste Index as defined by KA compared to the previous year. The target for 2024 was set to -2% compared to 2023 actuals as agreed between internal corporate and plant level stakeholders. The target addresses both resource inflows and outflows through minimization of waste and promotion of recyclable resource inputs. The reduction target is not mandated by law. The target is based on involvement of internal experienced stakeholders and is not based on external scientific evidence. The annual target for 2025 has already been set as well (2% reduction compared to 2024 target values).

PERFORMANCE ON RESOURCE INFLOWS

The overall total weight of products and technical and biological materials used by KA amounted to 84,000 tonnes in 2024. The rate of biological materials used is 0%. The use of secondary or recycled components includes brass that is treated by external suppliers and then reused at the Raufoss plant. In practice, the recyclable rate of resource inflows, metals in particular, is higher, but the corresponding data is not available for the 2024 reporting period. KA will analyze further cases to be reported in this metric in future reporting periods.



PERFORMANCE ON RESOURCE OUTFLOWS

The overall recyclable content of products sold in 2024 based on weight is between 80%-90% of total weight. The actual recycling rate of products sold in 2024 is dependent on the recycling infrastructure for vehicles in the different countries at the end of the lifetime of these products, which is at least 10-15 years into the future.

The majority of KA's generated waste is diverted from disposal and the percentage of non-recycled waste also decreased from 15% in 2023 to 14% in 2024. Total waste generated decreased by -1.2% compared to 2023. The share of landfilled waste of total waste also decreased from 8% to 6%, while the share of incinerated waste slightly increased from 7% to 8%. Notably, eleven manufacturing locations were landfill-free in 2024. The disposed waste index showed a decrease of -1% and thus, the 2025 targets have been set considering 2024 target values instead of 2024 actuals.

| RESOURCE INFLOWS                                                                                                  |  | 2024   |
|-------------------------------------------------------------------------------------------------------------------|--|--------|
| Overall total weight of products and technical and biological materials used during the reporting period (tonnes) |  | 84,039 |
| Biological materials and biofuels used for non-energy purposes (%)                                                |  | 0      |
| Absolute weight of secondary reused or recycled components (tonnes)                                               |  | 1,427  |
| Secondary reused or recycled components (%)                                                                       |  | 1.7%   |

RESOURCE OUTFLOWS - WASTE

| RESOURCE OUTFLOWS                 | UNIT   | 2024  |           |               | 2023* |           |               |
|-----------------------------------|--------|-------|-----------|---------------|-------|-----------|---------------|
|                                   |        | TOTAL | HAZARDOUS | NON-HAZARDOUS | TOTAL | HAZARDOUS | NON-HAZARDOUS |
| Total waste generated             | TONNES | 6,146 | 414       | 5,731         | 6,221 | 380       | 5,841         |
| Diverted from disposal            |        |       |           |               |       |           |               |
| Preparation for reuse             | TONNES | 0     | 0         | 0             | 0     | 0         | 0             |
| Recycling                         | TONNES | 5,306 | 171       | 5,135         | 5,288 | 272       | 5,017         |
| Other recovery operations         | TONNES | 0     | 0         | 0             | 0     | 0         |               |
| Total diverted from disposal      | TONNES | 5,306 | 171       | 5,135         | 5,288 | 272       | 5,017         |
| Directed to disposal              |        |       |           |               |       |           |               |
| Incineration                      | TONNES | 489   | 227       | 262           | 459   | 103       | 355           |
| Landfill                          | TONNES | 350   | 16        | 334           | 474   | 5         | 469           |
| Other disposal operations         | TONNES | 0     | 0         | 0             | 0     | 0         | 0             |
| Total directed to disposal        | TONNES | 839   | 243       | 596           | 933   | 108       | 825           |
| Non-recycled waste                | TONNES | 839   | 243       | 596           | 933   | 108       | 825           |
| Percentage of non-recycled waste  | %      | 14%   | 59%       | 10%           | 15%   | 28%       | 14%           |
| Total amount of radioactive waste | TONNES | 0     | 0         | N/A           | 0     | 0         | N/A           |
|                                   |        | 2024  |           | 2023*         |       |           |               |
| Disposed Waste Index              |        | 0.976 |           | 0.966         |       |           |               |

\*Comparative figures have been restated to reflect the CSRD-required categories. The comparative figures are not subject to limited assurance by Deloitte.



|          |               |              |            |                          |                                  |                      |                  |
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ACCOUNTING POLICIES

OVERALL TOTAL WEIGHT OF TECHNICAL AND

BIOLOGICAL PRODUCTS AND MATERIALS

The total amount of materials used in KA operations. Total weight includes all raw materials, associated process materials and parts sourced into production. The January to November 2024 weights are based on actuals data, the December 2024 weights were estimated. KA does not have sufficient data for estimating the weight of production machinery inflows. Thus, no weight for production machinery is included for 2024.

ABSOLUTE WEIGHT OF SECONDARY REUSED OR

RECYCLED COMPONENTS

Total weight of previously used or recycled materials used in the production process. Includes the swarf used in Norway, which is actively tracked. Base materials used in the production such as metals do have a recycled portion. However, this is not actively tracked internally and a conservative approach was applied, with these recycled portions being excluded from this measure.

PERCENTAGE OF SECONDARY REUSED OR RECYCLED

COMPONENTS

The weight of secondary reused and recycled materials,

components and products divided by the total weight of all materials used.

RECYCLABLE CONTENT OF PRODUCTS SOLD

The basis for the calculation is the total weight of products sold by product groups. The average recyclable rate of the product groups based on respective product group experts was applied to determine the overall weight of recyclable content of products sold. This was then divided by total weight of products sold in the reporting period.

TOTAL WASTE GENERATED

Waste collected by third-party waste management companies and waste intended for collection. It is measured through invoiced amounts from waste management companies. No radioactive waste is generated by own operations.

HAZARDOUS AND NON-HAZARDOUS WASTE DIVERSED

FROM DISPOSAL DUE TO PREPARATION FOR REUSE,

RECYCLING OR OTHER RECOVERY OPERATIONS

All waste directed for reuse without any further processing and waste directed for recycling or any other recovery except for energy recovery by incineration. We estimate the preparation for reuse and other recovery operations

to be negligible. Therefore, all diverted waste is classified as recycled. For the split of treatment of hazardous waste, the split of the two plants with the highest hazardous waste amounts has been applied to all locations assuming similar treatment across all plants.

HAZARDOUS AND NON-HAZARDOUS WASTE DIRECTED TO DISPOSAL BY INCINERATION, LANDFILL, AND OTHER DISPOSAL OPERATIONS

All waste directed to disposal by incineration, both with and without energy recovery, and by landfill at designated landfill sites. For the split of treatment of hazardous waste, the split of the two plants with the highest hazardous waste amounts has been applied to all locations assuming similar treatment across all plants.

PERCENTAGE OF NON-RECYCLED WASTE

Share of all waste directed to disposal out of total waste.

DISPOSED WASTE INDEX

The sum of weight from total waste disposed to landfill sites and total hazardous waste regardless of whether it is diverted or disposed of, divided by total product sales. Product sales used in the calculation reconcile to group Financial Statements note 7, pages 129 ff.





SOCIAL INFORMATION

OWN WORKFORCE

ESRS S1

The expertise of Kongsberg Automotive (KA)'s employees, their imaginative ideas, and their execution fuel the innovations that captivate and motivate customers. KA remains strong in its commitment to tapping the full potential of its global workforce, irrespective of geographical location or organizational hierarchy.

The organization places equal emphasis on continuous growth, the cultivation of individual strengths, respectful collaboration, performance acknowledgment, and flexible working conditions. This holistic approach contributes to KA's reputation as an employer of choice across its operational locations.

IMPACTS, RISKS, AND OPPORTUNITIES

To identify any impacts, risks, and opportunities related to employees, KA's social subject matter experts conduct desktop analyses, informed by people data, policies, databases, literature, and regulations, and conduct internal discussions. The potential impacts on people deriving from KA's activities, business relationships and products are assessed for all workers in own operations (i.e. ESRS S1).

KA has identified its main impact, risks, and opportunities related to its own workforce and external workers. The following table summarizes the company's main impacts, risks, and opportunities and the following pages outline how KA manages the identified topics:

| IRO NAME                                                                         | IRO TYPE                  | DESCRIPTION                                                                                                                                                                                                                                                                                                                                                                                              | KA'S RESPONSE                                                                                                                                                                        |
|----------------------------------------------------------------------------------|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| WORKING CONDITIONS OF OWN WORKFORCE                                              | Financial risk            | Risk of skill shortage/talent retention to keep up with the market. Reputational damage can lead to loss of attractiveness as employer.                                                                                                                                                                                                                                                                  |                                                                                                                                                                                      |
| COLLECTIVE BARGAINING                                                            | Financial risk            | Legal/reputational financial risks associated with human rights/working rights non-compliance in the supply chain.                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                      |
| CHILD LABOR AND FORCED LABOR                                                     | Financial risk            | Legal/reputational financial risks associated with human rights/working rights non-compliance in the supply chain.                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                      |
| EMPLOYEE DEVELOPMENT AND CAREER OPPORTUNITIES                                    | Potential positive impact | Skilled and educated workers benefit in future career opportunities. KA is a technological company and workers require skills and knowledge to work safely and efficiently. As the industry is moving forward, workers need to develop their skills or face danger of falling behind. KA can have positive impacts on employees by providing continuous education, development and career opportunities. | <div>&gt; Occupational Safety roadmap with dedicated resources, targets and actions</div> <div>&gt; Training and development programs and platforms (SuccessFactors, Percipio)</div> |
| EMPLOYEE DEVELOPMENT AND CAREER OPPORTUNITIES                                    | Opportunity               | Opportunity to create competitive advantage by highly trained workforce enabling BEV shift with new products. This will have a long-term effect on competitiveness and successful innovation. Skilled people will be attracted if education and training is good.                                                                                                                                        |                                                                                                                                                                                      |
| EMPLOYEE DEVELOPMENT AND CAREER OPPORTUNITIES                                    | Financial risk            | Financial risk of skill shortage/talent retention to keep up with the market (R&D, engineering). Company can lose its competitiveness, which can lead to market loss.                                                                                                                                                                                                                                    |                                                                                                                                                                                      |
| OCCUPATIONAL ACCIDENTS, ABSENCE DAYS AND WORK-RELATED PHYSICAL AND MENTAL HEALTH | Financial risk            | Financial risks due to accidents/sickness, lost time and insurance cost can increase. Risk of not attracting talent in case of bad performance in this area.                                                                                                                                                                                                                                             |                                                                                                                                                                                      |



**GENERAL PROCESS FOR ENGAGING WITH OWN WORKFORCE**

KA engages with its own workforce both directly and indirectly through multiple processes to inform them about decisions and provide frequent updates. KA uses platforms like the KA intranet and global townhall meetings once a quarter followed by individual ones for functions and units. Daily interaction with trade unions and their representatives completes the picture. Social events are also an important factor in team spirit.

**GENERAL GRIEVANCE MECHANISMS**

SpeakUp® is KA's communication channel for internal and external parties to report breaches or suspected breaches of company policies, the Code of Conduct, or other regulations.

This channel is provided by an external service provider and offers full anonymity to employees and stakeholders reporting misconduct. The system enables two-way communication and maintains global privacy and security standards through routine audits. KA's communication channel enables timely identification and correction of issues, benefiting both the company and stakeholders.

KA ensures whistleblowers who report potential violations in good faith are protected from retaliation and any other negative consequences.

All reported concerns are received and managed by KA's Compliance Committee, which includes KA's General Counsel, Head of People and Culture, and the Chief Financial Officer. KA's Code of Conduct outlines how individuals can report a concern via SpeakUp's® web or phone lines.

The reports are treated with strict confidentiality.



# WORKING CONDITIONS

Kongsberg Automotive (KA)'s Code of Conduct sets the minimum standard for safeguarding its employees' rights and promoting favorable working conditions in order to remain an attractive workplace. As detailed in this policy, which covers the entire internal workforce, KA operates in accordance with all applicable laws and regulations. KA does not see significant risks of forced or compulsory labor and child labor in its operating countries and locations because of its geographical footprint and type of production. Nevertheless, processes are in place to mitigate potential risks.

## POLICIES

KA's Code of Conduct is the cornerstone of its ethics framework. It outlines expectations for behavior, decision-making, and interactions with stakeholders. This includes topics like general behavior expectations, anti-corruption and bribery, anti-fraud, conflict of interests, compliance with laws, equal treatment, anti-harassment, data privacy, and responsible communication among others. More information on the Code of Conduct can be found in G1 Business conduct in the subsection corporate culture.

KA's Human Rights Policy outlines our commitment to respect the human rights, including labor rights, of people in KA's own workforce and its value chain. It also specifically addresses trafficking in human beings, forced labor or compulsory labor and child labor. KA applies international, best practice standards in circumstances where local laws and regulations set lower standards

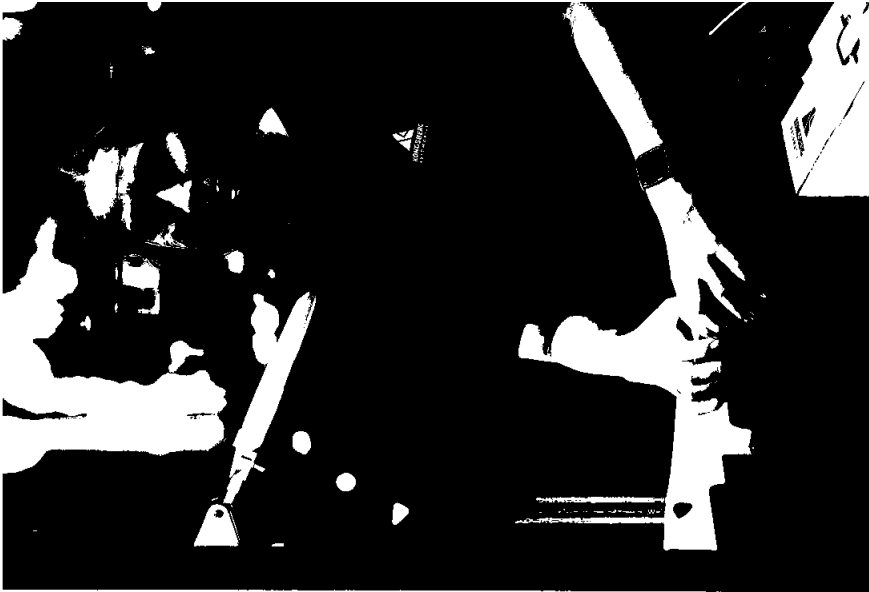
and do not prohibit their application. The policy applies globally to its own operations and therefore covers all members of its workforce. The policy addresses the management of impacts, risks and opportunities related to working conditions and equal treatment and opportunities for all. This includes respecting the labor rights of KA's own workforce and engaging with the same. The policy is available for all employees and other stakeholders on KA's external website. The policy is approved by Executive Management and was published in December 2024.

## ACTIONS

The Code of Conduct training is an integral part of the onboarding process. To ensure a consistent and constant update for all KA employees the company will work in 2025 on a process which enables more transparency on everyone's training completion status. Challenges were mainly detected in documentation for non-IT users.

Overall, the effectiveness of KA's actions is assessed through continuous engagement with its employees and all leaders are expected to tend to the wellbeing of their employees. Infringements reported internally or via the SpeakUp® hotline are systematically investigated.

KA's entire workforce is covered by social protection measures, primarily through national country legislation and supplemented by additional company benefits, ensuring financial security across various circumstances. This coverage, provided mostly through public programs, protects against loss of income due to sickness, unemployment, employment injury, parental leave, retirement,





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and acquired disability. It is important to note that the secured income provided during these circumstances is typically limited to a percentage of the employee's salary, with the exact percentage varying by country and aligned with the norms of the respective social security systems. Additionally, where social security measures are limited and do not cover loss of income, employees are safeguarded through additional company benefits, reflecting KA's commitment to their well-being throughout their professional and personal lives. This specifically applies to India and the US.

KA is committed to fair compensation and ensuring employees receive an adequate wage that secures a decent living. A structured approach requires job leveling and benchmarking to assess wage alignment and define adequacy across the countries where the company operates. These initiatives are still in progress and will serve as a foundation for determining an adequate wage in the future. The goal is to establish a sustainable framework that upholds fair pay for all employees in line with company values.

TARGETS AND METRICS

The metrics for KA's own workforce are reviewed on a regular basis with the Executive Management. Global targets set in the working conditions area are of a qualitative nature. There are no quantitative targets for this area but insights are used for individual follow-ups. Internal benchmarks and comparisons with industry standards are regularly applied.

One main target for 2024 was the development and implementation of a Group Human Rights Policy, which was achieved with its publication in December 2024. The follow-up target for 2025 is to update and enhance this policy based on implementation feedback and further developments in this area.

S1-6- CHARACTERISTICS OF THE KA'S EMPLOYEES

| EMPLOYEES BY GENDER |                                 |
|---------------------|---------------------------------|
| GENDER              | NUMBER OF EMPLOYEES (HEADCOUNT) |
| MALE                | 2,903                           |
| FEMALE              | 1,891                           |
| OTHER               | 1                               |

|                 |                        |
|-----------------|------------------------|
| NOT REPORTED    | 328 (external workers) |
| TOTAL EMPLOYEES | 4,921                  |

| HEADCOUNT FOR COUNTRIES WITH AT LEAST 50 EMPLOYEES REPRESENTING AT LEAST 10% OF THE TOTAL NUMBER OF EMPLOYEES |                                 |
|---------------------------------------------------------------------------------------------------------------|---------------------------------|
| COUNTRY                                                                                                       | NUMBER OF EMPLOYEES (HEADCOUNT) |
| MEXICO                                                                                                        | 1,024                           |
| POLAND                                                                                                        | 573                             |
| NORWAY                                                                                                        | 537                             |

| HEADCOUNT FOR PERMANENT, TEMPORARY, NON-GUARANTEED EMPLOYEES, PER GENDER |       |       |                     |
|--------------------------------------------------------------------------|-------|-------|---------------------|
| FEMALE                                                                   | MALE  | OTHER | NOT DISCLOSED TOTAL |
| 1,703                                                                    | 3,036 | 1     | 181                 |
| NUMBER OF PERMANENT EMPLOYEES                                            |       |       |                     |
| 1,680                                                                    | 2,869 | 1     | 4,550               |
| NUMBER OF TEMPORARY EMPLOYEES                                            |       |       |                     |
| 23                                                                       | 167   |       | 181                 |
| NUMBER OF FULL-TIME EMPLOYEES                                            |       |       |                     |
| 1,626                                                                    | 2,973 | 1     | 180                 |
| NUMBER OF PART-TIME EMPLOYEES                                            |       |       |                     |
| 77                                                                       | 63    | 1     | 141                 |

At the end of 2024, KA's workforce included 326 external workers, representing 7% of the total workforce. The most common type of external workers are those who cover fluctuations in production capacity and bring additional skills.

| EMPLOYEE TURNOVER 2024     |       |
|----------------------------|-------|
| EMPLOYEE TURNOVER IN %     | 33%   |
| EMPLOYEE TURNOVER ABSOLUTE | 1,477 |

The high employee turnover rate of 33% in 2024 includes all types of leave reasons. As the company announced in 2024, a significant proportion of this is involuntary, as the voluntary departure rate is constantly reviewed and fluctuates within the industry standard.

COLLECTIVE BARGAINING, FREEDOM OF ASSOCIATION

KA respects the right of its employees to associate freely and to join or not to join trade unions and works councils without fear of discrimination or retaliation. There is no European works council in place but local unions and committees. KA cooperates with trade union representatives and maintains an open and trusting relationship.

In 2024, 50% (2,313/4,594) of KA's internal employees were covered by collective bargaining agreements:

- > EEA countries: 74% (1,561/2,115)
- > Non-EEA countries: 30% (752/2,479)

For internal employees, KA determines their working conditions and terms of employment based on individual agreements and may refer to the existing collective bargaining agreements.



ACCOUNTING POLICIES

EMPLOYEES (HEADCOUNT)

Measures at the year end headcount of all employees and non-employees (external workers or consultants who do not have a direct contract with KA but a direct contract with an agency company.)

Headcount is counted as 1 for active, short-term leave, long-term leave and suspended employees, no matter whether they are full time or part time. Retired or terminated employee headcount is not counted. Employee data is based on KA's SAP SuccessFactors system.

EMPLOYEE TURNOVER

Twelve-month rolling turnover is reported in KA at corporate level, referring to the ratio of voluntary and involuntary leavers in the past 12 months divided by the average headcount of the past 12 months. Both leave reasons are reported internally with individual sub-categories.

COLLECTIVE BARGAINING AGREEMENTS AND WORKERS' REPRESENTATIVES

Comprises the absolute number of different types of collective bargaining agreements based on specific employee sub-groups.

COLLECTIVE BARGAINING COVERAGE RATE

Total headcount covered by collective bargaining agreements divided by total headcount of KA internal employees.

| COLLECTIVE BARGAINING COVERAGE |                                                  |                                                                                    | SOCIAL DIALOGUE                                                                                                                                                      |  |
|--------------------------------|--------------------------------------------------|------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| COVERAGE RATE                  | SOCIAL DIALOG                                    | EMPLOYEES - NON-EEA                                                                | WORKPLACE REPRESENTATION (EEA ONLY)                                                                                                                                  |  |
| 0-19 %                         | the Netherlands, Poland                          | India, Korea (the Republic of), United Kingdom, United States, Mexico, Switzerland | the Netherlands, Spain, Germany, Slovakia, Poland, France, Korea (the Republic of), Brazil, Mexico, China, Switzerland, India, United States, United Kingdom, Canada |  |
| 20-39 %                        |                                                  |                                                                                    |                                                                                                                                                                      |  |
| 40-59 %                        |                                                  | China, Canada                                                                      | Norway                                                                                                                                                               |  |
| 60-79 %                        |                                                  |                                                                                    |                                                                                                                                                                      |  |
| 80-100 %                       | Norway, France, Germany, Slovakia, Spain, Sweden | Brazil                                                                             | Sweden                                                                                                                                                               |  |

In 2024 no confirmed incidents of discrimination were reported or identified. Further, no legal cases, fines or penalties regarding discrimination were brought against the company or its employees.

| INCIDENTS AND COMPLAINTS                                                                 |  |  | UNIT | 2024 |
|------------------------------------------------------------------------------------------|--|--|------|------|
| Number of cases reported through the channels for own workforce                          |  |  | NO.  | 5    |
| Number of complaints filed to National Contact Points for OECD Multinational Enterprises |  |  | NO.  | 0    |
| Number of discrimination cases reported                                                  |  |  | NO.  | 0    |
| Number of substantiated discrimination cases                                             |  |  | NO.  | 0    |
| Amount of fines, penalties, and compensation                                             |  |  | NO.  | 0    |



# EQUAL OPPORTUNITIES

Kongsberg Automotive (KA) is committed to promoting a culture in which diversity is represented. This is based on the belief that greater diversity leads to higher performing teams, improved decision-making processes and increased global prosperity. Equal opportunities at KA start from hiring the most qualified person for the job based on their skills, experience and qualifications across our global operations but also mean creating a strong learning culture within KA's own workforce. The principles of the existing training policy will continue to be applied, but the documentation will be revised in 2025 to support this strategic pillar of the People and Culture strategy.

## POLICIES

KA's Code of Conduct includes topics like equal opportunities, diversity and discrimination (explicitly based on race, color, religion, sex, age, national origin, ethnicity, disability and sexual orientation). There are no specific policy commitments included related to inclusion or positive action for people from groups at particular risk of vulnerability with KA's own workforce. More information on the Code of Conduct, including implementation through Corporate culture and reporting mechanisms, can be found in GI Business conduct.

KA has established a remuneration policy to ensure fair and competitive compensation practices. The policy defines salary-setting structures, position evaluation, and bonus frameworks to support consistency and alignment with market standards. The policy covers all employees at the company and focuses on the office

workers. Salary structures are based on job leveling and benchmarking, ensuring equitable pay across roles and locations. Position evaluation follows a structured methodology to assess job responsibilities and organizational impact. Bonus programs are designed to reward performance and business outcomes. Responsibilities and procedures for implementing the policy are clearly defined to maintain compliance and consistency.

The global People and Culture Procedure ensures the standards KA wants to maintain and provides guidance for the global People and Culture function.

## ACTIONS

The remuneration policy and the global People and Culture Procedure are currently under review and will be updated and published in 2025.

The company conducts annual performance and career development reviews for approximately 98% of employees in its workforce, promoting growth and alignment with organizational goals. The process excludes employees who joined in the last quarter, as their tenure is insufficient for meaningful evaluation. The structured assessment includes setting targets, employee self-assessment, manager evaluation, collaborative calibration for fairness, and transparent communication of outcomes to employees.

Having launched a cutting-edge learning platform in December 2023, KA initiated various projects related to this in 2024. These include regular campaigns to develop a learning culture to enhance employee skills and capa-

bilities. The external training content is supplemented by content developed in-house. This is set up by the in-house experts and fully aligned with the needs of KA and its employees.

Currently, the company does not have job levels defined for the entire work force. Job levels exist for less than 10% of the workforce. This limitation makes it challenging to conduct comprehensive gender pay gap analysis, as job levels are essential for accurate comparisons and meaningful insights. However, the company recognizes the importance of this analysis and is actively working on a plan to implement a structured job architecture in 2025-2026.

## TARGETS AND METRICS

The metrics for KA's own workforce are reviewed on a regular basis with the Executive Management. Global targets in the equal opportunities area are of a qualitative nature. There are no quantitative targets for this area, but insights are used for individual follow-ups.

One of the main targets for 2024 was further development of the Percipio learning platform to support professional development, which was achieved through enhanced employee engagement with the platform. Since its inception, 886 employees have engaged with the platform, dedicating an impressive 1,300 hours to their personal and professional growth. The corresponding target for 2025 is to further enhance employee development. To achieve this, KA will launch various new initiatives, including a first-level manager training program and an executive-sponsored program facilitating knowledge



sharing of experiences, lessons learned, projects, and best practices. KA will continue to promote the existing platforms to support professional development. Building career paths and developing a structured succession planning process are also part of the 2025 initiatives.

Another target for 2025-2026 is related to the equal pay process with the establishment of a structured job architecture with job levels defined across the organization. Once job levels are available, the company will analyze the data to identify potential gaps and take appropriate actions to mitigate any deviations, ensuring equitable compensation practices. Nevertheless, the company has included as a preliminary metric the ratio for male-to-female average pay at a group level, to have a general overview.

DIVERSITY METRICS

In 2024 women made up 37% of the total workforce and 10% of the Executive Management (Global Leadership Team). As a Norwegian public limited company, KA is required to have at least 40% female participation in the Board of Directors. At the end of 2024, the Board of KA is comprised of eight members, three women and five men, which is the same ratio as at the end of 2023.

| GENDER (ONLY WITHIN KA) |   | HEADCOUNT | %    |
|-------------------------|---|-----------|------|
| F                       | M | 1,691     | 37%  |
| M                       |   | 2,903     | 63%  |
| U                       |   | 1         | 0%   |
| GLOBAL LEADERSHIP TEAM  |   | 10        | 100% |
| F                       | M | 1         | 10%  |
| M                       |   | 9         | 90%  |
| BOARD OF DIRECTORS      |   | 8         | 100% |
| F                       | M | 3         | 38%  |
| M                       |   | 5         | 62%  |

In 2024, the majority of KA's own workforce was in the age group between 30 and 50 years. To ensure that KA provides equal treatment and opportunities for all, these figures are included in the monthly management review as well.

| AGE GROUP (ONLY KA'S INTERNAL EMPLOYEES) |  | HEADCOUNT | %    |
|------------------------------------------|--|-----------|------|
| <30                                      |  | 765       | 17%  |
| 30-50                                    |  | 2,457     | 53%  |
| >50                                      |  | 1,373     | 30%  |
| GRAND TOTAL                              |  | 4,595     | 100% |

REMUNERATION METRICS

| UNIT                                                    |       | 2024 |
|---------------------------------------------------------|-------|------|
| Gender pay gap                                          | %     | 69%  |
| Ratio of annualized base pay to highest-paid individual | TIMES | 17   |

The gender pay gap at the group level is 69% and reflects the composition of KA's workforce and industry dynamics. This gap is influenced by the distribution of men and women across different roles, with a higher proportion of women in senior and technical positions, as well as broader industry trends and career progression patterns. As mentioned before, the formal job leveling system is under development; for this reason, this figure should be considered a rough estimation rather than a precise measure, nor is it a direct indication of unequal pay for equal work. The company remains committed to fostering a more balanced workforce through targeted initiatives that support gender equity and career advancement.

The ratio of the highest-paid individual's base salary to the median base salary of all employees is 17. This reflects the company's diverse geographical footprint. As a Europe-based company with manufacturing operations across multiple regions, the overall salary distribu-

tion is influenced by regional pay structures and cost-of-living differences. The nature of the business, with a significant portion of the workforce in manufacturing roles, also impacts the median salary level. This ratio should be viewed in the context of these factors, which shape the company's compensation structure across different markets and job functions.

ACCOUNTING POLICIES  
GENDER IN LEADERSHIP AND SENIOR LEADERSHIP POSITIONS

At KA, senior management positions refer to those who report directly to the CEO and cover C-level positions or Executive Vice President (EVP) areas.

GENDER PAY GAP

The gender pay gap is reflected on a full-time basis and calculated as the difference between the average annualized base salary for men and women divided by the average annualized base salary for men and expressed as the percentage of the average annualized base salary for men. All internal employees except internships and working students in all countries have been included in this metric. The calculation is based on annual base salary, excluding fixed allowances and variable components due to limited global data availability.

RATIO OF ANNUALIZED BASE PAY TO HIGHEST-PAID INDIVIDUAL

The ratio between the highest-paid individual's annual base salary and the median annual base salary for all other employees is reflected on a full-time basis and calculated by identifying the highest annualized base salary (i.e. highest paid individual) and calculating the median base salary excluding it. The calculation is based on annual base salary, excluding fixed and variable components due to limited global data availability.



# HEALTH AND SAFETY

Kongsberg Automotive (KA) prioritizes the health, safety, and wellbeing of its employees. The company has implemented policies and programs to manage risk, prevent accidents and injuries, and comply with relevant health and safety regulations. KA continually strives to improve its safety record, reduce employee injuries, and avoid accidents and safety violations.

## KA'S APPROACH

Safety First is KA's company-wide initiative to develop a value-based and sustainable health and safety culture, supporting the goal of zero accidents. KA is committed to conducting its business responsibly, adhering to applicable laws and regulations while following established company policies and procedures.

## POLICIES

KA has established a policy for health, safety, and environment (HSE), setting the standards for how the company protects and ensures the well-being of its employees and the sustainability of its operations. The policy covers all KA employees and facilities. The company aims to incorporate health, safety, and environment considerations in all its decisions and actions, as workplace key performance indicators ensure the safety and well-being of KA's employees. The company complies with various ISO standards, including ISO 9001 (quality management systems), 14001 (environmental management systems), and 45001 (occupational health and safety management systems), to maintain a robust management system that

aligns with international best practices. In 2025, KA will develop an internal mental well-being policy for all employees. The policy will focus on enhancing workforce mental well-being, mitigating work-related stress and anxiety, and providing guidance to employees and leaders. The planned support system will offer access to mental health professionals, crisis counsellors, and assistance with stress management, relationships, family issues, and lifestyle challenges.

## ACTIONS

KA's internal management system contains an extensive set of procedures that ensure a safe and healthy work environment for everyone in its facilities, with a special focus on employees and processes in production environment with a higher risk exposure. An important element of the system is to perform risk assessments every three months for all new and existing activities in KA's facilities and work areas. The company employs a risk management hierarchy of control, ranging from risk elimination to managing the risk using appropriate personal protective equipment. All employees may report work-related hazards through the Near Miss Reporting Process, tracked monthly as a KPI at both facility and corporate levels. Local hazard identification training supports this reporting process.

Each manufacturing facility sets KPIs each year to measure its performance. These KPIs include the number of accidents, planned and completed risk assessments, planned and completed training courses, first

aid cases, and near misses recorded and closed. All facilities participate in monthly green card calls to review KPIs and share best practice opportunities. The facilities also perform an annual scored self-assessment against the requirements of KA's internal management system. Engagement between the corporate teams and manufacturing facilities is an essential part of KA's ongoing performance improvements. Monthly meetings are held with the facilities to discuss any issues they are facing, and the solutions they have implemented to address other issues. These meetings form a key part of KA's engagement and sharing of best practices.

All external visitors and contractors to any KA manufacturing facility must comply with a sign-in procedure and align contractor packs to ensure full HSE awareness and compliance for each location visited. High-risk topics, i.e. hazardous materials, are covered with extensive procedures for training, handling, labeling, and storage as well as transportation and inspection audits. All local legal compliance requirements are followed.

All of KA's manufacturing facilities have their own health and safety committees, comprised of employees from different functions in the facility, who contribute to the continuous improvement of their health and safety management systems. The health and safety committees hold meetings with employee participation to ensure evaluation and development of the HSE policies and management systems. The committees are responsible for interacting with all levels of the organization. They are tasked with examining any incidents, accidents, first



aid cases, and reported near misses or damage. They also review the risk assessment and training plans to ensure that all employees are on schedule and assess any unresolved or escalated matters. Additionally, the committee is authorized to halt any hazardous processes. KA's HSE organization provides induction training on all aspects of health and safety, as well as the tools and processes in use, to all new dedicated health and safety employees and management employees joining KA's manufacturing facilities. The health and safety representatives in the facilities provide training on KA's management system to all new employees as well as refreshment training to existing employees on a regular basis throughout the year. A full training plan is issued each year through KA's e-learning tool. Training KPIs are set for all facilities to ensure the roll-out of relevant training topics. Objectives and plans for continuous improvement of HSE performance were set and communicated in early 2024. Key performance indicators were reviewed regularly, and adjustments were made immediately as the need arose.

METRICS AND TARGETS

For the year 2024, there were 12 total recorded work-related accidents, including own employees (11) and contractors (1). Seven accidents resulted in lost time, while four incidents required medical treatment (stitches, minor limb fractures), with employees returning to work afterwards. Although the overall number of accidents has increased by three, compared to 2023, with lost days increasing to 158 from 73, the number of plants that remained accident-free during 2024 remained stable at 17. The incident rate increased to 1.36 per million hours worked in 2024, in part due to an increase in accidents but also a reduction in working hours. KA's 2025 target for 2025 is to reduce the incident rate below 1.00. The company has made significant progress in raising awareness and ensuring robust reporting, as demonstrated in 2024.

In 2024, there were no reported cases of work-related ill health or occupational diseases affecting the incident rate, and no work-related fatalities.

KA drives its internal safety roadmap with HSE KPIs to develop an even stronger safety culture. These internal measures are reviewed monthly to strengthen and ensure continuous improvement for all operational sites. KA's KPIs cover all of its operations worldwide, including employees and contractors. The company's workforce within manufacturing locations is engaged with formal joint management worker health and safety committees and all of KA's operational sites conduct employee health and safety risk assessments, in line with KA's minimum requirements.

The following table summarizes the number of audits with a focus on health, safety and environment. Internal audits were conducted by KA's own workforce and followed internal standards and guidelines. External audits were conducted by third-party audit companies and followed the ISO 14001 (environmental management systems) and ISO 45001 (occupational health and safety management systems) standards.

| HEALTH, SAFETY AND ENVIRONMENTAL AUDITS |  | 2024 |
|-----------------------------------------|--|------|
| Internal audits performed               |  | 500  |
| External audits performed               |  | 42   |
| Total of internal audits performed      |  | 542  |

ACCOUNTING POLICIES (FOR HEALTH & SAFETY)

WORK-RELATED ACCIDENTS

Number of work-related accidents with and without lost days. Incidents are included if they either required medical attention, resulted in work restrictions, resulted in loss of consciousness or resulted in lost time (absence). This metric includes all employees (full-time, part-time and temporary workers).

WORK-RELATED ILL HEALTH OR OCCUPATIONAL DISEASES

Number of occupational illness cases resulting from repeated exposure to a physical hazard like a repetitive strain or cumulative trauma injury. Incidents are included if they are diagnosed by a treating physician or licensed medical professional and are deemed work-related and either resulted in days away from work, work restrictions or a permanent disability. This metric includes all employees (full-time, part-time and temporary workers).

INCIDENT RATE

All work-related accidents and work-related ill health cases per 1,000,000 hours worked within the year.

LOST DAYS

Total number of days lost due to work-related accidents which resulted in an absence of more than one day. The day on which the case is reported is not counted.

WORK-RELATED FATALITIES

Work-related accident resulting in the death of an employee. This metric includes all employees (full-time, part-time, and temporary workers).



# WORKERS IN THE VALUE CHAIN

## ESRS S2

### KA'S UPSTREAM VALUE CHAIN

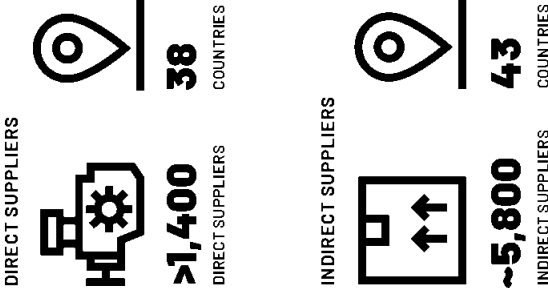
Kongsberg Automotive (KA) has a significant global footprint through its 1,475 (2023: 1,590) direct material suppliers in 38 (39 in 2023) countries and 5,881 (6,900 in 2023) indirect suppliers in 43 countries (44 in 2023). With the strategic aim to work with global and local suppliers and build a diverse supplier portfolio, in 2024, KA had a footprint of 520 (approx. 600 in 2023) direct material suppliers in the Americas, 272 (approx. 300 in 2023) suppliers in the Asia Pacific region, and 683 (approx. 700 in 2023) suppliers in Europe.

KA's strategic supplier portfolio aims to balance global and local suppliers across diverse business sizes, from micro to large enterprises. Local suppliers account for 88% of direct material purchase spend (up from 86% in 2023) and 97% of indirect spend. Through local purchasing, KA proudly contributes to regional economic development and employment while reducing environmental impact. Local suppliers are defined as those located in the same geographical region (the Americas, Europe, Asia Pacific). KA's medium and long-term goal is to maintain these local sourcing percentages, supporting both regional development and global growth.

Approximately 7% of suppliers (300 direct material and 200 indirect suppliers) account for 80% of annual purchasing spend. A central corporate purchasing function, supported by local teams across KA's global locations, manages all procurement of components, goods, and services.



### OUR SUPPLY CHAINS AT A GLANCE



## IMPACTS, RISKS, AND OPPORTUNITIES

KA has identified its main impact, risks, and opportunities related to workers in the value chain. Material IROs were identified for the upstream value chain. KA impacts workers in its upstream supply chain both directly and indirectly.

Direct impact of KA includes the workforce and non-employees of manufacturing suppliers (Tier 1 direct material suppliers of KA, material), the workforce and non-employees of service providers and non-product-related manufacturing suppliers or distributors (Tier 1 indirect suppliers of KA, material), and contractors of one-time suppliers (not material). Indirect impact of KA includes the workforce and non-employees of sub-suppliers of KA's Tier 1 suppliers (Tier 2+ suppliers). KA does not have any joint venture or special purpose vehicles.

Further analysis and segmentation are planned to identify particularly vulnerable workers. These may include workers who:

- > Are involved in the mining of conflicting minerals in high-risk areas (such as CAHRAs and the Democratic Republic of the Congo and surroundings) which is a systematic global challenge for the whole industry and electronics especially: In these cases, KA works through its yearly conflict mineral due diligence processes and its RMI membership to mitigate risks (see later)
- > Are exposed to elevated health and safety risks through chemical handling or machine operation that require comprehensive occupational health and safety management systems and heightened awareness
- > May be vulnerable due to local, country-specific, or organizational factors (including cultural traditions and human rights awareness), such as migrant workers and women. KA addresses these vulnerabilities through risk assessments and awareness programs, ensuring responsible governance for all identified vulnerable groups

The table below summarizes the company's main impacts, risks, and opportunities and the following pages outline how KA manages the identified topics:

| IRO NAME                                                                                | IRO TYPE                  | DESCRIPTION                                                                                                                                                                                                                                                           | KA'S RESPONSE                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-----------------------------------------------------------------------------------------|---------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>INADEQUATE WAGES IN PRODUCING COUNTRIES</b>                                          | Potential negative impact | Possible negative impacts through unintentional contribution to: Excessive working hours or low and non-transparent or partly non-legal wages and benefits.                                                                                                           | <ul style="list-style-type: none"> <li>&gt; Supplier sustainability risk assessment contains working conditions as focus area</li> <li>&gt; Benchmark tools of costs of workforce</li> <li>&gt; Awareness raising with buyers and within the supply chain</li> <li>&gt; On-site sustainability supplier audits focusing on working conditions</li> <li>&gt; Resilience</li> </ul>                                                                                                 |
| <b>OCCUPATIONAL ACCIDENTS AND WORK-RELATED PHYSICAL AND MENTAL HEALTH</b>               | Potential negative impact | Possible negative impacts through unintentional contribution to: Limitations of social dialog, freedom of association, or collective bargaining, poor health and safety awareness.                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>COLLECTIVE BARGAINING</b>                                                            | Financial risk            | Legal/reputational financial risks associated with human rights/working rights non-compliance in the supply chain.                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>OCCUPATIONAL ACCIDENTS, ABSENCE DAYS AND WORK-RELATED PHYSICAL AND MENTAL HEALTH</b> | Financial risk            | Legal/reputational financial risks associated with human rights/working rights non-compliance in the supply chain.                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>EMPLOYEE DEVELOPMENT AND CAREER OPPORTUNITIES</b>                                    | Financial risk            | Financial risk of skill shortage/talent retention to keep up with the market (R&D, engineering). Company can lose its competitiveness, which can lead to market loss.                                                                                                 | <ul style="list-style-type: none"> <li>&gt; Awareness raising and including equal treatment, learning and development, and inclusivity in supplier sustainability risk assessments and on-site audits</li> <li>&gt; Resilience</li> </ul>                                                                                                                                                                                                                                         |
| <b>EMPLOYEE DEVELOPMENT AND CAREER OPPORTUNITIES</b>                                    | Opportunity               | Opportunity to create competitive advantage by highly trained workforce enabling battery electric vehicle shift with new products. Long-term effect on competitiveness and successful innovation. Skilled people will be attracted if education and training is good. |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>FORCED LABOR</b>                                                                     | Potential negative impact | Possible negative impact through unintentional contribution during mineral sourcing: Forced or child labor.                                                                                                                                                           | <ul style="list-style-type: none"> <li>&gt; Responsible mineral sourcing due diligence process and yearly data collection (with a special focus on smelters of concern regarding tin, tungsten, tantalum, gold, mica, and cobalt sources)</li> <li>&gt; Country ESG supply chain risk and natural hazard risk pre-evaluation of suppliers</li> <li>&gt; Awareness raising and including human rights and climate adaptation in supplier sustainability risk assessment</li> </ul> |
| <b>CHILD LABOR AND FORCED LABOR</b>                                                     | Financial risk            | Legal/reputational financial risks associated with human rights/working rights non-compliance in the supply chain.                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |



| Contents                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 2024 in Brief                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | BoD's Letter | Governance | Business and Performance | Sustainability Statements                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Financial Statements | Auditor's Report |
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| <p>The identified material impacts, risks, and opportunities (IROs) affect the entire automotive industry systemically rather than as individual incidents. Beyond corporate measures, KA incorporates broader initiatives for effective risk identification and prevention, including Responsible Minerals Initiative, UN Global Compact, International Labor Organization (ILO), Drive Sustainability, and Automotive Industry Action Group (AIAG) research and guidance. While no widespread or systematic negative impacts have been identified in KA's supply chain, due diligence focuses on individual supplier assessment, development, and category strategies. Country-specific ESG supply chain risk scores (from CountryRisk.io) are incorporated in evaluations, particularly for regions with elevated human rights risk exposure. Individual incidents may nevertheless impact human rights in the supply chain, making supplier awareness a key focus.</p> | <p><b>KA'S APPROACH AND POLICIES</b></p> <p>To support a just transition to greener mobility, KA expects companies it works with to run their business and supply chains in compliance with national laws and with respect for international labor and human rights standards. KA is committed to reducing human rights violation risks throughout its value chain while supporting economic transition through decent job creation in the automotive and manufacturing sectors. Decent employment includes:</p> <ul style="list-style-type: none"><li>&gt; Fair wages</li><li>&gt; Job security</li><li>&gt; Safe working conditions</li><li>&gt; Freedom of expression</li><li>&gt; Protected trade union rights</li></ul> <p>Corporate and supply chain policies outline KA's human rights and labor rights commitments, applying to all suppliers and value chain workers. Specific due diligence processes, such as conflict minerals reporting, target relevant supplier segments. For example, yearly reporting on conflict minerals only covers suppliers that use the minerals.</p> <p>To facilitate implementation, supplier documentations, risk assessment platforms and validation processes are available in a wide range of languages. This ensures effective global supplier communication.</p> |              |            |                          | <p>industrial requirements and standards, especially regarding human and labor rights. KA has a Responsible Minerals Sourcing Position Statement and assesses suppliers' compliance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. Regulations on the registration, evaluation, authorization, and restriction of chemicals (REACH) requirements are detailed in the Supplier Quality Manual. Due to the increased demand for human rights, KA also articulated a separate Human Rights Policy which also addresses business partners and workers in the value chain. All purchase orders generated through SAP and Jaggaer systems contain explicit references to sustainability requirements, complementing the partial references in KA's General Purchasing Conditions and Framework Agreements.</p> <p>KA reviews these documents through memberships and benchmarking approximately every two years or as needed, updating policies accordingly.</p> <p>These documents and requirements align with relevant standards and guidelines:</p> <ul style="list-style-type: none"><li>&gt; UN Universal Declaration of Human Rights</li><li>&gt; UN Global Compact and Guiding Principles for Business and Human Rights</li><li>&gt; OECD guidelines for multinational enterprises and due diligence guidance for responsible supply chains of minerals</li><li>&gt; Declaration on Fundamental Principles and Rights at Work adopted by ILO (International Labour Organization)</li><li>&gt; Responsible Business Alliance RMI guidelines</li><li>&gt; Global Automotive Sustainability Guiding Principles and reporting standards as GRI and ESRS and the following legal requirements:<ul style="list-style-type: none"><li>» Norwegian (Transparency Act); Canadian Forced and Child Labor in Supply Chains Act; US Uyghur Forced Labour Prevention Act (UFLPA); UK Modern</li></ul></li></ul> |                      |                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |              |            |                          | <p><b>POLICIES AND REQUIREMENTS</b></p> <p>Suppliers are required to adhere to the same high standards as KA does itself. The relevant principles and requirements for the supply chain are set out and communicated in KA's Supplier Declaration (with reference to the more detailed Supplier Sustainability Manual), which summarizes the most important environmental, social, and ethical requirements for suppliers and, in turn, their suppliers (see below the specific topics). These requirements were updated in 2024 to include new legal and</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                      |                  |



Slavery Act, EU Corporate Sustainability Due Diligence Directive (CSDDD), German Supply Chain Act (LkSG), and EU Corporate Sustainability Reporting Directive (CSRD)

» And other relevant environmental, social or ethical legislation or voluntary agreements.

KA's sustainability supplier requirements and risk assessment areas cover the most important human and labor rights topics from standards as well as material impacts and risks:

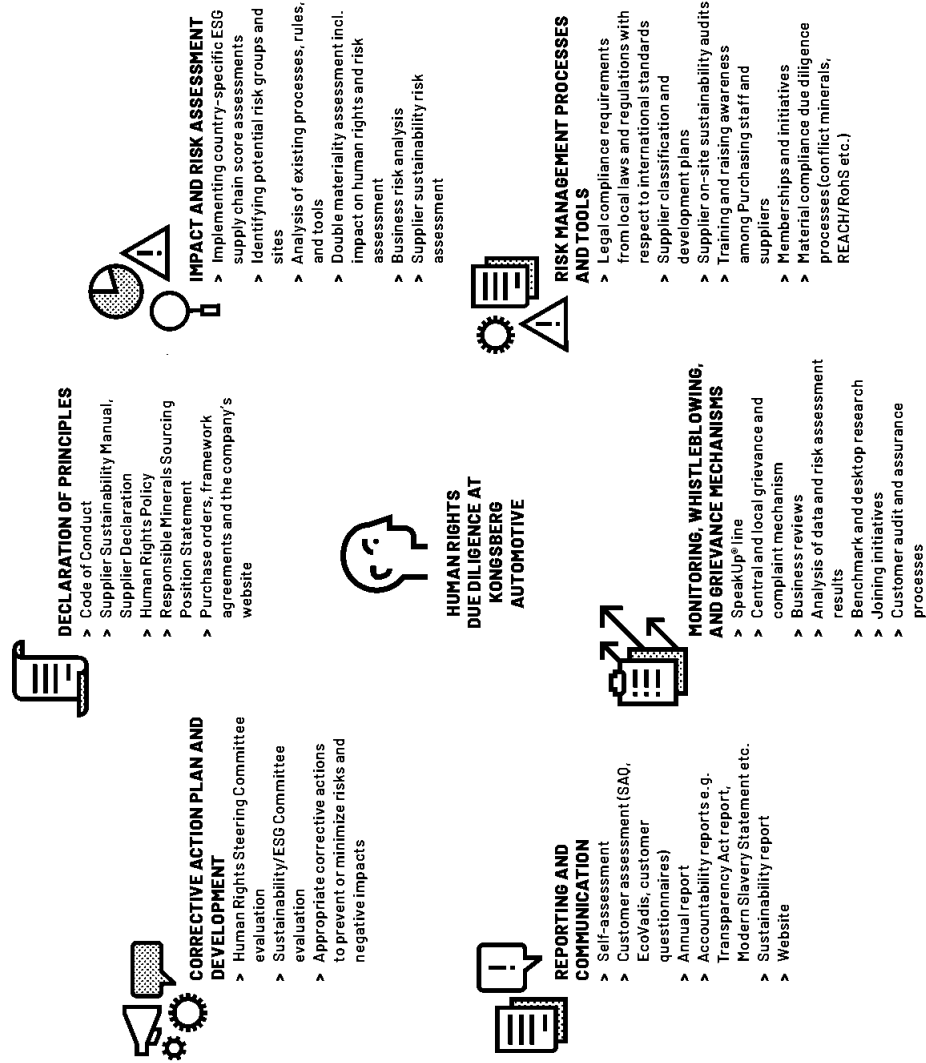
- > Company management including responsibilities, commitments, Code of Conduct, and grievance mechanisms
- > Governance, management system, certifications, and training on:
  - » Human rights and working conditions
  - » Health and safety
  - » Business ethics
  - » Environment
  - » Responsible supply chain management
- > Responsible sourcing of raw materials

KA's policies and requirements statements outline supplier engagement practices and required collaboration tools and processes for improving sustainability and human rights standards in the value chain, including consequences for non-compliance. KA's policies will be implemented at all its Tier 1 suppliers, with exceptions for low-risk categories such as one-time vendors. The company also identified a minor gap with regard to customer-directed suppliers. KA will review the responsibility sharing documentation to close gaps and not exclude them from KA's policies.

PROCESSES, ACTIONS AND METRICS

KA'S DUE DILIGENCE PROCESS AND RISK PRE-ASSESSMENT

KA's supplier engagement and management process is based on its corporate human rights due diligence approach described in the illustration.



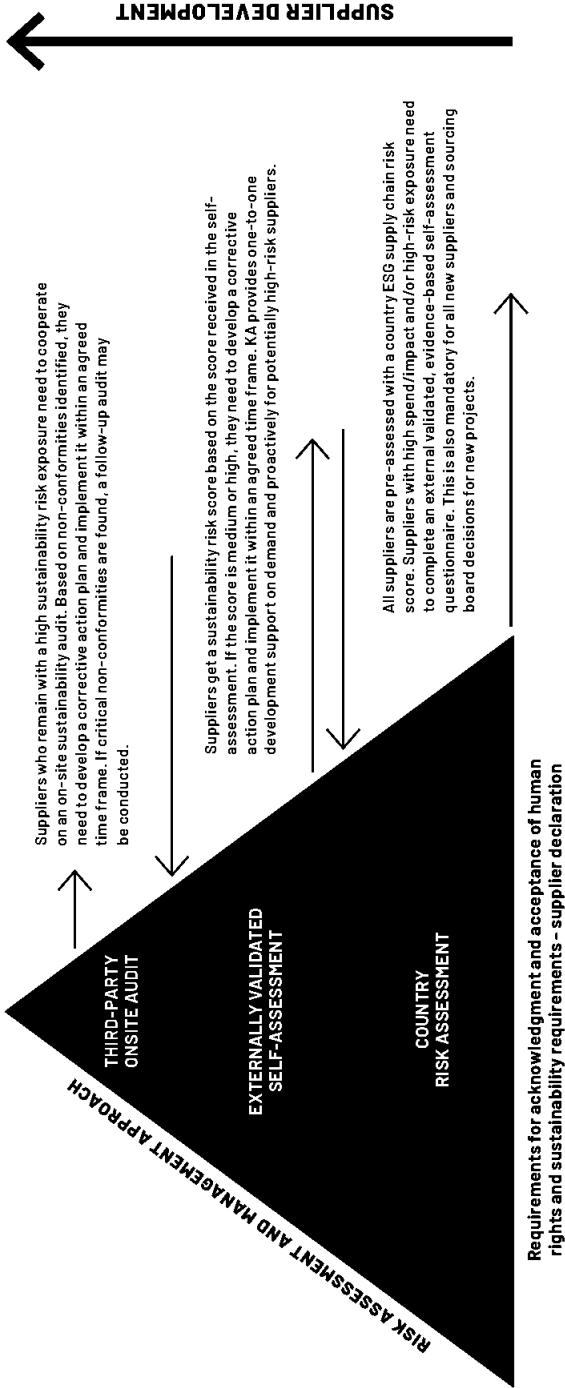


The Sustainability Steering Committee, which includes the Vice President Purchasing (responsible for sustainability in the supply chain), is responsible for reviewing and evaluating the yearly findings and developments. The Human Rights Committee, established in 2024 and comprising representatives from the Human Resources, Legal, Purchasing, and Sustainability Departments, is responsible for owning and evaluating the yearly operational working plan. Within the Purchasing department, all jobs have a responsibility and common ESG target, covering human rights risk prevention and mitigation strategies. The Sustainable Purchasing team supports supplier assessment and engagement efforts done by buyers and other members of the Governance team. New and updated policies are validated and approved by these committees. See further information on sustainability-related governance and processes in the “General information” chapter.

KA's supplier sustainability risk management builds on three levels. This approach provides KA with insights into risk exposures and enables it to prevent and effectively mitigate risks concerning human rights, the environment, and ethics.

I. The ESG-related risks associated with the supplier's country of origin are analyzed.  
II. Suppliers are expected to share or conduct an evidence-based, externally validated self-assessment questionnaire covering KA's required topics and issues.  
III. KA conducts on-site sustainability audits, performed by independent third-party auditors, with follow-up audits conducted by second-party auditors

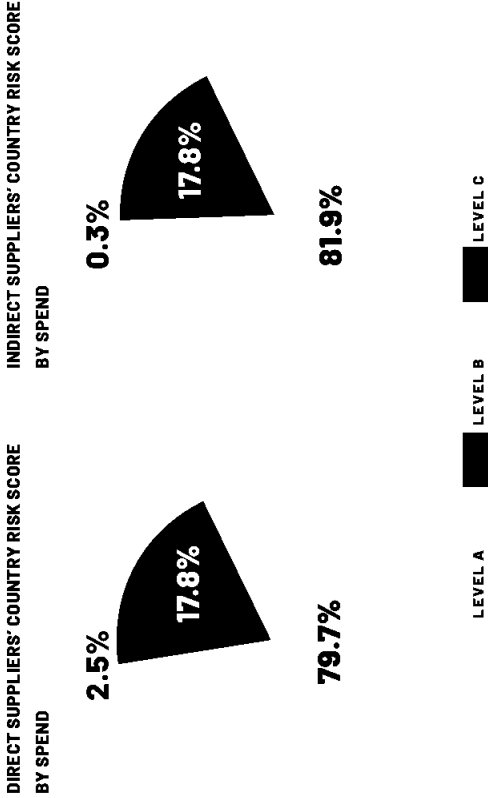
HUMAN RIGHTS AND SUSTAINABILITY DUE DILIGENCE WITHIN THE SUPPLY CHAIN AT KONGSBERG AUTOMOTIVE





In 2024, 86% of direct material spend was with suppliers who have signed the Supplier Declaration. 9% of indirect material suppliers have signed the Declaration, but this number is expected to increase with the onboarding to KA's ERP supply management IT system, and as the company expands its contractual terms and other measurements.

Most of KA's suppliers are located in low-risk countries (level A). Level B represents medium risk, and level C is high risk based on the previously mentioned CountryRisk.io's Supply Chain Risk Score. In case of suppliers in high-risk countries (e.g. India, Turkey, and the Democratic Republic of Korea in 2024), KA identifies the respective risks and takes steps to improve performance.



SUPPLIER COMPLIANCE RISK ASSESSMENT AND AUDITS

KA requires direct materials suppliers to report on their governance and management practices with regard to environmental, social, and ethical issues detailed above, presenting KA's requirements.

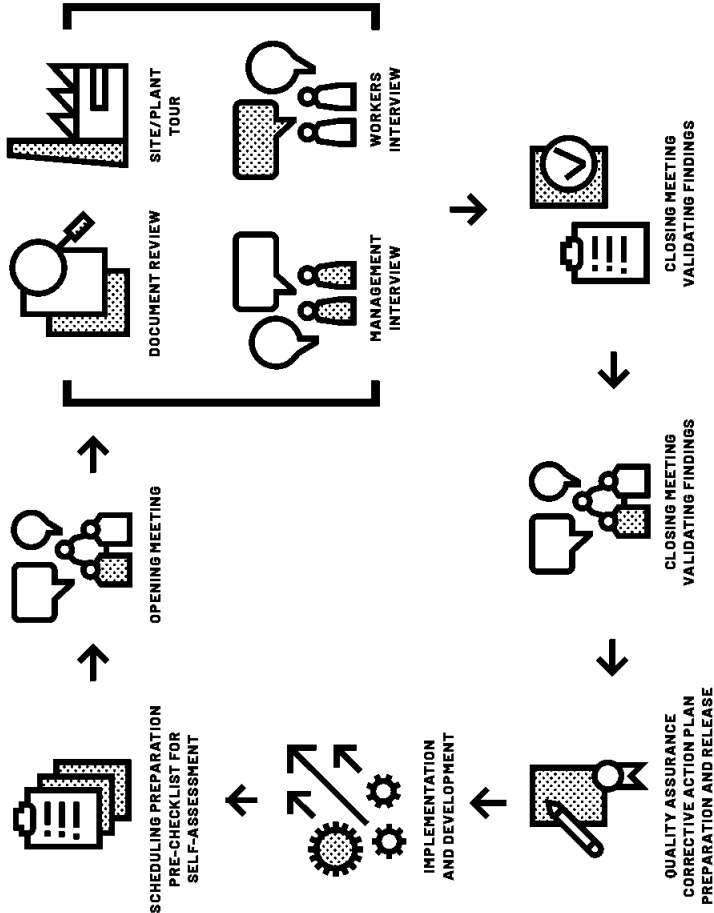
KA expects its supplier to have an effective policy and management system in place to identify and manage any material environmental, social, and ethical risk as well as their performance when it comes to offering training for their workforce on relevant issues and communicating the necessary requirements to their own suppliers. This information is

collected from suppliers through a standardized, evidence-based self-assessment questionnaire. The Sustainability Assessment Questionnaire (SAQ on the SupplierAssurance platform) has been developed and promoted by CSR Europe and Drive Sustainability and is widely used throughout the automotive industry. It collects existing practices and documents information on governance and management approaches of suppliers in seven areas presented above. KA also accepts alternative valid risk assessments of suppliers, provided that suppliers can demonstrate a sound methodology and that the report comprehensively covers all important topics, including the sharing of detailed assessment results (e.g. EcoVadis). This allows KA to identify risks resulting from gaps in suppliers' existing governance and management approaches and to engage with suppliers on their performance. By the end of 2024, more than 460 suppliers – covering 88% (2023: 78% / 2022: 71%) of KA's yearly direct material purchasing spend – completed the questionnaire or provided an equivalent, valid sustainability risk assessment. The information and related evidence are validated by an independent third party. After assessing their questionnaires, all suppliers receive feedback and recommendations on how to improve their governance and management systems, which will help them set up effective plans for corrective action. Suppliers whose assessment scores indicate a high sustainability risk receive further recommendations. KA prioritizes suppliers with low sustainability risks, including those related to human rights. All suppliers whose assessment scores indicate medium to high risks are supported in their development. As KA's supplier sustainability program expands, the company aims to provide tailored support for suppliers as well as other training materials and events.

Selected suppliers that do not sign the Supplier Declaration or fail to undertake the sustainability risk assessment are invited to a dialog with KA's Purchasing department to determine how the supplier's standards can be improved. KA seeks to replace suppliers that do not reach expected standards despite improvement measures. KA's purchasing function is working diligently to increase the response rates and performance of suppliers. A potential risk for incorrect or inaccurate reporting or ineffective implementation persists. KA intends to initiate additional on-site audits of selected suppliers, focusing on locations with a high risk potential and preferred suppliers with development needs.

Where appropriate, KA conducts third-party on-site sustainability audits to ensure effective implementation of sustainability-related management systems and performance in accordance with KA's requirements. The following illustration summarizes the process steps and topics. The audits also allow for validation of self-assessment results and provide additional insights into risk assessment gaps. In 2024, KA commissioned eight third-party on-site audits and one follow-up audit conducted by a second party.

## SUPPLIER AUDITS ON BEHALF OF KONGSBERG AUTOMOTIVE REGARDING HUMAN RIGHTS AND SUSTAINABILITY



### REQUIREMENTS AND TOPICS

- > Compliance and governance: Legal and ethical compliance, grievance, whistleblowing, business conduct, fines, anti-corruption
- > Health and safety: Policies, processes, impacts and risks, PPE, training, health checks, hazards, accidents, prevention, first aid
- > Environment: policies, processes, impacts and risks, training, GHG, energy efficiency, waste, chemicals, recycling, renewables
- > Human and labor rights: Policies, processes, impacts and risks, training, recruitment, trafficking, age, working hours, wages and benefits, trade unions, collective bargaining, harassment, equal treatment, living wage
- > Responsible sourcing: Requirements and policies, impacts and risks, conflict minerals due diligence, supplier's adherence

The decision-making process of KA's Sourcing Board requires that all new direct material suppliers sign the Supplier Sustainability Declaration and undertake the Supplier Sustainability Risk Assessment. As part of the Supplier Sustainability Risk Assessment, KA screens new suppliers regarding environmental, social (incl. human and labor rights), and ethical issues. In 2024, identified non-conformities with this internal rule led the Sustainable Purchasing team and Purchasing support office to establish a new data tracking system for monitoring effectiveness and enabling development actions.



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Brief | BoD's Letter | Governance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        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| <p>Key findings from human and labor rights risk assessments and audits relate to the following areas:</p> <ul style="list-style-type: none"><li>&gt; Missing formal human and labor rights policies and commitments are widespread in KA's complex global supply chain, due to the following factors:<ul style="list-style-type: none"><li>» Suppliers in developed countries (e.g. Germany, the US) often lack formal written commitments to human and labor rights, as these are comprehensively covered by local legislation. While these suppliers present minimal actual risk, they need to formalize their existing practices and principles in documentation. (widespread, systematic)</li><li>» Many of KA's micro and small suppliers lack formalized business conduct documentation due to their size. While these suppliers generally present minimal human rights risk, they need to formalize their commitments and develop auditable processes accordingly. (widespread, systematic)</li><li>» Some suppliers lack required policies due to insufficient awareness of their importance or the requirements, potentially posing human rights risks to KA. The company addresses this through targeted awareness programs and individual supplier development. (individual incidents)</li></ul></li><li>&gt; Missing human rights management system: Many suppliers have existing processes, practices, and principles but lack systematic presentation. KA encourages implementation of PDCA-based management systems for human and labor rights, building on suppliers' existing experience with ISO systems for environmental, health, and safety topics. (widespread, systematic)</li><li>&gt; Audits identified the following challenges:<ul style="list-style-type: none"><li>» Working hours: Issues include inadequate time tracking and excessive working hours, even when compensated according to local legislation. Excessive overtime occurs primarily in jurisdictions permitting unlimited voluntary overtime – while</li></ul></li></ul> |               |              | <p>legally compliant locally, this contradicts both ILO standards and KA's requirements. (individual incidents)</p> <ul style="list-style-type: none"><li>» Lack of effective grievance and whistleblowing mechanisms due to company size (widespread, systematic)</li><li>» Labor representation: Where unions or collective bargaining are absent (either due to legislative requirements or lack of employee demand), KA verifies proper communication and protection of these rights. (systematic)</li><li>» Suppliers, especially smaller ones, focus on legal minimum wages without living wage considerations (widespread, systematic). However, labor market pressure typically drives supply chain salaries above minimum wages, making this more a potential than actual risk</li><li>» Health and safety regular audits are not conducted and risk assessments are not performed to identify occupational health hazards (individual incidents)</li><li>&gt; Missing sustainability and human rights requirements towards their own suppliers, mostly due to lack of processes, awareness, and company size (systematic)</li></ul> | <p>KA openly discusses findings and improvement areas with suppliers, including potential actions and remediation efforts. The company maintains its commitment to high standards in human rights, working conditions, and ethical business practices throughout its supply chain. Assessment and audit findings guide continuous improvement initiatives. The company is committed to transparently addressing challenges and leveraging its influence to make a positive impact.</p> <p>A formal escalation process provides guidance for addressing sustainability-related risks or incidents (including human and labor rights) through the Supplier Risk Team. Detailed process guidance for specific sustainability</p> | <p>ty topics will be developed in 2025. KA's approach to business relationships emphasizes supplier development over termination. Business relationships continue when suppliers demonstrate willingness and ability to improve, with KA providing necessary support.</p> <p>In 2024, no significant breaches or human rights impacts were identified, particularly regarding child or forced labor. No supplier relationships were terminated for sustainability reasons. Two escalation cases coincided with existing business-related terminations.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                      |                  |
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The approach targets six key minerals with highest risk of adverse social and environmental impacts, operating through two strategic pillars:</p> <p><b>1. Supply chain transparency:</b> KA enhances smelter transparency through collaboration with first-tier suppliers and mineral associations. Following OECD due diligence guidance for responsible mineral sourcing from conflict-affected and high-risk areas, KA conducts annual data collection from Tier 1 suppliers covering six minerals: Tin, tungsten, tantalum, gold, cobalt, and mica. Using Responsible Mineral Initiative (RMI) smelter mapping tools, databases, and guidance, KA identifies risk exposure and communicates with suppliers through email and phone calls, including multiple reminders for revision or resubmission to reduce smelters of concern. This process supports downstream business partners and customers in fulfilling their human rights due diligence obligations.</p> <p>The due diligence process includes supplier information and training, as well as encouragement of product-level reporting where feasible.</p> |                      |                  |



**2. Industry and cross-industry partnership:** KA engages with multi-stakeholder initiatives, including the Responsible Mineral Initiative (managed by Responsible Business Alliance), to leverage partnerships for shared solutions to industry-wide and cross-industry impacts and risks. Joint outreach campaigns and collaborative efforts enhance supplier responsiveness.

|                             | 2022                    |                         |                         | 2023                    |                         |                         | 2024                    |                         |                         |
|-----------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
|                             | # OF SUPPLIERS ASSESSED | RESPONSE RATE 31-1-2023 | # OF SUPPLIERS ASSESSED | RESPONSE RATE 31-1-2024 | # OF SUPPLIERS ASSESSED | RESPONSE RATE 31-1-2025 | # OF SUPPLIERS ASSESSED | RESPONSE RATE 31-1-2025 | # OF SUPPLIERS ASSESSED |
| CONFLICT MINERALS REPORTING | 700                     | 86%                     | 524                     | 85%                     | 756                     | 90%                     |                         |                         |                         |
| EXTENDED MINERALS REPORTING | 69%                     | 52%                     | 125                     | 64%                     | 108                     | 68%                     |                         |                         |                         |

*Note: The conflict minerals due diligence campaign runs from May to January of the following year. Therefore, data reflects campaign completion results rather than calendar year-end figures, enabling better comparison.*

In line with the RMI recommendations, KA requires and encourages suppliers to identify re-sourcing options and promote audit and certification programs for smelters and mines. Business relationships are maintained as KA typically does not directly purchase from conflict-affected sources.

KA has implemented the following actions to enhance its responsible mineral sourcing due diligence process:

- > Requiring and encouraging suppliers to provide product or part-level reporting, including incorporating IMDS reporting and promoting its use among upstream and downstream stakeholders
- > Identifying RMI working group opportunities for enhanced collaboration on shared challenges with business partners
- > Strengthening due diligence processes and measures through third-party expert review (APA Engineering)

KA has developed supplier training materials for more effective onboarding and awareness, scheduled to launch in 2026.

**ENGAGING WITH WORKERS IN THE SUPPLY CHAIN**

In KA's Purchasing team, buyers are responsible for supplier relationship management. The suppliers are grouped by categories and regions, with an additional dimension of project focus. The Sustainable Purchasing team entertains direct contact with suppliers and proactively encourages dialog. Beyond annual business reviews, additional engagement occurs through:

- > New business opportunities
- > Escalation situations
- > New tasks and issues
- > Ad hoc inquiries

KA organizes ad hoc supplier events covering market outlook, KA's projects and goals, and sustainability topics. Currently, KA proactively engages with suppliers on decarbonization and climate change initiatives, which may reveal additional sustainability impacts, risks, and opportunities.

KA engages with supply chain workers through regular supplier assessments, audits, site visits, and business meetings to evaluate labor conditions and management system implementation. On-site audits of selected high-risk suppliers include worker interviews as the primary engagement method.

Individual and group interviews aim to gather insights from potentially vulnerable or marginalized workers, including migrant workers, minorities, blue-collar workers, women and workers with disabilities.

Interview findings provide guidance for KA's ongoing supplier engagement practices, including plans for corrective action as well as revisions of policies and processes. Where possible, trade union and worker council representatives participate in these interviews. Suppliers identified as potentially high-risk through externally validated sustainability assessments are engaged through various formats:

- > After validation, suppliers automatically receive a comprehensive report of their assessment results, including identified gaps and recommendations from Supplier Assurance. Suppliers can update their assessment at any time without charge to improve their score, which affects their classification and eligibility for new KA projects
- > When suppliers maintain high-risk scores without progressing to medium or low risk, the Sustainable Purchasing team provides individual written guidance, including specific corrective actions and, where appropriate, benchmarks and templates
- > If suppliers remain unable or unwilling to improve their score, individual meetings are arranged with KA buyers to discuss challenges and identify barriers to implementing corrective actions



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| <p>KA plans to develop additional learning and template materials for suppliers, with particular focus on SMEs. The company's memberships and voluntary commitments to the UN Global Compact, the Responsible Business Alliance, AIAG, and Drive Sustainability provide access to industry research, benchmarks, and guidelines.</p> <p>KA's engagement practices provide valuable insights and serve as an instrument to ensure supplier diversity across regions, countries, categories, and company sizes. Limited resources for audits and individual meetings affect comprehensive representation. This is compensated for by drawing on research, databases, and guidance on both industry and global scale.</p> <p><b>REMEDIATION AND CHANNELS TO RAISE CONCERNS</b></p> <p>KA monitors compliance, including human and labor rights, through several channels:</p> <ul style="list-style-type: none"><li>&gt; KA's internal whistleblowing system, SpeakUp®, enables both internal and external stakeholders to report and record concerns (detailed in the Business Conduct chapter under Policies and Guidelines)</li><li>&gt; Media monitoring: A global media screening tool (RiskMethod) monitors suppliers, their industries, and geographical locations, triggering alerts for publicly identified human or labor rights issues. Alerts prompt immediate buyer notification and investigative action</li></ul> <p>Corrective action: KA supports development and improvement where negative impacts are identified. In 2024, no financial remediation was required as KA contributed to, but did not directly cause, negative impacts through its business relationships.</p> <p>KA's approach to addressing concerns and grievances within its value chain is built on the principles of transparency, trust, and effective remediation that is proportionate to the grievance that has occurred. Workers in the supply chain have free access to make use of the KA</p> | <p>SpeakUp® service. While suppliers are informed of this resource, there is no evidence yet of supply chain workers' awareness or trust in the reporting system. No supply chain-related report was received in 2024. For more details on KA's Code of Conduct, whistleblower procedures, and anti-retaliation protections, see section G1 on business conduct. No cases of forced labor or child labor were identified in KA's operations or supply chain in 2024. Therefore, no remediation activities were required.</p> <p><b>TRAINING AND DEVELOPMENT, CAPACITY BUILDING, AND RESOURCES</b></p> <p>To ensure necessary resources to implement and strengthen KA's due diligence process and the sustainability and human rights standards in the supply chain, the company also engages in initiatives to raise awareness, share information and knowledge as well as build up skills and competencies among Purchasing staff.</p> <p>In 2024, KA's Central Purchasing department delivered training to Purchasing staff worldwide, covering sustainable development, responsible and sustainable purchasing, and conflict minerals. Sixty-eight members of KA's Purchasing staff participated in at least one live webinar training session, achieving 97% training coverage within the Purchasing organization by year-end 2024 (2023: 88% / 2022: 69%). KA maintains ongoing awareness through regular engagement with the internal purchasing community.</p> <p>Training for global Purchasing staff extends beyond providing basic sustainability information — it also builds awareness, commitment, and motivation for action. Through its global purchasing organization, KA is establishing worldwide sustainability knowledge and capacity.</p> <p>To strengthen training effectiveness where processes and rules are not consistently followed, KA plans the fol-</p> | <p>lowing improvements for 2025:</p> <ul style="list-style-type: none"><li>&gt; Integration with the new global e-learning platform to enhance access and monitoring</li><li>&gt; enhanced exercises and follow-up tasks</li><li>&gt; Regular awareness campaigns</li><li>&gt; Topic presence at town halls to maintain commitment and motivation</li><li>&gt; Continued management participation in training</li></ul> <p>Other functional areas receive general knowledge through Code of Conduct training, as described in section G1 on business conduct.</p> <ul style="list-style-type: none"><li>&gt; Awareness raising and development targets managers and professionals in addition to staff. The following list outlines training and development activities conducted in collaboration with suppliers:</li><li>&gt; Making online information and training materials available through KA and partner websites (RMI, APA Engineering, AIAG)</li><li>&gt; Providing individual support meetings: Successfully improved risk scores for 34 of 60 high-risk suppliers in 2024 through enhanced due diligence</li><li>&gt; Holding technical guidance webinars: Two sessions on supplier risk assessment processes, conducted with NQC/Supplier Assurance, reaching seven indirect suppliers (approx. 2% of annual indirect spend)</li><li>&gt; Offering specialized support: Individual technical and reporting guidance for suppliers using 3TG, cobalt, or mica, provided by third-party experts conducting on-site audits. Eight new audits were conducted, incorporating awareness raising on governance and measurements across social, environmental, and ethical topics</li></ul> <p>KA maintains effective due diligence through annual resource planning, with sustainable purchasing having a dedicated budget and a regular presence in Purchasing</p> |            |                          |                           |                      |                  |



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| <p>Leadership Team meetings. As human rights and compliance are non-negotiable for KA, basic governance, processes, and actions continue even during challenging economic conditions, supported by the passionate Sustainable Purchasing Expert team. Financial stability and growth may enable higher ambitions in the future, to accelerate human rights initiatives and enhance positive impact beyond risk prevention and mitigation. For details on sustainability resource allocation, please refer to the general information chapter of this report.</p> | <p><b>SUMMARY OF ACTIONS AND MAIN RESULTS</b></p> <p>&gt; The following summary aligns KA's risk management activities in the supply chain regarding human rights violations with reporting standard requirements, complementing the information provided above:</p> <p>The regular risk assessment combines country-specific ESG supply chain risk scores and industry-drive, evidence-based externally validated self-assessment questionnaires. In 2024, 522 suppliers (both direct material and indirect) maintained valid external sustainability assessments</p> <p>&gt; KA supports supplier development, measured by risk scores: 60 high-risk suppliers received individual recommendations and explanations. By year-end, 33 suppliers improved to medium risk level, with one supplier even reaching low-risk status. KA conducted eight internal on-site audits to better understand risk exposure, assess supplier challenges, evaluate supply chain worker conditions, and enable more direct and effective worker engagement</p> <p>Global training activities reached 97% coverage within KA's Purchasing departments. KA regularly assesses conflict minerals due dil-</p> | <p>igence through annual data gathering and monitoring. Response rates reached 90% for the Conflict Minerals Reporting Template (CMRT) and 68% for the Extended Minerals Reporting Template (EMRT) by campaign end. KA maintains sustainability and human rights compliance targets while continuously taking action to strengthen processes and measurements, including Sourcing Board tracking process implementation and reporting alignments for data accuracy. A sustainability risk assessment for indirect suppliers was initiated and piloted.</p> <p>&gt; Internal reporting and data analysis were strengthened, including initiating alignment of external reporting to EU CSRD ESRS standards</p> <p>2024 offered various challenges of a financial, economic, and geopolitical nature, resulting in a rapidly changing business environment. This led to temporarily higher employee turnover rates and organizational challenges in KA's Purchasing departments. Despite these challenges, KA not only maintained its Sustainability Purchasing goals and standards but also initiated further action.</p> <p>All actions serve both prevention and mitigation. Results are monitored continuously throughout the year and reviewed with both the Purchasing Leadership team and the Sustainability Steering Committee at minimum annually.</p> | <p><b>GOALS AND TARGETS REGARDING WORKFORCE IN THE SUPPLY CHAIN</b></p> <p>Sustainability and human rights development requires continuous improvement. Rather than setting a baseline year, KA compares performance against the previous</p> | <p>two years, continuously striving for improvement. Goals, action plans, and annual targets focus on preventing material risks and improving material impacts identified in the supply chain. Progress is monitored continuously and reviewed with the Purchasing Leadership team and Steering Committees at minimum annually. These bodies participate in the target definition, discussions on dependency and benchmarks as well as evaluation of the result and effectiveness. While supply chain workers and their representatives are not directly engaged in target setting, their input is incorporated through publicly available guidelines, research findings and insights from ongoing engagement processes. Stakeholders can monitor progress through public sustainability reports, grievance and whistleblowing mechanisms, and direct feedback to KA staff, who remain open for feedback, recommendations, and concerns.</p> <p>Given the complexity of human and labor rights issues in the automotive industry and beyond (widespread, systematic risks and impacts), along with global and country-specific trends and regulations beyond KA's control, the focus lies on qualitative rather than quantitative long-term targets. Short and mid-term objectives focus on:</p> <p>&gt; Strengthening data and information availability throughout the value chain</p> <p>&gt; Improving accountability measures</p> <p>&gt; Contributing effectively to solving systematic issues through global stakeholder collaboration</p> <p>Simultaneously, KA focuses on areas of direct influence, aiming to increase positive impact as well as prevent and mitigate individual incidents through awareness raising and targeted corrective actions.</p> |                           |                      |                  |

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**SHORT-TERM TARGETS REGARDING HUMAN AND LABOR RIGHTS WITHIN THE SUPPLY CHAIN**

|                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
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| <p><b>KA's short-term targets mainly serve three goals:</b></p> <ol style="list-style-type: none"> <li>1. Improving transparency and accountability in supply chain-related issues</li> <li>2. Decreasing risk exposure through responsible supplier selection and supplier development</li> <li>3. Increasing potential positive impact through awareness raising and knowledge sharing. See below for detailed one-year targets</li> </ol> | <ul style="list-style-type: none"> <li>&gt; <b>Maintain transparency on supply chain sustainability performance, e.g. &gt;90% Supplier Declaration acceptance; &gt;90% supplier risk assessment coverage; 10-20 on-site audits per year etc.</b></li> <li>&gt; <b>Train and develop purchasing staff (&gt;95% coverage) and suppliers' decision-makers and professionals (target to be set for 2027 and later) on the importance of corporate sustainability and human and labor rights and provide practical support for development</b></li> <li>&gt; <b>Improve data and information access throughout the value chain to enable risk validation and targeted corrective action</b></li> <li>&gt; <b>Deepen supplier and stakeholder engagement with the aim to better understand, support, and protect workers in the supply chain</b></li> <li>&gt; <b>Improve positive impact through inclusive purchasing and social buying where appropriate</b></li> </ul> | <ul style="list-style-type: none"> <li>&gt; Have positive impact on local economic, employment, and working conditions</li> <li>&gt; Engage with low-risk suppliers only when development opportunities are identified</li> <li>&gt; Minimize the number of individual incidents and their chances by effective supplier selection and development (e.g. less critical findings during audits)</li> <li>&gt; Contribute effectively through transparency and due diligence to solve widespread, systematic negative impacts and risks</li> </ul> |
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Quantitative results were calculated using the R12 year-end spend report with data as of December 31, 2024, published internally in mid-January. All data is calculated, with no estimation or assumptions. Target setting and calculation methodologies remain consistent with the previous year. Most targets are either achieved or on track for completion in the near future. Status is monitored throughout the year to achieve and maintain these results.

| K&S MAIN KPIs AND ONE-YEAR TARGETS RELATED TO S2 - WORKERS IN THE SUPPLY CHAIN                                                                      | TARGET 2024 | STATUS 2024 | TARGET 2025 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|
| Percentage of direct material spend with suppliers that have accepted the Supplier Declaration                                                      | >90%        | 88%         | >90%        |
| Percentage of direct material spend with suppliers that have a valid Sustainability Risk Assessment                                                 | >85%        | 88%         | >85%        |
| Percentage of direct suppliers identified as potential high-risk suppliers (per external assessment)                                                | <10%        | 4%          | <5%         |
| Number of on-site sustainability supplier audits (initial audits conducted by third parties, follow-up audits conducted by second or third parties) | 10          | 9           | 10          |
| Maintain share of local sourcing in all regions for direct material suppliers                                                                       | >80%        | 88%         | >80%        |



GOVERNANCE INFORMATION

BUSINESS CONDUCT

ESRS G1

Kongsberg Automotive (KA) is committed to conducting business with the highest standards of integrity and transparency. The company's Code of Conduct reflects its core values and sets the foundation for ethical behavior across all operations. KA believes that sustainable business success requires not only financial performance but also adherence to the principles of honesty, accountability, and respect for human rights.

IMPACTS, RISKS, AND OPPORTUNITIES

Within the process to identify business conduct-materi al impacts, risks and opportunities, KA's subject matter experts assessed business conduct matters (i.e. ESRS G1) through desktop analyses and discussions, guided by our Code of Conduct, existing policies and channels for handling concerns, as well as applicable regulations. Due to their global scope, business conduct issues were assessed across KA's value chain, with a focus on its own locations, business activities and interactions with business partners.

KA has identified its main business conduct-related impacts, risks, and opportunities. The following table and subsequent pages outline these key elements and their management:

| IRO NAME                                                                             | IRO TYPE       | DESCRIPTION                                                                                                                                                                                                                                                   | KA'S RESPONSE                                                                                                                                                   |
|--------------------------------------------------------------------------------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| RESPONSIBLE MARKETING PRACTICES INCL. ASSURANCE AND LABELS, TAXES AND PROFIT SHARING | Financial risk | Greenwashing risk, reputational damage, financial risk of losing license to operate if not adequately contributing to local community, employee fluctuation can increase if profits are not shared fairly.                                                    |                                                                                                                                                                 |
| CORRUPTION, BRIBERY AND ANTI-COMPETITIVE BEHAVIOR                                    | Financial risk | Financial/legal/litigation risks due to global supply chain with lots of inherent risks for fraud, corruption, bribery, disruption of supply chain due to political reasons potentially leading to financial damage. Reputational damage can be long-lasting. | > Code of Conduct implementation and employee training<br>> UN Global Compact membership<br>> Supplier assessments and audits<br>> Collaboration with suppliers |
| PROTECTION OF WHISTLEBLOWERS                                                         | Financial risk | Financial/legal/litigation risks due to global supply chain with lots of inherent risks for fraud, corruption, bribery, disruption of supply chain due to political reasons potentially leading to financial damage. Reputational damage can be long-lasting. |                                                                                                                                                                 |
| RESPONSIBLE MARKETING PRACTICES INCL. ASSURANCE AND LABELS                           | Opportunity    | Responsible communication can be marketing tool for KA to improve its image, gain new customers, and new business.                                                                                                                                            |                                                                                                                                                                 |
| INFRASTRUCTURE                                                                       | Opportunity    | Financial sustainability is a precondition for long-term economic success. Contributing to the local community through taxes and profit sharing, infrastructure investments, etc., has a positive reputational impact.                                        |                                                                                                                                                                 |
| MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS                                           | Opportunity    | Opportunity through supplier engagement/localization to gain competitive advantage, create a more resilient supply chain, and achieve reputational gains.                                                                                                     |                                                                                                                                                                 |

# CORPORATE CULTURE

## POLICIES

Kongsberg Automotive (KA) recognizes that a strong corporate culture is essential to maintaining high ethical standards. To this end, KA promotes ethical leadership at all levels of the organization. It conducts regular training programs on topics such as anti-corruption, human rights, and data protection across all levels of KA Group's operations. Further, employee awareness and behavior are evaluated through surveys and feedback mechanisms. KA's corporate culture fosters a sense of responsibility, empowering employees to make ethical decisions in their daily work.

KA's approach to business conduct is guided by the following principles:

1. **Integrity:** Acting with honesty in all business dealings
2. **Compliance:** Adhering to all applicable laws, regulations, and industry standards, including anti-bribery and anti-corruption laws
3. **Transparency:** Providing accurate, reliable, and timely information to stakeholders
4. **Accountability:** Taking responsibility for actions and their impact on society and the environment

KA's leadership and employees are committed to these principles, ensuring ethical behavior at all levels of the organization.

KA's Code of Conduct is the cornerstone of KA's ethics framework and is available in 12 languages. It outlines expectations for behavior, decision-making, and interactions with stakeholders. This includes topics like general

behavior expectations, anti-corruption and bribery, anti-fraud, conflict of interests, compliance with laws, equal treatment, anti-harassment, data privacy, and responsible communication among others. The business conduct Impact Risk and Opportunities (IRO)s can all be related to the content of the Code of Conduct. All employees including Executive Management and Board of Directors, contractors, and business partners are expected to comply with these guidelines. The Code of Conduct is approved by KA's General Counsel while the CEO holds ultimate accountability for its implementation. The expected behavior for suppliers is outlined in a separate supplier's Code of Conduct.

## ACTIONS, TARGETS AND METRICS

KA continues to foster its corporate culture and promote its core principles. Employees receive training and guidance on the requirements of the Code of Conduct, which focuses on relevant ethical dilemmas to ensure everyone understands the Code and their responsibilities. The training and guidance are delivered through classroom training, workshops, and an e-learning program. All new employees are trained during the onboarding phase. For all other employees, a bi-annual refresher is required.

The completion rate of the Code of Conduct training was 64% in 2024. This figure is rather conservative, because the verification of classroom attendance for workers without a personal computer is quite difficult. KA is working to improve the attendance tracking

for these employees in order to enhance the completion rate calculation.

## ACCOUNTING POLICIES

### Completion rate of Code of Conduct training

The total number of employees remaining at KA at the end of the reporting period who received a Code of Conduct refresher training either online or in person with verifiable documented attendance divided by total number of employees at the end of the reporting period. For office workers the completion can easily be tracked, for workers without a personal computer the attendance verification is more difficult to obtain globally, because classroom attendance is tracked on paper locally.





# ANTI-CORRUPTION AND BRIBERY

## POLICIES

Kongsberg Automotive (KA) has zero tolerance for corruption or bribery. The anti-bribery and corruption policy is laid out in the Code of Conduct. This includes offering, soliciting, or accepting improper payments or gifts in exchange for business advantages. The Code also includes a red flag list raising employees' awareness for potential occurrences. All employees who have received training on the Code of Conduct are required to provide written confirmation of their understanding of the requirements in relation to corruption and bribery.

All cases of bribery or corruption related to KA, its personnel, and representatives must be reported to the General Counsel either directly or via the whistleblowing service SpeakUp® line. This applies even if the bribery attempt is rejected or unsuccessful. All reports or concerns relating to the Code of Conduct will be considered by the KA Compliance Committee, which consists of KA's General Counsel, Head of People and Culture and the Chief Financial Officer. The KA Compliance Committee is responsible for investigation of any matter brought to its attention utilizing internal resources such as KA Internal Control, KA's General Counsel or retained external resources.

## ACTIONS, TARGETS AND METRICS

The Code of Conduct training includes a large section of anti-corruption and bribery training. KA has not defined functions at risk. However, the Code of Conduct training is mandatory for all employees and potential at-risk functions are therefore included as well.

Reports of breaches of Code of Conduct are included in the quarterly plant reporting to Internal Audit. No such cases were reported in 2024. Site audits by Internal Audit also include an assessment of business ethics and the internal control environment. In 2024, five site audits were performed and no incidents were identified during those audits. Furthermore, no cases of corruption or bribery were reported through the SpeakUp® line in 2024 either.

In conclusion, there were no confirmed incidents of corruption reported or identified in 2024. Further, no legal cases regarding corruption were brought against the company or its employees.



# PROTECTION OF WHISTLEBLOWERS

## POLICIES

Kongsberg Automotive (KA) encourages reporting of suspected misconduct, and this goes for both employees and people external to the company. The option of raising concerns outside of the direct manager or People and Culture contact is clearly laid out in the Code of Conduct. The company has established a whistleblowing service for reporting suspected breaches of the Code of Conduct or any other unethical or illegal behavior. For anonymous concerns reporting, KA uses a whistleblowing service called SpeakUp®. SpeakUp® is accessible online and via phone and is also available to external parties. A link to the web option and phone numbers can be found on the Code of Conduct page in the Sustainability section of KA's external website as well as on KA's intranet and within the Code of Conduct itself.

Any reports submitted to the SpeakUp® line are sent to the KA Compliance Committee, which consists of KA's General Counsel, the Head of People and Culture and the CFO. The Committee is responsible for investigation of any matter brought to its attention, utilizing internal resources such as KA Internal Control, KA General Counsel or retained external resources. The Committee takes appropriate action, and a reply is posted under the case number through the SpeakUp® line service to the person who reported the concern. Significant and serious matters are reported to the Board of Directors. All concerns are treated with the utmost confidentiality, without fear of retaliation in line with the EU Whistleblower Protection Directive (EU Directive 2019/1937).

## ACTIONS, TARGETS AND METRICS

KA continues to encourage reporting suspected breaches of the Code of Conduct or any other unethical or illegal behavior and raises awareness of options within the Code of Conduct training. All cases reported are handled with objectivity and diligence. In 2024, five whistleblower reports were received of which four were resolved within the reporting year.

| SPEAKUP® LINE                               | 2024 |
|---------------------------------------------|------|
| Whistleblower reports received and resolved | 4    |

## ACCOUNTING POLICIES

Number of whistleblower reports received and resolved through the SpeakUp® line and investigated as well as resolved by the Compliance Committee within the reporting period.

## MANAGEMENT OF RELATIONSHIP WITH SUPPLIERS

### INCLUDING PAYMENT PRACTICES

Fair payment terms, such as reasonable payment periods and transparent agreements, foster trust, strengthen business relationships and encourage collaboration between KA and its suppliers. More information on KA's approach to its relationship with suppliers can be found in chapter S2 – Workers in the value chain.

Timely payments are crucial for ensuring supplier sustainability and growth. KA's payment terms align with industry practice and apply consistently across all supplier categories. In 2024, the average invoice payment time was 75 days, with no legal proceedings for late payments.

## ACCOUNTING POLICIES

Average number of days to pay invoice

Average number of days based on accounts payable divided by the sum of cost of goods sold (direct materials.)

Number of outstanding legal proceedings for late payments

Number of all outstanding legal proceedings (litigation or arbitration) for late payment.



# ENTITY-SPECIFIC DISCLOSURES

## PRODUCT QUALITY AND SAFETY

To ensure the highest level of product quality despite increasing product complexity, Kongsberg Automotive (KA) uses a certified quality management system as well as consistent quality controls and regularly optimized processes.

### IMPACTS, RISKS, AND OPPORTUNITIES

Within the process to identify business conduct-material impacts, risks and opportunities, KA's subject matter experts assessed product quality and safety matters (ESRS Com-pany Specific) through desktop analyses and discussions, guided by our existing policies, customer requirements and applicable regulations.

KA has identified its main product quality and safety-related impacts, risks, and opportunities. The following table and subsequent pages outline these key elements and their management:

| IRO NAME                                                        | IRO TYPE       | DESCRIPTION                                                                                                                             | KA'S RESPONSE                                                                                                                              |
|-----------------------------------------------------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|
| PRODUCT SAFETY (CUSTOMER) AND CONSUMER HEALTH (CUSTOMER)        | Financial risk | High financial risks for safety-critical products. Reputational damage can have severe impact.                                          | <div>&gt; Established product quality and safety organization at KA</div> <div>&gt; Comprehensive product safety program implemented</div> |
| PRODUCT SAFETY (CUSTOMER)                                       | Opportunity    | High priority of safety for customers -> opportunity to be attractive to customers.                                                     |                                                                                                                                            |
| ACCESS TO AND AFFORDABILITY OF PRODUCTS AND SERVICES (CUSTOMER) | Opportunity    | With electric vehicles shift -> powertrain bigger part of overall value (more effect on final price and thus accessibility of product). |                                                                                                                                            |

### POLICIES

KA has established a quality policy for product-related quality and safety, setting the standards for how product quality is ensured. The policy covers all facilities. KA complies with various quality-related ISO standards, including ISO 9001 (quality management sys-tems) and IATF 16949 (quality management standard for the automotive industry), to maintain a robust management system that aligns with international best practices. The policy has been approved by the CEO and was published in 2023.

### ACTIONS, TARGETS AND METRICS

KA's standardized group-wide management system, which covers the requirements of IATF (the International Automotive Task Force) 16949, has ensured quality for many years. This system is coordinated and controlled by KA's Quality departments. Management sys-tem representatives at the manufacturing and development sites assume the implementa-tion of business processes in their entities. This ensures that nearly all development sites are successfully certified in accordance with ISO 9001 and nearly all production sites in accordance with the additional requirements of the automotive industry (IATF 16949).

In addition, ambitious quality targets are a key element of KA's quality planning. KA's group-wide reporting of relevant quality data ensures that accurate information on the quality performance of all units is always available. Malfunctions can have serious con-sequences in the case of safety-related components for vehicles or for industrial applica-tions. KA therefore assumes responsibility for the safety of its products throughout their planned life cycle by defining their function description for customers. KA reduces risks in series production through quality assurance measures and monitors conformity with its specifications through audits. Identified weaknesses and errors are systematically ana-lyzed and consistently eliminated.

As a result of these activities, KA was able to lower the number of customer complaints compared to 2023 for the Flow Control Systems (FCS) business area. However, there was a slight increase for the Drive Control Systems (DCS) business area. KA was able to improve the ppm rate of non-conforming parts for both business areas in 2024 compared to the previous year.



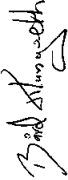
| KPI                                                   | Kongsberg, March 26, 2025                                                          |      |      |  |
|-------------------------------------------------------|------------------------------------------------------------------------------------|------|------|--|
|                                                       | The Interim President & CEO and the Board of Directors of Kongsberg Automotive ASA |      |      |  |
| BUSINESS AREA                                         |                                                                                    |      |      |  |
|                                                       | 2023*                                                                              | 2024 |      |  |
| Number of accepted customer complaints per MC sales   | FCS                                                                                | 0.89 | 0.53 |  |
|                                                       | DCS                                                                                | 0.34 | 0.43 |  |
| Number of non-conforming parts per million parts sold | FCS                                                                                | 2.27 | 1.7  |  |
|                                                       | DCS                                                                                | 11   | 3.4  |  |

For 2025 KA defined a target of defective parts (ppm) of < 10.0.

ACCOUNTING POLICIES

ppm rate of defective parts for external customers  
The parts per million (ppm) rate of defective parts for external customers is calculated as total number of defective parts during production divided by 1 million parts sold.

  
Olav Voldal  
Chair

  
Bård Klungseeth  
Deputy Chair

  
Synnøve Gjønnes  
Director

  
Junyang (Jenny) Shao  
Director

  
Brian Kristoffersen  
Director

  
Siw Reidun Warås  
Employee representative

  
Knut Magne Alfsvåg  
Employee representative

  
Bjørn Ivan Ødegård  
Employee representative

  
Christian Johansson  
Interim President & CEO and CFO

\*The comparative figures are not subject to limited assurance by Deloitte.



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# FINANCIAL STATEMENTS



FINANCIAL STATEMENTS

OF THE GROUP

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| MEUR                                         | NOTE           | 2024           | 2023           | MEUR                                                                                | NOTE | 2024 | 2023 |
|----------------------------------------------|----------------|----------------|----------------|-------------------------------------------------------------------------------------|------|------|------|
| Operating revenues                           | 7              | 788.2          | 884.9          | <i>Other comprehensive income</i>                                                   |      |      |      |
| Other income                                 | 9              | 5.0            | 1.5            | <i>Items that may be reclassified to profit or loss in subsequent periods:</i>      |      |      |      |
| Operating expenses                           |                |                |                | Translation differences on foreign operations                                       |      |      |      |
| Raw material expenses                        |                | (343.2)        | (429.9)        | <i>Items that will not be reclassified to profit or loss in subsequent periods:</i> |      |      |      |
| Change in inventories                        |                | (21.0)         | 5.0            | Translation differences on non-foreign operations                                   |      |      |      |
| Salaries and social expenses                 | 8              | (234.6)        | (264.9)        | Remeasurement of net PBO                                                            |      |      |      |
| Other operating expenses                     | 9              | (150.9)        | (156.4)        | Tax on net PBO remeasurement                                                        |      |      |      |
| Depreciation                                 | 13, 14         | (29.1)         | (31.9)         | <b>Other comprehensive income</b>                                                   |      |      |      |
| Amortization                                 | 12             | (0.7)          | (1.0)          | <b>Total comprehensive income for the year</b>                                      |      |      |      |
| (impairment losses) / reversal of impairment | 12, 13, 14, 15 | 5.0            | (27.0)         | <i>Net profit attributable to</i>                                                   |      |      |      |
| <b>Total operating expenses</b>              |                | <b>(774.5)</b> | <b>(906.1)</b> | Equity holders (parent company)                                                     |      |      |      |
| <b>Operating profit / (loss)</b>             |                | <b>18.7</b>    | <b>(19.7)</b>  | Non-controlling interests                                                           |      |      |      |
| <i>Financial items</i>                       |                |                |                | <b>Total</b>                                                                        |      |      |      |
| Financial income                             | 10             | 2.6            | 4.8            | <i>Total comprehensive income attributable to</i>                                   |      |      |      |
| Financial expenses                           | 10             | (23.6)         | (30.8)         | Equity holders (parent company)                                                     |      |      |      |
| <b>Net financial items</b>                   |                | <b>(21.0)</b>  | <b>(26.0)</b>  | Non-controlling interests                                                           |      |      |      |
| <b>Profit (loss) before taxes</b>            |                | <b>(2.3)</b>   | <b>(45.7)</b>  | <b>Total</b>                                                                        |      |      |      |
| Income taxes                                 | 11             | (15.9)         | (13.4)         | <i>Earnings per share:</i>                                                          |      |      |      |
| <b>Net profit (loss)</b>                     |                | <b>(18.2)</b>  | <b>(59.1)</b>  | Basic earnings per share, euros                                                     |      |      |      |
|                                              |                |                |                | Diluted earnings per share, euros                                                   |      |      |      |



CONSOLIDATED STATEMENT OF CASH FLOWS

| MEUR                                                                                          | NOTE           | 2024   | 2023   | MEUR                                                       | NOTE | 2024    | 2023   |
|-----------------------------------------------------------------------------------------------|----------------|--------|--------|------------------------------------------------------------|------|---------|--------|
| <i>Operating activities</i>                                                                   |                |        |        |                                                            |      |         |        |
| Profit / (loss) before taxes                                                                  |                | (2.3)  | (45.7) | Payments for purchase of treasury shares                   | 18   | (2.4)   | (3.9)  |
| Depreciation                                                                                  | 13, 14         | 29.1   | 31.9   | Net proceeds from issuing new bond notes                   | 21   | 107.5   | 0.0    |
| Amortization                                                                                  | 12             | 0.7    | 1.0    | Payments for redemption / repurchase of the old bond notes | 21   | (190.2) | (9.4)  |
| Impairment losses / (reversal of impairment)                                                  | 12, 13, 14, 15 | (5.0)  | 27.0   | Securitization facility drawn / (repaid)                   | 21   | 25.0    | 0.0    |
| Interest income and other financial items                                                     | 10             | (2.4)  | (1.9)  | Interest paid and other financial items                    | 10   | (21.9)  | (16.6) |
| Interest expenses and other financial items                                                   | 10             | 21.6   | 16.9   | Dividends paid to the subsidiary's minority interest       |      | (1.1)   | 0.0    |
| Taxes paid                                                                                    |                | (11.1) | (14.7) | Repayment of lease liabilities                             | 21   | (7.0)   | (9.8)  |
| (Gain) / loss on sale of non-current assets                                                   |                | (2.0)  | (0.8)  | Cash flow used by financing activities                     |      | (90.1)  | (39.7) |
| Changes in trade receivables                                                                  | 17             | 20.7   | 5.0    | Currency effects on cash                                   |      | (1.3)   | (0.9)  |
| Changes in inventory                                                                          | 16             | 21.0   | (5.0)  | Net change in cash                                         |      | (80.4)  | (48.2) |
| Changes in trade payables                                                                     | 24             | (31.8) | (5.3)  | Net cash as at January 1                                   |      | 164.7   | 212.9  |
| Currency differences                                                                          | 10             | 3.6    | 5.7    | Net cash as at December 31                                 |      | 84.3    | 164.7  |
| Difference between pension funding contributions paid/ pensions paid and the net pension cost | 20             | 0.4    | (1.2)  | Of this, restricted cash                                   |      | 0.1     | 0.5    |
| Changes in other items*                                                                       |                | (10.1) | 8.6    |                                                            |      |         |        |
| Cash flow from operating activities                                                           |                | 32.4   | 21.5   |                                                            |      |         |        |
| <i>Investing activities</i>                                                                   |                |        |        |                                                            |      |         |        |
| Capital expenditures, including intangible assets                                             | 12, 13         | (24.7) | (28.5) |                                                            |      |         |        |
| Proceeds from sale of intangible and tangible assets                                          |                | 2.1    | 0.8    |                                                            |      |         |        |
| Interest received and other financial items                                                   | 10             | 2.5    | 1.2    |                                                            |      |         |        |
| Investments in associates and other                                                           | 17             | (1.3)  | (2.6)  |                                                            |      |         |        |
| Cash flow used by investing activities                                                        |                | (21.4) | (29.1) |                                                            |      |         |        |

\* Comprises changes in other receivables and other assets, other short-term liabilities, and provisions.



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

| MEUR                                              | NOTE   | 2024         | 2023         |
|---------------------------------------------------|--------|--------------|--------------|
| <i>Non-current assets</i>                         |        |              |              |
| Intangible assets, including Goodwill             | 12, 15 | 84.6         | 78.3         |
| Property, plant and equipment                     | 13, 15 | 117.3        | 115.8        |
| Right-of-use assets                               | 14, 15 | 54.8         | 55.0         |
| Deferred tax assets                               | 11     | 10.0         | 11.4         |
| Investments accounted for using the equity method | 17     | 0.7          | 2.1          |
| Other non-current assets                          | 17     | 2.0          | 2.0          |
| <b>Total non-current assets</b>                   |        | <b>269.4</b> | <b>264.6</b> |
| <i>Current assets</i>                             |        |              |              |
| Inventories                                       | 16     | 80.5         | 101.5        |
| Trade and other receivables                       | 17     | 154.3        | 177.3        |
| Other current assets                              | 17     | 14.4         | 13.4         |
| Cash and cash equivalents                         | 21     | 84.3         | 164.7        |
| <b>Total current assets</b>                       |        | <b>333.5</b> | <b>456.9</b> |
| <b>Total assets</b>                               |        | <b>602.9</b> | <b>721.5</b> |

EQUITY AND LIABILITIES

| MEUR                                        | NOTE   | 2024         | 2023         |
|---------------------------------------------|--------|--------------|--------------|
| <i>Equity</i>                               |        |              |              |
| Share capital                               | 18     | 80.6         | 84.6         |
| Treasury shares                             | 18     | (5.2)        | (3.2)        |
| Share premium                               |        | 172.0        | 180.6        |
| Other reserves                              |        | 110.6        | 91.8         |
| Retained earnings                           |        | (158.3)      | (140.1)      |
| <b>Attributable to equity holders</b>       |        | <b>199.7</b> | <b>213.7</b> |
| Non-controlling interests                   |        | 3.3          | 4.4          |
| <b>Total equity</b>                         |        | <b>203.0</b> | <b>218.1</b> |
| <i>Non-current liabilities</i>              |        |              |              |
| Deferred tax liabilities                    | 11     | 25.4         | 21.0         |
| Retirement benefit obligations              | 20     | 13.0         | 12.0         |
| Interest-bearing liabilities                | 21     | 132.5        | 189.3        |
| Non-current lease liabilities               | 14, 21 | 63.8         | 65.4         |
| Other non-current interest-free liabilities | 22     | 0.7          | 3.7          |
| <b>Total non-current liabilities</b>        |        | <b>235.4</b> | <b>291.4</b> |
| <i>Current liabilities</i>                  |        |              |              |
| Current lease liabilities                   | 14, 21 | 9.9          | 10.2         |
| Current income tax liabilities              | 11     | 1.3          | 4.2          |
| Trade payables                              | 24     | 84.8         | 116.6        |
| Other current payables                      | 24     | 68.5         | 81.0         |
| <b>Total current liabilities</b>            |        | <b>164.5</b> | <b>212.0</b> |
| <b>Total liabilities</b>                    |        | <b>399.9</b> | <b>503.4</b> |
| <b>Total equity and liabilities</b>         |        | <b>602.9</b> | <b>721.5</b> |

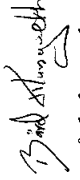


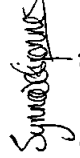
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|----------|---------------|--------------|------------|--------------------------|---------------------------|----------------------|------------------|
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|----------|---------------|--------------|------------|--------------------------|---------------------------|----------------------|------------------|

Kongsberg, March 26, 2025

The Interim President & CEO and the Board of Directors of Kongsberg Automotive ASA

  
**Olav Voldal**  
Chair

  
**Bård Klungseth**  
Deputy Chair

  
**Synnøve Gjønnes**  
Director

  
**Junyang (Jenny) Shao**  
Director

  
**Brian Kristoffersen**  
Director

  
**Siw Reidun Warås**  
Employee representative

  
**Knut Magne Alfsvåg**  
Employee representative

  
**Bjørn Ivan Ødegård**  
Employee representative

  
**Christian Johansson**  
Interim President & CEO and CFO



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| MEUR                                              | SHARE CAPITAL | TREASURY SHARES | SHARE PREMIUM | OTHER RESERVES | RETAINED EARNINGS | EQUITY HOLDERS OF THE PARENT | NON-CONTROLLING INTEREST | TOTAL EQUITY | Specification of constituent elements of equity:                                                                                                                                                                                                                                                                                                                                                                                              |
|---------------------------------------------------|---------------|-----------------|---------------|----------------|-------------------|------------------------------|--------------------------|--------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                   |               |                 |               |                |                   |                              |                          |              |                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Equity as at 01.01.2023                           | 100.3         | (23.9)          | 208.2         | 72.2           | (80.6)            | 276.2                        | 4.3                      | 280.5        | <div>Share capital: par value for shares in issue</div> <div>Treasury shares: par value for own shares and premium over par value for own shares</div> <div>Share premium: premium over par value for shares in issue</div> <div>Other reserves: translation differences, share options and OCI</div> <div>Retained earnings: accumulated retained profits and losses</div> <div>Non-controlling interests: NCI share in group's equity</div> |
| Purchase of treasury shares                       |               | (3.9)           |               |                |                   | (3.9)                        |                          | (3.9)        |                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Cancelation of treasury shares                    | (9.0)         | 23.0            | (14.0)        |                |                   | 0.0                          |                          | 0.0          |                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Share-based compensation                          |               |                 |               | 1.5            |                   | 1.5                          |                          | 1.5          |                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Total comprehensive income for the year:          |               |                 |               |                |                   |                              |                          |              |                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Loss for the year                                 |               |                 |               |                | (59.5)            | (59.5)                       | 0.4                      | (59.1)       |                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Other comprehensive income:                       |               |                 |               |                |                   |                              |                          |              |                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Translation differences on foreign operations     |               |                 |               | 32.1           |                   | 32.1                         | (0.3)                    | 31.8         |                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Translation differences on non-foreign operations | (6.7)         | 1.6             | (13.6)        | (13.6)         |                   | (32.3)                       |                          | (32.3)       |                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Remeasurement of net defined pension liability    |               |                 |               | (0.5)          |                   | (0.5)                        |                          | (0.5)        |                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Tax on remeasurement of net pension liability     |               |                 |               | 0.1            |                   | 0.1                          |                          | 0.1          |                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Other comprehensive income                        | (6.7)         | 1.6             | (13.6)        | 18.1           | 0.0               | (6.6)                        | (0.3)                    | (0.9)        |                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Total comprehensive income for the year           | (6.7)         | 1.6             | (13.6)        | 18.1           | (59.5)            | (60.1)                       | 0.1                      | (60.0)       |                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Equity as at 31.12.2023                           | 84.6          | (3.2)           | 180.6         | 91.8           | (140.1)           | 213.7                        | 4.4                      | 218.1        |                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Purchase of treasury shares                       |               | (2.4)           |               |                |                   | (2.4)                        |                          | (2.4)        |                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Share-based compensation                          |               |                 |               | 1.1            |                   | 1.1                          |                          | 1.1          |                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Dividends allocated or paid                       |               |                 |               |                |                   | 0.0                          | (1.2)                    | (1.2)        |                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Total comprehensive income for the year:          |               |                 |               |                | (18.2)            | (18.2)                       | 0.0                      | (18.2)       |                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Loss for the year                                 |               |                 |               |                |                   |                              |                          |              |                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Other comprehensive income:                       |               |                 |               |                |                   |                              |                          |              |                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Translation differences on foreign operations     |               |                 |               | 19.0           |                   | 19.0                         | 0.1                      | 19.1         |                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Translation differences on non-foreign operations | (4.0)         | 0.4             | (8.6)         | (0.5)          |                   | (12.7)                       |                          | (12.7)       |                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Remeasurement of net defined pension liability    |               |                 |               | (1.0)          |                   | (1.0)                        |                          | (1.0)        |                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Tax on remeasurement of net pension liability     |               |                 |               | 0.2            |                   | 0.2                          |                          | 0.2          |                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Other comprehensive income                        | (4.0)         | 0.4             | (8.6)         | 17.7           | 0.0               | 5.5                          | 0.1                      | 5.6          |                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Total comprehensive income for the year           | (4.0)         | 0.4             | (8.6)         | 17.7           | (18.2)            | (12.7)                       | 0.1                      | (12.6)       |                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Equity as at 31.12.2024                           | 80.6          | (5.2)           | 172.0         | 110.6          | (158.3)           | 199.7                        | 3.3                      | 203.0        |                                                                                                                                                                                                                                                                                                                                                                                                                                               |



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| <h2>NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS</h2> <h3>NOTE 1 REPORTING ENTITY</h3> <p>Kongsberg Automotive ASA ("the Company" or "the Parent Company") and its subsidiaries (together "the group") develop, manufacture, and sell products to the automotive industry worldwide. The Company is a limited liability company incorporated and domiciled in Norway.</p> <p>The address of its registered office is Dyrmyrgata 48, NO-3601 Kongsberg, Norway. The Company is listed on the Oslo Stock Exchange. The group's consolidated financial statements were authorized for issue by the Board of Directors on March 26, 2025.</p> <h3>NOTE 2 STATEMENT OF COMPLIANCE</h3> <p>The group's consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards (IFRS) and IFRIC interpretations as endorsed by the EU.</p> <h3>NOTE 3 MATERIAL ACCOUNTING POLICIES</h3> <p>The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.</p> <h4>Basis of preparation</h4> <p>The consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments that are measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets.</p> <p>Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability the group considers the characteristics of the asset or liability if market participants would do so. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in IAS 2 or value-in-use in IAS 36.</p> <h4>Basis of consolidation</h4> <p>The consolidated financial statements comprise the financial statements of Kongsberg Automotive ASA and its subsidiaries as of December 31 each year. The financial statements of subsidiaries are prepared for the same reporting periods as the Company, using consistent accounting principles.</p> <p>The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to December 31 each year. Control is achieved when the Company:</p> <ul style="list-style-type: none"><li>• has the power over the investee,</li><li>• is exposed, or has rights, to variable returns from its involvement with the investee, and</li><li>• has the ability to use its power to affect its returns.</li></ul> <p>The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.</p> <p>Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Parent Company obtains control directly or indirectly, and continue to be consolidated until the date when such control ceases. All intra-Group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the group are eliminated in full.</p> <p>Changes in the Parent Company's direct or indirect ownership interests in subsidiaries that do not result in losing control of the subsidiaries are accounted for as equity transactions. The carrying amounts of the controlling interests and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Parent Company.</p> <p>If the Parent Company loses its direct or indirect control of a subsidiary, the group should recognize a gain or loss on the loss of control in the income statement, which is calculated as the difference</p> |               |              |            |                          |                           |                      |                  |
| <p>In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurement are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:</p> <ul style="list-style-type: none"><li>• Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets and liabilities that the entity can access at the measurement date,</li><li>• Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly, and</li><li>• Level 3 inputs are unobservable inputs for the asset or liability.</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |               |              |            |                          |                           |                      |                  |



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| <b>NOTE 3 MATERIAL ACCOUNTING POLICIES (CONTINUED)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |               |              |            |                          |                           |                      |                  |
| between (i) the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including Goodwill), and liabilities of the subsidiary and any non-controlling interests. All components of the other comprehensive income (OCI) that are attributable to the subsidiary are to be reclassified on the loss of control from the equity to the income statement or directly to retained earnings.                                                                                                                                                                                                                                                                                                                                                                                           |               |              |            |                          |                           |                      |                  |
| <b>Business combinations</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |               |              |            |                          |                           |                      |                  |
| Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the group, liabilities incurred by the group to the former owners of the acquiree, and the equity interests issued by the group in exchange for control of the acquiree. Acquisition-related costs are recognized in the income statement as incurred.                                                                                                                                                                                                                                                                                                                                                      |               |              |            |                          |                           |                      |                  |
| At the acquisition date, the identifiable assets acquired and liabilities assumed are recognized at fair value, except as noted below:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |               |              |            |                          |                           |                      |                  |
| <ul style="list-style-type: none"><li>• Deferred tax assets or liabilities arising from assets acquired and liabilities assumed shall be recognized or measured in accordance with IAS 12,</li><li>• Liabilities related to the acquiree's employee benefit arrangements shall be recognized and measured in accordance with IAS 19,</li><li>• Right-of-use assets and lease liabilities shall be recognized and measured in accordance with IFRS 16,</li><li>• A liability or an equity instrument related to share-based payment transactions of the acquiree or the replacement of an acquiree's share-based payment transactions with share-based payment transactions of the acquirer shall be measured in accordance with IFRS 2, and</li><li>• Assets classified as held for sale and discounted operations are measured in accordance with IFRS 5.</li></ul> |               |              |            |                          |                           |                      |                  |
| Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. Non-controlling interests that are present ownership interests and entitle their holder to a proportionate share of the entity's net assets in the event of liquidation may be initially measured at fair value or a non-controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets.                                                                                                                                                                    |               |              |            |                          |                           |                      |                  |
| As of December 31, 2024, there is a non-controlling interest recognized only in one subsidiary. The group has chosen to measure this at the proportionate share of the recognized amounts of the acquiree's identifiable net assets.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |               |              |            |                          |                           |                      |                  |
| <b>Goodwill</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |               |              |            |                          |                           |                      |                  |
| Goodwill arising from business acquisitions is carried at cost established at the acquisition date, less accumulated impairment losses (if any).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |               |              |            |                          |                           |                      |                  |
| For the purposes of impairment testing, Goodwill is monitored by the management at the level of each of the group's cash-generating units (CGUs), which are part of the respective operating segments identified in note 7.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |               |              |            |                          |                           |                      |                  |
| A cash-generating unit to which Goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of Goodwill allocated to the unit and then the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for Goodwill is recognized directly in the income statement and is not reversed in subsequent periods.                                                                                                                                                                                                                                                        |               |              |            |                          |                           |                      |                  |
| On disposal of the relevant cash-generating unit, the attributable amount of Goodwill is included in the determination of the income statement on disposal.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |               |              |            |                          |                           |                      |                  |
| <b>Investments in associates</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |               |              |            |                          |                           |                      |                  |
| An associate is an entity over which the group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but does not constitute control or joint control over those policies.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |               |              |            |                          |                           |                      |                  |
| An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the group's share of the net fair value of the identifiable assets and liabilities of the investee is recognized as Goodwill, which is included within the carrying amount of the investment.                                                                                                                                                                                                                                                                                                                                                                                                 |               |              |            |                          |                           |                      |                  |
| Under the equity method, an investment in an associate is recognized initially in the consolidated statement of financial position at cost and adjusted thereafter to recognize the group's share of the profit or loss and other comprehensive income of the associate or joint venture.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |               |              |            |                          |                           |                      |                  |
| The statement of profit or loss reflects the group's share of the results of operations of the associate. The aggregate of the group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture.                                                                                                                                                                                                                                                                                                                                                                                                                                                     |               |              |            |                          |                           |                      |                  |



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| <div>NOTE 3 MATERIAL ACCOUNTING POLICIES (CONTINUED)</div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |               |              |            |                          |                           |                      |                  |
| <div><div>Functional and presentation currency</div><p>In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency are recognized using exchange rates at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the year-end exchange rates. Non-monetary items carried at fair value that are denominated in foreign currencies are translated using the exchange rates at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.</p><p>For presentation purposes, the assets and liabilities of the group's foreign operations are translated into Euro using the exchange rates at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising are recognized in other comprehensive income, accumulated in equity, and attributed to non-controlling interests as appropriate.</p><p>On the disposal of a foreign operation, all the exchange differences accumulated in equity in respect of that operation attributable to the owners of the parent company are reclassified to the income statement.</p><p>Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated using the exchange rate at the end of each reporting period. Exchange differences arising are recognized in comprehensive income.</p><p>Exchange differences on monetary items are recognized in the income statement (in financial items) in the period in which they arise except for monetary items receivable from or payable to a foreign operation for which the settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation). These are recognized initially in other comprehensive income and reclassified from equity to the income statement on the repayment day of the monetary items.</p><p>The group presents its consolidated financial statements in euros. The presentation currency of the parent company is euro, while its functional currency is Norwegian krone. The reason for the use of euros is to enable all amounts in the published financial statements of both the group and the Company to be presented in the same currency. All financial information presented in euros has been rounded to the nearest thousands, except when otherwise indicated.</p></div> |               |              |            |                          |                           |                      |                  |
| <div><div>Segment information</div><p>Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the group's Executive Committee (led by the CEO).</p></div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |               |              |            |                          |                           |                      |                  |
| <div><div>Intangible assets other than Goodwill</div><p><i>Internally generated intangible assets – research and development expenditure</i></p><p>Research expenditures are expensed as incurred. An internally generated intangible asset arising from the development of specific projects is recognized only when all the following criteria can be demonstrated:</p><ul style="list-style-type: none"><li>the technical feasibility of completing the intangible asset so that it will be available for use or for sale</li><li>the entity's intention to exercise the right to use or to sell the asset</li><li>the entity's ability to use or sell the intangible asset</li><li>the entity's asset will generate probable future economic benefits</li><li>the availability of adequate resources to complete the development and to use or sell the asset</li><li>the entity's ability to reliably measure the expenditure incurred during its development</li></ul><p>The amount initially recognized for the internally generated asset is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognized, development expenditure is recognized in the income statement in the period in which it is incurred.</p><p>After initial recognition, internally generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses. The amortization period is five years.</p></div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |               |              |            |                          |                           |                      |                  |
| <div><div>Software</div><p>Costs associated with maintaining computer software are expensed as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognized as intangible assets when the above-mentioned criteria are demonstrated to be fulfilled.</p><p>Development expenses that do not meet these criteria are expensed as incurred and are not recognized as an asset in a subsequent accounting period.</p><p>Software costs are amortized over their estimated useful lives, which shall not exceed three years.</p></div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |               |              |            |                          |                           |                      |                  |
| <div><div>Other intangible assets – acquired in a business combination</div><p>Intangible assets acquired in a business combination and recognized separately from Goodwill are initially recognized at their fair value at the acquisition date, which is regarded as their cost.</p><p>After initial recognition, intangible assets are reported at cost less accumulated amortization and accumulated impairment losses.</p><p>The useful life of patents is considered to be up to 21 years. The useful life of customer relationships is estimated to be 10 years.</p></div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |               |              |            |                          |                           |                      |                  |



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| NOTE 3 MATERIAL ACCOUNTING POLICIES (CONTINUED)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |               |              |            |                          |                           |                      |                  |
| <b>Property, plant &amp; equipment (pp&amp;e)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |               |              |            |                          |                           |                      |                  |
| pp&E are stated at historical cost less accumulated depreciation and impairment losses. The assets are depreciated over their useful economic lives using the straight-line method.                                                                                                                                                                                                                                                                                                                                                                                                                                    |               |              |            |                          |                           |                      |                  |
| Historical costs include expenditures that are directly attributable to the acquisition of the asset and to make the non-current asset available for use. Subsequent costs, such as repair and maintenance costs, are expensed when incurred unless increased future economic benefits arise as a result of repair and maintenance work. Such costs are recognized in the Statement of Financial Position as additions to non-current assets. Straight-line depreciation is calculated at the following rates:                                                                                                         |               |              |            |                          |                           |                      |                  |
| <ul style="list-style-type: none"><li>Landn/a</li><li>Buildings3–4%</li><li>Production machinery and tooling10–25%</li><li>Computer equipment33%</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                             |               |              |            |                          |                           |                      |                  |
| <b>Right-of-use assets and lease liabilities</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |               |              |            |                          |                           |                      |                  |
| The group leases various manufacturing facilities, offices, warehouses, equipment, and vehicles. Rental contracts are typically made for fixed periods of 6 months to 10 years but may have extension or termination options.                                                                                                                                                                                                                                                                                                                                                                                          |               |              |            |                          |                           |                      |                  |
| Contracts may contain both lease and non-lease components. The group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor.                                                                                                                                                                  |               |              |            |                          |                           |                      |                  |
| The group has applied the practical expedients provided by IFRS 16 to exclude low-value assets and short-term leases (term of up to 12 months). The lease payments associated with these leases are charged to the income statement on a straight-line basis and are reported under cash flow from operating activities in the statement of cash flows. In addition, the expedient to include non-lease components, such as service costs, in the lease calculation has been applied.                                                                                                                                  |               |              |            |                          |                           |                      |                  |
| Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:                                                                                                                                                                                                                                                                                                                                                                                                                                          |               |              |            |                          |                           |                      |                  |
| <ul style="list-style-type: none"><li>fixed payments (including in-substance fixed payments), less any lease incentives receivable,</li><li>variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date,</li><li>amounts expected to be payable by the group under residual value guarantees,</li><li>the exercise price of a purchase option if the group is reasonably certain to exercise that option, and</li><li>payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.</li></ul> |               |              |            |                          |                           |                      |                  |
| Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |               |              |            |                          |                           |                      |                  |
| The lease payments should be discounted using:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |               |              |            |                          |                           |                      |                  |
| <ul style="list-style-type: none"><li>the interest rate implicit in the lease; or</li><li>if the interest rate implicit in the lease cannot be readily determined, the lessee's incremental borrowing rate.</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                  |               |              |            |                          |                           |                      |                  |
| The interest rate implicit in the lease is likely to be like the lessee's incremental borrowing rate in many cases. This is because both rates, as they are defined in IFRS 16, take into account the credit standing of the lessee, the length of the lease, the nature and quality of the collateral provided and the economic environment in which the transaction occurs.                                                                                                                                                                                                                                          |               |              |            |                          |                           |                      |                  |
| In June 2024, the group secured a new bond with a floating rate. Management determined that the previous update to the group incremental borrowing rate was still applicable given the coupon rate of the new bond in addition to the fact that no new significant leases were signed in 2024. Going forward, based on the floating rate nature of the bond and the current interest rate climate, the IBR will be assessed annually.                                                                                                                                                                                  |               |              |            |                          |                           |                      |                  |
| The group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.                                                                                                                                                                                                                                                                                |               |              |            |                          |                           |                      |                  |
| Lease payments are allocated between principal payments and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. For the classification in the statement of cash flow, the interest payments on the lease liabilities follow the same principles as other interests.                                                                                                                                                                                               |               |              |            |                          |                           |                      |                  |
| Right-of-use assets are measured at cost comprising the following:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |               |              |            |                          |                           |                      |                  |
| <ul style="list-style-type: none"><li>the amount of the initial measurement of the lease liability,</li><li>any lease payments made at or before the commencement date less any lease incentives received,</li><li>any initial direct costs, and</li><li>restoration costs.</li></ul>                                                                                                                                                                                                                                                                                                                                  |               |              |            |                          |                           |                      |                  |
| Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The group assesses its                                                                                                                                                                                                                                                                                                         |               |              |            |                          |                           |                      |                  |



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| <div><div>NOTE 3 MATERIAL ACCOUNTING POLICIES (CONTINUED)</div><div><p>right-of-use assets for impairment after any significant changes in operations as well as on an annual basis. This assessment of individual right-of-use assets for impairment is performed in addition to the group's overall impairment testing.</p><p>Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognized on a straight-line basis as an expense in the income statement. Short-term leases are leases with a lease term of 12 months or less.</p><p>The group uses tooling equipment that is owned by specific customers to produce parts for the customer. Under the new standard, these contracts do not constitute a lease as the group has no authority to direct the use of the equipment.</p><p><i>Taxes on leases</i></p><p>In most of the jurisdictions in which the group operates, tax deductions are received for lease payments as they are paid, thus the tax base of the right-of-use asset as well as the lease liability is zero at the inception of the lease. Subsequently, as the straight-line depreciation of the assets exceeds the rate at which the debts reduce, a net liability arises resulting in a deductible temporary difference on which a deferred tax asset is recognized if recoverable.</p><p><b>Impairment of PP&amp;E, intangible assets (other than goodwill) and right-of-use assets</b></p><p>The group tests on each reporting date whether these assets have suffered any impairment as well as if any indication arises, due to changes in circumstances, that the carrying amount is not fully recoverable. The recoverable amount of the asset is determined in order to assess the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.</p><p>The recoverable amount of an asset is the greater of its fair value less costs of disposal and its value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.</p><p>If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognized immediately in the income statement.</p><p>Upon indication that an impairment loss subsequently may no longer exist or may have decreased,</p></div></div> |               |              |            |                          |                           |                      |                  |
| <div><p>the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, however not exceeding the carrying amount that would have been determined had no impairment loss been recognized for the asset or cash-generating unit in prior years.</p><p><b>Assets held for sale and disposal groups held for sale</b></p><p>Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use and they are available for immediate sale in their present condition.</p><p>Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortized or depreciated. The restatement of prior-year balances in the statement of financial position is not required by IFRS 5.</p><p><b>Discontinued operation</b></p><p>A discontinued operation is a component of the group's business that has either been disposed of or is classified as held for sale and</p><ul style="list-style-type: none"><li>• represents a separate major line of business or geographic area of operations;</li><li>• is part of a single coordinated plan to dispose of a separate major line of business or geographic area of operations; or</li><li>• is a subsidiary acquired exclusively with a view to resale.</li></ul><p>Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.</p><p>When an operation is classified as a discontinued operation, the comparative statement of comprehensive income is re-presented as if the operation had been discontinued from the start of the comparative year.</p><p><b>Inventories</b></p><p>Inventories are stated at the lower of cost and net realizable value. Cost of inventories are determined at standard cost with capitalizable variances being capitalized at balance sheet date. Cost of raw materials comprise purchase price, inbound freight, and import duties. Cost of finished and semi-finished goods includes variable production costs and fixed costs allocated on normal capacity. Interest costs are not included. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Value adjustments are made for obsolete materials and excess stock.</p></div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |               |              |            |                          |                           |                      |                  |



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| NOTE 3 MATERIAL ACCOUNTING POLICIES (CONTINUED)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |               |              |            |                          |                           |                      |                  |
| <b>Financial instruments</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |               |              |            |                          |                           |                      |                  |
| Financial assets and financial liabilities are recognized when a group entity becomes party to the contractual provisions of the instrument.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |               |              |            |                          |                           |                      |                  |
| Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the income statement. |               |              |            |                          |                           |                      |                  |
| <b>Financial assets</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |               |              |            |                          |                           |                      |                  |
| <i>Subsequent measurement</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |               |              |            |                          |                           |                      |                  |
| All recognized financial assets are subsequently measured at either amortized cost or fair value based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.                                                                                                                                                                                                                                                                                                                                                                                        |               |              |            |                          |                           |                      |                  |
| The group holds loans and receivables (including trade receivables and other receivables, bank balances and cash) within the business model that aims to collect the contractual cash flows. Consequently, these assets are subsequently measured at amortized cost using the effective interest method, less any potential impairments.                                                                                                                                                                                                                                                                                     |               |              |            |                          |                           |                      |                  |
| <i>Amortized cost and effective interest method</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |               |              |            |                          |                           |                      |                  |
| The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period.                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |               |              |            |                          |                           |                      |                  |
| <i>Impairment of financial assets</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |               |              |            |                          |                           |                      |                  |
| The group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortized cost. For trade receivables the group applies the simplified approach which requires expected lifetime losses to be recognized from initial recognition of the receivables. See note 17 for further details.                                                                                                                                                                                                                                                                              |               |              |            |                          |                           |                      |                  |
| <i>Derecognition</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |               |              |            |                          |                           |                      |                  |
| The group derecognizes a financial asset when the contractual rights to the cash flow from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.                                                                                                                                                                                                                                                                                                                                                                                |               |              |            |                          |                           |                      |                  |
| <b>Financial liabilities</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |               |              |            |                          |                           |                      |                  |
| The group recognizes and measures its financial liabilities (including borrowings and trade and other payables) at amortized cost using the effective interest method.                                                                                                                                                                                                                                                                                                                                                                                                                                                       |               |              |            |                          |                           |                      |                  |
| The effective interest method is a method of calculating the amortized cost of a debt instrument and allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.                                                          |               |              |            |                          |                           |                      |                  |
| The group derecognizes financial liabilities when, and only when, the group's obligations are discharged, canceled, or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.                                                                                                                                                                                                                                                                                                                              |               |              |            |                          |                           |                      |                  |
| <b>Taxes payable and deferred taxes</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |               |              |            |                          |                           |                      |                  |
| The tax expense for the period comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.                                                                                                                                                                                                                                                                                      |               |              |            |                          |                           |                      |                  |
| The current tax payable is based on taxable profit for the year. Taxable profit differs from "profit before tax" because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The group's current income tax charge is calculated on the basis of the tax laws enacted in the countries in which the Company's subsidiaries operate.                                                                                                                                                                                                                  |               |              |            |                          |                           |                      |                  |
| Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements, using tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the deferred tax asset is realized, or the deferred tax liability settled.                                                                                                                                                                                                     |               |              |            |                          |                           |                      |                  |
| Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred tax positions are netted within the same tax entity.                                                                                                                                                                                                                                                                                                                                                                                |               |              |            |                          |                           |                      |                  |
| <b>Employee benefits – retirement benefit cost and termination benefits</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |               |              |            |                          |                           |                      |                  |
| Payment to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.                                                                                                                                                                                                                                                                                                                                                                                                                                                              |               |              |            |                          |                           |                      |                  |



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| <div><div>NOTE 3 MATERIAL ACCOUNTING POLICIES (CONTINUED)</div><div><p>For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable), and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the income statement. Past service cost is recognized in the income statement when the amendment of a plan occurred. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.</p><p>Defined benefit costs are categorized as follows:</p><ul style="list-style-type: none"><li>• service cost (including current service cost, past service cost, as well as gains and losses on curtailment and settlements),</li><li>• net interest expense or income on benefit obligations and/or plan assets,</li><li>• remeasurement, and</li><li>• administration costs.</li></ul><p>The group presents the first two components of defined benefit cost in the income statement in the line item salaries and social expenses. Curtailment gains and losses are accounted for as past service costs.</p><p>The retirement benefit obligation recognized in the statement of financial position represents the actual deficit or surplus in the group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.</p><p>A liability for termination benefits is recognized at the earlier of when the entity can no longer withdraw the offer or the termination benefit or when the entity recognized any related restructuring costs.</p><p><i>Pension plans in the group</i></p><p>The Company and its Norwegian subsidiary Kongsberg Automotive AS have defined benefit and defined contribution pension plans. The plans were changed from defined benefit to defined contribution in 2004. The defined benefit plan was continued for employees who had already retired.</p><p>Defined benefit pension plans also exist in two subsidiaries in Germany (closed pension plans for both German subsidiaries), one subsidiary in France, and one subsidiary in Switzerland. The other subsidiaries have either no pension plan or defined contribution pension plans for employees.</p></div></div> |               |              |            |                          |                           |                      |                  |
| <div><p>The former early-retirement arrangement in Norway was replaced in 2011. Financing of the early-retirement arrangement is now done by an annual fee, which represents the final cost for the companies included. The arrangement is defined as a multi-employer plan and is accounted for as a defined contribution pension plan. Norwegian employees are included in this scheme.</p><p>The defined contribution plans in Norway have legislative limitations when it comes to maximum salary as a calculation basis for tax-deductibility. Norwegian employees with salaries that exceed this limit will be granted an addition to the pension that includes the salary above the maximum limit. This obligation will only materialize if the person is employed in the Company at the time of retirement. This plan is accounted for as a defined benefit pension plan.</p><p>In the case of defined contribution plans, the contributions are recognized as expense in the period in which they occurred.</p></div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |               |              |            |                          |                           |                      |                  |
| <div><p><b>Short-term and other long-term employee benefits</b></p><p>A liability is recognized for benefits employees are entitled to in respect of wages and salaries, annual leave, and sick leave for the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for the service.</p><p>Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be settled before twelve months after the end of the reporting period in exchange for the related service rendered during the financial reporting period.</p><p>Termination benefits are considered a separate category of employment benefits because the event that gives rise to an obligation is the termination of employment rather than employee service.</p><p>Termination benefits are typically lump-sum payments, but sometimes also include salary payments until the end of a specified notice period if the employee renders no further service that provides economic benefits to the entity. Termination benefits are accrued for upon signature of the contract.</p></div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |               |              |            |                          |                           |                      |                  |
| <div><p><b>Share-based payments</b></p><p>KA has a share-based remuneration plan for eligible top executives. Like the plans granted in 2022 and 2023, the LTI plan granted in 2024 consists of two equity instruments, Performance Stock Units (PSU) and Restricted Stock Units (RSU). Both instruments are based on a service condition to vest. The PSU may be exercised at the earliest three years after the grant date. In addition, the PSU is based on three performance conditions: total shareholder return (TSR) versus a defined peer group, one financial target, and one ESG target. There is no obligation for the employer to settle the RSU and/or PSU in cash.</p></div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |               |              |            |                          |                           |                      |                  |



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| <b>NOTE 3 MATERIAL ACCOUNTING POLICIES (CONTINUED)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |               |              |            |                          |                           |                      |                  |
| Equity-settled share-based payments to employees and others providing services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 18.                                                                                                                                                                                                                                                                                                                                                                                                                |               |              |            |                          |                           |                      |                  |
| <b>Provisions</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |               |              |            |                          |                           |                      |                  |
| Provisions are recognized when a) the group has a present obligation (legal or constructive) because of a past event, b) it is probable that the group will be required to settle the obligation, and c) the amount of the obligation can be reliably estimated.                                                                                                                                                                                                                                                                                                                                                                                                                                   |               |              |            |                          |                           |                      |                  |
| The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, the carrying amount is the present value of those cash flows (when the effect of the time value of money is material).                                                                                                                                                                                                                                              |               |              |            |                          |                           |                      |                  |
| When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset only if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.                                                                                                                                                                                                                                                                                                                                                                                                   |               |              |            |                          |                           |                      |                  |
| <b>Onerous contracts</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |               |              |            |                          |                           |                      |                  |
| Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist where the group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under the contract.                                                                                                                                                                                                                                                                                                                                                                  |               |              |            |                          |                           |                      |                  |
| <b>Restructuring provisions</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |               |              |            |                          |                           |                      |                  |
| A restructuring provision is recognized when the group has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.                                                                                                                        |               |              |            |                          |                           |                      |                  |
| <b>Warranties</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |               |              |            |                          |                           |                      |                  |
| Provisions for expected cost of warranty obligations under local sale of goods legislation are recognized, at management's best estimate of the expenditure required to settle the group's obligation. As                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |               |              |            |                          |                           |                      |                  |
| soon as a claim is raised and agreed to by KA, the provision to date is recognized based on the estimated defective parts sold so far and warranty costs are continued to be recorded on the ongoing sales until the underlying issue is solved. The estimate of warranty-related costs is reviewed and revised quarterly.                                                                                                                                                                                                                                                                                                                                                                         |               |              |            |                          |                           |                      |                  |
| <b>Government grants</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |               |              |            |                          |                           |                      |                  |
| Government grants are not recognized until there is reasonable assurance that the group will comply with the conditions attached to them and that the grants will be received. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the group with no future related costs are recognized in profit or loss in the period in which they become receivable.                                                                                                                                                                                                                                    |               |              |            |                          |                           |                      |                  |
| <b>Equity instruments</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |               |              |            |                          |                           |                      |                  |
| An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.                                                                                                                                                                                                                                                                                                                                                                                                                                              |               |              |            |                          |                           |                      |                  |
| Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in the income statement on the purchase, sale, issue or cancellation of the Company's own equity instruments.                                                                                                                                                                                                                                                                                                                                                                                                                                                      |               |              |            |                          |                           |                      |                  |
| <b>Revenue recognition</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |               |              |            |                          |                           |                      |                  |
| The group is in the business of providing products to the global vehicle industry. In doing so, the group provides services covering engineering and tooling, as well as the manufacturing and delivery of automotive parts. Engineering services are the development of customized designs in collaboration with the customer. Tooling is the provision of tools such as cutting tools and molds needed in manufacturing of parts. Tooling can be highly customized or developed to produce standardized products to a wider range of customers. Product parts are the continuous supply of automotive parts such as shifters, shifter cables, drive control systems, and fluid handling systems. |               |              |            |                          |                           |                      |                  |
| Engineering, tooling, and product sales may be contracted in separate agreements (concluded at different points in time) or may be contracted in one agreement. In either case any binding obligation for the customer with respect to parts is created only upon issuance of purchase orders. The group has determined that engineering, tooling, and the delivery of product parts are separate and distinct for the customer and therefore constitute separate performance obligations under IFRS 15, which are fulfilled upon transfer of control. As is normal in the automotive industry, the customer                                                                                       |               |              |            |                          |                           |                      |                  |



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| does not guarantee that it will purchase a minimum quantity of parts. The prices agreed in the contracts for the single performance obligations are considered to be the stand-alone selling prices and are therefore used for recognizing revenue.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |               |              |            |                          |                           |                      |                  |
| <b>Engineering</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |               |              |            |                          |                           |                      |                  |
| Before manufacturing and sale of automotive parts start, the group normally undertakes application engineering to tailor the design of a part to customer needs. Where the control resulting from the engineering is transferred to the customer, the group recognizes any consideration received from the customer as revenue. The group has determined that the performance obligation from the engineering is satisfied at a point in time and upon transfer of control over the results of the engineering. Transfer of control normally takes place when engineering is complete, and the tooling phase is initiated. Consideration received from the customer may be agreed as installments following the progress of the engineering, as a lump-sum payment upon completion of the engineering phase or may be explicitly included in the piece price over a certain specific sales volume. Consideration received in advance is deferred and recognized as contract liability. Any consideration to be received through the allocation to the piece price is recognized as revenue and accrued as a receivable upon transfer of control to the customer only if the consideration for the engineering is a guaranteed amount.                                                                                                           |               |              |            |                          |                           |                      |                  |
| <b>Tooling</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |               |              |            |                          |                           |                      |                  |
| After the engineering phase, and before manufacturing and sale of automotive parts start, the group manufactures, or has manufactured, the tooling for use in the subsequent production of automotive parts. Where the control of tooling is transferred to the customer, the group recognizes any consideration received from the customer as revenue. The group has determined that the tooling performance obligation is satisfied at a point in time and upon finally approved transfer of control over the tooling to the customer. Transfer of control normally takes place in connection with start of production of the automotive parts. Consideration from the customer may be agreed as installments following the manufacturing progress of the tooling, as a lump-sum payment upon final approval of the tooling by the customer or may explicitly be included in the piece price. Revenue is recognized at a point in time upon transfer of control and final approval of the tooling by the customer. Consideration received in advance of transfer is deferred and recognized as a contract liability. Any consideration to be received through piece price is recognized as revenue and accrued as a receivable upon approval of the tooling by the customer only if the consideration for the tooling is a guaranteed amount. |               |              |            |                          |                           |                      |                  |
| <b>Product sales</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |               |              |            |                          |                           |                      |                  |
| The sale of manufactured automotive products is satisfied upon transfer of control of the automotive products to the customer, which in general is upon delivery to the customer. Each delivery is considered as a performance obligation that is satisfied at a point in time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |               |              |            |                          |                           |                      |                  |
| <b>Variable consideration</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |               |              |            |                          |                           |                      |                  |
| Revenue will be recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |               |              |            |                          |                           |                      |                  |
| A few contracts with customers entitle the customer to price reductions after exceeding defined volume thresholds per year. Such variable considerations are estimated based on continuously updated volume projections.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |               |              |            |                          |                           |                      |                  |
| As is common industry practice, most of the contracts have variable elements in the form of year-on-year price reductions or staggered rebates. The group has determined that the price reductions reflect the competition in the industry and therefore are not to be considered as a loyalty bonus. Revenue recognition is therefore based on the sales price for each delivery to the customer.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |               |              |            |                          |                           |                      |                  |
| <b>Warranty obligations</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |               |              |            |                          |                           |                      |                  |
| The group generally provides warranties for general repairs and does not provide extended warranties in its contracts with customers. As such, most existing warranties will be assurance-type warranties under IFRS 15, which will continue to be accounted for under IAS 37 Provisions, Contingent Liabilities and Contingent Assets, consistent with its current practice.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |               |              |            |                          |                           |                      |                  |
| <b>Incremental contract costs</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |               |              |            |                          |                           |                      |                  |
| Incremental costs are costs that would not have been incurred had that individual contract not been obtained, e.g., nomination fees. These costs are recognized as an asset if they are expected to be recovered from the customer through the awarded contract.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |               |              |            |                          |                           |                      |                  |
| An asset recognized as part of the capitalization of contract costs is amortized on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. In case of nomination fees, the recognized amortization for the period shall be presented as a reduction of the external sales and recorded on the appropriate income statement account.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |               |              |            |                          |                           |                      |                  |



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|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------------|------------|--------------------------|---------------------------|----------------------|------------------|
| <div><div>NOTE 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS</div><div><p>In application of its accounting policies, the group is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities which are not readily available from other sources. The estimates and judgments are based on historical experience and other factors, including expectations of future events that are deemed to be reasonable under the circumstances. Actual results may differ from these estimates.</p><p>The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.</p><p><b>Critical judgments in applying accounting policies</b></p><p>The following are the critical judgments that the group has made in the process of applying the group's accounting policies and that have the most significant effect on the amounts recognized in the financial statements.</p><p><i>Lease extension and termination options</i></p><p>The group has a number of leases with options to terminate early or extend the term of the lease. When determining the lease liability of the group, the following principles were applied to options. No leases will be terminated early as the leases are necessary for regular operations of the group unless there are clear indications otherwise. All extension options on buildings and equipment used in production, sales and engineering have been included in the lease liability as these are core operations which require significant investment to move and are therefore reasonably certain to be kept in use for as long as possible under current conditions, unless there are clear indications otherwise. Leases used in administrative and supporting functions were determined to be more flexible and were therefore individually assessed by management to determine if they met the reasonably certain criteria.</p><p><i>Incremental borrowing rate used to discount the lease payments</i></p><p>More than 90% of the value of right-of-use assets relates to buildings. As any lease building by any subsidiary (lessee) requires a guarantee from the group, the credit standing of any lessee does not exceed the group's credit standing.</p><p>In addition, in June 2024, the group issued a new bond with a floating interest rate. Management determined that the previously updated group incremental borrowing rate remained appropriate, given the coupon rate of the new bond and the fact that no significant new leases were entered into in 2024. Looking ahead, considering the bond's floating rate and the prevailing interest rate environment, the IBR will be evaluated annually.</p></div></div> |               |              |            |                          |                           |                      |                  |
| <div><div>Consolidation of SPE</div><div><p>On September 25, 2020, the Company entered into an accounts receivable securitization program (the "Program") where trade receivables generated by the Company's subsidiaries in the United States, Canada, Slovakia and Poland were sold to Kongsberg Automotive Finance B.V., a special purpose entity domiciled and incorporated in the Netherlands (the "SPE"). As sales of the Company's products to customers occurred, trade receivables were sold to the SPE at an agreed upon purchase price. Part of the consideration was received upfront in cash and part was deferred in the form of senior subordinated and junior subordinated loans notes issued by the SPE to the Parent Company and Kongsberg Automotive AS.</p><p>In determining whether to consolidate the SPE, the Company has evaluated whether it has control over the SPE, in particular, whether it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.</p><p>Receivables are sold to the SPE under a true sale opinion with legal interest transferred from the selling subsidiaries to the SPE. While the sale of receivables to the SPE is without credit recourse, the Company continues to be exposed to the variable returns from its involvement in the SPE as it is exposed to credit risk as a subordinated lender to the SPE and it earns a variable amount of remuneration as master servicer of the receivables, as well as any excess return from additional service fee, including the loss or gain due to the effect of foreign exchange rates.</p><p>As master servicer, the Company is responsible for the cash collection and management of any impaired receivables. Therefore, the Company is considered to have control over the SPE as it is exposed to variable returns and has the ability to affect those returns through its power over the investee.</p><p>As a result of consolidating the SPE, the trade receivables purchased by the SPE are included in the Company's consolidated statement of financial position, along with loans (see note 21) and cash held by the SPE.</p></div></div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |               |              |            |                          |                           |                      |                  |
| <div><div>Key sources of estimation uncertainty</div><div><p>The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.</p><p><i>Impairment</i></p><p>Determining whether goodwill and other assets are impaired requires an estimation of the value-in-use of the cash-generating units to which these assets have been allocated. The value-in-use calculation requires the group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a material impairment loss may arise.</p></div></div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |               |              |            |                          |                           |                      |                  |



NOTE 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (CONTINUED)

The cash-generating units in the group are the business units (Drive Control Systems segment: On-Highway, Off-Highway, Electronic Actuators and Headrest; Flow Control Systems segment: Fluid Transfer System and Couplings; Driveline segment (reported under "Other operations")). The forecasts of future cash flows are based on the group's best estimates of future revenues and expenses for the cash-generating units to which these assets have been allocated. Various assumptions and estimates can have significant effects on these calculations and include parameters such as macroeconomic assumptions, market growth, business volumes, margins, and cost effectiveness. Changes to any of these parameters, following changes in the market conditions, competition, strategy or other factors, affect the forecasted cash flows and may result in impairment.

The carrying amount of Goodwill as at December 31, 2024 was MEUR 73.8 (2023: MEUR 70.7). No impairment losses were recognized in 2024. In 2023 impairment losses on other assets than the Goodwill of MEUR 27.0 were recognized in the Driveline Segment. In 2024, a number of these previously impaired assets were repurposed to be used in the manufacturing of products in core business segments. The impairment of these assets has been reversed in the amount of MEUR 5.0 and they were placed back on their original depreciation schedules under their new business unit. Details of the impairment test are set out in note 15.

Climate change

Kongsberg Automotive faces both climate change-related risks and opportunities arising from climate change itself and from actions taken in climate change mitigation. These are embedded in the Company's risk management and business strategy.

The financial implications of risks of climate change can be classified into two types of risks: physical risks and transition risks. Physical risks are related to the increase and severity of extreme weather and long-term climate changes. Transition risks are related to decarbonization including new technological advances and requirements imposed by regulators or public opinion. Both are considered in the Company's risk assessment as part of the annual budget process and in impairment testing at year end. There is still significant uncertainty about the future financial impact of climate risks and opportunities. During the budget process, several scenarios are considered, and the best estimate is included in the assumptions for the final budget.

In addition to the annual assessment, climate change governance is embedded in the group's structure with operational and strategic climate change issues raised being reviewed regularly by the designated bodies.

As at year-end 2024, climate risk changes have not resulted in adjustments to the useful lives of long-term assets. Further, climate-related risk considerations have not resulted in adjustments of the carrying amounts of assets or liabilities.

NOTE 5 NEW STANDARDS AND INTERPRETATIONS

New and amended standards and interpretations

The group applied for the first-time certain amendments to the standards, which are effective for annual periods beginning on or after January 1, 2024. The group has not chosen to adopt any standards, interpretations or amendments early that have been issued but are not yet effective.

New and amended IFRS Standards that are effective for the current year

The adoption of the following standards and interpretations has not had any material impact on the disclosures or on the amounts reported in these financial statements:

- Amendments to IAS 7 and IFRS 7 – Supplier Finance Arrangements
- Amendments to IAS 1 – Classification of Liabilities as Current or Non-current
- Amendments to IAS 1 – Non-Current Liabilities with Covenants
- Amendment to IFRS 16 – Lease Liability in a Sale and Leaseback

New and amended standards and interpretations not yet adopted

At the date of the authorization of these financial statements, the group has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

- Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability (effective from January 1, 2025)
- Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments (effective from January 1, 2026)
- IFRS 18 – Presentation and Disclosure in Financial Statements (effective from January 1, 2027)
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective from January 1, 2027)

The group does not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the group in future periods. Even though IFRS 18 will not impact the recognition and measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of comprehensive income, the statement of cash flows, and the provision of management-defined performance measures within the financial statements. The group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.



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NOTE 6 SUBSIDIARIES

| ENTITY NAME                                              | COUNTRY OF INCORPORATION | OWNER-SHIP | CONSOLIDATION METHOD | OWNED BY COMPANY | ENTITY NAME                                      | COUNTRY OF INCORPORATION | OWNER-SHIP | CONSOLIDATION METHOD | OWNED BY COMPANY   |
|----------------------------------------------------------|--------------------------|------------|----------------------|------------------|--------------------------------------------------|--------------------------|------------|----------------------|--------------------|
| Kongsberg Automotive Ltda                                | Brazil                   | 100%       | Full                 | X                | Kongsberg Automotive s.r.o                       | Slovakia                 | 100%       | Full                 |                    |
| Kongsberg Inc                                            | Canada                   | 100%       | Full                 |                  | Kongsberg Actuation Systems SL                   | Spain                    | 100%       | Full                 |                    |
| Kongsberg Automotive (Wuxi) Ltd                          | China                    | 100%       | Full                 | X                | Kongsberg Automotive AB                          | Sweden                   | 100%       | Full                 |                    |
| Shanghai Kongsberg Automotive Dong Feng Morse Co Ltd*    | China                    | 75%        | Full                 |                  | Kongsberg Power Products Systems AB              | Sweden                   | 100%       | Full                 |                    |
| Kongsberg Driveline Systems SAS                          | France                   | 100%       | Full                 |                  | KA Group AG                                      | Switzerland              | 100%       | Full                 |                    |
| Kongsberg Raufoss Distribution SAS                       | France                   | 100%       | Full                 |                  | Kongsberg Driveline Systems I LLC.               | US                       | 100%       | Full                 |                    |
| SCI Immobilière La Clusienne                             | France                   | 100%       | Full                 |                  | Kongsberg Actuation Systems II LLC.              | US                       | 100%       | Full                 |                    |
| Kongsberg I GmbH                                         | Germany                  | 100%       | Full                 |                  | Kongsberg Holding III Inc.                       | US                       | 100%       | Full                 |                    |
| Kongsberg Actuation Systems GmbH                         | Germany                  | 100%       | Full                 |                  | Kongsberg Automotive Inc.                        | US                       | 100%       | Full                 |                    |
| Kongsberg Automotive GmbH                                | Germany                  | 100%       | Full                 |                  | Kongsberg Power Products Systems I LLC.          | US                       | 100%       | Full                 |                    |
| Kongsberg Driveline Systems Ltd                          | Germany                  | 100%       | Full                 |                  | Kongsberg Automotive Finance BV**                | Netherlands              | 100%       | Full                 |                    |
| Kongsberg Actuation Systems Ltd                          | Great Britain            | 100%       | Full                 |                  | Chassis Autonomy AB                              | Sweden                   | 20%        | Equity               |                    |
| Kongsberg Automotive Hong Kong Ltd                       | Hong Kong                | 100%       | Full                 |                  | Skriverform AS***                                | Norway                   | 100%       | n/a                  |                    |
| Kongsberg Automotive (India) Private Ltd                 | India                    | 100%       | Full                 | X                | Entities divested / liquidated in 2023 and 2024: |                          |            |                      |                    |
| Kongsberg Automotive Driveline System India Ltd          | India                    | 100%       | Full                 | X                | Kongsberg Automotive SARL                        | France                   | 100%       |                      | Liquidated in 2024 |
| Kongsberg Automotive Technology Center India Private Ltd | India                    | 100%       | Full                 |                  | Kongsberg Automotive Ltd                         | Great Britain            | 100%       |                      | Liquidated in 2024 |
| Kongsberg Automotive Ltd                                 | Korea                    | 100%       | Full                 | X                | CTEX Seat Comfort (Holding) Ltd                  | Great Britain            | 100%       |                      | Liquidated in 2024 |
| Kongsberg Driveline Systems S. de RL de CV               | Mexico                   | 100%       | Full                 |                  | Kongsberg Power Products Systems Ltd             | Great Britain            | 100%       |                      | Liquidated in 2024 |
| Kongsberg Fluid Transfer Systems, S. de R.L. de CV       | Mexico                   | 100%       | Full                 |                  | Kongsberg Automotive Japan KK                    | Japan                    | 100%       |                      | Liquidated in 2024 |
| Kongsberg Actuation Systems BV                           | Netherlands              | 100%       | Full                 |                  | Kongsberg Automotive (Shanghai) Co Ltd           | China                    | 100%       |                      | Liquidated in 2023 |
| Kongsberg Automotive AS                                  | Norway                   | 100%       | Full                 |                  |                                                  |                          |            |                      |                    |
| Kongsberg Automotive Holding 2 AS                        | Norway                   | 100%       | Full                 | X                |                                                  |                          |            |                      |                    |
| Kongsberg Automotive Sp. z o.o                           | Poland                   | 100%       | Full                 |                  |                                                  |                          |            |                      |                    |

\* Non-controlling interest refers to the 25% not owned of Shanghai Kongsberg Automotive Dong Feng Morse Co Ltd

\*\* Special Purpose Entity (the "SPE") – consolidation is based on the assessment of control according to IFRS 10 (for further information see note 4).

\*\*\* Not consolidated due to the immateriality of the subsidiary



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NOTE 7 SEGMENT INFORMATION

Operating segments

As of December 31, 2024, the group had two reportable segments, which are the strategic core business segments: Drive Control Systems and Flow Control Systems. In addition, Driveline (excluding Electric Actuators) is no longer considered KA's core business and is reported under "Other operations." Following the adoption of new segment structure from January 1, 2024, figures in 2023 have been restated accordingly to reflect this change.

The strategic business areas (segments) offer different products and services and are managed separately because they require different technology and marketing strategies. The group's risks and rates of return are affected predominantly by differences in the products manufactured. The segments have different risk profiles in the short-term perspective, but over a long-term perspective the profiles are considered to be the same. The group's Executive Committee (led by the CEO) reviews the internal management reports from all strategic business areas on a monthly basis.

Information regarding the results of each reportable segment is included below. Performance is measured by EBITDA and EBIT as included in the internal management reports issued on a monthly basis. Segment EBIT is used to measure performance as management believes that such information is the most relevant in evaluating the results of the segments (also relative to other entities that operate within these industries).

Sales transactions and cost allocations between the business units are based on the arm's length principle. The results for each segment and the capital allocation elements comprise both items that are directly related to and recorded within the segment, as well as items that are allocated based on reasonable allocation keys.

The following summary describes the operations of each of the group's core reportable segments:

Drive Control Systems

Drive Control Systems develops and manufactures a comprehensive range of drive control products for heavy- and light-duty vehicles, including clutch actuation systems, advanced vehicle systems, operator control systems for construction, agriculture, outdoor power equipment and power electronics-based products. Drive Control Systems serves the commercial vehicle, off-highway and passenger car markets, with particularly strong positions in Europe and the Americas.

Flow Control Systems

Flow Control Systems designs and manufactures fluid handling systems for both the passenger cars and commercial vehicles markets, as well as industrial applications and coupling systems for compressed-air circuits in heavy-duty vehicles.



NOTE 7 SEGMENT INFORMATION (CONTINUED)

| FY 2024                                      | DRIVE<br>CONTROL<br>SYSTEMS | FLOW<br>CONTROL<br>SYSTEMS | CORPO-<br>RATE &<br>OTHER* | TOTAL<br>CORE | OTHER<br>OPERA-<br>TIONS** | TOTAL<br>GROUP |
|----------------------------------------------|-----------------------------|----------------------------|----------------------------|---------------|----------------------------|----------------|
| MEUR                                         |                             |                            |                            |               |                            |                |
| Product sales                                | 346.0                       | 299.9                      | 0.1                        | 646.0         | 128.6                      | 774.6          |
| Tooling                                      | 2.4                         | 6.0                        | 0.0                        | 8.4           | 0.2                        | 8.6            |
| Engineering                                  | 2.8                         | 1.4                        | 0.0                        | 4.2           | 0.8                        | 5.0            |
| Revenues***                                  | 351.2                       | 307.3                      | 0.1                        | 658.6         | 129.6                      | 788.2          |
| EBITDA                                       | 26.4                        | 31.2                       | (17.9)                     | 39.7          | 8.8                        | 48.5           |
| Depreciation                                 | (13.8)                      | (13.6)                     | (1.7)                      | (29.1)        | 0.0                        | (29.1)         |
| Amortization                                 | (0.6)                       | (0.1)                      | 0.0                        | (0.7)         | 0.0                        | (0.7)          |
| EBIT                                         | 12.0                        | 17.5                       | (19.6)                     | 9.9           | 8.8                        | 18.7           |
| Reversal of impairment losses,<br>thereof:   | 4.6                         | 0.4                        | 0.0                        | 5.0           | 0.0                        | 5.0            |
| - allocated to assets other than<br>Goodwill | 4.6                         | 0.4                        | 0.0                        | 5.0           | 0.0                        | 5.0            |
| Timing of revenue recognition                |                             |                            |                            |               |                            |                |
| Ownership transferred<br>at a point in time  | 351.2                       | 307.3                      | 0.1                        | 658.6         | 129.6                      | 788.2          |

| FY 2024                                           | DRIVE<br>CONTROL<br>SYSTEMS | FLOW<br>CONTROL<br>SYSTEMS | CORPO-<br>RATE &<br>OTHER* | TOTAL<br>CORE | OTHER<br>OPERA-<br>TIONS** | TOTAL<br>GROUP |
|---------------------------------------------------|-----------------------------|----------------------------|----------------------------|---------------|----------------------------|----------------|
| MEUR                                              |                             |                            |                            |               |                            |                |
| Assets and liabilities                            |                             |                            |                            |               |                            |                |
| Goodwill                                          | 16.5                        | 57.3                       | 0.0                        | 73.8          | 0.0                        | 73.8           |
| Other intangible assets                           | 5.9                         | 4.5                        | 0.1                        | 10.5          | 0.3                        | 10.8           |
| Property, plant and equipment                     | 51.5                        | 63.7                       | 2.1                        | 117.3         | 0.0                        | 117.3          |
| Right-of-use assets                               | 19.0                        | 32.8                       | 3.0                        | 54.8          | 0.0                        | 54.8           |
| Inventories                                       | 26.4                        | 42.4                       | 0.0                        | 68.8          | 11.7                       | 80.5           |
| Trade receivables                                 | 69.9                        | 51.9                       | 0.0                        | 121.8         | 19.0                       | 140.8          |
| Other assets                                      | 3.8                         | 3.6                        | 0.0                        | 7.4           | 0.0                        | 7.4            |
| Segment assets                                    | 193.0                       | 256.2                      | 5.2                        | 454.4         | 31.0                       | 485.4          |
| Unallocated assets                                |                             |                            | 117.5                      | 117.5         |                            | 117.5          |
| Total assets                                      | 193.0                       | 256.2                      | 122.7                      | 571.9         | 31.0                       | 602.9          |
| Trade payables                                    | 30.6                        | 31.2                       | 2.7                        | 64.5          | 20.3                       | 84.8           |
| Accrued expenses                                  | 16.1                        | 11.5                       | 3.3                        | 30.9          | 15.4                       | 46.3           |
| Provisions                                        | 11.4                        | 0.3                        | 3.0                        | 14.7          | 1.2                        | 15.9           |
| Non-current lease<br>interest-bearing liabilities | 17.3                        | 37.4                       | 3.5                        | 58.2          | 5.6                        | 63.8           |
| Current lease<br>interest-bearing liabilities     | 3.9                         | 2.6                        | 1.0                        | 7.5           | 2.4                        | 9.9            |
| Segment liabilities                               | 79.3                        | 83.0                       | 13.5                       | 175.8         | 44.9                       | 220.7          |
| Unallocated liabilities                           |                             |                            | 179.2                      | 179.2         |                            | 179.2          |
| Total liabilities                                 | 79.3                        | 83.0                       | 192.7                      | 355.0         | 44.9                       | 399.9          |
| Total equity                                      |                             |                            | 203.0                      | 203.0         |                            | 203.0          |
| Total equity and liabilities                      | 79.3                        | 83.0                       | 395.7                      | 558.0         | 44.9                       | 602.9          |
| Capital expenditure                               | (9.8)                       | (14.2)                     | (0.6)                      | (24.6)        | (0.1)                      | (24.7)         |

\* The column "Corporate & Other" mainly includes corporate expenses and balance sheet items related to tax, pensions, and financing. See next section for specification of unallocated assets and liabilities.

\*\* The column relates to Driveline (excluding Electric Actuators), which is no longer considered KA's core business.

\*\*\* For segment reporting purposes, the revenues are only external revenues; the related expenses are adjusted accordingly. The EBIT thus excludes IC profit.



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|                                           |               |              |            |                          |                           |                      |  |  |                  |
| NOTE 7 SEGMENT INFORMATION (CONTINUED)    |               |              |            |                          |                           |                      |  |  |                  |
| FY 2023                                   |               |              |            |                          |                           |                      |  |  |                  |
| MEUR                                      |               |              |            |                          |                           |                      |  |  |                  |
| Product sales                             | 401.9         | 308.8        | 0.0        | 710.7                    | 159.3                     | 870.0                |  |  |                  |
| Tooling                                   | 4.5           | 2.1          | 0.0        | 6.6                      | 1.3                       | 7.9                  |  |  |                  |
| Engineering                               | 4.0           | 2.1          | 0.0        | 6.1                      | 0.9                       | 7.0                  |  |  |                  |
| Revenues***                               | 410.4         | 313.0        | 0.0        | 723.4                    | 161.5                     | 884.9                |  |  |                  |
| EBITDA                                    | 33.4          | 40.9         | (30.5)     | 43.8                     | (30.6)                    | 13.2                 |  |  |                  |
| Depreciation                              | (13.1)        | (11.9)       | (1.5)      | (26.5)                   | (5.4)                     | (31.9)               |  |  |                  |
| Amortization                              | (0.6)         | (0.2)        | 0.0        | (0.8)                    | (0.2)                     | (1.0)                |  |  |                  |
| EBIT                                      | 19.7          | 28.8         | (32.0)     | 16.5                     | (36.2)                    | (19.7)               |  |  |                  |
| Impairment losses, thereof:               | 0.0           | 0.0          | 0.0        | 0.0                      | (27.0)                    | (27.0)               |  |  |                  |
| - allocated to assets other than Goodwill | 0.0           | 0.0          | 0.0        | 0.0                      | (27.0)                    | (27.0)               |  |  |                  |
| Timing of revenue recognition             |               |              |            |                          |                           |                      |  |  |                  |
| Ownership transferred at a point in time  | 410.4         | 313.0        | 0.0        | 723.4                    | 161.5                     | 884.9                |  |  |                  |
|                                           |               |              |            |                          |                           |                      |  |  |                  |
|                                           |               |              |            |                          |                           |                      |  |  |                  |
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|                                           |               |              |            |                          |                           |                      |  |  |                  |

\* The column "Corporate & Other" mainly includes corporate expenses and balance sheet items related to tax, pensions, and financing. See next section for specification of unallocated assets and liabilities.

\*\* The column relates to Driveline (excluding Electric Actuators), which is no longer considered KA's core business.

\*\*\* For segment reporting purposes, the revenues are only external revenues; the related expenses are adjusted accordingly. The EBIT thus excludes I/C profit.

Figures presented in this table were restated following the adoption of a new segment structure.



NOTE 7 SEGMENT INFORMATION (CONTINUED)

Operating segments – reconciliation to total assets

| MEUR                                              | 2024  | 2023  |
|---------------------------------------------------|-------|-------|
| Segment assets of reportable segments             | 480.2 | 510.4 |
| Assets of segment Corporate & Other               | 5.2   | 6.3   |
| Unallocated assets include:                       |       |       |
| Deferred tax assets                               | 10.0  | 11.4  |
| Investments accounted for using the equity method | 0.7   | 2.1   |
| Other non-current assets                          | 1.7   | 1.6   |
| Cash and cash equivalents                         | 84.3  | 164.7 |
| Other current receivables                         | 20.8  | 25.0  |
| Total assets of the group                         | 602.9 | 721.5 |

Operating segments – reconciliation to total liabilities

| MEUR                                                 | 2024  | 2023  |
|------------------------------------------------------|-------|-------|
| Trade payables of reportable segments                | 82.1  | 112.6 |
| Accrued expenses of reportable segments              | 43.0  | 49.1  |
| Provisions of reportable segments                    | 12.9  | 9.4   |
| Non-current lease liabilities of reportable segments | 60.3  | 61.1  |
| Current lease liabilities of reportable segments     | 8.9   | 8.5   |
| Liabilities of segment Corporate & Other             | 13.5  | 24.2  |
| Unallocated liabilities include:                     |       |       |
| Deferred tax liabilities                             | 25.4  | 21.0  |
| Retirement benefit obligations                       | 13.0  | 12.0  |
| Interest-bearing loans and borrowings                | 132.5 | 189.3 |
| Other non-current interest-free liabilities          | 0.8   | 3.7   |
| Current income tax liabilities                       | 1.3   | 4.2   |
| Other short term liabilities                         | 6.2   | 8.3   |
| Total liabilities of the group                       | 399.9 | 503.4 |

Operating segments – geographical areas

The following segmentation of the group's geographical sales to external customers is based on the geographical locations of the customers. The segmentation of non-current assets is based on the geographical locations of its subsidiaries. Non-current assets comprise intangible assets (including Goodwill), right-of-use assets and property, plant and equipment.

Sales to external customers by geographical location

| MEUR          | 2024  | %     | 2023  | %     |
|---------------|-------|-------|-------|-------|
| Europe        | 344.9 | 43.8% | 406.3 | 45.9% |
| North America | 271.4 | 34.4% | 297.5 | 33.6% |
| South America | 46.3  | 5.9%  | 45.4  | 5.1%  |
| Asia          | 122.0 | 15.5% | 129.5 | 14.6% |
| Other         | 3.6   | 0.5%  | 6.2   | 0.7%  |
| Revenues      | 788.2 |       | 884.9 |       |

Intangible assets, PP&E and RoU by geographical location

| MEUR                                  | 2024  | %     | 2023  | %     |
|---------------------------------------|-------|-------|-------|-------|
| Europe                                | 146.4 | 57.0% | 147.4 | 59.2% |
| North America                         | 86.5  | 33.7% | 80.4  | 32.3% |
| South America                         | 1.6   | 0.6%  | 2.1   | 0.8%  |
| Asia                                  | 22.2  | 8.7%  | 19.2  | 7.7%  |
| Total intangible assets, PP&E and RoU | 256.7 |       | 249.1 |       |

Major customers

Included are revenues of MEUR 100.8 in 2024 (2023: MEUR 97.5) which arose from sales to the group's largest customer. Two single customers contributed 10% or more each to the group's revenues in 2024 and 2023.



NOTE 8 SALARIES AND SOCIAL EXPENSES

Specification of salaries and social expenses as recognized in the statement of comprehensive income

| MEUR                                     | 2024  | 2023  |
|------------------------------------------|-------|-------|
| Wages and salaries                       | 162.6 | 179.0 |
| Social security tax                      | 31.4  | 39.6  |
| Severance payments                       | 2.7   | 8.0   |
| Pension cost, defined benefit plans      | 1.0   | (0.2) |
| Pension cost, defined contribution plans | 7.8   | 7.6   |
| Other employee-related expenses*         | 29.1  | 31.0  |
| Government support – wages and salaries  | 0.0   | (0.1) |
| Total salaries and social expenses       | 234.6 | 264.9 |

\*Other employee-related expenses include bonus costs.

As of December 31, 2024, the group had 4,714 employees, while as of December 31, 2023, the number of employees was 5,286.

NOTE 9 OTHER INCOME AND OTHER OPERATING EXPENSES

Specification of other income as recognized in the statement of comprehensive income

| MEUR                                        | 2024 | 2023 |
|---------------------------------------------|------|------|
| Gain on external sale of non-current assets | 0.1  | 0.8  |
| Gain on sale of major operations            | 1.9  | 0.0  |
| Corporate service income                    | 0.0  | 0.7  |
| Income from sub-leases                      | 0.2  | 0.0  |
| Income from compensation received           | 2.8  | 0.0  |
| Total other income                          | 5.0  | 1.5  |

Corporate service income

After the completion of the sale transactions of the Interior segment and the sale of part of the Shawinigan plant of Off-Highway business, Kongsberg Automotive and the Buyer Parties have entered into the Transition Services Agreements in which the Buyer Parties expressed the need to obtain the use of certain services from Kongsberg Automotive for a transition period after the completion of the sale transactions to effectuate an orderly transition of the operations and permit the Buyer Parties the opportunity to obtain alternative sources to provide such services after the transition period. The main services to be provided by Kongsberg Automotive were: (1) ERP support and hosting, (2) IT infrastructure and security support, (3) Finance services, (4) HR Payroll services and other services. For the provision of those services the Buyer Parties were obliged to pay all fees in full on the terms provided under the Transition Services Agreements.



NOTE 9 OTHER INCOME AND OTHER OPERATING EXPENSES (CONTINUED)

Specification of other operating expenses as recognized in the statement of comprehensive income

| MEUR                                          | 2024         | 2023         |
|-----------------------------------------------|--------------|--------------|
| <i>Operating expenses</i>                     |              |              |
| Freight, packaging and customs duties charges | 34.1         | 42.4         |
| Facility costs                                | 11.6         | 14.0         |
| Consumables                                   | 20.9         | 21.2         |
| Repairs and maintenance                       | 11.7         | 14.0         |
| Service costs / external services             | 10.1         | 9.0          |
| Warranty expenses                             | 19.5         | 12.4         |
| Other costs                                   | 11.7         | 2.4          |
| <i>Administrative expenses</i>                |              |              |
| Utilities                                     | 0.3          | 3.0          |
| Service costs / external services             | 17.6         | 21.3         |
| Consumables                                   | 4.6          | 5.6          |
| Travel costs                                  | 2.4          | 2.4          |
| Other costs                                   | 6.4          | 8.7          |
| <b>Total other operating expenses</b>         | <b>150.9</b> | <b>156.4</b> |

NOTE 10 FINANCIAL ITEMS

Specification of financial items as recognized in the statement of comprehensive income

| MEUR                                                                                     | 2024          | 2023          |
|------------------------------------------------------------------------------------------|---------------|---------------|
| Change in fair value of cash equivalents                                                 | 0.0           | 2.8           |
| Interest income                                                                          | 1.7           | 1.9           |
| IFRS 16 interest income                                                                  | 0.1           | 0.1           |
| Other financial income                                                                   | 0.8           | 0.0           |
| <b>Total financial income</b>                                                            | <b>2.6</b>    | <b>4.8</b>    |
| Interest expense                                                                         | (11.3)        | (10.8)        |
| IFRS 16 interest expense                                                                 | (4.5)         | (4.3)         |
| Foreign currency losses*                                                                 | (1.9)         | (13.3)        |
| Account receivables securitization – expense                                             | (0.4)         | (0.9)         |
| Change in value of financial derivatives                                                 | (0.1)         | 0.0           |
| Share of net profit (loss) from investments accounted for using the equity method        | (0.2)         | 0.0           |
| Impairment of the equity investments and loans granted to equity and at cost investments | (2.4)         | 0.0           |
| Other financial expenses                                                                 | (2.8)         | (1.5)         |
| <b>Total financial expenses</b>                                                          | <b>(23.6)</b> | <b>(30.8)</b> |
| <b>Total financial items</b>                                                             | <b>(21.0)</b> | <b>(26.0)</b> |

\* Includes realized currency gain of MEUR 1.7 and unrealized currency loss of MEUR 3.6 (2023: realized currency loss of MEUR 7.6 and unrealized currency loss of MEUR 5.7)



NOTE 11 TAXES

Tax recognized in statement of income

The major components of income tax expense:

| MEUR                                                 | 2024   | 2023   |
|------------------------------------------------------|--------|--------|
| Current tax on profits for the year*                 | (8.2)  | (8.7)  |
| Adjustments in respect of prior years – current tax  | 0.0    | (3.5)  |
| Total current tax                                    | (8.2)  | (12.2) |
| Current year change in deferred tax                  | (7.8)  | (2.3)  |
| Impact of changes in tax rates                       | (0.4)  | 0.2    |
| Adjustments in respect of prior years – deferred tax | 0.5    | 0.9    |
| Total change in deferred tax                         | (7.7)  | (1.2)  |
| Total income tax (expense) / credit                  | (15.9) | (13.4) |

\*Includes withholding tax. Further details can be found in table below.

Tax recognized in other comprehensive income

| MEUR                              | 2024 | 2023 |
|-----------------------------------|------|------|
| Tax on pension remeasurement      | 0.2  | 0.1  |
| Tax in other comprehensive income | 0.2  | 0.1  |

Reconciliation of Norwegian nominal statutory tax rate to effective tax rate

| MEUR                                                        | 2024   | 2023   |
|-------------------------------------------------------------|--------|--------|
| Profit / (loss) before taxes                                | (2.3)  | (45.7) |
| Expected tax calculated at Norwegian tax rate               | 0.5    | 10.0   |
| Other permanent differences / currency                      | (2.4)  | 0.9    |
| Effect of withholding tax                                   | (3.0)  | (1.4)  |
| Foreign tax rate differential                               | (1.7)  | (2.1)  |
| Impact of changes in tax rates and legislation              | (0.4)  | 0.2    |
| Losses not recognized as deferred tax assets                | (8.8)  | (6.9)  |
| Write down of deferred tax assets                           | (0.6)  | (11.2) |
| Adjustments in respect of prior years and other adjustments | 0.5    | (2.9)  |
| Income tax (expense) / credit                               | (15.9) | (13.4) |
| Average effective tax rate                                  | -691%  | -29%   |

Tax recognized in the statement of financial position

Current income tax

| MEUR                            | 2024  | 2023  |
|---------------------------------|-------|-------|
| Current income tax receivables* | 1.8   | 1.9   |
| Current income tax liabilities  | (1.3) | (4.2) |
| Total                           | 0.5   | (2.3) |

\*Included under "Trade and other receivables."

Deferred tax

| MEUR                     | 2024   | 2023   |
|--------------------------|--------|--------|
| Deferred tax assets      | 10.0   | 11.4   |
| Deferred tax liabilities | (25.4) | (21.0) |
| Total                    | (15.4) | (9.6)  |



NOTE 11 TAXES (CONTINUED)

Specification of deferred tax assets / (liabilities) recognized in the statement of financial position

| 2024                                                                | 2023 |                 |                   |                 | FX DIFF AND RECLASSIFICATION | CLOSING BALANCE |
|---------------------------------------------------------------------|------|-----------------|-------------------|-----------------|------------------------------|-----------------|
|                                                                     | MEUR | OPENING BALANCE | CHARGED TO INCOME | CHANGES IN RATE | OCI                          |                 |
| Property, plant and equipment                                       |      | (2.0)           | 1.1               | (0.4)           | 0.0                          | (1.4)           |
| Intangible assets                                                   |      | (5.4)           | 0.0               | (0.1)           | 0.0                          | (5.8)           |
| Leases                                                              |      | 1.5             | 0.4               | 0.1             | 0.0                          | 1.9             |
| Retirement benefits obligations                                     |      | 1.4             | (0.1)             | 0.0             | 0.2                          | 1.6             |
| Losses carried forward                                              |      | 4.8             | (2.4)             | 0.0             | 0.0                          | 2.6             |
| Trade and other receivables                                         |      | 3.2             | 0.4               | 0.0             | 0.0                          | 3.5             |
| Accrued expenses                                                    |      | 7.1             | (3.2)             | 0.0             | 0.0                          | 4.0             |
| Accrued interest                                                    |      | 0.0             | 1.4               | 0.0             | 0.0                          | 1.4             |
| Unrealized exchange differences on long-term receivables / payables |      | (26.0)          | (5.6)             | 0.0             | 0.0                          | (30.3)          |
| Other temporary differences                                         |      | 5.8             | 0.7               | 0.0             | 0.0                          | 7.1             |
| Net deferred tax assets / (liabilities)                             |      | (9.6)           | (7.3)             | (0.4)           | 0.2                          | (15.4)          |
|                                                                     |      |                 |                   |                 |                              |                 |
| 2023                                                                |      |                 |                   |                 | FX DIFF AND RECLASSIFICATION | CLOSING BALANCE |
|                                                                     | MEUR | OPENING BALANCE | CHARGED TO INCOME | CHANGES IN RATE | OCI                          |                 |
| Property, plant and equipment                                       |      | 1.3             | (3.3)             | 0.0             | 0.0                          | (2.0)           |
| Intangible assets                                                   |      | (11.6)          | (2.0)             | 0.0             | 0.0                          | (5.4)           |
| Leases                                                              |      | 1.4             | 0.1               | 0.0             | 0.0                          | 1.5             |
| Retirement benefits obligations                                     |      | 1.4             | (0.1)             | 0.0             | 0.1                          | 1.4             |
| Losses carried forward                                              |      | 9.9             | (4.9)             | 0.0             | 0.0                          | 4.8             |
| Trade and other receivables                                         |      | 2.5             | 0.8               | 0.0             | 0.0                          | 3.2             |
| Accrued expenses                                                    |      | 4.2             | 3.0               | 0.0             | 0.0                          | 7.1             |
| Accrued interest                                                    |      | 1.2             | (1.2)             | 0.0             | 0.0                          | 0.0             |
| Unrealized exchange differences on long-term receivables / payables |      | (27.2)          | (0.5)             | 0.0             | 0.0                          | (26.0)          |
| Other temporary differences                                         |      | 7.0             | 6.7               | 0.2             | 0.0                          | 5.8             |
| Net deferred tax assets / (liabilities)                             |      | (9.9)           | (1.4)             | 0.2             | 0.1                          | (9.6)           |



NOTE 11 TAXES (CONTINUED)

Measurement of deferred taxes

Deferred tax assets and liabilities are measured at the tax rates enacted.

Limitation and assumptions for the utilization of losses carried forward and deferred tax assets

The carrying amount of deferred tax assets is reviewed at each balance sheet date and recognized for unused tax losses and unused tax credits to the extent that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilized. As part of the review, the group conducts comprehensive analyses of future profits within the legal entity as well as considering possibilities for utilization within the group. As at the year-end, the estimates indicated that tax losses at MEUR 50.6 will not be deductible within the foreseeable future, resulting from a change of tax positions not recognized of MEUR 8.8 in the current year.

OECD Pillar Two model rules

The Parent Company Kongsberg Automotive ASA is incorporated in Norway, which enacted the Pillar Two income taxes legislation in January 2024 with effective date January 1, 2024. Under the new legislation, the parent company is required to pay top-up tax in Norway on profits of its subsidiaries that are taxed at an effective tax rate of less than 15 percent. Based on the assessments to date, the group does not expect the impact of the Pillar Two legislation to be material to its consolidated financial statements. There is no current top-up tax exposure based on the assessment for 2024. Therefore, no top-up current tax expense has been booked.

The temporary exception issued by the IASB in May 2023 from the accounting requirements for deferred taxes in IAS 12 is applied. Accordingly, the group neither recognizes nor discloses information about deferred tax assets or liabilities related to Pillar Two income taxes.

Tax positions not recognized

| MEUR                         | 2024 | 2023 |
|------------------------------|------|------|
| Tax positions not recognized | 50.6 | 41.8 |
| Total                        | 50.6 | 41.8 |

Remaining lifetime of tax losses (gross tax value)

| MEUR                 | 2024 | 2023 |
|----------------------|------|------|
| Less than five years | 19.8 | 19.6 |
| 5–10 years           | 13.9 | 7.9  |
| 10–15 years          | 1.9  | 0.0  |
| 15–20 years          | 0.0  | 0.0  |
| Without time limit   | 17.6 | 19.0 |
| Total                | 53.2 | 46.5 |



NOTE 12 INTANGIBLE ASSETS

| MEUR                                                | GOODWILL | CUSTOMER<br>RELATION-<br>SHIPS | PATENTS<br>AND<br>DEVELOP-<br>MENT | SOFT-<br>WARE AND<br>OTHER | TOTAL  |
|-----------------------------------------------------|----------|--------------------------------|------------------------------------|----------------------------|--------|
| Acquisition costs                                   | 97.9     | 20.2                           | 48.4                               | 9.2                        | 175.7  |
| Accumulated amortization & impairment               | (25.3)   | (20.2)                         | (43.4)                             | (8.1)                      | (97.0) |
| Net book value at 31.12.2022                        | 72.6     | 0.0                            | 5.0                                | 1.1                        | 78.7   |
| Cost at 01.01.2023                                  | 97.9     | 20.2                           | 48.4                               | 9.2                        | 175.7  |
| Additions                                           | 0.0      | 0.0                            | 3.2                                | 0.0                        | 3.2    |
| Disposals accumulated cost                          | 0.0      | 0.0                            | (6.6)                              | 0.0                        | (6.6)  |
| Translation differences                             | (2.0)    | (0.5)                          | (0.9)                              | (0.4)                      | (3.8)  |
| Acquisition costs at 31.12.2023                     | 95.9     | 19.7                           | 44.1                               | 8.8                        | 168.5  |
| Accumulated amortization & impairment at 01.01.2023 | (25.3)   | (20.2)                         | (43.4)                             | (8.1)                      | (97.0) |
| Amortization                                        | 0.0      | 0.0                            | (0.6)                              | (0.4)                      | (1.0)  |
| Impairment loss                                     | 0.0      | 0.0                            | (0.6)                              | 0.0                        | (0.6)  |
| Disposals accumulated amortization                  | 0.0      | 0.0                            | 6.6                                | 0.0                        | 6.6    |
| Translation differences                             | 0.1      | 0.5                            | 0.7                                | 0.5                        | 1.8    |
| Accumulated amortization & impairment at 31.12.2023 | (25.2)   | (19.7)                         | (37.3)                             | (8.0)                      | (90.2) |
| Acquisition costs                                   | 95.9     | 19.7                           | 44.1                               | 8.8                        | 168.5  |
| Accumulated amortization & impairment               | (25.2)   | (19.7)                         | (37.3)                             | (8.0)                      | (90.2) |
| Net book value at 31.12.2023                        | 70.7     | 0.0                            | 6.8                                | 0.8                        | 78.3   |

| MEUR                                                | GOODWILL | CUSTOMER<br>RELATION-<br>SHIPS | PATENTS<br>AND<br>DEVELOP-<br>MENT | SOFT-<br>WARE AND<br>OTHER | TOTAL  |
|-----------------------------------------------------|----------|--------------------------------|------------------------------------|----------------------------|--------|
| Cost at 01.01.2024                                  | 95.9     | 19.7                           | 44.1                               | 8.8                        | 168.5  |
| Additions                                           | 0.0      | 0.0                            | 3.8                                | 0.2                        | 4.0    |
| Translation differences                             | 3.2      | 1.2                            | (0.7)                              | (0.1)                      | 3.6    |
| Acquisition costs at 31.12.2024                     | 99.1     | 20.9                           | 47.2                               | 8.9                        | 176.1  |
| Accumulated amortization & impairment at 01.01.2024 | (25.2)   | (19.7)                         | (37.3)                             | (8.0)                      | (90.2) |
| Amortization                                        | 0.0      | 0.0                            | (0.4)                              | (0.3)                      | (0.7)  |
| Reversal of impairment loss                         | 0.0      | 0.0                            | 0.3                                | 0.0                        | 0.3    |
| Translation differences                             | (0.1)    | (1.2)                          | 0.3                                | 0.1                        | (0.9)  |
| Accumulated amortization & impairment at 31.12.2024 | (25.3)   | (20.9)                         | (37.1)                             | (8.2)                      | (91.5) |
| Acquisition costs                                   | 99.1     | 20.9                           | 47.2                               | 8.9                        | 176.1  |
| Accumulated amortization & impairment               | (25.3)   | (20.9)                         | (37.1)                             | (8.2)                      | (91.5) |
| Net book value at 31.12.2024                        | 73.8     | 0.0                            | 10.1                               | 0.7                        | 84.6   |



NOTE 12 INTANGIBLE ASSETS (CONTINUED)

Internally developed intangible assets

| MEUR                                                           | 2024   | 2023   |
|----------------------------------------------------------------|--------|--------|
| Internally developed intangible assets at 01.01.               | 7.4    | 7.8    |
| Additions during the year                                      | 3.6    | 3.0    |
| Disposals during the year                                      | 0.0    | (2.4)  |
| Amortization                                                   | (0.4)  | (0.7)  |
| Translation differences                                        | (0.3)  | (0.3)  |
| Internally developed intangible assets at 31.12.               | 10.3   | 7.4    |
| Non-capitalized development costs net of customer contribution | (25.8) | (27.4) |
| Amortization of internally developed intangible assets         | (0.4)  | (0.7)  |
| Total recognized development cost in the reporting period*     | (26.2) | (28.1) |
| Cash investment in development                                 | (29.4) | (30.4) |

\*Net amount, gross amount MEUR 31.2 in 2024 (2023: MEUR 35.0).

The internally developed intangible assets include capitalized costs related to the development of new products. These assets are included in "Patents and Development."



NOTE 13 PROPERTY, PLANT & EQUIPMENT (PP&E)

| MEUR                                                | LAND  | BUILDINGS | EQUIP-<br>MENT | TOTAL   | MEUR                                                                                                          | LAND  | BUILDINGS | EQUIP-<br>MENT | TOTAL   |
|-----------------------------------------------------|-------|-----------|----------------|---------|---------------------------------------------------------------------------------------------------------------|-------|-----------|----------------|---------|
| Acquisition costs                                   | 3.0   | 27.2      | 446.1          | 476.3   | Cost at 01.01.2024                                                                                            | 3.0   | 27.2      | 451.3          | 481.5   |
| Accumulated depreciation & impairment               | (1.2) | (21.2)    | (320.3)        | (342.7) | Additions                                                                                                     | 0.0   | 2.8       | 17.9           | 20.7    |
| Net book value at 31.12.2022                        | 1.8   | 6.0       | 125.8          | 133.6   | Disposals accumulated cost                                                                                    | 0.0   | (0.1)     | (7.3)          | (7.4)   |
| Cost at 01.01.2023                                  | 3.0   | 27.2      | 446.1          | 476.3   | Translation differences                                                                                       | 0.0   | 0.2       | (0.7)          | (0.5)   |
| Additions                                           | 0.0   | 0.6       | 24.7           | 25.3    | Acquisition costs at 31.12.2024                                                                               | 3.0   | 30.1      | 461.2          | 494.3   |
| Disposals accumulated cost                          | 0.0   | 0.0       | (8.3)          | (8.3)   | Accumulated depreciation & impairment at 01.01.2024                                                           | (1.6) | (21.7)    | (342.4)        | (365.7) |
| Translation differences                             | 0.0   | (0.6)     | (11.2)         | (11.8)  | Depreciation                                                                                                  | 0.0   | (0.8)     | (19.7)         | (20.5)  |
| Acquisition costs at 31.12.2023                     | 3.0   | 27.2      | 451.3          | 481.5   | Reversal of impairment loss                                                                                   | 0.0   | 0.0       | 1.6            | 1.6     |
| Accumulated depreciation & impairment at 01.01.2023 | (1.2) | (21.2)    | (320.3)        | (342.7) | Disposals accumulated depreciation                                                                            | 0.0   | 0.1       | 7.0            | 7.1     |
| Depreciation                                        | 0.0   | (0.8)     | (21.3)         | (22.1)  | Translation differences                                                                                       | 0.0   | (0.1)     | 0.6            | 0.5     |
| Impairment loss                                     | (0.4) | (0.2)     | (16.8)         | (17.4)  | Accumulated depreciation & impairment at 31.12.2024                                                           | (1.6) | (22.5)    | (352.9)        | (377.0) |
| Disposals accumulated depreciation                  | 0.0   | 0.0       | 7.7            | 7.7     | Acquisition costs                                                                                             | 3.0   | 30.1      | 461.2          | 494.3   |
| Translation differences                             | 0.0   | 0.5       | 8.3            | 8.8     | Accumulated depreciation & impairment                                                                         | (1.6) | (22.5)    | (352.9)        | (377.0) |
| Accumulated depreciation & impairment at 31.12.2023 | (1.6) | (21.7)    | (342.4)        | (365.7) | Net book value at 31.12.2024                                                                                  | 1.4   | 7.6       | 108.3          | 117.3   |
| Acquisition costs                                   | 3.0   | 27.2      | 451.3          | 481.5   | Impairment testing                                                                                            |       |           |                |         |
| Accumulated depreciation & impairment               | (1.6) | (21.7)    | (342.4)        | (365.7) | See note 15 for information related to impairment testing of intangible assets, PP&E and right-of-use assets. |       |           |                |         |
| Net book value at 31.12.2023                        | 1.4   | 5.5       | 108.9          | 115.8   |                                                                                                               |       |           |                |         |



NOTE 14 RIGHT-OF-USE ASSETS

| MEUR                                                | BUILDINGS | EQUIP-<br>MENT | TOTAL  | MEUR                                                | BUILDINGS | EQUIP-<br>MENT | TOTAL  |
|-----------------------------------------------------|-----------|----------------|--------|-----------------------------------------------------|-----------|----------------|--------|
| Acquisition costs                                   | 92.5      | 6.2            | 98.7   | Cost at 01.01.2024                                  | 103.3     | 6.0            | 109.3  |
| Accumulated depreciation & impairment               | (35.3)    | (2.7)          | (38.0) | Additions                                           | 8.2       | 1.3            | 9.5    |
| Net book value at 31.12.2022                        | 57.2      | 3.5            | 60.7   | Lease terminations                                  | (6.2)     | (0.5)          | (6.7)  |
| Cost at 01.01.2023                                  | 92.5      | 6.2            | 98.7   | Translation differences                             | (2.8)     | (0.1)          | (2.9)  |
| Additions                                           | 15.2      | 1.2            | 16.4   | Acquisition costs at 31.12.2024                     | 102.5     | 6.7            | 109.2  |
| Lease terminations                                  | (4.3)     | (1.4)          | (5.7)  | Accumulated depreciation & impairment at 01.01.2024 | (51.4)    | (2.9)          | (54.3) |
| Translation differences                             | (0.1)     | 0.0            | (0.1)  | Depreciation                                        | (7.6)     | (1.0)          | (8.6)  |
| Acquisition costs at 31.12.2023                     | 103.3     | 6.0            | 109.3  | Reversal of impairment loss                         | 3.0       | 0.1            | 3.1    |
| Accumulated depreciation & impairment at 01.01.2023 | (35.3)    | (2.7)          | (38.0) | Lease terminations                                  | 4.1       | (0.1)          | 4.0    |
| Depreciation                                        | (9.0)     | (0.8)          | (9.8)  | Translation differences                             | 1.4       | 0.0            | 1.4    |
| Impairment loss                                     | (8.4)     | (0.6)          | (9.0)  | Accumulated depreciation & impairment at 31.12.2024 | (50.5)    | (3.9)          | (54.4) |
| Lease terminations                                  | 1.5       | 1.2            | 2.7    | Acquisition costs                                   | 102.5     | 6.7            | 109.2  |
| Translation differences                             | (0.2)     | 0.0            | (0.2)  | Accumulated depreciation & impairment               | (50.5)    | (3.9)          | (54.4) |
| Accumulated depreciation & impairment at 31.12.2023 | (51.4)    | (2.9)          | (54.3) | Net book value at 31.12.2024                        | 52.0      | 2.8            | 54.8   |
| Acquisition costs                                   | 103.3     | 6.0            | 109.3  |                                                     |           |                |        |
| Accumulated depreciation & impairment               | (51.4)    | (2.9)          | (54.3) |                                                     |           |                |        |
| Net book value at 31.12.2023                        | 51.9      | 3.1            | 55.0   |                                                     |           |                |        |



NOTE 14 RIGHT-OF-USE ASSETS (CONTINUED)

Lease liabilities

| MEUR                          | 2024 | 2023 |
|-------------------------------|------|------|
| Non-current lease liabilities | 63.8 | 65.4 |
| Current lease liabilities     | 9.9  | 10.2 |
| Total lease liabilities       | 73.7 | 75.6 |

Maturity analysis – contractual undiscounted cash flows

| MEUR                                 | 2024 | 2023  |
|--------------------------------------|------|-------|
| Within one year                      | 14.3 | 14.5  |
| One to five years                    | 41.9 | 41.9  |
| More than five years                 | 43.0 | 45.6  |
| Total undiscounted lease commitments | 99.2 | 102.0 |

In 2024, the group had total cash outflows of approximately MEUR 14.7 (2023: MEUR 14.1) for all leases, including non-material leases which are not part of the group's IFRS 16 reporting.

Amounts recognized in the statement of comprehensive income relating to leases

| MEUR                                                                | 2024   | 2023   |
|---------------------------------------------------------------------|--------|--------|
| Interest expense on lease liabilities (included in financial items) | (4.5)  | (4.3)  |
| Interest income on subleases                                        | 0.1    | 0.1    |
| Depreciation of right-of-use assets                                 | (8.6)  | (9.8)  |
| Expenses relating to low-value and short-term leases                | (0.3)  | (0.4)  |
| Total expenses relating to leases                                   | (13.3) | (14.4) |

NOTE 15 IMPAIRMENT LOSSES

The group has performed impairment tests on the carrying values of all intangible assets (including Goodwill), property, plant & equipment, and right-of-use assets (RoU) in accordance with the requirements of IAS 36. The group used the cash-generating unit's value in use to determine the recoverable amount. Value in use (VIU) was derived as the net present value (NPV) of projected future cash flows for each of the cash-generating units (CGUs).

To align the organizational structure with the opportunities and challenges present in the global market, Kongsberg Automotive (KA) announced in Q4 2023 the merger of the Powertrain & Chassis business segment and the Off-Highway business unit to form the Drive Control Systems (DCS) business area. This reporting structure came into effect in January 2024. Additionally, Driveline (excluding e-actuators) is no longer be considered KA's core business.

The business units On-Highway, Off-Highway, Electronic Actuators, Headrest, Couplings, Fluid Transfer Systems and Driveline were identified as the respective CGUs.

Cash flow projections and assumptions (applicable for all business units except for Driveline)

The model was based on a four-year projection of discounted cash flows plus a terminal value (calculated using Gordon's growth model with perpetual growth of 2% (applicable for all business units)). The net discounted cash flows were calculated before tax.

The projected cash flows were derived from the business plans set up by the management of the business units and reviewed as well as finally approved by the top management in the course of the budget and strategic planning process covering the period until 2028. The business plans were based on the group's four-year long-range plan (LRP), adjusted for relevant recent changes in internal short-term forecasts and market data. Adjustments were made to exclude significant cash flows related to restructuring not yet committed, future investments or enhancements. Assumptions on labor inflation as well as on raw material price development were provided centrally. The input data on developments of the relevant markets were taken from well-known external sources, such as LMC Automotive (commercial vehicles market), IHS (passenger cars market) and customers, in addition to all relevant internal information such as change in orders, customer portfolio, firm rate for products, geographical development, market shares, etc.

Discount rate assumptions

The required rate of return was calculated by using the WACC method. The input data of the WACC was chosen by an individual assessment of each parameter. Information from representative sources and peer groups were used to determine the best estimate. The WACC was calculated to be 10.2% pre-tax. The WACC used was the same for all CGUs, the reason being that the long-term risk



| Contents                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 2024 in Brief | BoD's Letter | Governance | Business and Performance | Sustainability Statements | Financial Statements | Auditor's Report |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------------|------------|--------------------------|---------------------------|----------------------|------------------|
| <div><div>NOTE 15 IMPAIRMENT LOSSES (CONTINUED)</div><div><p>profiles of the CGUs are not considered to be significantly different. The key parameters were set to reflect the underlying long-term period of the assets and time horizon of the forecast period of the business cases. The following parameters were applied:</p><ul style="list-style-type: none"><li>Risk-free interest rate: 3.69%. Based on 10-year governmental Eurobond rate and US treasury 10-year yield, weighted 50/50.</li><li>Beta: 1.64. Based on an estimated unlevered beta for the automotive industry levered to the group's structure.</li><li>Market risk premium: 4.11% (post tax). Based on market sources.</li><li>Cost of debt: based on the market value of the group's debt.</li></ul><p>The discount rate has been adjusted to reflect the current market assessment of the risks specific to the group's business activity and was estimated based on the weighted average cost of capital for the group. Further changes to the discount rate may be necessary in the future to reflect changing risks for the industry and changes to the weighted average cost of capital.</p><p><b>Sensitivity analysis and allocation of impairment as of 31.12.2024</b></p><p>The value in use is dependent on the free cash flow and discount rate. The cash flow will fluctuate in relation to changes in price, currency, and volume. Business awards, success of the vehicle model, product fitment rates, government regulations, and economic conditions in turn influence the volume.</p><p><i>On-Highway:</i></p><p>The value in use is significantly higher than the carrying value. Hence, no reasonable change in any of the key assumptions would cause the recoverable amount to be lower than the carrying value.</p><p><i>Off-Highway:</i></p><p>No reasonable change in any of the key assumptions would cause the recoverable amount to be lower than the carrying value.</p></div></div> |               |              |            |                          |                           |                      |                  |
| <div><div></div><div><p><i>Headrest:</i></p><p>No reasonable change in any of the key assumptions would cause the recoverable amount to be lower than the carrying value.</p><p><i>Electric Actuators:</i></p><p>Despite projections of negative cash flows in the near term, the business is expected to be of significant importance for other business units such as On-Highway as well. Strategic investments in this innovative technology position KA to capitalize on market opportunities and solidify its leadership position in the industry.</p><p><i>Couplings:</i></p><p>The value in use is significantly higher than the carrying value. No reasonable change in any of the key assumptions would cause the recoverable amount to be lower than the carrying value.</p><p><i>Fluid Transfer Systems:</i></p><p>No reasonable change in any of the key assumptions would cause the recoverable amount to be lower than the carrying value.</p><p><i>Driveline:</i></p><p>This business unit is undergoing a gradual wind-down. The value-in-use calculation reflects a negative outcome based on projected cash flows over the next four years.</p><p>In 2023, it was determined that the business unit Driveline should be fully impaired, therefore, all assets used in the production of Driveline products were written down to zero. In 2024, in line with the shift of Driveline to a non-core operating business segment, a significant number of these previously impaired assets were repurposed to be used in the manufacturing of products in core business segments. The impairment of these assets has been reversed in the amount of MEUR 5.0 and they were placed back on their original depreciation schedules under their new business unit. Other than that, and given the current key assumptions, no plausible changes are expected to justify the further reversal of the previously recorded impairment.</p></div></div>                                 |               |              |            |                          |                           |                      |                  |



NOTE 15 IMPAIRMENT LOSSES (CONTINUED)

Net carrying value of the Goodwill per business unit

| MEUR                                    | DRIVE CONTROL SYSTEMS |             |                    |          | FLOW CONTROL SYSTEMS |                        | OTHER OPERATIONS |       |
|-----------------------------------------|-----------------------|-------------|--------------------|----------|----------------------|------------------------|------------------|-------|
|                                         | ON-HIGHWAY            | OFF-HIGHWAY | ELECTRIC ACTUATORS | HEADREST | COUPLINGS            | FLUID TRANSFER SYSTEMS | DRIVELINE        | TOTAL |
| Goodwill                                |                       |             |                    |          |                      |                        |                  |       |
| Gross book value as at 01.01.2024       | 16.3                  | 0.0         | 0.0                | 0.0      | 0.2                  | 54.2                   | 6.7              | 77.4  |
| Accumulated impairment as of 01.01.2024 | 0.0                   | 0.0         | 0.0                | 0.0      | 0.0                  | 0.0                    | (6.7)            | (6.7) |
| Translation adjustments                 | 0.2                   | 0.0         | 0.0                | 0.0      | 0.0                  | 2.9                    | (0.0)            | 3.1   |
| Net book value as at 31.12.2024         | 16.5                  | 0.0         | 0.0                | 0.0      | 0.2                  | 57.1                   | 0.0              | 73.8  |

NOTE 16 INVENTORIES

Specification of inventories

| MEUR              | 2024 | 2023  |
|-------------------|------|-------|
| Raw materials     | 47.3 | 59.8  |
| Work in progress  | 17.4 | 20.0  |
| Finished goods    | 15.8 | 21.7  |
| Total inventories | 80.5 | 101.5 |

Values displayed above are net of provisions for slow-moving and obsolete inventory shown below.

Provision for slow-moving and obsolete inventory

| MEUR                                    | 2024   | 2023   |
|-----------------------------------------|--------|--------|
| Book value at 01.01.                    | (14.2) | (12.4) |
| Write-down                              | (2.2)  | (4.6)  |
| Products sold (previously written down) | 0.0    | 0.1    |
| Reversal of prior write-downs           | 3.1    | 2.6    |
| Foreign currency effects                | (0.1)  | 0.1    |
| Book value at 31.12.                    | (13.4) | (14.2) |



NOTE 17 TRADE AND OTHER RECEIVABLES

Specification of trade and other receivables

| MEUR                              | 2024  | 2023  |
|-----------------------------------|-------|-------|
| Trade receivables                 | 140.8 | 161.5 |
| Public duties                     | 6.6   | 7.3   |
| Other short-term receivables      | 6.9   | 8.5   |
| Total trade and other receivables | 154.3 | 177.3 |

Trade receivables maturity

| MEUR                | 2024  | 2023  |
|---------------------|-------|-------|
| Not overdue         | 123.3 | 141.4 |
| Overdue 1–20 days   | 11.7  | 8.8   |
| Overdue 21–40 days  | 1.8   | 5.1   |
| Overdue 41–80 days  | 1.2   | 1.7   |
| Overdue 81–100 days | 0.3   | 1.2   |
| Overdue > 100 days  | 3.4   | 3.9   |

|                              |       |       |
|------------------------------|-------|-------|
| Gross trade receivables      | 141.7 | 162.1 |
| Total provision for bad debt | (0.9) | (0.6) |
| Net trade receivables        | 140.8 | 161.5 |

The provision for bad debt increased by MEUR 0.3 compared to 31.12.2023. Trade receivables are subject to constant monitoring. The impairment of receivables is reflected through provision for bad debt. Monthly assessments of loss risk, including forward-looking information, are performed and corresponding provisions are made at the entity level. The provision for bad debt reflects the total expected loss risk on the group's trade receivables. The oldest trade receivables, overdue > 100 days, represent the highest risk level. Most of the impaired trade receivables are included in that category. Expected losses on trade receivables were MEUR 0.9 in 2024 (2023: MEUR 0.6). The risk for losses on receivables other than trade receivables is assessed to be insignificant. For risk management see note 23.

|                                   |       |       |
|-----------------------------------|-------|-------|
| Receivables by currency           |       |       |
| MEUR                              | 2024  | 2023  |
| EUR                               | 52.5  | 74.0  |
| USD                               | 42.5  | 47.1  |
| CNY                               | 31.5  | 21.3  |
| NOK                               | 4.7   | 8.7   |
| Other                             | 23.1  | 26.2  |
| Total trade and other receivables | 154.3 | 177.3 |

Other current assets

|                                       |      |      |
|---------------------------------------|------|------|
| MEUR                                  | 2024 | 2023 |
| Tooling for sale                      | 5.9  | 4.1  |
| Customer development for sale         | 1.0  | 0.0  |
| Prepayments                           | 7.4  | 9.1  |
| Capitalized financing costs – current | 0.0  | 0.1  |
| Contract costs – current              | 0.1  | 0.1  |
| Total other current assets            | 14.4 | 13.4 |

Other non-current assets

|                                                   |      |      |
|---------------------------------------------------|------|------|
| MEUR                                              | 2024 | 2023 |
| Investments accounted for using the equity method | 0.7  | 2.1  |
| Investments in non-material subsidiary            | 0.6  | 0.6  |
| Contract costs – non-current                      | 0.4  | 0.4  |
| Net pension assets                                | 0.2  | 0.2  |
| Other non-current assets                          | 0.8  | 0.8  |
| Total other non-current assets                    | 2.7  | 4.1  |



NOTE 17 TRADE AND OTHER RECEIVABLES (CONTINUED)

Investments accounted for using the equity method

Due to severe financial difficulties at the associate, the net investment was impaired to the recoverable amount of MEUR 0.7.



NOTE 18 SHARE CAPITAL

Shares

The share capital of the Company is NOK 951,423,131 comprising 951,423,131 ordinary shares with a par value of NOK 1.00. The Company holds 21,994,445 shares as treasury shares. For more information see the Statement of Changes in Equity. The Company is listed on the Oslo Stock Exchange with the ticker code "KOA."

|                                     | 2024        | 2023          |
|-------------------------------------|-------------|---------------|
| Number of shares in issue at 01.01. | 951,423,131 | 1,054,860,644 |
| Cancelation of own shares           |             | (103,437,513) |
| Number of shares in issue at 31.12. | 951,423,131 | 951,423,131   |
| Of these, treasury shares           | 21,994,445  | 10,535,914    |

Treasury shares

The Company holds 21,994,445 treasury shares (2023: 10,535,914) as of December 31, 2024.

On November 15, 2023, the Board of Directors of Kongsberg Automotive ASA resolved to initiate a new share repurchase program. The program was concluded on March 11, 2024, when the Company purchased back up to 2.5% of its outstanding shares in the open market.

Kongsberg Automotive ASA has purchased back 23,785,578 shares in total as part of this share repurchase program, of which 15,085,578 shares were repurchased between January 1, 2024, and March 11, 2024.

The twenty largest shareholders in the Company as at 31.12.2024 were as follows:

| SHAREHOLDERS AND NOMINEES               | NO. OF SHARES | %      | COUNTRY              | TYPE OF ACCOUNT              |
|-----------------------------------------|---------------|--------|----------------------|------------------------------|
| Apollo Asset Limited                    | 114,171,000   | 12.0%  | Cayman Islands       | Ordinary                     |
| Nordnet Bank AB                         | 39,936,768    | 4.2%   | Sweden               | Nominee (multiple investors) |
| Saxo Bank A/S                           | 37,409,268    | 3.9%   | Denmark              | Nominee (multiple investors) |
| Skandinaviska Enskilda Banken AB        | 28,180,000    | 3.0%   | Luxembourg           | Nominee (multiple investors) |
| Kongsberg Automotive ASA                | 21,994,445    | 2.3%   | Norway               | Ordinary                     |
| Christoffersen Arild Vigen              | 14,305,690    | 1.5%   | Norway               | Ordinary                     |
| Danske Bank A/S                         | 13,713,423    | 1.4%   | Denmark              | Nominee (multiple investors) |
| Commuter 2 AS                           | 7,300,000     | 0.8%   | Norway               | Ordinary                     |
| Kransekakebakeren AS                    | 6,884,868     | 0.7%   | Norway               | Ordinary                     |
| UBS Switzerland AG                      | 5,999,320     | 0.6%   | Switzerland          | Nominee (multiple investors) |
| Rimestad Lars                           | 5,300,000     | 0.6%   | Norway               | Ordinary                     |
| John Stien Invest AS                    | 5,030,000     | 0.5%   | Norway               | Ordinary                     |
| Nordnet Livsforsikring AS               | 4,612,773     | 0.5%   | Norway               | Ordinary                     |
| Kommunal Landspensjonskasse Gjensi      | 4,579,844     | 0.5%   | Norway               | Ordinary                     |
| Avestruz Daniel                         | 4,450,000     | 0.5%   | United Arab Emirates | Ordinary                     |
| A/S Skarv                               | 4,000,000     | 0.4%   | Norway               | Ordinary                     |
| Alfaplan AS                             | 3,990,000     | 0.4%   | Norway               | Ordinary                     |
| Arnesen Finn                            | 3,961,010     | 0.4%   | Norway               | Ordinary                     |
| Christoffersen Carrie Louise Vigen      | 3,800,000     | 0.4%   | Norway               | Ordinary                     |
| Mapsi Holding AS                        | 3,800,000     | 0.4%   | Norway               | Ordinary                     |
| Total 20 largest shareholders           | 333,418,409   | 35.0%  |                      |                              |
| Other shareholders                      | 618,004,722   | 65.0%  |                      |                              |
| Number of shares in issue at 31.12.2024 | 951,423,131   | 100.0% |                      |                              |
| Number of shareholders                  | 24,090        |        |                      |                              |
| Foreign ownership                       | 32.4%         |        |                      |                              |



NOTE 18 SHARE CAPITAL (CONTINUED)

Share options

Options at NOK 3.0 (grant 2021) are performance stock options and expire 10 years after the date of grant. No other share options were granted thereafter. The Company has no legal or constructive obligation to repurchase or settle the options in cash. Refer to note 3 for further information.

Movements in share options (NOK)

| NOK                 | 2024                   |             |                        | 2023      |  |  |
|---------------------|------------------------|-------------|------------------------|-----------|--|--|
|                     | AVERAGE EXERCISE PRICE | OPTIONS     | AVERAGE EXERCISE PRICE | OPTIONS   |  |  |
| Options at 01.01.   | 3.0                    | 4,677,069   | 4.1                    | 5,771,412 |  |  |
| Granted             | –                      | –           | –                      | –         |  |  |
| Forfeited           | 3.0                    | (1,294,116) | 3.0                    | (750,831) |  |  |
| Expired             | 3.0                    | (716,177)   | 20.5                   | (343,512) |  |  |
| Adjusted (quantity) | 3.0                    | (838,941)   | –                      | –         |  |  |
| Options at 31.12.   | 3.0                    | 1,827,835   | 3.0                    | 4,677,069 |  |  |

Outstanding options at the end of the year (NOK)

| EXPIRY DATE             | 2024                 |           |                      | 2023      |  |  |
|-------------------------|----------------------|-----------|----------------------|-----------|--|--|
|                         | EXERCISE PRICE (NOK) | OPTIONS   | EXERCISE PRICE (NOK) | OPTIONS   |  |  |
| 10.06.2031 (grant 2021) | 3.0                  | 1,827,835 | 3.0                  | 4,677,069 |  |  |
| Options at 31.12.       |                      | 1,827,835 |                      | 4,677,069 |  |  |

Movements in restricted stock units (RSU)

| NOK           | 2024        | 2023        |
|---------------|-------------|-------------|
| RSU at 01.01. | 26,545,542  | 14,567,343  |
| Granted       | 16,854,565  | 13,844,990  |
| Released      | (4,713,359) | (358,318)   |
| Forfeited     | (8,725,343) | (1,508,473) |
| Adjusted      | (164,867)   | –           |
| RSU at 31.12. | 29,776,538  | 26,545,542  |

Outstanding restricted stock units at the end of the year

| GRANT (VESTING DATE)    | 2024       | 2023       |
|-------------------------|------------|------------|
| Grant 2021 (10.06.2024) | –          | 3,292,149  |
| Grant 2022 (02.06.2025) | 5,369,783  | 9,523,243  |
| Grant 2023 (05.06.2026) | 7,754,410  | 13,730,150 |
| Grant 2024 (30.05.2027) | 16,652,345 | –          |
| RSU at 31.12.           | 29,776,538 | 26,545,542 |



NOTE 19 EARNINGS AND DIVIDEND PER SHARE

Earnings per share for the group

|                                                                        | Dividend per share                 |         |
|------------------------------------------------------------------------|------------------------------------|---------|
|                                                                        | EUR                                |         |
|                                                                        | 2024                               | 2023    |
| Net profit attributable to equity shareholders (MEUR)                  | (18.2)                             | (59.5)  |
| Weighted average number of shares in issue (in millions)               | 1,039.2                            | 1,000.6 |
| Weighted average total number of ordinary shares (in millions)         | 1,061.9                            | 1,061.9 |
| Weighted average number of treasury shares held (in millions)          | (22.7)                             | (61.3)  |
| Basic earnings per share, EUR                                          | (0.02)                             | (0.06)  |
| Weighted average number of shares in issue (diluted) (in millions)     | 1,068.4                            | 1,028.9 |
| Weighted average number of outstanding options & RSU/PSU (in millions) | 29.2                               | 28.3    |
| Diluted earnings per share, EUR                                        | (0.02)                             | (0.06)  |
|                                                                        | Dividend per share paid            | 0.0     |
|                                                                        | Dividend per share proposed        | 0.0     |
|                                                                        | No dividend was proposed for 2024. |         |



NOTE 20 RETIREMENT BENEFIT OBLIGATIONS

Retirement benefit obligations recognized in statement of financial position

| MEUR                                                          | 2024 | 2023 |
|---------------------------------------------------------------|------|------|
| Defined benefit pension obligation                            | 12.4 | 11.3 |
| Top hat, retirement provisions and other employee obligations | 0.6  | 0.7  |
| Retirement benefit obligations                                | 13.0 | 12.0 |

Defined benefit scheme – assumptions

|                                             | 2024 | 2023 |
|---------------------------------------------|------|------|
| Discount rate                               | 2.9% | 3.6% |
| Rate of return on plan assets               | 0.2% | 0.2% |
| Salary increases                            | 1.1% | 1.1% |
| Increase in basic government pension amount | 1.0% | 1.0% |
| Pension increase                            | 0.4% | 0.5% |

The assumptions for KA Group are presented as a weighted average of the assumptions reported from respective subsidiaries.

Defined benefit scheme – net periodic pension cost

| MEUR                                           | 2024  | 2023  |
|------------------------------------------------|-------|-------|
| Service cost                                   | 0.6   | 0.6   |
| Interest on benefit obligations                | 0.4   | 0.4   |
| Effect of curtailment                          | (0.0) | (1.2) |
| Net periodic pension cost                      | 1.0   | (0.2) |
| Remeasurement of net defined benefit liability | 0.9   | 0.5   |
| Actual return on plan assets                   | 2.5%  | -0.1% |

Defined benefit scheme – net pension liability

| MEUR                                               | 2024  | 2023  |
|----------------------------------------------------|-------|-------|
| Pension liabilities and assets:                    |       |       |
| Projected benefit obligation (PBO)                 | 16.2  | 16.1  |
| Fair value of pension assets                       | (3.8) | (4.8) |
| Net pension liability before social security taxes | 12.4  | 11.3  |
| Social security taxes liabilities                  | 0.0   | 0.0   |
| Net pension liability                              | 12.4  | 11.3  |

Specification of carrying value of net pension liability

| MEUR                          | 2024  | 2023  |
|-------------------------------|-------|-------|
| Retirement benefit obligation | 16.2  | 16.1  |
| Retirement benefit asset      | (3.8) | (4.8) |
| Net pension liability         | 12.4  | 11.3  |

Defined benefit scheme change in net pension liability

| MEUR                                           | 2024  | 2023  |
|------------------------------------------------|-------|-------|
| Net pension liability 01.01.                   | 11.3  | 12.0  |
| Pension cost for the year                      | 1.0   | (0.2) |
| Remeasurement of net defined benefit liability | 0.9   | 0.5   |
| Paid pensions                                  | (0.6) | (0.6) |
| Pension plan contributions                     | (0.3) | (0.6) |
| Translation differences                        | 0.1   | 0.2   |
| Net pension liability 31.12.                   | 12.4  | 11.3  |



NOTE 20 RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

Defined benefit scheme – sensitivities\*

| MEUR                                     | DBO AS AT<br>31.12.2024 | DBO AS AT<br>31.12.2023 |
|------------------------------------------|-------------------------|-------------------------|
| Actual valuation                         | 12.4                    | 11.3                    |
| Discount rate + 0.5%                     | 11.7                    | 10.7                    |
| Discount rate – 0.5%                     | 13.1                    | 11.9                    |
| Expected rate of salary increase + 0.5%  | 12.4                    | 11.3                    |
| Expected rate of salary increase – 0.5%  | 12.3                    | 11.2                    |
| Expected rate of pension increase + 0.5% | 12.8                    | 11.7                    |
| Expected rate of pension increase – 0.5% | 11.9                    | 10.8                    |

\*The sensitivity does not include all schemes, however it covers the significant part of the pension liability.

Defined benefit scheme – average expected lifetime

Average expected lifetime at the balance sheet date for a person retiring on reaching age 65:

- Male employee21 years
- Female employee24 years

Average expected lifetime 20 years after the balance sheet date for a person retiring on reaching age 65:

- Male employee24 years
- Female employee27 years

Expected pension payment

The pension payment for 2025 is expected to be in line with the 2024 payment.

NOTE 21 INTEREST-BEARING LIABILITIES

Interest-bearing liabilities as presented in the statement of financial position

| MEUR                                              | 2024  | 2023  |
|---------------------------------------------------|-------|-------|
| Non-current interest-bearing loans and borrowings | 110.0 | 190.6 |
| Capitalized arrangement fees                      | (2.5) | (1.3) |
| Drawn securitization facility                     | 25.0  | 0.0   |
| Interest-bearing lease liabilities                | 73.7  | 75.6  |
| Total interest-bearing liabilities                | 206.2 | 264.9 |

On June 24, 2024, the previous secured five-year bonds with the outstanding principal amount of MEUR 190.6 as of March 31, 2024, were settled and new senior secured four-year bonds (the “Notes”) with the principal amount of MEUR 110.0 were issued (ISIN: NO0013260943). The Notes are due in 2028 and have an interest rate of 3M EURIBOR plus a margin of 5.25% (payable quarterly). The Notes are listed on the Open Market of Frankfurt Stock Exchange and the Oslo Stock Exchange. Subject to an incurrence covenant, the group can at any time tap the bond with an additional notional of up to MEUR 50.0. The group may call the bond in parts any time after December 2026 at the agreed call prices plus accrued interest on the redeemed amounts.

As part of the refinancing in June 2024, KOA entered a revolving credit facility (RCF) agreement with DANSKE Bank for an amount of MEUR 15.0. The RCF was undrawn at the end of December 2024.

The indenture for our outstanding Senior Notes and the RCF include customary terms and conditions, including restrictions on incurrence of additional debt unless it qualifies as permitted financial indebtedness and restrictions on our ability to make distributions unless they are classified as permitted distributions. Furthermore, the terms restrict corporate actions which could have a material impact on the group such as disposal or transfer of a substantial part of the assets of the material group companies, or merger and consolidation with other entities. Additionally, a negative pledge clause prevents the creation of any security over our assets, ensuring that no preferential claims are placed on the Company’s assets that could disadvantage existing creditors. These measures collectively support our commitment to maintaining robust financial health and adhering to strategic business practices.

On January 31, 2024, the group amended and extended the existing Accounts Receivables Securitization Agreement with NORD/LB and Finacity Corporation (“Finacity”). This has a committed MEUR 25.0 facility at rate of 1.75% above the funding rate. The actual drawing of the funds could be less than the commitment depending on the availability of receivables meeting the investment criteria. At the end of December 2024, MEUR 25.0 had been drawn from the facility.



NOTE 21 INTEREST-BEARING LIABILITIES (CONTINUED)

The group was in compliance with all applicable debt covenants at and for the year ended December 31, 2024.

Specification of total interest-bearing liabilities by currency

| MEUR                               | 2024  | 2023  |
|------------------------------------|-------|-------|
| EUR                                | 170.7 | 228.3 |
| USD                                | 14.8  | 11.7  |
| Other currencies                   | 23.2  | 26.2  |
| Capitalized arrangement fees       | (2.5) | (1.3) |
| Total interest-bearing liabilities | 206.2 | 264.9 |

Changes in liabilities arising from financing activities

| MEUR                                                                | 2024    | 2023  |
|---------------------------------------------------------------------|---------|-------|
| Opening balance at 01.01.                                           | 264.9   | 267.6 |
| Changes arising from cash flows:                                    |         |       |
| Net proceeds from issuing the new bond notes                        | 107.5   | 0.0   |
| Payments for redemption / repurchase of the old bond notes          | (190.2) | (9.4) |
| Securitization facility drawn / (repaid)                            | 25.0    | 0.0   |
| Repayment of lease liabilities                                      | (7.0)   | (9.8) |
| Repayment of other debt                                             | 0.0     | (0.1) |
| Non-cash changes:                                                   |         |       |
| Additions – lease liabilities                                       | 4.3     | 16.1  |
| Amortization of capitalized arrangement fees                        | 0.0     | 0.8   |
| Reduction of capitalized arrangement fees due to the bond repayment | 1.3     | 0.0   |
| Other:                                                              |         |       |
| Foreign exchange movement                                           | 3.7     | 0.0   |
| Translation effect                                                  | (3.3)   | (0.3) |
| Closing balance at 31.12.                                           | 206.2   | 264.9 |

Liquidity reserve

The liquidity reserve of the group consists of cash and cash equivalents in addition to undrawn credit facilities.

| MEUR                              | 2024  | 2023  |
|-----------------------------------|-------|-------|
| Cash and cash equivalents         | 84.3  | 164.7 |
| Restricted cash                   | (0.1) | (0.5) |
| Undrawn revolving credit facility | 15.0  | 30.0  |
| Undrawn securitization facility   | 0.0   | 25.0  |
| Liquidity reserve                 | 99.2  | 219.2 |



NOTE 22 OTHER NON-CURRENT INTEREST-FREE LIABILITIES

Specification of other non-current interest-free liabilities

| MEUR                                              | 2024 | 2023 |
|---------------------------------------------------|------|------|
| Provision for employee litigations                | 0.5  | 0.5  |
| Provision for onerous contracts                   | 0.0  | 2.0  |
| Other non-current interest-free liabilities       | 0.2  | 1.2  |
| Total other non-current interest-free liabilities | 0.7  | 3.7  |

NOTE 23 RISK MANAGEMENT

Finance risk management policies

The group's overall financial risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the group's financial performance. The group exploits derivative financial instruments for potential hedging of certain risk exposures; however, the current usage of such instruments is limited.

Foreign exchange risk

The group operates internationally in numerous countries and is exposed to foreign exchange risk arising from various currency exposures. The primary exposures are related to USD. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations. As the group reports its financial results in EUR, changes in the relative strength of EUR to the currencies in which the group conducts business can adversely affect the group's financial development. Historically, changes in currency rates have influenced the top line development. However, they have not had a significant impact on operating profit since the costs usually offset the effects from the top line. Hence, the group seeks to align its revenue and cost base to reduce the currency exposure on a net cash flow basis.

Management is monitoring the currency exposure on the group level. The group treasury uses the debt structure and profile to balance some of the net exposure of the cash flow from operations. The group's treasury function regularly evaluates the use of hedging instruments but currently has no usage of such instruments.

The group has its ultimate parent company and operations with functional currency Norwegian krone in Norway, as well as certain investments in foreign operations with functional currencies being other than EUR, which results in foreign currency translation risks in relation to the presentation currency EUR. Furthermore, EUR-denominated financial instruments like intercompany loans and the new EUR bond held by the ultimate parent have led to significant FX losses when the NOK weakened. In line with the relocation of the operational headquarters back to Norway, the functional currency of the ultimate parent Kongsberg Automotive ASA and its holding subsidiary was changed to EUR, which will eliminate FX gains / losses on the EUR-denominated financial instruments as well as the translation risk related to Norwegian holding operations.

Sensitivity

As of December 31, 2024, if the currency USD had weakened / strengthened by 5% against the EUR with all other variables being constant, revenues would vary by (1.7%) and 1.9% or MEUR (13.4) and MEUR 14.8 and the operating result would increase by MEUR 0.2 (10.2%) and decrease by MEUR 0.3 (11.2%).



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|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------------|------------|--------------------------|---------------------------|----------------------|------------------|
| <b>NOTE 23 RISK MANAGEMENT (CONTINUED)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |               |              |            |                          |                           |                      |                  |
| <b>Operational risks</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |               |              |            |                          |                           |                      |                  |
| <i>Operation and investment risks and uncertainties</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |               |              |            |                          |                           |                      |                  |
| The group is usually contracted as a supplier with a long-term commitment. The commitment is usually based on the model platforms, which for passenger cars are typically three to five years, while on commercial vehicles it is typically five to seven years and in some cases even longer. Purchase orders are achieved on a competitive bidding basis for either a specific period or indefinite time. Even if present commitments are cost reimbursable, they can be adversely affected by many factors and short-term variances including shortages of materials, equipment and work force, political risk, customer default, labor conflicts, accidents, environmental pollution, the prices of raw materials, unforeseen problems, changes in circumstances that may lead to cancellations and other factors beyond the control of the group. In addition, some of the group's customer contracts may be reduced, suspended or terminated by the customer at any time upon the giving of notice. Customer contracts also permit the customer to vary the scope of work under the contract. As a result, the group may be required to renegotiate the terms or scope of such contracts at any time, which may result in the imposition of terms less favorable than the previous terms. |               |              |            |                          |                           |                      |                  |
| <i>Competition</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |               |              |            |                          |                           |                      |                  |
| The group has significant competitors in each of its business areas and across the geographical markets in which the group operates. The group believes that competition in the business areas in which it operates will continue in the future. The group continuously monitors its competitive environment as it is constantly exposed to potential strategic M&A activities by the supplier, customers or competitors that may negatively impact the group's market position.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |               |              |            |                          |                           |                      |                  |
| <i>Volatility in prices of input factors</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |               |              |            |                          |                           |                      |                  |
| The group's financial performance is dependent on prices of input factors, i.e. raw materials and different semi-finished components with a varying degree of processing, used in the production of the various automotive parts. Some of the major raw materials are:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |               |              |            |                          |                           |                      |                  |
| <ul style="list-style-type: none"><li>• Steel including rod and sheet metal, cast iron and machined steel components</li><li>• Polymer components of rubber, foam, plastic components and plastic raw materials</li><li>• Copper</li><li>• Zinc</li><li>• Aluminum</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |               |              |            |                          |                           |                      |                  |
| <i>Risks related to the Russia-Ukraine war</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |               |              |            |                          |                           |                      |                  |
| The war in Ukraine has created considerable uncertainty, particularly with regard to the potential impact of the political actions, primarily where the duration, intensity and allocation of energy supplies as well as their impact on the supply chain are concerned.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |               |              |            |                          |                           |                      |                  |
| Due to the Russia-Ukraine war, the supply of energy, other raw materials and parts for the production process has resulted in greater constraints, especially in Europe. Higher energy and commodity prices plus greater volatility added to the strain. Furthermore, rising inflation rates could reduce purchasing power, adversely affect end-customer behavior, and put a damper on demand for the products offered to the customers.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |               |              |            |                          |                           |                      |                  |
| <i>Uninsured losses</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |               |              |            |                          |                           |                      |                  |
| The group maintains a number of separate insurance policies to protect its core businesses against loss and/or liability to third parties. Risks insured include general liability, business interruption, workers' compensation and employee liability, professional indemnity, and material damage.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |               |              |            |                          |                           |                      |                  |
| <i>Supply chain-related risks and uncertainties</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |               |              |            |                          |                           |                      |                  |
| The Company's ability to meet the customers' needs depends on the ability to maintain key manufacturing and supply arrangements. The loss or disruption of such manufacturing and supply arrangements may be caused by the issues such as labor disputes, inability to procure sufficient raw or input materials, natural disasters, disease outbreaks or other external factors over which the Company has no control.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |               |              |            |                          |                           |                      |                  |
| <i>The prices can be subject to large fluctuations in response to relatively minor changes in supply and demand and a variety of additional factors beyond the control of the group, including government regulation, capacity, and general economic conditions.</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |               |              |            |                          |                           |                      |                  |
| A substantial part of the group's products based on steel and brass (copper and zinc) is sold to truck manufacturers. Business practice in the truck industry allows the group to some extent to pass increases in steel, aluminum, and brass prices over to its customers. However, there is a time lag of three to six months before the group can adjust the price of its products to reflect fluctuations in the mentioned raw material prices, and a sudden change in market conditions could therefore impact the group's financial position, revenues, profits, and cash flow. When the market prices go down the adverse effect will occur. For products sold to passenger car applications, the group does not have the same opportunity to pass along increases in raw materials prices.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |               |              |            |                          |                           |                      |                  |



| Contents                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 2024 in Brief | BoD's Letter | Governance | Business and Performance | Sustainability Statements | Financial Statements | Auditor's Report |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------------|------------|--------------------------|---------------------------|----------------------|------------------|
| <b>NOTE23 RISK MANAGEMENT (CONTINUED)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |               |              |            |                          |                           |                      |                  |
| <p>As consequence of this war, the following negative risks might arise in the near future: protectionist tendencies, turbulence in the financial markets, structural deficits in individual countries as well as high inflation and rising interest rates worldwide.</p> <p>The group's operations were not directly impacted by the conflict as none of group's plants is located in Ukraine and Russia and most of KA's customers do not have close economic ties with these countries. However, the group's financials have been impacted by the indirect consequences of this war, such as an increase in energy prices and rising freight.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                          |               |              |            |                          |                           |                      |                  |
| <b>Climate change risk</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |               |              |            |                          |                           |                      |                  |
| <p>Kongsberg Automotive has put in place adequate procedures that enable Management and the Board of Directors to regularly review material climate change issues that may have a significant impact on the Company's operations from the operational and strategic point of view. The Company expects and is preparing for regulatory changes and policy measures targeted at reducing carbon emissions, especially as part of the commitments resulting from the Paris Agreement. The Company invests in sources of renewable energy, such as solar panels, to become more sustainable. Moreover, Kongsberg Automotive actively monitors its supply chains in relation to the potential disruptions caused by extreme weather events. In case of an occurrence of such unfavorable events, the Company works on mitigation actions together with its suppliers. In the group's assessment, there are no material physical climate risks that the group is expected to face in the foreseeable future. In 2024, the Company's financial reporting was not significantly impacted by climate change risk.</p> |               |              |            |                          |                           |                      |                  |
| <b>Interest rate risk</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |               |              |            |                          |                           |                      |                  |
| <p>Through its refinancing via senior secured notes with a fixed coupon, the group is not exposed to interest rate risk for the duration of the notes.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |               |              |            |                          |                           |                      |                  |
| <b>Credit risk</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |               |              |            |                          |                           |                      |                  |
| <p>Credit risk is managed at the group and entity level. Credit risk arises mainly from trade with customers and outstanding receivables. The level of receivables overdue is monitored on a weekly basis. Historically the group has had limited losses on receivables. Applying forward-looking information, we do not see any material increase in the credit risk. Refer to note 17.</p> <p>The automotive industry consists of a limited number of vehicle manufacturers; hence the five biggest customers will be around 42.6% of total sales in 2024. The group has a diversified customer</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |               |              |            |                          |                           |                      |                  |
| <p>base with two individual customers representing more than 10% of the group's revenues. In addition, the customer base consists of solvent OEMs and Tier 1 suppliers. In the group's opinion there is limited concentration risk; however due to the number of vehicle manufacturers and hence customers, concentration risk could be considered to exist.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |               |              |            |                          |                           |                      |                  |
| <b>Funding and liquidity risk</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |               |              |            |                          |                           |                      |                  |
| <p>Cash flow forecasting is performed by each operating entity of the group on a weekly basis for the following 15 weeks. The group keeps track of its liquidity requirements and monitors to ensure there is sufficient cash to meet operational needs while always maintaining sufficient headroom on its undrawn committed borrowing facility. Surplus cash held by the operating entities over and above balance required for working capital management is transferred to the group treasury. For unused liquidity reserve, see note 21.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |               |              |            |                          |                           |                      |                  |
| <b>Capital risk management</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |               |              |            |                          |                           |                      |                  |
| <p>The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital and balance the risk profile.</p> <p>The group monitors capital based on the gearing ratio and the level of equity. These ratios are calculated as net debt divided by adjusted EBITDA and equity divided by the total balance. The group has a treasury policy regulating the levels on these key ratios.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |               |              |            |                          |                           |                      |                  |



NOTE 24 TRADE AND OTHER PAYABLES

Specification of trade and other payables as presented in the statement of financial position

| MEUR                           | 2024  | 2023  |
|--------------------------------|-------|-------|
| Trade payables                 | 84.8  | 116.6 |
| Accrued expenses               | 46.4  | 55.5  |
| Provisions                     | 15.9  | 17.2  |
| Interest payable               | 0.1   | 4.6   |
| Other short-term liabilities   | 6.1   | 3.7   |
| Total trade and other payables | 153.3 | 197.6 |

Provisions

| MEUR               | PROVISION FOR WARRANTIES | RESTRUC-TURING AND OTHER PROVISIONS | TOTAL 2024 | WARRANTY RESERVE | RESTRUC-TURING AND OTHER PROVISIONS | TOTAL 2023 |
|--------------------|--------------------------|-------------------------------------|------------|------------------|-------------------------------------|------------|
| Opening balance    | 9.2                      | 8.0                                 | 17.2       | 8.4              | 2.1                                 | 10.5       |
| P&L charge*        | 19.7                     | 2.2                                 | 21.9       | 12.5             | 8.5                                 | 21.0       |
| Payments*          | (16.6)                   | (5.3)                               | (21.9)     | (11.4)           | (2.0)                               | (13.4)     |
| Release            | (0.1)                    | (1.7)                               | (1.8)      | (0.2)            | (0.5)                               | (0.7)      |
| Translation effect | 0.5                      | 0.0                                 | 0.5        | (0.1)            | (0.1)                               | (0.2)      |
| Closing balance    | 12.7                     | 3.2                                 | 15.9       | 9.2              | 8.0                                 | 17.2       |

\*P&L charge and Payments lines in 2023 related to warranty reserve have been restated accordingly.

Maturity structure

| MEUR                                 | PROVISIONS | ACCRUED EXPENSES | INTEREST PAYABLES | OTHER SHORT-TERM LIABILITIES | TRADE PAYABLES | TOTAL 2024 |
|--------------------------------------|------------|------------------|-------------------|------------------------------|----------------|------------|
| Repayable 0–3 months after year-end  | 10.2       | 28.2             | 0.1               | 4.7                          | 76.1           | 119.3      |
| Repayable 3–6 months after year-end  | 1.4        | 12.1             | 0.0               | 0.8                          | 5.2            | 19.5       |
| Repayable 6–9 months after year-end  | 0.1        | 3.4              | 0.0               | 0.1                          | 3.2            | 6.8        |
| Repayable 9–12 months after year-end | 4.2        | 2.7              | 0.0               | 0.5                          | 0.3            | 7.7        |
| Total                                | 15.9       | 46.4             | 0.1               | 6.1                          | 84.8           | 153.3      |

MEUR

| MEUR                                 | PROVISIONS | ACCRUED EXPENSES | INTEREST PAYABLES | OTHER SHORT-TERM LIABILITIES | TRADE PAYABLES | TOTAL 2023 |
|--------------------------------------|------------|------------------|-------------------|------------------------------|----------------|------------|
| Repayable 0–3 months after year-end  | 14.9       | 35.2             | 4.6               | 3.6                          | 100.9          | 159.2      |
| Repayable 3–6 months after year-end  | 0.8        | 14.3             | 0.0               | 0.1                          | 8.5            | 23.7       |
| Repayable 6–9 months after year-end  | 0.2        | 3.3              | 0.0               | 0.0                          | 4.6            | 8.1        |
| Repayable 9–12 months after year-end | 1.3        | 2.7              | 0.0               | 0.0                          | 2.6            | 6.6        |
| Total                                | 17.2       | 55.5             | 4.6               | 3.7                          | 116.6          | 197.6      |



NOTE 25 FINANCIAL INSTRUMENTS

Classification, measurement and fair value of financial instruments

| 2024                                  | LOANS, RECEIVABLES<br>AND CASH AT<br>AMORTIZED COST | LOANS, RECEIVABLES<br>AND CASH<br>AT FAIR VALUE | FINANCIAL<br>LIABILITIES AT<br>AMORTIZED COST | TOTAL 2024 |
|---------------------------------------|-----------------------------------------------------|-------------------------------------------------|-----------------------------------------------|------------|
| MEUR                                  |                                                     |                                                 |                                               |            |
| Trade and other receivables           | 154.3                                               |                                                 |                                               | 154.3      |
| Cash and cash equivalents             | 84.3                                                |                                                 |                                               | 84.3       |
| Interest-bearing loans and borrowings |                                                     |                                                 | (132.5)                                       | (132.5)    |
| Interest-bearing lease liabilities    |                                                     |                                                 | (73.7)                                        | (73.7)     |
| Trade payables and accrued expenses   |                                                     |                                                 | (131.2)                                       | (131.2)    |
| Total                                 | 238.6                                               |                                                 | (337.4)                                       | (98.8)     |
| Fair value                            | 238.6                                               |                                                 | (337.5)                                       | (98.9)     |
| Unrecognized gain / (loss)*           |                                                     |                                                 | (0.1)                                         | (0.1)      |

\*Based on level 1 input. The bond was traded at 97.8% of its par value as at 31.12.2024 (98.5% as at 31.12.2023).

| 2023                                  | LOANS, RECEIVABLES<br>AND CASH AT<br>AMORTIZED COST | LOANS, RECEIVABLES<br>AND CASH<br>AT FAIR VALUE | FINANCIAL<br>LIABILITIES AT<br>AMORTIZED COST | TOTAL 2023 |
|---------------------------------------|-----------------------------------------------------|-------------------------------------------------|-----------------------------------------------|------------|
| MEUR                                  |                                                     |                                                 |                                               |            |
| Trade and other receivables           | 177.3                                               |                                                 |                                               | 177.3      |
| Cash and cash equivalents             | 124.2                                               | 40.5                                            |                                               | 164.7      |
| Interest-bearing loans and borrowings |                                                     |                                                 | (189.3)                                       | (189.3)    |
| Interest-bearing lease liabilities    |                                                     |                                                 | (75.6)                                        | (75.6)     |
| Trade payables and accrued expenses   |                                                     |                                                 | (172.1)                                       | (172.1)    |
| Total                                 | 301.5                                               | 40.5                                            | (437.0)                                       | (95.0)     |
| Fair value                            | 301.5                                               | 40.5                                            | (435.3)                                       | (93.3)     |
| Unrecognized gain / (loss)**          |                                                     |                                                 | 1.7                                           | 1.7        |

\*\*Based on level 1 input



NOTE 26 REMUNERATION AND FEES FOR MANAGEMENT,  
BOARD OF DIRECTORS (BOD) AND AUDITOR

Remuneration and fees recognized in the statement of comprehensive income

| KEUR                                                                       | 2024    | 2023*   |
|----------------------------------------------------------------------------|---------|---------|
| Total remuneration of the Board of Directors                               | 321.9   | 302.4   |
| Gross base salary to the CEO                                               | 518.0   | 686.1   |
| CEO's short-term incentive                                                 | 0.0     | 343.1   |
| CEO's long-term incentive costs**                                          | 92.7    | 272.2   |
| Pension costs to the CEO                                                   | 10.9    | 56.3    |
| Other remuneration to the CEO***                                           | 19.7    | 71.4    |
| Management salaries other than to the CEO                                  | 2,626.2 | 2,264.8 |
| Bonus, ITI costs and other remuneration of management other than the CEO** | 907.6   | 1,285.3 |
| Pension costs of management other than the CEO                             | 364.5   | 246.0   |
| Termination benefits to former CEO                                         | 0.0     | 2,281.5 |
| Total – Board of Directors and Senior Management                           | 4,861.4 | 7,809.1 |

Remuneration to Nomination Committee

46.4

47.9

\*2023 CEO remuneration items consist of former CEO Joerg Buchheim during the period of January 1, 2023 to July 24, 2023 and former CEO Linda Nyquist-Evenrud from July 25, 2023 to December 31, 2023.

\*\*Long-term incentive plans – share-based compensation. The amounts represent the expenses accounted for according to IFRS 2.

\*\*\*Including health insurance, car allowance, and broadband

Specification of fees paid to the auditors

| KEUR                                                       | 2024    | 2023    |
|------------------------------------------------------------|---------|---------|
| Statutory audit services to the Parent Company (Deloitte)* | 364.2   | 213.7   |
| Statutory audit services to subsidiaries (Deloitte)        | 613.8   | 664.8   |
| Statutory audit services to subsidiaries (other)           | 113.3   | 95.6    |
| Non-audit services (Deloitte)                              | 50.2    | 29.5    |
| Tax services (Deloitte)                                    | 290.0   | 486.2   |
| Total                                                      | 1,431.5 | 1,489.8 |

\*Thereof, kEUR 74.8 (kNOK 870.0) related to the Deloitte's ESG attestation services

NOTE 27 COMMITMENTS AND GUARANTEES

Commitments

The group's operating lease commitments are now disclosed in note 14. In relation to low-value and short-term leases that are not presented as lease liabilities, the group is committed to an expected expense of MEUR 0.3 in 2025.

Guarantees

The issued senior secured notes are guaranteed on a senior basis by:

- Parent guarantor (Kongsberg Automotive ASA),
- Material group companies: Kongsberg Automotive Holding 2 AS, Kongsberg Automotive AS, Kongsberg Power Products Systems AB, Kongsberg Actuation Systems B.V., Kongsberg Actuation Systems Ltd, Kongsberg Automotive Sp. z o.o, Kongsberg Holding III, Inc., Kongsberg Actuation Systems II, LLC, Kongsberg Power Products Systems I, LLC, Kongsberg Automotive, Inc., Kongsberg Driveline Systems I, LLC, and KA Group AG.

General information

In 2024 total parent guarantees in the total amount of around MEUR 70.0 (MEUR 60.5 and MUSD 10.0) were issued for entities in Slovakia, Poland, and Mexico.



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| <b>NOTE 28 CONTINGENT LIABILITIES</b>                                                                                                                          |               |              |            |                          |                           |                      |                  |
| There are no current material disputes involving either the Company or its subsidiaries that need to be disclosed.                                             |               |              |            |                          |                           |                      |                  |
| <b>NOTE 29 SUBSEQUENT EVENTS</b>                                                                                                                               |               |              |            |                          |                           |                      |                  |
| No significant subsequent events have been identified.                                                                                                         |               |              |            |                          |                           |                      |                  |
| <b>NOTE 30 RELATED-PARTY TRANSACTIONS</b>                                                                                                                      |               |              |            |                          |                           |                      |                  |
| Kongsberg Automotive ASA is listed on the Oslo Stock Exchange and is the group's ultimate parent. The group has no material transactions with related parties. |               |              |            |                          |                           |                      |                  |
| <b>Key Management and BoD compensation</b>                                                                                                                     |               |              |            |                          |                           |                      |                  |
| See note 26 – it includes remuneration for Senior Management and the Board of Directors.                                                                       |               |              |            |                          |                           |                      |                  |



# FINANCIAL STATEMENTS OF THE PARENT COMPANY

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STATEMENT OF COMPREHENSIVE INCOME

| MEUR                                    | NOTE | 2024   | 2023    |
|-----------------------------------------|------|--------|---------|
| Operating revenues                      | 21   | 5.3    | 6.0     |
| Operating expenses                      |      |        |         |
| Salaries and social expenses            | 5    | (0.3)  | (0.5)   |
| Other operating expenses                | 6    | (3.5)  | (3.2)   |
| Total operating expenses                |      | (3.8)  | (3.7)   |
| Operating profit                        |      | 1.5    | 2.3     |
| Financial items                         |      |        |         |
| Financial income                        | 7    | 58.6   | 28.2    |
| Financial expenses                      | 4, 7 | (12.8) | (185.3) |
| Net financial items                     |      | 45.8   | (157.1) |
| Profit / (loss) before taxes            |      | 47.3   | (154.8) |
| Income taxes                            | 8    | (7.2)  | (3.6)   |
| Net profit / (loss)                     |      | 40.1   | (158.4) |
| Other comprehensive income              |      |        |         |
| Translation differences                 |      | (12.7) | (34.1)  |
| Other comprehensive income              |      | (12.7) | (34.1)  |
| Total comprehensive income for the year |      | 27.4   | (192.5) |



STATEMENT OF CASH FLOWS

| MEUR                                           | NOTE | 2024    | 2023    |
|------------------------------------------------|------|---------|---------|
| <i>Operating activities</i>                    |      |         |         |
| Profit / (loss) before taxes                   |      | 47.3    | (154.8) |
| Impairment of IC shares                        | 4    | 0.0     | 172.0   |
| Interest income                                | 7    | (4.7)   | (24.1)  |
| Dividend income                                | 7    | (26.8)  | (1.7)   |
| Interest expenses and other financial expenses | 7    | 12.4    | 11.4    |
| Taxes paid                                     |      | 0.0     | (0.2)   |
| (Gain) / loss on sale of non-current assets    |      | (1.0)   | 0.0     |
| Changes in trade receivables*                  | 12   | 42.4    | (8.5)   |
| Changes in trade payables**                    | 16   | 15.8    | (2.1)   |
| Currency differences                           | 7    | (21.1)  | (1.9)   |
| Changes in other items***                      |      | 1.1     | 1.9     |
| Cash flow from / used by operating activities  |      | 65.4    | (8.0)   |
| <i>Investing activities</i>                    |      |         |         |
| Repayment of investments in subsidiaries       | 4    | 9.7     | 0.0     |
| Interest received                              | 7    | 4.7     | 24.1    |
| Dividends received                             | 7    | 24.5    | 1.7     |
| Cash flow from investing activities            |      | 38.9    | 25.8    |
| <i>Financing activities</i>                    |      |         |         |
| Payments for purchase of treasury shares       | 13   | (2.3)   | (3.9)   |
| Net proceeds from issuing the new bond notes   | 14   | 107.5   | 0.0     |
| Repayment of IC loans                          | 14   | (199.0) | 0.0     |
| Interest paid                                  | 7    | (12.3)  | (11.2)  |
| Cash flow used by financing activities         |      | (106.1) | (15.1)  |
| Currency effects on cash                       |      | 0.4     | (1.5)   |
| Net change in cash                             |      | (1.4)   | 1.2     |
| Net cash at January 1                          |      | 1.4     | 0.2     |
| Net cash at December 31                        |      | 0.0     | 1.4     |
| Of this, restricted cash                       |      | 0.0     | 0.0     |

\*Comprises changes in short-term group loans and receivables and in-house bank (note 12)  
\*\*Comprises changes in trade payables and short-term group liabilities (note 16)  
\*\*\*Comprises changes in other short-term receivables and prepayments (note 12) as well as other short-term liabilities and accrued expenses (note 16)



STATEMENT OF FINANCIAL POSITION

ASSETS

| MEUR                            | NOTE   | 2024         | 2023         |
|---------------------------------|--------|--------------|--------------|
| <i>Non-current assets</i>       |        |              |              |
| Right-of-use assets             | 11     | 0.0          | 0.1          |
| Investments in subsidiaries     | 4      | 228.6        | 113.7        |
| Loans to subsidiaries           | 21     | 238.6        | 354.9        |
| Other non-current assets        |        | 0.1          | 0.1          |
| <b>Total non-current assets</b> |        | <b>467.3</b> | <b>468.8</b> |
| <i>Current assets</i>           |        |              |              |
| Trade and other receivables     | 12, 21 | 11.5         | 54.9         |
| Cash and cash equivalents       |        | 0.0          | 1.4          |
| <b>Total current assets</b>     |        | <b>11.5</b>  | <b>56.3</b>  |
| <b>Total assets</b>             |        | <b>478.8</b> | <b>525.1</b> |

EQUITY AND LIABILITIES

| MEUR                                 | NOTE   | 2024         | 2023         |
|--------------------------------------|--------|--------------|--------------|
| <i>Equity</i>                        |        |              |              |
| Share capital                        | 13     | 80.6         | 84.6         |
| Treasury shares                      | 13     | (5.2)        | (3.2)        |
| Share premium                        |        | 172.0        | 180.6        |
| Other reserves                       |        | (49.5)       | (50.1)       |
| Retained earnings                    |        | 87.6         | 47.5         |
| <b>Total equity</b>                  |        | <b>285.5</b> | <b>259.4</b> |
| <i>Non-current liabilities</i>       |        |              |              |
| Deferred tax liabilities             | 8      | 26.5         | 22.7         |
| Retirement benefit obligations       |        | 0.3          | 0.3          |
| Interest-bearing liabilities         | 14     | 107.5        | 197.8        |
| <b>Total non-current liabilities</b> |        | <b>134.3</b> | <b>220.8</b> |
| <i>Current liabilities</i>           |        |              |              |
| Current income tax liabilities       | 8      | 0.0          | 0.1          |
| Trade and other payables             | 16, 21 | 59.0         | 44.8         |
| <b>Total current liabilities</b>     |        | <b>59.0</b>  | <b>44.9</b>  |
| <b>Total liabilities</b>             |        | <b>193.3</b> | <b>265.7</b> |
| <b>Total equity and liabilities</b>  |        | <b>478.8</b> | <b>525.1</b> |

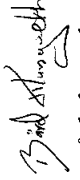


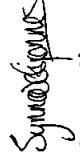
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Kongsberg, March 26, 2025

The Interim President & CEO and the Board of Directors of Kongsberg Automotive ASA

  
**Olav Voldal**  
Chair

  
**Bård Klungseth**  
Deputy Chair

  
**Synnøve Gjønnes**  
Director

  
**Junyang (Jenny) Shao**  
Director

  
**Brian Kristoffersen**  
Director

  
**Siw Reidun Warås**  
Employee representative

  
**Knut Magne Alfsvåg**  
Employee representative

  
**Bjørn Ivan Ødegård**  
Employee representative

  
**Christian Johansson**  
Interim President & CEO and CFO



STATEMENT OF CHANGES IN EQUITY

| MEUR                                     | SHARE CAPITAL | TREASURY SHARES | SHARE PREMIUM | OTHER RESERVES | RETAINED EARNINGS | TOTAL EQUITY |
|------------------------------------------|---------------|-----------------|---------------|----------------|-------------------|--------------|
| Equity as at 01.01.2023                  | 100.3         | (23.9)          | 208.2         | (36.2)         | 205.9             | 454.3        |
| Purchase of treasury shares              |               | (3.9)           |               |                |                   | (3.9)        |
| Cancellation of treasury shares          | (9.0)         | 23.0            | (14.0)        |                |                   | 0.0          |
| Share-based compensation                 |               |                 |               | 1.5            |                   | 1.5          |
| Total comprehensive income for the year: |               |                 |               |                |                   |              |
| Loss for the year                        |               |                 |               |                | (158.4)           | (158.4)      |
| Other comprehensive income:              |               |                 |               |                |                   |              |
| Translation differences                  | (6.7)         | 1.6             | (13.6)        | (15.4)         |                   | (34.1)       |
| Total comprehensive income for the year  | (6.7)         | 1.6             | (13.6)        | (15.4)         | (158.4)           | (192.5)      |
| Equity as of 31.12.2023 / 01.01.2024     | 84.6          | (3.2)           | 180.6         | (50.1)         | 47.5              | 259.4        |
| Purchase of treasury shares              |               | (2.4)           |               |                |                   | (2.4)        |
| Share-based compensation                 |               |                 |               | 1.1            |                   | 1.1          |
| Total comprehensive income for the year: |               |                 |               |                |                   |              |
| Profit for the year                      |               |                 |               |                | 40.1              | 40.1         |
| Other comprehensive income:              |               |                 |               |                |                   |              |
| Translation differences                  | (4.0)         | 0.4             | (8.6)         | (0.5)          |                   | (12.7)       |
| Total comprehensive income for the year  | (4.0)         | 0.4             | (8.6)         | (0.5)          | 40.1              | 27.4         |
| Equity as of 31.12.2024                  | 80.6          | (5.2)           | 172.0         | (49.5)         | 87.6              | 285.5        |



NOTES

NOTE1 REPORTING ENTITY

Kongsberg Automotive ASA ("the Company") is a limited liability company incorporated and domiciled in Norway. The address of its registered office is Dyrmyrgata 48, NO-3601 Kongsberg, Norway. The Company is listed on the Oslo Stock Exchange. The Company is the ultimate parent of the group and serves the purpose of holding company in the group.

The information provided in the consolidated financial statements covers the Company to a significant degree. For a description of the operating activities of the subsidiaries of Kongsberg Automotive ASA, please refer to the consolidated financial statements of the group. The Company financial statements were authorized for issue by the Board of Directors on March 26, 2025.

NOTE2 STATEMENT OF COMPLIANCE

The Company's financial statements are prepared in accordance with simplified IFRS according to the Norwegian Accounting Act § 3-9, and regulations regarding simplified application of IFRS issued by the Ministry of Finance on February 7, 2022.

NOTE3 SIGNIFICANT ACCOUNTING POLICIES

The Company's significant accounting principles are consistent with the accounting principles of the group, as described in note 3 of the group's consolidated financial statements. Where the notes for the Company are substantially different from the notes for the group, it is shown accordingly. Otherwise, refer to the notes to the group's consolidated financial statements.

Dividends and group contributions received are recognized as income in the same year as allocated by the subsidiary. If the dividend exceeds the share of retained profits after the purchase, the excess part represents repayment of invested capital and the disbursements received are deducted from the value of the investment in the balance sheet. Kongsberg Automotive ASA has decided to utilize the option in the regulations of simplified application of international financial reporting standards which allow it to account for dividends and group contributions in accordance with Norwegian General Accepted Accounting Principles (NGAAP).

NOTE 4 INVESTMENTS IN SUBSIDIARIES

| ENTITY NAME                                     | COUNTRY OF INCORPORATION | OWNER-SHIP 2024 | OWNER-SHIP 2023 | 2024  | 2023  |
|-------------------------------------------------|--------------------------|-----------------|-----------------|-------|-------|
| Kongsberg Automotive Holding 2 AS               | Norway                   | 100%            | 100%            | 125.6 | 0.0   |
| KA Group AG                                     | Switzerland              | 0%              | 0%              | 97.5  | 102.3 |
| Kongsberg Automotive (Wuxi) Ltd                 | China                    | 100%            | 100%            | 0.8   | 6.4   |
| Kongsberg Automotive Ltda                       | Brazil                   | 100%            | 100%            | 2.0   | 2.1   |
| Kongsberg Automotive Ltd                        | Korea                    | 100%            | 100%            | 1.5   | 1.6   |
| Kongsberg Automotive (India) Private Ltd        | India                    | 100%            | 100%            | 0.8   | 0.8   |
| Kongsberg Automotive Driveline System India Ltd | India                    | 100%            | 100%            | 0.4   | 0.4   |
| Kongsberg Automotive Japan KK                   | Japan                    | 0%              | 100%            | 0.0   | 0.1   |
| Kongsberg Automotive SARL                       | France                   | 0%              | 100%            | 0.0   | 0.0   |
| CTEX Seat Comfort (Holding) Ltd                 | Great Britain            | 0%              | 100%            | 0.0   | 0.0   |
| Total investments in subsidiaries               |                          |                 |                 | 228.6 | 113.7 |

Investments

In 2024, the Company executed a debt-equity conversion to Kongsberg Automotive Holding 2 AS, as part of its efforts to optimize the capital structure of the subsidiary. This transaction resulted in a MEUR 125.6 increase in the Company's shareholding in the subsidiary, while simultaneously reducing inter-company loans given to subsidiaries (see note 21).

Furthermore, in 2024 following companies were liquidated as part of the Company's efforts to optimize the group's footprint:

- Kongsberg Automotive Japan KK
- Kongsberg Automotive SARL
- Kongsberg Automotive Ltd
- CTEX Seat Comfort (Holding) Ltd

Impairment testing

The Company has performed impairment tests on all KA companies owned or financed directly by Kongsberg Automotive ASA.

The following assets have been considered for impairment: Share investments; intercompany loans



NOTE 4 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

to group companies, intercompany receivables. The impairment assessment is made at "net investment" level (all direct loans, receivables and share investments are considered together). Shares are impaired before loans, and loans before receivables.

In a first step, the net investment was compared to the carrying value of the equity of the respective subsidiaries. The equity carrying value is considered as a conservative valuation of the company value.

In a second step, the net investment was compared to the enterprise value. The enterprise value has been derived from the net present value of all future cash flows including terminal value. The principal model has been taken into account as well as all assumptions used for the three-year strategic planning in the cash flow estimation of each tested subsidiary.

Discount rate assumptions

The required rate of return was calculated using the WACC method. The same WACC was used as calculated for group impairment purposes. For details, please refer to group note 15.

Impairment test results and conclusion

In 2023, the intercompany shares held in Kongsberg Automotive Holding 2 AS and KA Group AG were impaired by MEUR 172.0, which was recorded under financial expenses. Based on the results from the impairment test performed, the Company concluded that there is no requirement for impairment indicated as at 31.12.2024.

NOTE5 SALARIES AND SOCIAL EXPENSES

| MEUR                                      | 2024 | 2023 |
|-------------------------------------------|------|------|
| Wages and salaries                        | 0.3  | 0.4  |
| Pension cost (defined contribution plans) | 0.0  | 0.1  |
| Total salaries and social expenses        | 0.3  | 0.5  |

The Company had no employees as of 31.12.2024 and there were no employees as of 31.12.2023 either. Wages and salaries comprise directors' fees.

NOTE 6 OTHER OPERATING EXPENSES

| MEUR                           | 2024 | 2023 |
|--------------------------------|------|------|
| Service costs                  | 2.6  | 2.9  |
| Other costs                    | 0.9  | 0.3  |
| Total other operating expenses | 3.5  | 3.2  |

NOTE 7 FINANCIAL ITEMS

| MEUR                                          | 2024   | 2023    |
|-----------------------------------------------|--------|---------|
| Dividend and other financial income           | 26.6   | 1.7     |
| Foreign currency gains*                       | 25.1   | 2.3     |
| Account receivables securitization – income   | 0.7    | 1.0     |
| Interest income                               | 4.0    | 23.2    |
| Reversal of write-down of intercompany shares | 2.2    | 0.0     |
| Total financial income                        | 58.6   | 28.2    |
| Interest expense                              | (12.0) | (10.1)  |
| Foreign currency losses*                      | 0.0    | 0.0     |
| Account receivables securitization – expense  | 0.0    | (0.2)   |
| Change in value of financial derivatives      | (0.1)  | 0.0     |
| Impairment of intercompany shares             | 0.0    | (172.0) |
| Write-down of intercompany loans              | (0.3)  | (3.0)   |
| Other financial expenses                      | (0.4)  | 0.0     |
| Total financial expenses                      | (12.8) | (185.3) |
| Total financial items                         | 45.8   | (157.1) |

\*Includes unrealized currency gain of MEUR 21.1 (2023: unrealized gain of MEUR 2.3)



NOTE 8 TAXES

Tax recognized in statement of income

The major components of income tax expense:

| MEUR                                                 | 2024  | 2023  |
|------------------------------------------------------|-------|-------|
| Current tax on profits for the year*                 | (2.2) | (3.7) |
| Adjustments in respect of prior years – current tax  | (0.1) | (0.1) |
| Total current tax expense                            | (2.3) | (3.8) |
| Current year change in deferred tax                  | (5.0) | 0.3   |
| Adjustments in respect of prior years – deferred tax | 0.1   | (0.1) |
| Total change in deferred tax                         | (4.9) | 0.2   |
| Total income tax expense                             | (7.2) | (3.6) |

\*Includes withholding tax of MEUR 2.2. Further details can be found in table below.

Tax recognized in other comprehensive income

No tax was recognized in other comprehensive income in 2024 and 2023.

Reconciliation of Norwegian nominal statutory tax rate to effective tax rate

| MEUR                                          | 2024   | 2023    |
|-----------------------------------------------|--------|---------|
| Profit / (loss) before taxes                  | 47.3   | (154.8) |
| Expected tax calculated at Norwegian tax rate | (10.4) | 34.0    |
| Dividends (permanent differences)             | 5.7    | 0.4     |
| Other permanent differences                   | (0.3)  | (38.0)  |
| Effect of withholding tax*                    | (2.2)  | 0.0     |
| Income tax (expense) / credit                 | (7.2)  | (3.6)   |
| Average effective tax rate                    | 15.2%  | -2.3%   |

\*Paid by the distributing entity.

Tax recognized in the statement of financial position

Current tax

| MEUR                           | 2024 | 2023 |
|--------------------------------|------|------|
| Current income tax receivables | 0.0  | 0.0  |
| Current income tax liabilities | 0.0  | 0.0  |
| Total                          | 0.0  | 0.0  |

Deferred tax

| MEUR                   | 2024   | 2023   |
|------------------------|--------|--------|
| Deferred tax liability | (26.5) | (22.7) |
| Total                  | (26.5) | (22.7) |

Deferred tax positions are netted within the tax entity.



NOTE 8 TAXES (CONTINUED)

Specification of deferred tax assets / (liabilities) recognized in the statement of financial position

| MEUR                                              | OPENING<br>BALANCE | CHARGED<br>TO INCOME | CHANGES<br>IN RATE | OCI | EXCHANGE<br>DIFFER-<br>ENCES | CLOSING<br>BALANCE |
|---------------------------------------------------|--------------------|----------------------|--------------------|-----|------------------------------|--------------------|
| Property, plant and equipment                     | 0.0                | 0.0                  | 0.0                | 0.0 | 0.0                          | 0.0                |
| Retirement benefits obligations                   | 0.1                | 0.0                  | 0.0                | 0.0 | 0.0                          | 0.1                |
| Losses                                            | 0.0                | 0.1                  | 0.0                | 0.0 | 0.0                          | 0.1                |
| Trade and other receivables                       | 3.0                | 0.4                  | 0.0                | 0.0 | (0.1)                        | 3.3                |
| Unrealized FX on long-term receivables / payables | (26.0)             | (5.6)                | 0.0                | 0.0 | 1.3                          | (30.3)             |
| Other temporary differences                       | 0.2                | 0.1                  | 0.0                | 0.0 | 0.0                          | 0.3                |
| Net deferred tax asset / (liability)              | (22.7)             | (5.0)                | 0.0                | 0.0 | 1.2                          | (26.5)             |

Tax positions not recognized

The Company had no unrecognized positions in 2024 and 2023.

Remaining lifetime of tax losses (net tax value)

Tax losses have no expiration date and amount to MEUR 0.5.

NOTE 9 INTANGIBLE ASSETS

All intangible assets were fully amortized as of December 31, 2024.

NOTE 10 PROPERTY, PLANT & EQUIPMENT (PP&E)

All PP&E assets were fully depreciated as of December 31, 2024.



NOTE 11 RIGHT-OF-USE ASSETS

| MEUR                                   |  | BUILDINGS |  | TOTAL |
|----------------------------------------|--|-----------|--|-------|
| Cost at 01.01.2023                     |  | 0.2       |  | 0.2   |
| Additions                              |  | 0.0       |  | 0.0   |
| Lease terminations                     |  | 0.0       |  | 0.0   |
| Translation differences                |  | 0.0       |  | 0.0   |
| Acquisition costs at 31.12.2023        |  | 0.2       |  | 0.2   |
| Accumulated depreciation at 01.01.2023 |  | (0.1)     |  | (0.1) |
| Depreciation                           |  | 0.0       |  | 0.0   |
| Lease terminations                     |  | 0.0       |  | 0.0   |
| Translation differences                |  | 0.0       |  | 0.0   |
| Accumulated depreciation at 31.12.2023 |  | (0.1)     |  | (0.1) |
| Cost                                   |  | 0.2       |  | 0.2   |
| Accumulated depreciation               |  | (0.1)     |  | (0.1) |
| Book value at 31.12.2023               |  | 0.1       |  | 0.1   |
| Cost at 01.01.2024                     |  | 0.2       |  | 0.2   |
| Additions                              |  | 0.0       |  | 0.0   |
| Lease terminations                     |  | 0.0       |  | 0.0   |
| Translation differences                |  | 0.0       |  | 0.0   |
| Acquisition costs at 31.12.2024        |  | 0.2       |  | 0.2   |
| Accumulated depreciation at 01.01.2024 |  | (0.1)     |  | (0.1) |
| Depreciation                           |  | 0.0       |  | 0.0   |
| Lease terminations                     |  | (0.1)     |  | (0.1) |
| Translation differences                |  | 0.0       |  | 0.0   |
| Accumulated depreciation at 31.12.2024 |  | (0.2)     |  | (0.2) |
| Cost                                   |  | 0.2       |  | 0.2   |
| Accumulated depreciation               |  | (0.2)     |  | (0.2) |
| Book value at 31.12.2024               |  | 0.0       |  | 0.0   |

| Lease liabilities             |  | 2024 |  | 2023 |
|-------------------------------|--|------|--|------|
| MEUR                          |  |      |  |      |
| Non-current lease liabilities |  | 0.1  |  | 0.1  |
| Current lease liabilities     |  | 0.0  |  | 0.0  |
| Total lease liabilities       |  | 0.1  |  | 0.1  |

| Maturity analysis – contractual undiscounted cash flows |  | 2024 |  | 2023 |
|---------------------------------------------------------|--|------|--|------|
| MEUR                                                    |  |      |  |      |
| Within one year                                         |  | 0.1  |  | 0.1  |
| One to five years                                       |  | 0.0  |  | 0.1  |
| More than five years                                    |  | 0.0  |  | 0.0  |
| Total undiscounted lease liabilities                    |  | 0.1  |  | 0.2  |



NOTE 12 TRADE AND OTHER RECEIVABLES

During 2019, the group changed from a notional cash pool under Kongsberg Automotive ASA to a physical cash pool with KA Group AG as the master header for the group and Kongsberg Automotive ASA as a sub-header for some of the European entities. Due to the transactions carried out under Kongsberg Automotive's share buy-back program initiated in November 2023, the Company held the cash as of December 31, 2023 which was needed to perform the repurchase transactions in the following 10 days. In addition to that, its cash held by KA Group AG was included as in-house bank under trade and other receivables.

Specification of trade and other receivables

| MEUR                                   | 2024 | 2023 |
|----------------------------------------|------|------|
| Short-term group loans and receivables | 9.7  | 7.9  |
| In-house bank                          | 1.3  | 46.7 |
| Other short-term receivables           | 0.1  | 0.1  |
| Receivables                            | 11.1 | 54.7 |
| Prepayments                            | 0.4  | 0.2  |
| Total trade and other receivables      | 11.5 | 54.9 |

Receivables by currency

| MEUR                              | 2024 | 2023 |
|-----------------------------------|------|------|
| NOK                               | 4.5  | 49.0 |
| EUR                               | 5.5  | 5.9  |
| USD                               | 1.5  | 0.0  |
| Total trade and other receivables | 11.5 | 54.9 |

NOTE 13 SHARE CAPITAL

Refer to note 18 in the group's statements.

NOTE 14 INTEREST-BEARING LIABILITIES

Interest-bearing liabilities as presented in the statement of financial position

| MEUR                                                       | 2024  | 2023  |
|------------------------------------------------------------|-------|-------|
| External non-current interest-bearing loans and borrowings | 110.0 | 0.0   |
| Non-current interest-bearing loan*                         | 0.0   | 199.0 |
| Capitalized arrangement fees**                             | (2.5) | (1.3) |
| Interest-bearing lease liabilities                         | 0.0   | 0.1   |
| Total interest-bearing liabilities                         | 107.5 | 197.8 |

\* Relates to the loan granted by KA Group AG  
\*\* In 2023, this relates to the bond fees paid by Kongsberg Automotive ASA on behalf of Kongsberg Actuation Systems BV

On June 24, 2024, new senior secured four-year bonds with the principal amount of MEUR 110.0 were issued (ISIN: NO0013260943). The Notes are due in 2028 and have an interest rate of 3M EURIBOR plus a margin of 5.25% (payable quarterly). The Notes are listed on the Open Market of Frankfurt Stock Exchange and the Oslo Stock Exchange. Subject to an incurrence covenant, the group can at any time tap the bond with an additional notional of up to MEUR 50.0. The group may call the bond in parts any time after December 2026 at the agreed call prices plus accrued interest on the redeemed amounts. Refer to note 27 of the group's statements for list of the material group companies, guaranteeing the new issued secured bond notes.

Specification of total interest-bearing liabilities

| MEUR                               | 2024  | 2023  |
|------------------------------------|-------|-------|
| EUR                                | 110.0 | 199.0 |
| NOK                                | 0.0   | 0.1   |
| Capitalized arrangement fee        | (2.5) | (1.3) |
| Total interest-bearing liabilities | 107.5 | 197.8 |



NOTE 14 INTEREST-BEARING LIABILITIES (CONTINUED)

Changes in liabilities arising from financing activities

| MEUR                                                                            | 2024    | 2023   |
|---------------------------------------------------------------------------------|---------|--------|
| Opening balance as of 01.01.                                                    | 197.8   | 197.0  |
| Net proceeds from issuing the new bond notes                                    | 107.5   | 0.0    |
| Repayment of IC loans                                                           | (199.0) | 0.0    |
| Reduction of capitalized arrangement fees due to the redemption of the old bond | 1.3     | 0.0    |
| Foreign exchange movement                                                       | 6.4     | 12.7   |
| Translation effect                                                              | (6.6)   | (12.7) |
| Other                                                                           | 0.1     | 0.8    |
| Closing balance as of 31.12.                                                    | 107.5   | 197.8  |

NOTE 15 RISK MANAGEMENT

The Company's risk management is an integral part of the group's risk management. Refer to note 23 of the group's statements for further information.

Currency exposure

Management monitors the currency exposure at a group level. The group treasury uses the debt structure and profile to balance some of the net exposure of the cash flow from operations. The group's treasury function regularly evaluates the use of hedging instruments but currently has low usage of such instruments.

Interest risk

The Company is exposed to limited interest risk.

NOTE 16 TRADE AND OTHER PAYABLES

Specification of trade and other payables as presented in the statement of financial position

| MEUR                           | 2024 | 2023 |
|--------------------------------|------|------|
| Trade payables                 | 0.8  | 1.0  |
| Short-term group liabilities   | 57.0 | 43.1 |
| Accrued expenses               | 1.0  | 0.6  |
| Other short-term liabilities   | 0.2  | 0.1  |
| Total trade and other payables | 59.0 | 44.8 |

Provisions

The Company had no provisions as of December 31, 2024, and December 31, 2023.

Maturity structure

| MEUR                                 | ACCRUED EXPENSES | OTHER SHORT-TERM LIABILITIES | TRADE PAYABLES | TOTAL 2024 |
|--------------------------------------|------------------|------------------------------|----------------|------------|
| Repayable 0–3 months after year-end  | 0.4              | 0.2                          | 0.8            | 1.4        |
| Repayable 3–6 months after year-end  | 0.3              | 0.0                          | 0.0            | 0.3        |
| Repayable 6–9 months after year-end  | 0.0              | 0.0                          | 0.0            | 0.0        |
| Repayable 9–12 months after year-end | 0.3              | 0.0                          | 0.0            | 0.3        |
| Total                                | 1.0              | 0.2                          | 0.8            | 2.0        |



NOTE 17 REMUNERATION AND FEES FOR MANAGEMENT,  
BOARD OF DIRECTORS AND AUDITORS

Refer to note 26 in the group's consolidated financial statements.

NOTE 18 COMMITMENTS AND GUARANTEES

Guarantees

Some subsidiaries require a financial support guarantee from the Parent to satisfy the going concern assumption.

The Company has issued guarantees towards suppliers of subsidiaries. The risk exposure is assessed to be immaterial.

In 2024 total parent guarantees in the total amount of around MEUR 70.0 (MEUR 60.5 and MUSD 10.0) were issued for entities in Slovakia, Poland, and Mexico.

In relation to the Offering of Senior Secured Notes, the Company is the parent guarantor.

NOTE 19 CONTINGENT LIABILITIES

Refer to note 28 in the group's consolidated financial statements.

NOTE 20 SUBSEQUENT EVENTS

No significant subsequent events have been identified. Refer to note 29 in the group's consolidated financial statements for the group-relevant subsequent events.



|          |               |              |            |                          |                           |                      |                  |
|----------|---------------|--------------|------------|--------------------------|---------------------------|----------------------|------------------|
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|----------|---------------|--------------|------------|--------------------------|---------------------------|----------------------|------------------|

NOTE 21 RELATED-PARTY TRANSACTIONS

The group's ultimate parent is Kongsberg Automotive ASA.  
The Company has carried out the following transactions with related parties:

Specification of revenues – type of services

| MEUR                                  | 2024 | 2023 |
|---------------------------------------|------|------|
| Group benefits fees from subsidiaries | 1.9  | 2.1  |
| Service fee from KA AG                | 3.4  | 3.9  |
| Operating revenues                    | 5.3  | 6.0  |

Specification of revenues – revenues by geographical location

| MEUR               | 2024 | 2023 |
|--------------------|------|------|
| Switzerland        | 5.3  | 6.0  |
| Operating revenues | 5.3  | 6.0  |

Outstanding loans and receivables with other group companies

Loans to other group companies

| MEUR                                               | 2024  | 2023  |
|----------------------------------------------------|-------|-------|
| Kongsberg Automotive Holding 2 AS                  | 235.9 | 351.8 |
| Kongsberg Automotive Finance BV                    | 2.5   | 2.9   |
| Other group companies                              | 0.2   | 0.2   |
| Total outstanding loans with other group companies | 238.6 | 354.9 |

In 2024, the Company executed a debt-equity conversion to Kongsberg Automotive Holding 2 AS, as part of its efforts to optimize the capital structure of the subsidiary. This transaction resulted in a MEUR 125.6 increase in the Company's shareholding in the subsidiary, while simultaneously reducing intercompany loans given to subsidiaries.

Most of the Company's loans to group companies have due dates exceeding one year.

The interest rate on loans to group companies consists of the reference rate in the respective currency plus a margin. The margin on new intercompany loans is determined according to the Moody's rating methodology.

Short-term group receivables

| MEUR                                                   | 2024 | 2023 |
|--------------------------------------------------------|------|------|
| Kongsberg Actuation Systems S.L.U.                     | 0.1  | 0.1  |
| Kongsberg Automotive Hong Kong Ltd                     | 1.5  | 0.0  |
| Kongsberg Automotive (Wuxi) Ltd                        | 2.6  | 2.5  |
| KA Group AG                                            | 2.1  | 2.8  |
| Other group companies                                  | 3.4  | 2.5  |
| Total outstanding receivables to other group companies | 9.7  | 7.9  |

Current assets and liabilities have due dates within one year. The outstanding accounts are repayable on demand based on available liquidity in the respective subsidiary.

Outstanding liabilities with other group companies

| MEUR                                     | 2024 | 2023 |
|------------------------------------------|------|------|
| Trade and other payable group companies* | 57.0 | 43.1 |
| Total                                    | 57.0 | 43.1 |

\*Includes the group contribution to Kongsberg Automotive Holding 2 AS of MEUR 6.2 (2023: MEUR 17.8).



CONSOLIDATED

KEY FINANCIAL DATA

|                                                                                                                                                                                                                                                                                                                                                                  |                                             | 2024   | 2023   | 2022   | 2021  | 2020<br>(RESTATED) |        |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|--------|--------|--------|-------|--------------------|--------|
| Operations and profit**                                                                                                                                                                                                                                                                                                                                          |                                             |        |        |        |       |                    |        |
| 1                                                                                                                                                                                                                                                                                                                                                                | Operating revenues                          | (MEUR) | 788.2  | 884.9  | 905.6 | 831.4              | 687.3  |
| 2                                                                                                                                                                                                                                                                                                                                                                | Depreciation / amortization                 | (MEUR) | 29.8   | 32.9   | 34.9  | 32.1               | 33.4   |
| 3                                                                                                                                                                                                                                                                                                                                                                | Operating profit / (loss)                   | (MEUR) | 18.7   | (19.7) | 63.1  | 47.5               | (18.0) |
| 4                                                                                                                                                                                                                                                                                                                                                                | Profit / (loss) before taxes                | (MEUR) | (2.3)  | (45.7) | 46.3  | 38.0               | (63.6) |
| 5                                                                                                                                                                                                                                                                                                                                                                | Net profit / (loss)                         | (MEUR) | (18.2) | (59.1) | 20.8  | 28.5               | (58.5) |
| 6                                                                                                                                                                                                                                                                                                                                                                | Cash flow from operating activities         | (MEUR) | 32.4   | 21.5   | 64.5  | 56.7               | 57.7   |
| 7                                                                                                                                                                                                                                                                                                                                                                | Investment in property, plant and equipment | (MEUR) | 24.7   | 28.5   | 26.4  | 25.6               | 31.8   |
| 8                                                                                                                                                                                                                                                                                                                                                                | Development expenses, gross                 | (MEUR) | 31.2   | 35.0   | 42.2  | 55.9               | 54.9   |
| 9                                                                                                                                                                                                                                                                                                                                                                | Development expenses, net                   | (MEUR) | 26.2   | 28.1   | 36.6  | 47.5               | 46.4   |
| Profitability**                                                                                                                                                                                                                                                                                                                                                  |                                             |        |        |        |       |                    |        |
| 10                                                                                                                                                                                                                                                                                                                                                               | EBITDA margin                               | %      | 6.2    | 1.5    | 10.8  | 9.6                | 2.2    |
| 11                                                                                                                                                                                                                                                                                                                                                               | Operating margin                            | %      | 2.4    | (2.2)  | 7.0   | 5.7                | (2.6)  |
| 12                                                                                                                                                                                                                                                                                                                                                               | Net profit margin                           | %      | (2.3)  | (6.7)  | 2.3   | 3.4                | (8.5)  |
| 13                                                                                                                                                                                                                                                                                                                                                               | Return on total assets                      | %      | 2.8    | (2.6)  | 8.2   | 5.7                | (2.0)  |
| 14                                                                                                                                                                                                                                                                                                                                                               | Return on capital employed (ROCE)*          | %      | 5.8    | (5.9)  | 6.8   | 8.5                | 2.4    |
| 15                                                                                                                                                                                                                                                                                                                                                               | Return on equity                            | %      | (8.7)  | (23.8) | 7.6   | 11.2               | (22.1) |
| * Capital employed in 2023 has been adjusted to align with the updated definition starting from 2024; ROCE in 2023 has been adjusted to align with the updated capital employed definition and transition from adjusted EBIT to EBIT starting in Q1 2024; Capital employed and ROCE in 2022, 2021 and 2020 have not been adjusted and follow the old definition. |                                             |        |        |        |       |                    |        |
| ** Items of the Statement of Comprehensive income and Statement of Cash Flow classified as discontinued operations are excluded in 2022, 2021 and 2020.                                                                                                                                                                                                          |                                             |        |        |        |       |                    |        |

|                      |                                                                                   | 2024   | 2023  | 2022  | 2021  | 2020<br>(RESTATED) |        |
|----------------------|-----------------------------------------------------------------------------------|--------|-------|-------|-------|--------------------|--------|
| Capital as at 31.12. |                                                                                   |        |       |       |       |                    |        |
| 16                   | Total assets                                                                      | (MEUR) | 602.9 | 721.5 | 797.9 | 984.8              | 898.0  |
| 17                   | Capital employed*                                                                 | (MEUR) | 319.5 | 319.9 | 538.8 | 507.6              | 691.2  |
| 18                   | Total equity                                                                      | (MEUR) | 203.0 | 218.1 | 280.5 | 265.6              | 245.5  |
| 19                   | Equity ratio                                                                      | %      | 33.7  | 30.2  | 35.2  | 27.0               | 27.3   |
| 20                   | Liquidity reserve                                                                 | (MEUR) | 99.2  | 219.2 | 287.4 | 140.9              | 197.0  |
| 21                   | Long-term interest-bearing debt                                                   | (MEUR) | 196.3 | 254.7 | 258.3 | 338.7              | 363.0  |
| 22                   | Interest coverage ratio                                                           |        | 0.8   | (0.6) | 2.7   | 2.4                | (0.4)  |
| 23                   | Current ratio (banker's ratio)                                                    |        | 2.0   | 2.2   | 2.4   | 1.6                | 1.7    |
| Personnel            |                                                                                   |        |       |       |       |                    |        |
| 24                   | Number of employees at 31.12.                                                     |        | 4,714 | 5,286 | 5,270 | 5,624              | 11,234 |
| Definitions          |                                                                                   |        |       |       |       |                    |        |
| 5                    | Profit after tax                                                                  |        |       |       |       |                    |        |
| 9                    | Gross expenses – Payments from customers                                          |        |       |       |       |                    |        |
| 10                   | (Operating profit / (loss)) + depreciation and amortization) / Operating revenues |        |       |       |       |                    |        |
| 11                   | (Operating profit / (loss)) / Operating revenues                                  |        |       |       |       |                    |        |
| 12                   | (Net profit / (loss)) / Operating revenues                                        |        |       |       |       |                    |        |
| 13                   | (Operating profit / (loss)) / Average total assets                                |        |       |       |       |                    |        |
| 14                   | EBIT / Average capital employed                                                   |        |       |       |       |                    |        |
| 15                   | (Net profit / (loss)) / Average equity                                            |        |       |       |       |                    |        |
| 17                   | Operating assets – Operating liabilities                                          |        |       |       |       |                    |        |
| 20                   | Cash + Unutilized credit facilities and loan approvals                            |        |       |       |       |                    |        |
| 22                   | (Operating profit / (loss)) / Financial expenses                                  |        |       |       |       |                    |        |
| 23                   | Current assets / Current liabilities                                              |        |       |       |       |                    |        |



# ALTERNATIVE PERFORMANCE MEASURES (APM)

This section describes the non-GAAP financial measures that are used in this report and in the quarterly presentation.

The following measures are not defined nor specified in the applicable financial reporting framework of the IFRS GAAP. They may be considered as non-GAAP financial measures that may include or exclude amounts that are calculated and presented according to the IFRS GAAP.

- Operating profit / (loss) – EBIT / Adjusted EBIT
- EBITDA / Adjusted EBITDA
- Operating revenues at constant currencies
- Business wins
- Free cash flow
- NIBD
- Capital employed
- ROCE

## OPERATING PROFIT / (LOSS) – EBIT / ADJUSTED EBIT

EBIT, earnings before interest and tax, is defined as the earnings excluding the effects of how the operations were financed, taxed and excluding foreign exchange gains and losses. Adjusted EBIT is defined as EBIT excluding unusual or non-recurring items as well as restructuring items. Restructuring items include severance cost related to the overhead cost optimization program and rightsizing of a plant with Driveline business.

EBIT is used as a measure of operational profitability. Consequently, the group also reports the adjusted EBIT, which is the EBIT excluding restructuring items and impairment losses / reversal of impairment.

| 2024                                           | DRIVE<br>CONTROL<br>SYSTEMS | FLOW<br>CONTROL<br>SYSTEMS | CORPORATE<br>& OTHER | OTHER<br>OPERATIONS | GROUP  |
|------------------------------------------------|-----------------------------|----------------------------|----------------------|---------------------|--------|
| MEUR                                           |                             |                            |                      |                     |        |
| Operating profit / (loss)                      | 12.0                        | 17.5                       | (19.6)               | 8.8                 | 18.7   |
| Restructuring costs                            | 0.1                         | 0.0                        | (0.7)                | 0.0                 | (0.6)  |
| Additional salaries and social expenses        | 0.9                         | 0.4                        | 1.7                  | 3.4                 | 6.4    |
| Other additional operating expenses / (income) | (1.8)                       | 0.0                        | 0.5                  | 0.9                 | (0.4)  |
| Impairment losses / (reversal of impairment)   | (4.6)                       | (0.4)                      | 0.0                  | 0.0                 | (5.0)  |
| Adjusted EBIT                                  | 6.6                         | 17.5                       | (18.1)               | 13.1                | 19.1   |
| Adjusted EBIT margin                           | 1.9%                        | 5.7%                       |                      | 10.1%               | 2.4%   |
| 2023                                           | DRIVE<br>CONTROL<br>SYSTEMS | FLOW<br>CONTROL<br>SYSTEMS | CORPORATE<br>& OTHER | OTHER<br>OPERATIONS | GROUP  |
| MEUR                                           |                             |                            |                      |                     |        |
| Operating profit / (loss)                      | 19.7                        | 28.8                       | (32.0)               | (36.2)              | (19.7) |
| Restructuring costs                            | 0.2                         | 0.4                        | 1.6                  | 3.5                 | 5.7    |
| Additional salaries and social expenses        | 0.3                         | 0.2                        | 3.3                  | 1.0                 | 4.8    |
| Other additional operating expenses            | 0.8                         | 0.0                        | 2.3                  | 2.8                 | 5.9    |
| Impairment losses / (reversal of impairment)   | 0.0                         | 0.0                        | 0.0                  | 27.0                | 27.0   |
| Adjusted EBIT                                  | 21.0                        | 29.4                       | (24.8)               | (1.9)               | 23.7   |
| Adjusted EBIT margin                           | 5.1%                        | 9.4%                       |                      | -1.2%               | 2.7%   |



EBITDA / ADJUSTED EBITDA

EBITDA is defined as EBIT (previously defined) before depreciation and amortization. Adjusted EBITDA is therefore EBITDA excluding restructuring items and impairment losses / reversal of impairment.

EBITDA is used as an additional measure of the group's operational profitability, excluding the impact from depreciation and amortization.

| 2024                                         | DRIVE<br>CONTROL<br>SYSTEMS | FLOW<br>CONTROL<br>SYSTEMS | CORPORATE<br>& OTHER | OTHER<br>OPERATIONS | GROUP |
|----------------------------------------------|-----------------------------|----------------------------|----------------------|---------------------|-------|
| MEUR                                         |                             |                            |                      |                     |       |
| Operating profit / (loss)                    | 12.0                        | 17.5                       | (19.6)               | 8.8                 | 18.7  |
| Depreciation                                 | 13.8                        | 13.6                       | 1.7                  | 0.0                 | 29.1  |
| Amortization                                 | 0.6                         | 0.1                        | 0.0                  | 0.0                 | 0.7   |
| EBITDA                                       | 26.4                        | 31.2                       | (17.9)               | 8.8                 | 48.5  |
| Restructuring items                          | (0.9)                       | 0.4                        | 1.6                  | 4.3                 | 5.4   |
| Impairment losses / (reversal of impairment) | (4.6)                       | (0.4)                      | 0.0                  | 0.0                 | (5.0) |
| Adjusted EBITDA                              | 20.9                        | 31.2                       | (16.3)               | 13.1                | 48.9  |
| Adjusted EBITDA margin                       | 6.0%                        | 10.2%                      |                      | 10.1%               | 6.2%  |

| 2023                                         | DRIVE<br>CONTROL<br>SYSTEMS | FLOW<br>CONTROL<br>SYSTEMS | CORPORATE<br>& OTHER | OTHER<br>OPERATIONS | GROUP  |
|----------------------------------------------|-----------------------------|----------------------------|----------------------|---------------------|--------|
| MEUR                                         |                             |                            |                      |                     |        |
| Operating profit / (loss)                    | 19.7                        | 28.8                       | (32.0)               | (36.2)              | (19.7) |
| Depreciation                                 | 13.1                        | 11.9                       | 1.5                  | 5.4                 | 31.9   |
| Amortization                                 | 0.6                         | 0.2                        | 0.0                  | 0.2                 | 1.0    |
| EBITDA                                       | 33.4                        | 40.9                       | (30.5)               | (30.6)              | 13.2   |
| Restructuring items                          | 1.3                         | 0.6                        | 7.2                  | 7.3                 | 16.4   |
| Impairment losses / (reversal of impairment) | 0.0                         | 0.0                        | 0.0                  | 27.0                | 27.0   |
| Adjusted EBITDA                              | 34.7                        | 41.5                       | (23.3)               | 3.7                 | 56.6   |
| Adjusted EBITDA margin                       | 8.5%                        | 13.3%                      |                      | 2.3%                | 6.4%   |



OPERATING REVENUES AT CONSTANT CURRENCIES

In order to measure the actual revenue development and to have it comparable year-over-year, currency translation effects are excluded. For that reason, the actual operating revenues are remeasured at prior-year currency rates (constant currencies).

| 2024                                                    |  | DRIVE<br>CONTROL<br>SYSTEMS | FLOW<br>CONTROL<br>SYSTEMS | OTHER<br>OPERATIONS | GROUP |
|---------------------------------------------------------|--|-----------------------------|----------------------------|---------------------|-------|
| MEUR                                                    |  |                             |                            |                     |       |
| Operating revenues (incl. currency translation effects) |  | 351.3                       | 307.2                      | 129.7               | 788.2 |
| Currency translation effects                            |  | (1.4)                       | 0.3                        | (1.2)               | (2.3) |
| Operating revenues (excl. currency translation effects) |  | 352.7                       | 306.9                      | 130.9               | 790.5 |

BUSINESS WINS

Business wins are reported when KA is awarded: (1) New contracts, (2) extension of the existing contract, (3) price or volume adjustments to existing programs/business awards. Annualized business wins are calculated as the annual average of total awarded future revenues, disregarding the sales in years of start of production and end of production.

| 2024                     |  | DRIVE<br>CONTROL<br>SYSTEMS | FLOW<br>CONTROL<br>SYSTEMS | OTHER<br>OPERATIONS | GROUP   |
|--------------------------|--|-----------------------------|----------------------------|---------------------|---------|
| MEUR                     |  |                             |                            |                     |         |
| Annualized business wins |  | 241.6                       | 133.7                      | 7.4                 | 382.8   |
| Lifetime business wins   |  | 1,044.8                     | 451.4                      | 29.8                | 1,526.0 |

| 2023                     |  | DRIVE<br>CONTROL<br>SYSTEMS | FLOW<br>CONTROL<br>SYSTEMS | OTHER<br>OPERATIONS | GROUP |
|--------------------------|--|-----------------------------|----------------------------|---------------------|-------|
| MEUR                     |  |                             |                            |                     |       |
| Annualized business wins |  | 147.0                       | 110.2                      | 39.7                | 296.9 |
| Lifetime business wins   |  | 538.4                       | 297.4                      | 153.6               | 989.4 |



FREE CASH FLOW

Free cash flow is measured based on sum of cash flow from operating activities, investing activities, financial activities, and currency and translation effects on cash flow (together described as change in cash), excluding net draw-down/repayment of debt and proceeds received from capital increase/purchase of treasury shares.

The group considers that this measurement illustrates the amount of additional cash generated by the group that it has at its disposal to pursue additional investments or to repay debt.

| MEUR                                                       | 2024    | 2023   |
|------------------------------------------------------------|---------|--------|
| Cash flow from operating activities                        | 32.4    | 21.5   |
| Cash flow used by investing activities                     | (21.4)  | (29.1) |
| Cash flow used by financing activities                     | (90.1)  | (39.7) |
| Currency effects on cash                                   | (1.3)   | (0.9)  |
| Add back / less:                                           |         |        |
| Purchase of treasury shares                                | 2.4     | 3.9    |
| Net proceeds from issuing the new bond notes               | (107.5) | 0.0    |
| Payments for redemption / repurchase of the old bond notes | 190.2   | 9.4    |
| Securitization facility drawn / (repaid)                   | (25.0)  | 0.0    |
| Free cash flow                                             | (20.3)  | (34.9) |

NIBD

Net interest-bearing debt (NIBD) consists of interest-bearing liabilities less cash and cash equivalents.

The group risk of default and financial strength is measured by the net interest-bearing debt. It shows the group's financial position and leverage. As cash and cash equivalents can be used to repay debt, this measurement shows the net overall financial position of the group.

| MEUR                                           | 2024   | 2023    |
|------------------------------------------------|--------|---------|
| Interest-bearing loans and borrowings          | 132.5  | 189.3   |
| Long-term interest-bearing lease liabilities   | 63.8   | 65.4    |
| Other short-term liabilities, interest-bearing | 9.9    | 10.2    |
| Cash and cash equivalents                      | (84.3) | (164.7) |
| Net interest-bearing debt                      | 121.9  | 100.2   |

CAPITAL EMPLOYED

Capital employed includes the total sum of intangible assets, property, plant and equipment, net working capital (which in turn comprises trade receivables and inventories net of trade payables) and right-of-use assets less lease liabilities.

Capital employed is measured to assess how much capital is needed for the operations/business to function and evaluate if the capital employed can be utilized more efficiently and/or if operations should be discontinued.

| MEUR                                                                                   | 2024   | 2023*  |
|----------------------------------------------------------------------------------------|--------|--------|
| Intangible assets                                                                      | 84.6   | 78.3   |
| Property, plant and equipment                                                          | 117.3  | 115.8  |
| Right-of-use assets                                                                    | 54.8   | 55.0   |
| Net working capital (inventories and trade receivables less trade payables)            | 136.5  | 146.4  |
| IFRS 16 lease liabilities (long-term and short-term)                                   | (73.7) | (75.6) |
| Capital employed                                                                       | 319.5  | 319.9  |
| * adjusted to align with the updated definition of capital employed (starting Q1 2024) |        |        |

ROCE

Return on capital employed (ROCE) is based on EBIT for the last twelve months divided by the average of capital employed at the beginning and end of the period.

Return on capital employed is used to measure the return on the capital employed and is used to assess the Company's profitability and efficiency during the period under review. The group considers this ratio as appropriate to measure the return of the period.

| MEUR                                                                                                                             | 2024       | 2023*      |
|----------------------------------------------------------------------------------------------------------------------------------|------------|------------|
| Capital employed beginning <sup>(1)</sup>                                                                                        | 01.01.2024 | 01.01.2023 |
| Capital employed at end <sup>(1)</sup>                                                                                           | 31.12.2024 | 31.12.2023 |
| EBIT last twelve months <sup>(2)</sup>                                                                                           | 18.7       | (19.7)     |
| ROCE <sup>(2) / ((1) + (2)) * 2</sup>                                                                                            | 5.8%       | -5.9%      |
| * adjusted to align with the updated definition of capital employed and transition from adjusted EBIT to EBIT (starting Q1 2024) |            |            |



DECLARATION TO THE

ANNUAL REPORT 2024

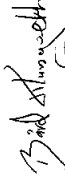
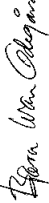
Responsibility Statement

The President & Chief Executive Officer and the Board of Directors confirm, to the best of their knowledge, that the financial statements for the period January 1 to December 31, 2024, have been prepared in accordance with current applicable accounting standards, and give a true and fair view of the company's and the group's assets, liabilities, financial position, and profit or loss of the entity and the group taken as a whole. We also confirm that the Board of Directors' report includes a true and fair view of the development and performance of the business and the position of the entity and the group, together with a description of the principal risks and uncertainties the group and the company face.

Additionally, we confirm that the annual report and the report of the Board of Directors have been prepared in accordance with standards for sustainability reporting established pursuant to section 2-6 of the Accounting Act, and in accordance with rules laid down pursuant to Article 8(4) of the Taxonomy Regulation.

Kongsberg, March 26, 2025

The Interim President & CEO and the Board of Directors of Kongsberg Automotive ASA

|                                                                                                                                                 |                                                                                                                                      |                                                                                                                                       |                                                                                                                                      |
|-------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|
| <br>Olav Vollidal<br>Chair                                   | <br>Bård Klungseth<br>Deputy Chair                | <br>Synneve Gjennes<br>Director                     | <br>Junyang (Jenny) Shao<br>Director                |
| <br>Brian Kristoffersen<br>Director                        | <br>Siw Reidun Warås<br>Employee representative | <br>Knut Magne Alfsvåg<br>Employee representative | <br>Bjørn Ivan Ødegård<br>Employee representative |
| <br>Christian Johansson<br>Interim President & CEO and CFO |                                                                                                                                      |                                                                                                                                       |                                                                                                                                      |



# AUDITOR'S REPORT



Deloitte.

Deloitte AS  
Dronning Eufemias gate 14  
Postboks 221  
NO-0103 Oslo  
Norway  
+47 23 27 60 00  
www.deloitte.no

Deloitte.

Independent auditor's report  
Kongsberg Automotive ASA

To the General Meeting of Kongsberg Automotive ASA

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements  
Opinion

We have audited the financial statements of Kongsberg Automotive ASA, which comprise:

- the financial statements of the parent company Kongsberg Automotive ASA (the Company), which comprise the statement of financial position as at 31 December 2024, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.
- the consolidated financial statements of Kongsberg Automotive ASA and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2024, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with simplified application of International Accounting Standards according to the Norwegian Accounting Act section 3-9, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5, have been provided.

We have been the auditor of Kongsberg Automotive ASA for 15 years from the election by the general meeting of the shareholders on 4 June 2010 for the accounting year 2010.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of 2024. These matters were addressed in the context of our audit of the financial

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| <div><div>Deloitte.</div><div><p>In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.</p><p>Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report</p><ul style="list-style-type: none"><li>is consistent with the financial statements and</li><li>contains the information required by applicable statutory requirements.</li></ul><p>Our statement on the Board of Directors' report applies correspondingly to the statement on Corporate Governance.</p><p>Our statement that the Board of Directors' report contains the information required by applicable law does not cover the sustainability report, for which a separate assurance report is issued.</p><p><i>Responsibilities of Management for the Financial Statements</i></p><p>Management is responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with simplified application of International Accounting Standards according to the Norwegian Accounting Act section 3-9, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.</p><p>In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group or to cease operations, or has no realistic alternative but to do so.</p><p><i>Auditor's Responsibilities for the Audit of the Financial Statements</i></p><p>Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.</p><p>As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:</p><ul style="list-style-type: none"><li>identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.</li><li>obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.</li></ul></div></div> |               |              |            |                          |                           |                      |                  |
| <div><div>Deloitte.</div><div><p>Independent auditor's report<br/>Kongsberg Automotive ASA</p><ul style="list-style-type: none"><li>evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.</li><li>conclude on the appropriateness of management's use of the going concern basis of accounting, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.</li><li>evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.</li><li>obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.</li></ul><p>We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.</p><p>We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.</p><p>From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.</p><p><b>Report on Other Legal and Regulatory Requirements</b></p><p><i>Report on Compliance with Requirement on European Single Electronic Format (ESEF)</i></p><p><i>Opinion</i></p><p>As part of the audit of the financial statements of Kongsberg Automotive ASA, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name 5967007LIEEXZXD0G21-2024-12-31-en, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 6-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format and XBRL tagging of the consolidated financial statements.</p><p>In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.</p><p><i>Management's Responsibilities</i></p><p>Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.</p></div></div>                                                                                                                                   |               |              |            |                          |                           |                      |                  |
| <div><div>Deloitte.</div><div><p>Independent auditor's report<br/>Kongsberg Automotive ASA</p><p>Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.</p><p>As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:</p><ul style="list-style-type: none"><li>identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.</li><li>obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.</li></ul></div></div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |               |              |            |                          |                           |                      |                  |
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| <div><div>Deloitte.</div><div><div><div>Auditor's Responsibilities</div><div>Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in compliance with ESEF. We conduct our work in compliance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in compliance with the ESEF Regulation.</div><div>As part of our work, we have performed procedures to obtain an understanding of the Company's processes for preparing the financial statements in compliance with the ESEF Regulation. We examine whether the financial statements are presented in XHTML format. We evaluate the completeness and accuracy of the XBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the XBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.</div></div><div><div>Oslo, 28 March 2025</div><div>Deloitte AS</div><div><div>Lara Atle Lauvanes</div><div>State Authorised Public Accountant</div><div>(This document is signed electronically)</div></div></div></div></div> |               |              |            |                          |                           |                      |                  |
| <div><div>Independent auditor's report</div><div>Kongsberg Automotive ASA</div></div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |               |              |            |                          |                           |                      |                  |



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| <div><div>Deloitte.</div><div>To the General Meeting of Kongsberg Automotive ASA</div><div>INDEPENDENT SUSTAINABILITY AUDITORS' LIMITED ASSURANCE REPORT</div><div><div>Limited assurance conclusion</div><div>We have conducted a limited assurance engagement on the consolidated sustainability statement of Kongsberg Automotive ASA (the "Group"), included in the Sustainability Statement of the Board of Directors' report (the "Sustainability Statement"), as at 31 December 2024 and for the year then ended.</div><div>Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Statement is not prepared, in all material respects, in accordance with the Norwegian Accounting Act section 2-3, including:</div><div><div><div><div>• compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the Group to identify the information reported in the Sustainability Statement (the "Process") is in accordance with the description set out in subsection Double Materiality Assessment on page 52, and</div><div>• compliance of the disclosures in subsection EU Taxonomy on page 64 of the Sustainability Statement with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation").</div></div></div><div><div>Basis for conclusion</div><div>We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance engagements other than audits or reviews of historical financial information ("ISAE 3000 (Revised)"), issued by the International Auditing and Assurance Standards Board.</div><div>We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under this standard are further described in the Sustainability auditor's responsibilities section of our report.</div><div>Our independence and quality management</div><div>We have complied with the independence and other ethical requirements as required by relevant laws and regulations in Norway and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour</div><div>The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</div><div>Other matter</div><div>The comparative information included in the Sustainability Statement was not subject to an assurance engagement. Our conclusion is not modified in respect of this matter.</div></div></div></div></div> | <div><div>Deloitte AS</div><div>Dronning Eufemias gate 14</div><div>Postboks 221</div><div>NO-0403 Oslo</div><div>Norway</div><div>+47 2327 90 00</div><div>www.deloitte.no</div></div> | <div><div>Deloitte AS</div><div>Dronning Eufemias gate 14</div><div>Postboks 221</div><div>NO-0403 Oslo</div><div>Norway</div><div>+47 2327 90 00</div><div>www.deloitte.no</div></div> | <div><div>Deloitte AS</div><div>Dronning Eufemias gate 14</div><div>Postboks 221</div><div>NO-0403 Oslo</div><div>Norway</div><div>+47 2327 90 00</div><div>www.deloitte.no</div></div> | <div><div>Deloitte AS</div><div>Dronning Eufemias gate 14</div><div>Postboks 221</div><div>NO-0403 Oslo</div><div>Norway</div><div>+47 2327 90 00</div><div>www.deloitte.no</div></div> | <div><div>Deloitte AS</div><div>Dronning Eufemias gate 14</div><div>Postboks 221</div><div>NO-0403 Oslo</div><div>Norway</div><div>+47 2327 90 00</div><div>www.deloitte.no</div></div> | <div><div>Deloitte AS</div><div>Dronning Eufemias gate 14</div><div>Postboks 221</div><div>NO-0403 Oslo</div><div>Norway</div><div>+47 2327 90 00</div><div>www.deloitte.no</div></div> | <div><div>Deloitte AS</div><div>Dronning Eufemias gate 14</div><div>Postboks 221</div><div>NO-0403 Oslo</div><div>Norway</div><div>+47 2327 90 00</div><div>www.deloitte.no</div></div> |
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**Our other responsibilities in respect of the Sustainability Statement include:**

- identifying where material misstatements are likely to arise, whether due to fraud or error; and
- designing and performing procedures responsive to where material misstatements are likely to arise in the Sustainability Statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

### Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Statement. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than, for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise in the Sustainability Statement, whether due to fraud or error.

**In conducting our limited assurance engagement, with respect to the Process, we:**

- o obtained an understanding of the Process by:
  - o performing inquiries to understand the sources of the information used by management (e.g., stakeholder engagement, business plans and strategy documents); and
  - o reviewing selected parts the Group's internal documentation of its Process; and
- o evaluated whether the evidence obtained from our procedures with respect to the Process implemented by the Group was consistent with the description of the Process set out in subsection Double Materiality Assessment on pages 52-53.

**In conducting our limited assurance engagement, with respect to the Sustainability Statement, we:**

- obtained an understanding of the Group's reporting processes relevant to the preparation of its Sustainability Statement by obtaining an understanding of the Group's control environment, processes, control activities and information system relevant to the preparation of the Sustainability Statement, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control;
- evaluated whether the information identified by the Process is included in the Sustainability Statement;
- evaluated whether the structure and the presentation of the Sustainability Statement is in accordance with the ESRS;
- performed inquiries of relevant personnel and analytical procedures on selected information in the Sustainability Statement;
- performed substantive assurance procedures on selected information in the Sustainability Statement;
- where applicable, compared selected disclosures in the Sustainability Statement with the corresponding disclosures in the financial statements and other sections of the Board of Directors' report;
- evaluated selected methods, assumptions and data for developing estimates and forward-looking information;
- obtained an understanding of the Group's process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability Statement;
- evaluated whether information about the identified taxonomy-eligible and taxonomy-aligned economic activities is included in the Sustainability Statement, and



KONGSBERG AUTOMOTIVE ASA  
DYRMYRGATA 48  
3611 KONGSBERG  
NORWAY  
T: +47 32 77 05 00

[WWW.KONGSBERGAUTOMOTIVE.COM](http://WWW.KONGSBERGAUTOMOTIVE.COM)