ANNUAL REPORT

2025

KONGSBERG
AUTOMOTIVE

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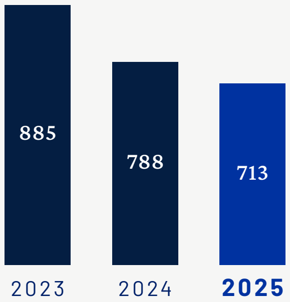
INTRODUCTION

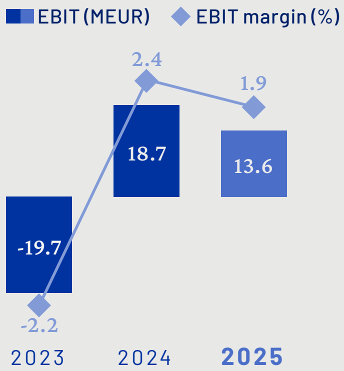
2025 IN BRIEF: KEY FIGURES

REVENUES MEUR



713 M€

EBIT, EBIT MARGIN



13.6 M€

1.9 %

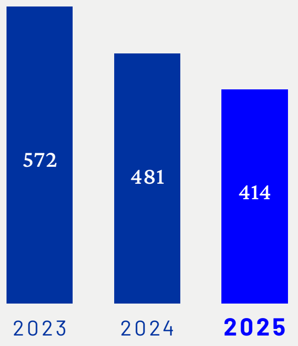
FREE CASH FLOW MEUR

6.7 M€

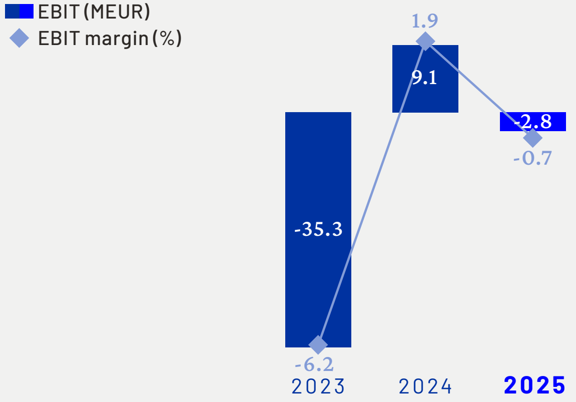
KEY FIGURES BUSINESS AREAS

DRIVE CONTROL SYSTEMS

REVENUES MEUR

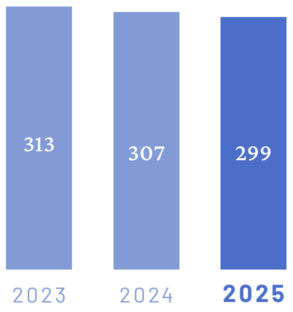


EBIT, EBIT MARGIN

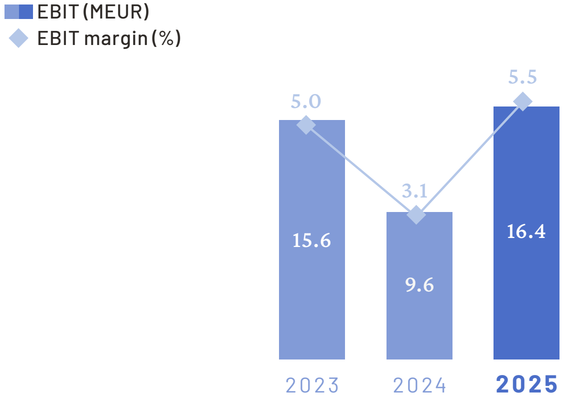


FLOW CONTROL SYSTEMS

REVENUES MEUR



EBIT, EBIT MARGIN



CEO LETTER

Dear Kongsberg Automotive Stakeholders,

When I assumed the role as President & CEO of Kongsberg Automotive (KA) at the end of March 2025, I did so with a strong sense of personal responsibility for the company, its people, and its future. Having previously worked for KA for many years, I also brought with me deep respect for the company's history, as well as a clear conviction that KA has a significant untapped potential.

From the outset, it was clear that KA needed stronger accountability, sharper strategic focus, and more disciplined execution. During 2025, we therefore made conscious and deliberate changes to how the company is led and managed. A key priority during my first months as the CEO was to strengthen and renew the Executive Leadership Team, ensuring that KA is led by individuals who combine strong industry knowledge with a clear sense of responsibility, ownership, and commitment to change. In parallel, we reorganized the company to clarify accountability and decision-making by strengthening our two business areas. Later in the year, we further sharpened this focus by establishing several business units (BUs) within each business area. By the end of 2025, the Flow Control Systems Business Area comprised three BUs, while the Drive Control Systems Business Area comprised five BUs, each with clear responsibility for customers, products, execution, and results.

Customer focus and customer satisfaction are fundamental to our strategy and to the organizational changes we have made. The establishment of BUs was a deliberate step to place accountability closer to the customer, enabling stronger alignment of strategic product roadmaps, improved execution, and faster, more effective decision-making. By organizing in this way, we strengthen our ability to respond to customer needs, deliver consistent performance, and build long-term relationships based on trust.

Cost discipline and operational focus were essential themes throughout 2025, particularly in light of weaker market conditions compared with 2024. We continued to execute existing overhead cost-reduction programs and initiated an additional significant program. We also decided to implement necessary restructuring initiatives, including the consolidation of the Ljungsarp plant into the Mullsjö plant and the closure of the Zurich office, both of which will be completed during 2026. Throughout this work, we maintained a strong focus on continuous improvement, recognizing that sustainable cost efficiency is achieved by consistently challenging the status quo, applying disciplined effort, and paying close attention to details.

The extraordinary tariffs introduced by the United States represented a challenge during the year, affecting both cost and demand, and were addressed through focused actions. We also faced warranty cost challenges related to certain legacy contracts. Mitigating actions have been implemented to prevent recurrence. Improving cash flow remained a clear priority, supported by stronger financial discipline and working capital actions.

The recent war in Iran and broader conflicts in the Middle East have increased volatility in energy markets and heightened overall economic uncertainty. While KA has no direct exposure to the region, such developments may indirectly impact our operations through higher energy, logistics, and raw material costs, as well as increased uncertainty in customer demand and supply chains. The potential effects and duration of these developments remain uncertain, and we continue to closely monitor the situation and take prudent actions to mitigate potential impacts.

Developing unique products that deliver significant customer value in attractive and growing market segments remains central to KA's strategy and long-term competitiveness. While maintaining financial discipline, we therefore continued to invest selectively in innovation and long-term growth. We obtained full ownership of Chassis Autonomy, positioning KA for growth in the rapidly expanding Steer-by-Wire segment and acquired the remaining 25% ownership in Kongsberg Automotive Morse Shanghai, providing greater flexibility and strategic options in China.

During 2025, we revised our long term strategic goals. At our Capital Markets Day, we presented a long term EBIT target of 6.5% on current activity levels, reaffirming our commitment to delivering sustainable long term shareholder value. An improvement in activity levels would provide an upside to our EBIT target.

While we made important changes and achieved meaningful progress during 2025, we are fully aware that significant work remains, and that we are still have many things to get in order. Realizing KA's full potential is a marathon, not a sprint, and sustainable improvement will not be achieved through shortcuts or quick fixes. It requires disciplined execution, the ability to learn, consistent follow-through, and the resolve to stay the course over time. Progress will be built step-by-step as we deliberately strengthen a performance-oriented KA culture, structure, and set of processes designed to endure and deliver lasting results.

The direction is clear and expectations are high. As I have communicated consistently in our earnings calls, restoring value creation for shareholders remains our top priority. I strongly believe in the future of KA. While we approach the journey ahead with humility and respect for the task, I am confident in our ability to realize KA's full potential.

Trond Fiskum
President & CEO

EXECUTIVE MANAGEMENT

Trond Fiskum

President & Chief Executive Officer,
Interim EVP Drive Control Systems

Erik Magelssen

Chief Financial Officer

Thomas Danbolt

EVP Flow Control Systems

Oscar Jaeger

EVP Human Resources

Kristian Rajkovic

General Counsel

BOARD OF DIRECTORS’ LETTER

BOARD OF DIRECTORS' LETTER

In 2025, the Board of Directors (the Board) prioritized three objectives:
> Establishing a new management team and changing the organizational structure to ensure a performance-driven culture promoted by the right incentives
> Securing a competitive cost base and ensuring positive cash flow
> Driving strategic innovation to ensure long-term success in a rapidly changing business environment
The company has delivered on these parameters.

New Board members were elected at an Extraordinary General Meeting at the end of 2024 to restore the value of Kongsberg Automotive (KA). Following years of poor operational performance and a continuously weakening market, immediate changes were clearly needed. Trond Fiskum was appointed as the new President & CEO, joining the company at the end of March 2025. Fiskum had previous experience from KA, knew the company well, and represented the analytical and executional capabilities required for the role. He quickly and professionally formed his new management team and implemented a new organizational structure, utilizing proven principles applied in the past. Good values and management practices were reintroduced, with focus on a competence- and performance-driven culture, supported by incentive alignment and accountability.

As a result, significant reductions in overhead costs have been achieved, in addition to reducing direct costs. We are seeing a positive trend in cash flow generation and deleveraging our balance sheet, in spite lower revenues. We cannot influence the market, but we need to have a sustainable cost base that makes KA profitable.

KA's revenue fell close to 10% from 2024. This broadly corresponds to overall market trends and development. Market visibility is limited both in the short term and over a longer period. Customer forecasts and analytics suggest that early 2026 will mirror late 2025, with potential improvement expected later this year. The company will align resources with deliveries.

The current business climate for the global vehicle industry is often described with words like uncertainty and limited visibility. Factors affecting our end-markets include military conflicts, tariffs, shifting regulations, and environmental changes. Despite these uncertainties, the Board expects electrification, autonomation, safety, and sustainability to remain top trends in the vehicle industry. This creates opportunities. We have a strong focus on innovation and strategic priorities in the coming years. Research and development (R&D) expenses in 2025 exceeded those of the prior year. New products have been launched through close collaboration with some of our leading customers. An important strategic acquisition in 2025 was obtaining full ownership of Chassis Autonomy, which is now strategically and operationally integrated with the organization. The portfolio of innovations and new product developments offer exciting prospects for the future and are receiving strong interest from our customers.

The volume and value of new contracts placed by our customers in 2025 have been low. This can be attributed to ongoing market uncertainties in various end-markets, as well as the deferred timing of new vehicle program launches. Nevertheless, there were no significant contract losses in 2025. Based on the current information available, more new orders should be placed during 2026.

The journey of creating value has just begun. The Board, together with an ambitious management team, has set challenging goals for 2026. This includes targets on profitability, cash flow, business growth, innovation, sustainability, and strategic positioning.

Increasing shareholder value is imperative for the Board.

The Board thanks KA's customers, employees, management, partners, and our shareholders for their ongoing support.

GOVERNANCE

CORPORATE GOVERNANCE

1. IMPLEMENTATION OF THE PRINCIPLES FOR CORPORATE GOVERNANCE

Kongsberg Automotive's (KA's) guidelines for Corporate Governance conform to the Norwegian Code of Practice for Corporate Governance of August 28, 2025, and the company's compliance with the 15 recommendations of the Code is explained in the following section.

The Board of Directors (the Board) has defined the company's core values which are reflected in the company's Code of Conduct. The Code of Conduct includes ethical guidelines and guidelines for corporate social responsibility, including, but not limited to, 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's 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 OFKA'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 the development, marketing and manufacturing of products for the vehicle 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 broad definition of the actual business of the company at present. The Annual Report provides a more detailed presentation of the main business segments in which KA operates. Further, the Annual Report contains a description of the company's objectives and principal strategies. The Board 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 time is at an appropriate level for its objective, strategy, and risk profile. The company's Dividend Policy states the following:

> *Kongsberg Automotive shall create good value for its shareholders, employees, and society. Return to shareholders will be a combination of changes in share price and dividends. The Board's 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 with a nominal share value of NOK 1.00. The company holds 18,225,314 shares as of December 31, 2025.

The General Meeting of May 23, 2025, granted a mandate to purchase up to 95,142,313 treasury shares. No treasury shares have been acquired under this mandate.

The above mandate is time-limited and expires at the earlier of the next ordinary General Meeting or June 30, 2026.

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 and in accordance with the safe haven principles.

There were no significant transactions in 2025 between the company and the company's shareholders, board directors or members of the executive management, or parties closely associated with such parties.

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) 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 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 the procedures 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 for 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 and the Chief Executive Officer will attend the General Meeting and to the extent possible, other members of the Board, members of the Nomination Committee, the Auditor, and the Chief Financial Officer.

The General Meetings are usually opened by the Chair of the Board. A person that is independent of the Board, 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 also provide information regarding the rights 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 of the company do not prescribe any exception from chapter five of the Act on Public Limited Liability Companies.

7. NOMINATION COMMITTEE

It follows from §5 of the company's Articles of Association 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 and to propose remuneration to the directors and members of the Board committees.

The members of the Nomination Committee elected at the General Meeting on May 23, 2025, are Arild Christoffersen (Chair), Endre Kolbjørnsen and Tore Vik. All members of the Nomination Committee are independent of the Board, 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, as well as 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 paid to the Nomination Committee is determined by the General Meeting.

8. BOARD OF DIRECTORS, COMPOSITION, AND INDEPENDENCE

The Board 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 Volldal (Chair), Bård Klungseth, (Deputy Chair) Brian Kristoffersen, Synnøve Gjønnes, and Ulla-Britt Fräjdin-Hellqvist. The following directors have been elected by the employees: Siw Reidun Wærås Bjerke, Hilde-Yvonne Beggerud, and Ørjan Langnes. 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 2025 was as follows:

	BOARD MEETINGS	COMPENSATION COMMITTEE	AUDIT COMMITTEE
OLAV VOLLDAL	11	12	
BÅRD KLUNGSETH	11	12	
BRIAN KRISTOFFERSEN	11		7
SYNNØVE GJØNNES	11		7
ULLA-BRITT FRÄJDIN-HELLQVIST[1]	5		4
SIW REIDUN WÆRÅS BJERKE[3]	11	4	
HILDE-YVONNE BEGGERUD[1]	5		
ØRJAN LANGNES[1]	6		
JUNYANG SHAO[2]	5		3
KNUT MAGNE ALFSVÅG[2]	4		
BJØRN IVAN ØDEGÅRD[2]		8	

1) Served from May 23, 2025 2) Served until May 23, 2025 3) Served on the Compensation Committee from May 23, 2025

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 holds the ultimate responsibility for managing the group and for monitoring day-to-day management and the group's business activities. The Board 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 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.

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.

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.

The Board evaluates its performance and expertise regularly by means of self-assessment. This assessment is usually executed using questionnaires which are completed by each director, followed by a common review. A self-assessment report is to be distributed to the Nomination Committee.

10. RISK MANAGEMENT, INTERNAL CONTROL, AND FINANCIAL REPORTING

10.1 RISK MANAGEMENT AND INTERNAL CONTROL

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 purpose of the management system is 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.

In 2025, the group has been organized with a separate Internal Audit function, which followed an internal audit program previously approved by the Audit Committee. The Internal Audit manager reported to the CFO and the Audit Committee. Going forward, there will be an internal control function that will be managed and coordinated by the Group Finance team, where several team members will be involved in the internal control tasks in close cooperation with the business area controllers and the plant controllers.

10.2 FINANCIAL REPORTING

KA publishes quarterly financial statements in addition to the annual report. Internal reports are produced monthly and quarterly, in which the performance of each business area is analyzed and evaluated against forecasts. KA's consolidated financial statements are prepared by the Group Accounting team, which reports to the group CFO.

Prior to discussions with the Board, the Audit Committee performs a preliminary review of the quarterly financial statements and Annual Report, with a particular emphasis on the subjective valuations and estimates that have been made. The external auditor attends all Audit Committee meetings.

A number of risk assessments and control measures have been established in connection with the publication of the financial statements. Internal meetings are held with the business areas and subsidiaries, as well as a meeting with the external auditor, to identify risk factors and measures associated with material accounting items or other circumstances. Similar meetings are also held on a quarterly basis with various professional environments within the group, with a particular focus on any market changes, specific circumstances relating to individual investments, transactions, and operating conditions, for example.

11. REMUNERATION TO THE BOARD OF DIRECTORS

The remuneration paid to each Board Director is specified in the Remuneration Report, which is made available on KA's website. The remuneration is proposed by the Nomination Committee and approved by the General Meeting. The 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.

12. REMUNERATION TO THE EXECUTIVE MANAGEMENT

The Board 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.

13. INFORMATION AND COMMUNICATION

The Board 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 financial markets. A financial calendar for the company is available on the company's website and is published on the website of the Oslo Stock Exchange.

All information distributed to shareholders is made available simultaneously on the company's website.

14. TAKEOVERS

The Board 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 Procedures for the Board of Directors and are available on the company's website.

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.

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 should consider whether to arrange a valuation by an independent expert.

The Board shall not seek to hinder or obstruct takeover bids for the company's activities or shares unless there are particular reasons for this.

15. AUDITOR

The auditor presents the main elements of the plan for the audit 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 with 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.

GOING CONCERN

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.

SUBSEQUENT EVENTS

No significant subsequent events have been identified.

OPERATIONAL RISK

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. Other factors and variances are 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.

RISK MANAGEMENT

Responsibility for the group's financial risk management is mainly centralized, and risk exposure is continuously monitored. The group has identified a specific risk catalog and has classified all risks according 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.

BOARD OF DIRECTORS

Olav Volldal
Chair
Elected: 2024
Nationality: Norwegian

Current Board positions:
Non-executive Board Member, DEFA Lighting AS (2023–present), Member, DEFA Advisory Board (2010–present), amongst others

Education:
> Master of Science, Norwegian University of Science and Technology (1969-1973)
> Officer Candidate School, Norwegian Army 1974, Sgt.

Experience:
> President & CEO, Kongsberg Automotive ASA (1987-2010)
> EVP, Automotive Division, Kongsberg Våpenfabrikk (KV) (1984-1987)
> Plant Manager, Automotive Division KV (1982-1984)
> VP, Corporate Planning, KV (1980-1982)
> Quality Systems and Corporate Planning, KV (1975- 1980)

Experience in sustainability issues:
> Responsible for setting sustainability targets, follow-up and external reporting, incl. ISO 14001 (Environmental Management Systems) certification, as KA's President & CEO (1987-2010)
> Involved in sustainability target setting and reporting in several companies, as a Board Member

Other experience:
> Former Chair of the Board of Directors in various companies including the Advisory Board of Metalsa (2014–2021), Fibo Group (2015–2018), Nettpartner Holding (2012–2018), Lindum (2011–2017), Norwegian Institute of Technology (2010–2015), amongst others
> Former Board positions include Non-Executive Board Member, Telenor ASA (2007–2011) and Non-Executive Board Member, Navico (2010–2015) to name a few

Number of shares as of December 31, 2025: 550,000

Bård Klungseth
Deputy Chair
Elected: 2024
Nationality: Norwegian

Current positions:
CEO, DEFA Group (2011-present)

Education:
> Executive MBA, BI, Norwegian School of Management EMBA (2010-2011)
> M.Sc. Norwegian University of Science and Technology Mechanical Engineering (1985-1990)
> Officer Candidate School, Royal Norwegian Air Force, Sgt. (1983-1984)

Experience:
> COO Kongsberg Automotive (2010-2011)
> EVP Actuation Systems Kongsberg Automotive (2008-2010)
> EVP Driveline & Chassis Kongsberg Automotive (2007-2008)
> EVP BA Commercial Vehicle Systems (CVS) Kongsberg Automotive (2003-2007)
> EVP Global Purchase Kongsberg Automotive (2002-2003)
> Director Manufacturing Kongsberg Automotive, Division CVS (1999-2002)

Experience in sustainability issues:
Overall responsible for sustainability strategy and certification of DEFA Group's Management System according to:
> ISO 14001 (Environmental Management Systems), ISO 45001 (Occupational Health and Safety), ISO 9001 (Quality Management Systems), including endorsement of ISO 26000 (Social Responsibility) and alignment with the UN Sustainable Development Goals

Other experience:
> Managing Director, DEFA AS (2011-present)
> Board Member, DEFA AS (2011-present)
> Managing Director, DEFA OY (2011-present)
> Board Member, DEFA AB (2011-present)
> Managing Director, DEFA NA Inc. (2011-present)
> Board Member, Loyds Industri AS (2016-2017)
> Chair of the Board, HBK invest & Consulting (2005-2011)
> Chair of the Board, Kongsberg Automotive AS (2008-2010)
> Board Member, KA Spain, KA India, KA Inc., KA Poland, KA UK (2008-2011)
> Board Member, BIA Norwegian Research Council (2008-2009)
> Managing Director, Kongsberg Automotive AS (2005-2008)

Number of shares as of December 31, 2025: 173,000

Synnøve Gjønnes
Director
Elected: 2024
Nationality: Norwegian

Current positions:
Financial Advisor, Lotma Advisory AS (2023-present), various advisory and board positions

Education:
> London School of Economics and Political Science, CEMS Master's in International Management (2012-2013)
> ESADE Business School, Master of Science in Finance, CEMS Master's in International Management (2011-2012)
> BI Norwegian Business School, Bachelor's in Finance (2008-2011)

Experience:
> Board Member, Skagerak Energipartner AS (2023-)
> Portfolio Manager, Nordic equities at REQ Capital AS (2021-2023)
> Portfolio Manager, Norwegian Equities KLP Kapitalforvaltning (2018-2021)
> VP Strategy and M&A, Kværner ASA (2018)
> Equity Partner at Pareto Securities AS, roles within Equity Research and Corporate Finance

Experience in sustainability issues:
> Responsible for ESG and sustainability reporting at REQ Capital AS, responsible portfolio manager for Nordic fund classified as Art.8 according to SFDR (2021-2023)
> Responsible for enforcement of active ownership strategy in designated companies in KLP Kapitalforvaltning AS (2018-2021)

Other experience:
> Member of Nomination Committee, Kongsberg Automotive ASA (2019-2022)
> Committee for Financial Information in the Norwegian Society of Financial Analysts (2019-2022)

Number of shares as of December 31, 2025: 80,000

Ulla-Britt Fräjdin-Hellqvist
Director
Elected: 2025
Nationality: Swedish

Current positions:
Managing Director, Fräjdin & Hellqvist AB

Education:
> M.Sc. Engineering Physics, Chalmers University of Technology

Experience:
> Chair and Board Member of several Swedish companies, research institutions, and organizations
> Active in family-owned companies, focusing on issues related to industry, environment, science, and societal development
> Previous work assignments include leading positions at Volvo Cars and Svenskt Näringsliv, Chair and Board Member roles across listed, private, and state-owned companies, foundations, and non-profit organizations

Experience in sustainability issues:
> Director Competence Center Environment, Volvo Cars (1994-94). Established and developed the competence center. Responsible worldwide for Environmental Strategies and Goals regarding both the vehicle itself and the production, purchase, and marketing. Spokesperson
> SVP Environment and Sustainability Swedish Confederation of Enterprise (2001-2005), responsible for all policies and strategies, spokesperson
> Chairperson research program FFI (finances research, innovation and development in the automotive sector related to the environment and safety. (2009-2025)
> Board Member MISTRA foundation for strategic environmental research (1997-2002)
> Board Member Stockholm Environmental Institute (2009-2013)

Other experience:
> Board Member in several companies, institutions and foundations; Tällberg foundation (2009-2014), Data Respons (2011-2021), Holmberg safety (2017-2021), Smarter electronic systems (2009-2014)
> Member of the Royal Swedish Academy of Engineering Sciences (IVA, 2004)
> Board Member, Kongsberg Automotive ASA (2007-2016)

Number of shares as of December 31, 2025: 100,000

BOARD OF DIRECTORS

Brian Kristoffersen
Director
Elected: 2023
Nationality: Danish

Current positions:
CEO, BK Company Group; Investor and holder of various positions at different companies

Education:
- MBA from Henley University in London (1999-2004)
- Merkonom in sales and marketing (1992-1994)

Experience:
- CEO and owner of BK Invest Company Ltd (2023-present)
- CEO and owner of BK Company ApS (2011-present)
- CEO and co-owner of B.K. Company ApS (2012-present)
- CEO and co-owner of S-13 Vedbæk ApS (2011-present)
- CEO and owner Sp/f BK (2003-2024)
- CEO and co-owner of Rosemunde ApS (2011-2022), acquired by a Swedish listed company
- CEO of Circle Europe A/S (1998-2011)
- CEO of A/S Deres Design (1998-2011)

Experience in sustainability issues:
- Implementing activities that are consciously aimed at minimizing impact on the environment in close collaboration with our suppliers (manufacturing and supply chain)
- 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

Other experience:
- Member of the Board in several companies, including in Circle Europe A/S, A/S Deres Design, Everyday Luxury Feeling A/S, and in various entities within
- The Rosemunde Group
- Local council member in Sydbank A/S (2012-2022)
- Member of the Board of Directors of BK Company ApS

Number of shares as of December 31, 2025: 12,601,486

Siw Reidun Wærås Bjerke
Employee representative
Elected: 2021
Nationality: Norwegian

Current positions:
Quality & HSE Manager, Flow Control Systems (Couplings) at Raufoss, Norway

Education:
- Technical education in computer programming at Fagskolen Innlandet in Norway

Experience:
- Experience in the automotive industry since 1994, and within Quality and HSE since 1997.
- Quality Engineer at Kongsberg Automotive (2012-2015)
- Purchase and QA Manager at Ring Mekanikk(2015-2017)
- Senior QA Engineer at Kongsberg Automotive (2018-2019)
- QA & HSE Manager at Kongsberg Automotive (December 2019-present)

Experience in sustainability issues:
- Responsible for the implementation of ISO 14001 (Environmental Management Systems) since 2005
- Responsible for the implementation of ISO 45001 (Occupational Health and Safety) since 2021

Number of shares as of December 31, 2025: 7,500

Hilde-Yvonne Beggerud
Employee representative
Elected: 2025
Nationality: Norwegian

Current positions:
Operator, Aftermarket Sales, Driver Control Systems at Hvittingfoss, Norway

Education:
- Hospitality & Business Studies, Buskerud, Norway

Experience:
- Operator, Aftermarket Sales in the automotive industry (2021-present)

Other experience:
- Locally elected leader of the union at the Hvittingfoss plant (2021-present)

Number of shares as of December 31, 2025: 0

Ørjan Langnes
Employee representative
Elected: 2025
Nationality: Norwegian

Current positions:
Quality Engineer, Flow Control Systems, Raufoss, Norway

Education:
- Bachelor's Degree in Digital Forensics, Noroff University College
- Courses in Quality Management and Material Knowledge & Production Methods for Plastics, Fagskolen Innlandet, Norway

Experience:
- Quality Engineer, Flow Control Systems (Couplings) at Raufoss, Norway (2022-present)

Number of shares as of December 31, 2025: 0

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 translation and transaction exposures. Translation exposures relate to net investments in foreign entities which are then converted to EUR in the consolidated financial statements. Transaction exposures include commercial transactions and financing transactions, both internally and externally. 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 ultimate parent company's presentation currency is the euro, and its functional currency was assessed to be changed from Norwegian krone to euro, effective January 1, 2025. This change eliminates foreign-exchange gains and losses on EUR-denominated financial instruments and removes translation exposure related to the Norwegian holding operations.

INTEREST RISK

KA successfully refinanced its main outstanding financial debt in June 2024 using the Nordic bond market. At the time of refinancing, KA issued a EUR 110 million bond with a maturity of four years, maturing in June 2028. The bond notes include the possibility of an additional tap issue of up to a maximum of EUR 50 million at any one time, with an aggregate maximum of EUR 160 million. Furthermore, the group issued a super senior revolving credit facility (SSRCF) with Danske Bank for an amount of EUR 15 million, maturing in June 2027.

As the interest costs of both instruments are based on floating interest rates, KA is exposed to interest rate fluctuations. To mitigate this risk, KA has entered into interest rate swaps with a notional amount of EUR 40 million, maturing in September 2027, under which KA pays fixed interest and receives floating interest.

In addition, in November 2025 KA refinanced an accounts receivable securitization (ARS) facility provided by NORD/LB with a maximum amount of EUR 25 million for certain receivables in the US, Slovakia, and Poland. The cost is based on the actual amount drawn under the facility, and is based on a fixed and a floating interest rate element.

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 limited. 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 one individual customer contributing more than 10% of total revenue, as well as solvent Original Equipment Manufacturers and Tier 1 suppliers.

LIQUIDITY AND CAPITAL RISK

The group's sources of capital consist of shareholders' equity, long-term borrowings, and third-party financing. Total capital 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 KA 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 and regulations including but not limited to 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 of the financial statements.

OTHER RISKS

CLIMATE- RELATED RISKS

Climate-related risks for KA primarily stem from potential supply chain disruptions caused by extreme weather events, increased costs of energy and raw materials, and rising carbon pricing imposed by regulatory bodies. Further details on climate related risks and opportunities are available in the Sustainability section of this report.

POLITICAL RISKS

Political instability in countries linked to KA's supply chain, production network, or customer markets may expose the company to operational disruptions, reduced product availability, and emerging trade barriers. In 2025, continued geopolitical tensions—including the war in Ukraine, conflicts in the Middle East, and outcomes of several national elections—contributed to significant uncertainty in global markets, including increased volatility in energy markets and input costs. In February 2025, the United States implemented new import tariffs affecting certain KA-relevant markets, further amplifying global volatility. KA continuously monitors geopolitical developments and maintains close collaborations with industry partners to ensure timely and appropriate mitigation measures.

HEALTH AND SAFETY RISKS

KA's facilities operate in accordance with ISO 45001 safety standards. The company maintains a comprehensive set of KPIs to monitor performance and drive continuous improvement. Safety engagement programs, policies, and contingency plans are in place to safeguard KA employees and all visitors to KA facilities.

STRATEGIC RISKS

As a supplier of advanced technologies to the automotive and industrial sectors, KA faces competitive pressure from both established players and new market entrants. KA addresses these risks through active new product development, operational excellence, and maintaining strong customer relationships. Strategic risks also include potential M&A activities by suppliers, customers, or competitors that could impact KA's market position.

RISKS RELATED TO PRODUCT DEVELOPMENT

Product development carries risks including delays in time to market, deviations from specifications or quality requirements, budget overruns, and potential infringements of third party intellectual property rights. The company mitigates these risks through 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.

RISKS ASSOCIATED WITH PURCHASING AND SUPPLY CHAINS

Procurement risks include supplier insolvency, quality issues, new non-tariff trade barriers, and fluctuations in raw material prices and availability. Manufacturing and supply arrangements may be disrupted due to factors such as labor disputes, shortages of critical inputs, natural disasters, disease outbreaks, or other external events. Volatile market conditions may affect financial performance, including revenue, profitability, and cash flow. The company mitigates these risks through commercial negotiations, financial instruments to balance cost and risk exposure, and continuous monitoring of supplier performance. Ongoing global supply chain disruptions are expected to continue in 2026, creating additional operational challenges.

PRODUCTION-RELATED RISKS

Production delays and bottlenecks may arise due to insufficient resources—including materials, utilities, labor, or equipment—often driven by fluctuating customer demand influenced by supply chain instability. KA mitigates these risks through comprehensive material resources replenishment (MRP) based planning, investment in skilled production staff, preventive maintenance rooted in operational excellence, and the ongoing optimization of production footprint and supply chain design.

PROJECT MANAGEMENT-RELATED RISKS

Launching new products requires coordinated long-term planning across multiple functions, including Sales, Product Development, Purchasing, Equipment Suppliers, Operations, Quality, and Finance. Risks include miscommunication, incorrect equipment selection, missed deadlines, and budget deviations. Some of these risks have materialized in past projects. The group reduces its project-related risks through strengthened project management practices and close executive oversight.

LEGAL PROCEEDINGS

In the ordinary course of business, KA may be 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 in compliance with broader business conduct rules, including those in respect of competition law, trade sanctions, and data protection. 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.

CYBERCRIME RISK

The company relies on digital technologies for communication and operational processes and is exposed to cyber threats that may compromise data confidentiality, availability, and integrity. Risks include theft of sensitive information, manipulation of critical systems, social engineering, and loss of digital resources, potentially resulting in financial loss or operational disruption. KA's cybersecurity framework covers all IS&T systems across the organization and includes employee training, real-time monitoring, external benchmarking, and robust protective systems such as firewalls, backup solutions, and antivirus tools.

BUSINESS AND PERFORMANCE

STRATEGY BUSINESS MODEL

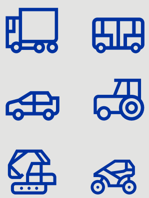
Kongsberg Automotive (KA) provides innovative and competitive solutions to the global vehicle industry. KA creates value for its stakeholders by developing differentiated, customer-focused solutions in attractive and growing market segments, while continuously improving internal cost efficiency.

This is underpinned by a strong KA culture characterized by accountability, long-term thinking, fact-based management, ambition, and determination.

KA's product portfolio spans fluid transfer systems, air couplings, high-performance hoses, powertrain actuators, vehicle dynamics solution, steering systems, and driver interface products, serving a broad range of vehicle applications worldwide.

BUSINESS AREAS

DRIVE CONTROL SYSTEMS (DCS)



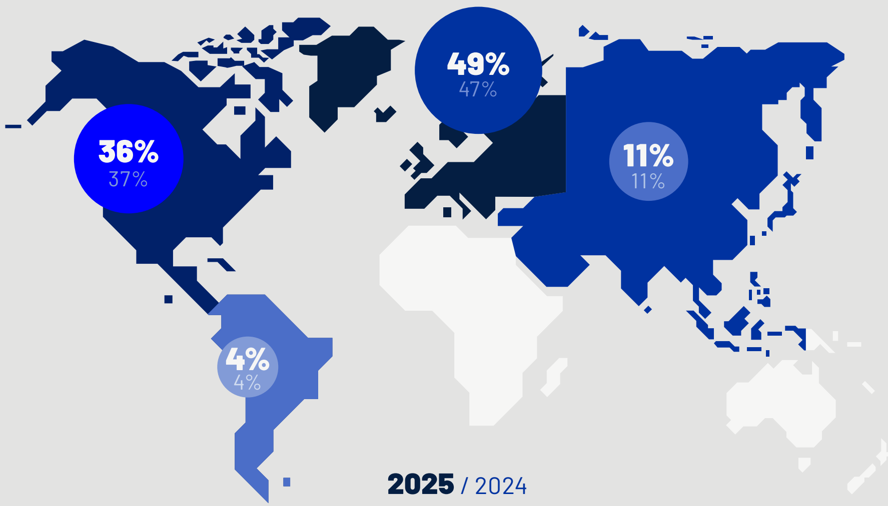
Global leader in designing and manufacturing products for on-highway vehicles and the off-highway industry. Products include, among others, pneumatic and electric actuation systems for gear control and clutch actuation, steering column modules, and pedals and throttles for off-highway applications.

FLOW CONTROL SYSTEMS (FCS)

Designs and manufactures products for both the automotive and commercial vehicle market as well as industrial applications. FCS' portfolio includes couplings for air brake and air suspension systems, clean powertrain fluid assemblies as well as chassis and battery coolant solutions.

MARKETS

% OF KA REVENUES PER REGION



NON-AUTOMOTIVE	AUTOMOTIVE
AGRICULTURE	ORIGINAL EQUIPMENT MANUFACTURERS (OEMs)
CONSTRUCTION	TIER 1
INDUSTRIAL AREAS	AFTERMARKET

The global transition toward sustainable transportation enables KA to increase content per vehicle across both internal combustion engine (ICE) and electric powertrains. Stricter emission regulations and higher performance requirements are driving the broader adoption of some of KA's solutions, including actuators and clean powertrain fluid assemblies.

At the same time, electrified powertrains require advanced thermal management solutions for both driving and fast-charging applications, as well as high-performance electric actuators. KA's broad market presence and global manufacturing footprint allow the company to support Original Equipment Manufacturers (OEM) customers with local proximity in all major regions, helping to balance volume fluctuations across individual markets. In addition, KA serves the aftermarket, further diversifying revenue streams and strengthening resilience.

CUSTOMER RELATIONSHIPS

KA focuses on establishing and nurturing long-term, strategic partnerships for automotive and non-automotive customers. KA's customer relationships are focused on understanding specific customer 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 of its major markets.

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 customer to comply with their ambitions and the current and future vehicle legislations around the world.

LONG-TERM CONTRACTS AND PARTNERSHIPS:

Securing long-term agreements with vehicle manufacturers provides stability and continuity in business relationships, enabling phased investments and direct resource allocation. These partnerships foster innovation through close collaboration and joint research and development (R&D) activities, leading to the development of advanced automotive technologies and reinforcing KA's competitive position in the market.

CUSTOMER-CENTRIC APPROACH:

By continuously engaging with customers to understand their evolving needs, KA is able to deliver differentiated solutions and sustain a competitive advantage. This customer-centric approach enhances product and service quality while driving innovation through the systematic integration of customer insights into the development process. Through personalized engagement and proactive collaboration, KA strengthens its market position, builds long-term customer trust, and identifies emerging trends to stay ahead of the competition.

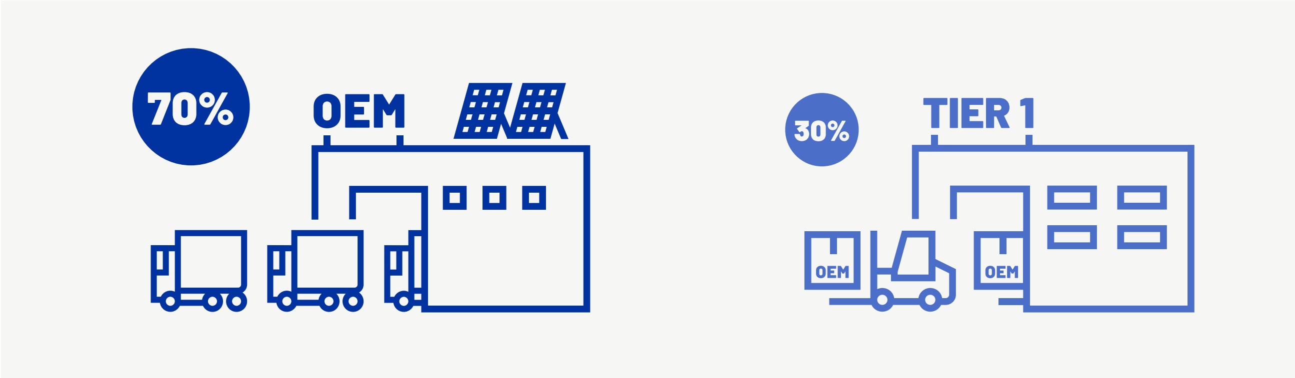
To further enhance competitiveness, KA focuses on achieving the lowest total cost for function while increasing organizational agility. KA aims to continuously improve service levels and deepen its role as a co-developer of systems, supporting customers' increasingly demanding innovation processes. The company combines a global mindset with strong local execution, supported by continuous improvement initiatives, including the Continuous Improvement Process (CIP) and Value Analysis/Value Engineering (VAVE).

SUSTAINABILITY AND QUALITY COMMITMENT:

KA's ambition is to make a meaningful contribution to society's efforts to address climate change and protect the environment. The company is committed to reducing carbon emissions and minimizing environmental impact across both its operations and product portfolio, while enabling customers to achieve their own sustainability objectives. Further details on KA's sustainability performance and achievements are presented in the Sustainability section of this report. Sustainability is an integral part of KA's overall strategy and is increasingly leveraged as a source of competitive advantage in selected product areas. During 2026, KA will conduct a comprehensive review of its sustainability strategy, including an assessment and potential revision of its long-term sustainability targets.

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 (polytetrafluoroethylene) assembly portfolio. KA's customer list is made up of over 40 OEM brands for whom KA is an important supplier and development partner.



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 the customer-specific machinery and tooling necessary for producing these specialized products.

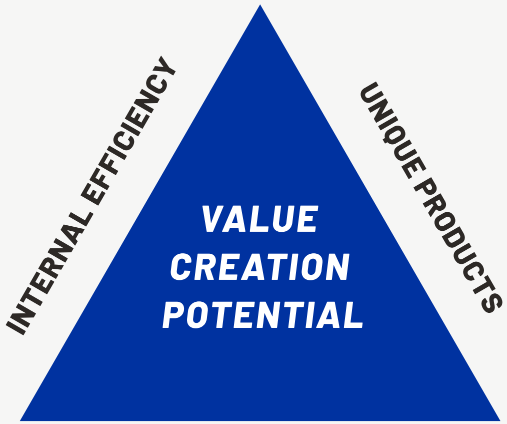
STRATEGIC CONCEPT

KA's strategic framework is built around its business concept and long-term goals. KA communicated in Capital Markets Day in December 2025 its revised long-term goal of EBIT of 6.5% , on current activity levels.

A PERFORMANCE-ORIENTED KA CULTURE

- RESULT-ORIENTED
- INTEGRITY
- DETERMINATION
- ACCOUNTABILITY
- RESPECT
- FACT-BASED
- CREATIVITY AND INNOVATION
- TEAMWORK AND COLLABORATION
- LONG-TERM ORIENTED
- RIGHT PERSON ON THE BUS
- RELENTLESS CONTINUOUS IMPROVEMENT

*KA will achieve **internal cost efficiency** through continuous improvements, operational excellence, make-buy strategies, and manufacturing in best-cost countries.*



*KA will develop **unique products and solutions** that offer significant customer value.*

MARKET SEGMENTS

*KA will compete in **growing** market segments and **be a recognized leader** in each product area.*

KA'S PATH TOWARD ITS LONG-TERM GOALS

1. REBUILDING A HIGH-PERFORMANCE KA CULTURE

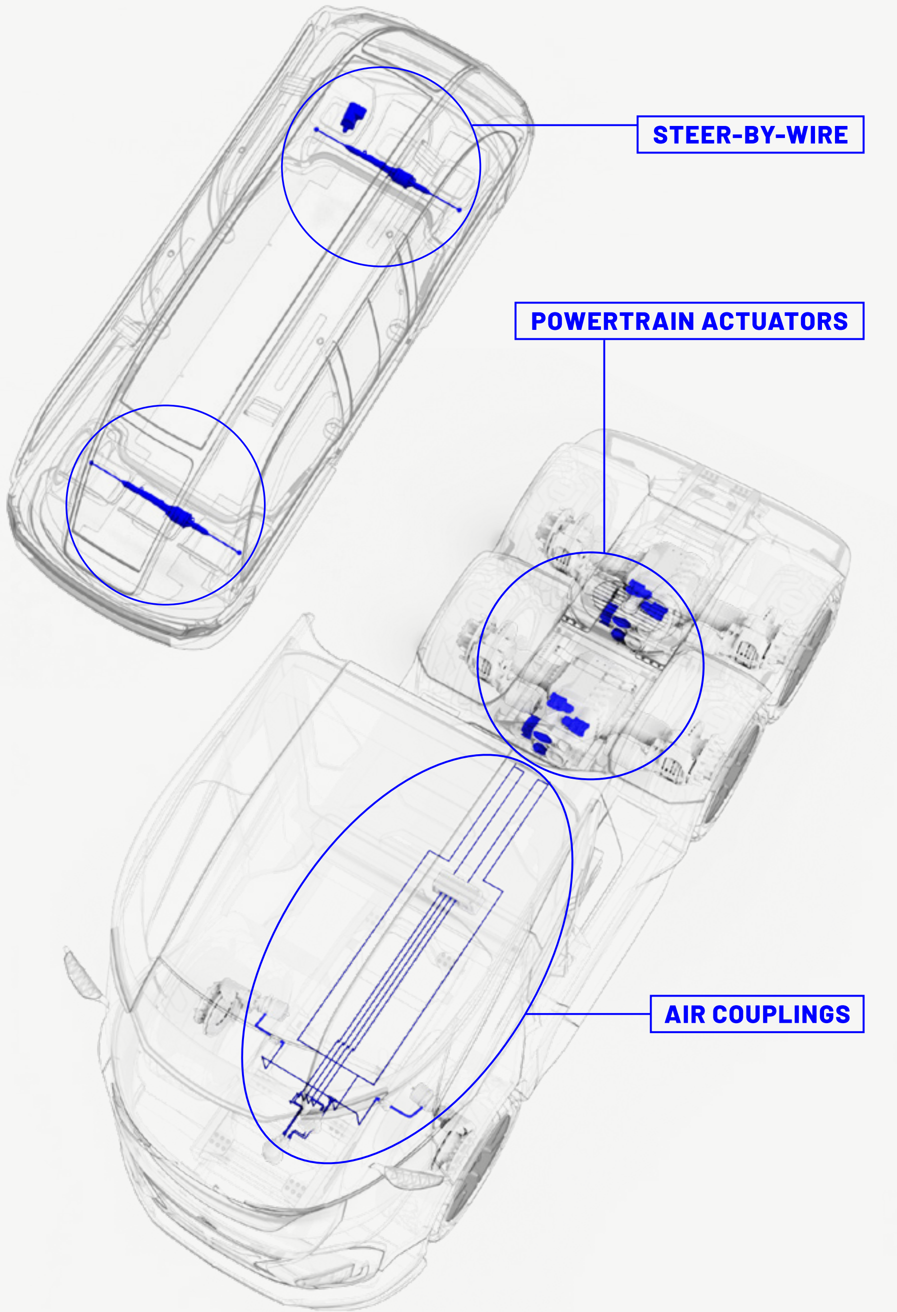
KA is rebuilding and further developing a performance-oriented culture by establishing clear accountability and ownership at every level of the organization. KA's aim is that employees are empowered and engaged to give their best, supported by a strong focus on placing the right people in the right roles. Multidisciplinary collaboration is encouraged across functions, regions, and business areas, enabling ordinary people to achieve extraordinary results together. To strengthen future leadership capabilities, KA has launched a Graduate Program and is strengthening internal leadership development initiatives.

2. DRIVE COST-EFFICIENCY AND OPERATIONAL IMPROVEMENTS

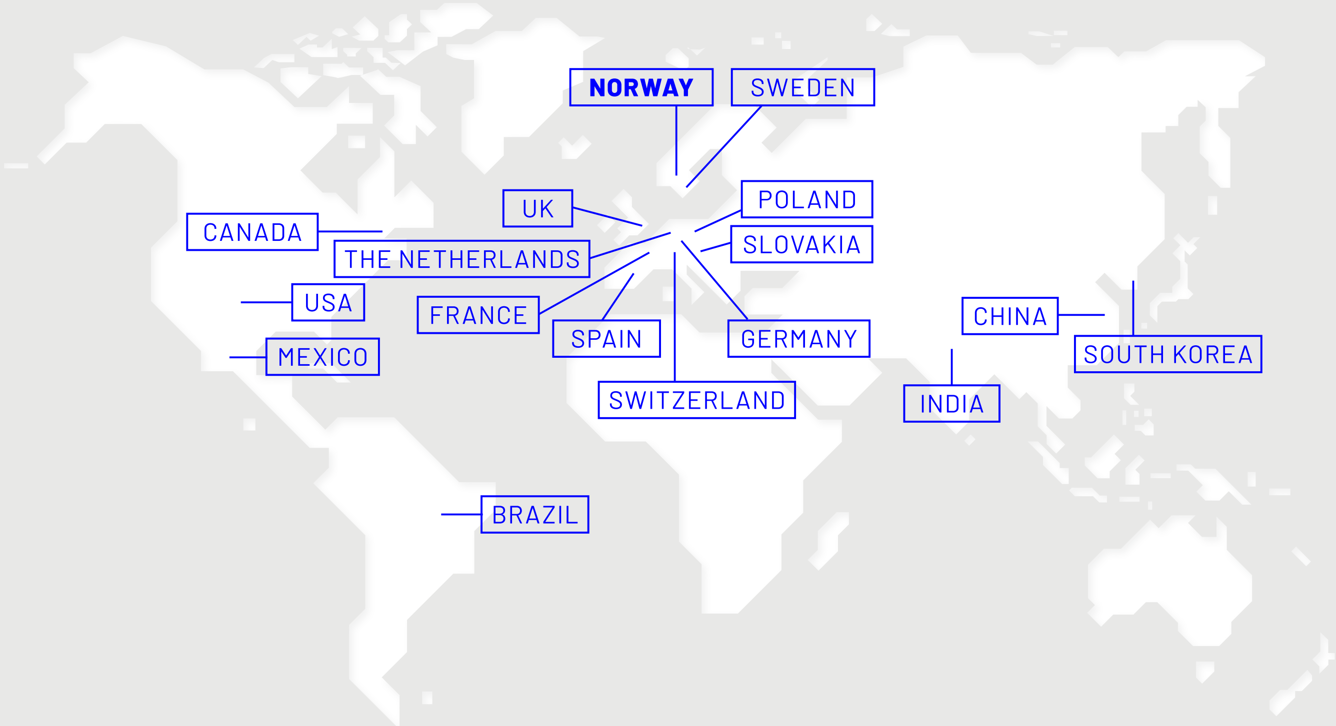
KA is driving cost-efficiency and operational improvements through disciplined execution and a relentless focus on performance. During 2026, the company will conclude the implementation of a third comprehensive cost-reduction program. Since 2024, the cost- reduction programs have delivered a total of more than EUR 42 million in annual overhead savings. KA is continuously optimizing its plants and offices to improve efficiency. Resolving warranty issues remains a key priority, alongside a sustained and systematic search for margin improvements across the organization. In parallel, KA is implementing AI-driven process improvements to enhance speed, quality, and cost competitiveness, further strengthening operational excellence and long-term profitability.

3. ACCELERATE INNOVATION AND GROWTH

KA is accelerating innovation and growth by investing in unique technologies focused on attractive and growing market segments. Product roadmaps are closely aligned with customer priorities to ensure profitable growth and the timely delivery of value-creating solutions. Through close collaboration with strategic global OEMs, KA acts as a co-developer of future technologies, strengthening long-term partnerships and deepening customer integration. The company concentrates its innovation efforts on key product lines, including powertrain actuators for commercial vehicles, air couplings, and steer-by-wire systems, positioning KA for sustainable growth and long-term value creation.



WORLDWIDE PRESENCE



WORKFORCE*
4,291

17
COUNTRIES WORLDWIDE

Kongsberg Automotive (KA) is present in 17 countries around the globe, covering the global vehicle market. 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. As an example, 6.1% of its total workforce were agency employees in 2025, allowing it to build up or scale down in response to market movements.

NORTH AMERICA
WORKFORCE: **1,576**

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

SOUTH AMERICA
WORKFORCE: **120**

KA operates one manufacturing plant in the region.

ASIA
WORKFORCE: **569**

KA operates five manufacturing sites, one of which also serves as a tech center, spread across China, India, and South Korea. The largest manufacturing plant and tech center in this region is in Wuxi, China.

EUROPE
WORKFORCE: **2,146**

Europe represents KA's largest region. Norway and Sweden 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. With the integration of Chassis Autonomy, Trollhättan, Sweden, has also become one of KA's locations.

*Workforce Full Time Equivalent (FTE)

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

In 2025, the global heavy-duty and commercial vehicles market recorded 3.5 million units, reflecting a 3.7% increase compared to 2024 (3.3 million units). Growth was driven primarily by strong momentum in China, while Europe and North America faced year-on-year declines. These contrasting regional developments reflect varying macroeconomic conditions, differing investment cycles, and structural shifts in freight demand.

Production levels fluctuated throughout the year, with the first and fourth quarters marking the highest output at 872,000 units and 895,000 units, respectively. The third quarter represented the lowest point of the year at 807,000 units, yet this remained 8.1% above Q3 2024, underscoring a significantly stronger market environment than the year before.

A substantial portion of the year-over-year expansion was concentrated in the second half of 2025, with China serving as the primary growth engine, delivering a remarkable 44.4% increase in H2 2025 compared with H2 2024. This highlights China's pivotal role in supporting global production and stabilizing overall market performance.

European production activity contracted slightly, declining 2.6% to 534,000 units compared with 549,000 units in 2024. The decrease reflects weaker economic sentiment and continued caution in capital expenditure among transport operators. Despite signs of macroeconomic stabilization in some markets, replacement cycles remained subdued.

In North America, commercial vehicle production experienced the steepest decline, falling 27.6% to 453,000 units from 625,000 units in 2024. The downturn was driven by a freight market still in a prolonged downcycle, where surplus capacity kept rates under pressure and discouraged fleet renewals. Elevated financing costs, tighter credit conditions, regulatory and tariff uncertainty (including EPA 2027 requirements and cross-border cost exposure), and weaker trade-in values for used equipment further reduced purchase appetite. As a result, order activity in 2025 was largely replacement-driven rather than signaling broader cyclical growth.

China delivered the strongest global year-on-year increase, expanding 24.2% to 1,416,000 units from 1,140,000 units in 2024. Sustained infrastructure investment, logistics fleet modernization, and growing adoption of alternative powertrains were the key drivers of this performance. China's strong recovery also aligned with the significant second-half production surge that shaped the global market. At the same time, the scale of this rebound increases exposure to overcapacity risks, as sustained high production levels may outpace underlying freight demand, potentially creating volatility in both domestic and export-oriented markets.

South American production proved more resilient but still declined 4.1%, reaching 167,000 units compared with 174,000 units in 2024. The region continued to face uneven economic performance and reduced logistics investment activity.

Overall, the year's performance underscores both the resilience of global freight demand and the growing structural importance of Asian markets—particularly China—in shaping worldwide commercial vehicle production and sales dynamics.

Sources: LMC Global Commercial Vehicle Forecast (December 2025).

PASSENGER VEHICLES PRODUCTION

Global passenger-vehicle production displayed uneven regional trends in 2025, reflecting the complex interplay between shifting consumer demand, regulatory pressures, and ongoing supply-chain normalization. While global light-vehicle forecasts indicate a gradual recovery, the pace varied significantly across major markets. In Asia, production remained robust, underpinned by continued strength in China, where electrification, expanding export activity, and sustained investment in vehicle platforms supported output. China maintained its position as the world's largest light-vehicle market, and production reached 31 million units in 2025.

Europe experienced a more subdued environment. European light vehicle production for 2025 reached 16.9 million units, a reduction of 1.2% from the 17.1 million units in 2024. Soft consumer sentiment, tighter financing conditions, and cautious replacement cycles continued to dampen production activity. Regulatory requirements linked to emissions and product transitions further shaped Original Equipment Manufacturer (OEM) output strategies, contributing to restrained growth across key markets.

In North America, light-vehicle production was also reduced from 15.5 million units in 2024 to 15.2 million units in 2025 (a reduction of 1.9%), with underlying demand sensitive to macroeconomic uncertainty.

Electrification remained the primary structural driver across the global passenger-vehicle landscape. Analysts continue to expect the share of electrified vehicles to expand meaningfully throughout the decade, supported by regulatory mandates, technology maturity, and ongoing investment in battery-electric and hybrid platforms. These developments continue to influence OEM product plans, platform architectures, and sourcing strategies across regions.

Source: Publicly available information

OFF-HIGHWAY EQUIPMENT PRODUCTION

The global off-highway equipment market showed overall resilience in 2025, shaped by a combination of long investment cycles, stable demand fundamentals, and ongoing infrastructure-driven activity. Despite regional differences, the segment continued to benefit from sustained needs in construction, material handling, and industrial applications, where equipment utilization remained relatively high.

Asia, particularly China, remained a central contributor to off-highway activity, supported by infrastructure development and fleet modernization efforts. Europe exhibited signs of stabilization after a period of softer market conditions caused by reduced capital expenditure and higher financing costs. North America remained influenced by sector-specific dynamics, including fluctuations in agriculture and construction investment, though activity strengthened toward the end of the year.

Electrification in off-highway applications is still in an early phase but continued to scale gradually during 2025. Initial deployment concentrated on compact equipment and material-handling platforms, driven by pilot programs, regulatory considerations, and the search for reduced operating costs. Analysts expect broader adoption over time as technology matures, and total-cost-of ownership benefits become clearer.

Source: Publicly available information

OPERATIONS AND ENGINEERING

In 2025, Kongsberg Automotive (KA) group executed a deliberate and phased transformation of its leadership model and organizational structure to sharpen strategic focus, strengthen accountability, and improve execution performance across the group. The year represents an important inflection point in how the company is led and managed, creating a stronger foundation for improved profitability and long-term value creation.

STRENGTHENING THE EXECUTIVE LEADERSHIP TEAM AND BUSINESS AREAS

The transformation began with a strengthening of leadership at the business area level, aimed at reinforcing end-to-end accountability for strategy, performance, and execution. Clear ownership was established for portfolio direction, operational results, and customer engagement, improving the alignment between group priorities and day-to-day execution. This strengthened business area leadership model enabled:

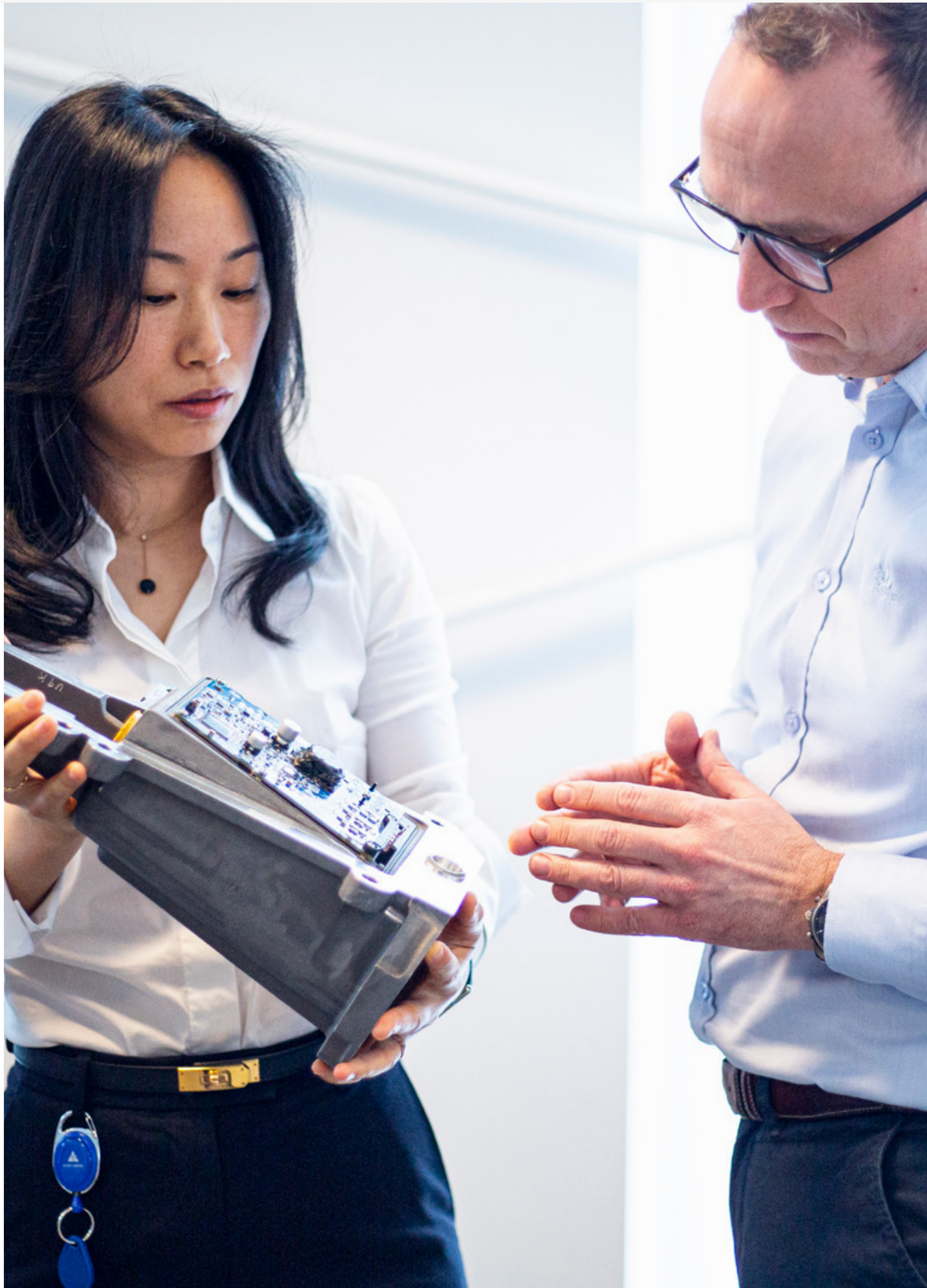
> Improved accountability, fostering performance management and operational discipline
> Clearer strategic direction and prioritization
> Better coordination across functions, regions, and technologies

This step was essential in stabilizing performance during a year characterized by mixed market conditions and ongoing industry volatility, while also preparing the company for deeper structural change.

ESTABLISHMENT OF BUSINESS UNITS – SHARPENING CUSTOMER AND EXECUTION FOCUS

Building on the reinforced business area structure, the group implemented further organizational evolution through the establishment of Business Units (BUs). This shift represents a decisive move to bring responsibility closer to customers, products, and markets, while increasing speed, focus, and accountability in execution.

Within Flow Control Systems, this change was formally implemented through the transition from a functional organization to a business unit-based structure, comprising Fluid



Transfer Systems, Couplings, and Industrial. Within Drive Control Systems, this change led to the creation of the BUs Driveline, Steering, Actuation, Vehicle Dynamics, and Controls. The BU model assigns the clear ownership of strategy, customer relationships, profitability, and delivery, enabling sharper decision-making and stronger execution discipline.

Introduction of BUs:

> Strengthens customer proximity and responsiveness
> Improves accountability for financial and operational performance
> Clarifies strategic focus within each portfolio segment
> Enhances the ability to manage complexity and market volatility

Together with the strengthened BA leadership, this step marks a fundamental evolution in how KA operates and competes.

STRATEGIC PORTFOLIO ACQUISITIONS

The organizational transformation was reinforced by important strategic portfolio measures during the year. The acquisition of the remaining 25% minority share in Kongsberg Automotive Morse Shanghai (KAMS) in China secured full ownership of a key capability platform in electric motors and mechatronic actuation, improving strategic control and integration.

In addition, the acquisition of the remaining shares in Chassis Autonomy, in Sweden, significantly expanded the group's software and system-level capabilities within Vehicle Motion Control and Automated Driving. These acquisitions are closely aligned with the strengthened leadership and organizational model, enabling clearer ownership of technology roadmaps, customer strategies, and execution responsibilities.

GROUP-LEVEL OPERATIONAL FOCUS AND WARRANTY CHALLENGES

At group level, operational discipline and risk management remained key priorities throughout 2025. Safety performance was maintained at the prior-year level and remained significantly improved compared to earlier years, although continued focus is required to achieve the long-term ambition of zero incidents.

During the year, the group also faced elevated warranty-related challenges, reflecting a combination of historical issues. Addressing warranty performance has been recognized as a group-level priority, with measures initiated to strengthen governance and enhance cross-functional accountability. These efforts are closely linked to the broader leadership and organizational changes implemented during the year and are expected to support more stable and predictable performance over time.

POSITIONED FOR SUSTAINABLE LONG-TERM GROWTH

While challenges remain, the measures taken during the year have strengthened the group's foundation and positioned KA to drive improved operational performance, increased accountability, and sustainable long-term growth.

FINANCIAL PERFORMANCE

GROUP

Full year (FY) 2025 revenues amounted to EUR 712.8 million, compared to EUR 788.2 million in 2024, a decrease of EUR 75.4 million. This includes negative currency translation effects of EUR -16.7 million, resulting in a -7.4% decline in constant currencies. The revenue drop was primarily driven by significantly lower sales in the European passenger car market, a sharp decline in the commercial vehicle market in North America, and reduced sales in China.

Commercial vehicles revenues (56.6% of total revenues) were EUR 401.6 million, down by EUR -37.5 million (-8.5%) from EUR 439.1 million in 2024 including negative currency effects of EUR 8.8 million (-6.5%). Revenues in Europe declined by EUR -5.2 million (EUR -5.1 million/ -2.1% at constant currencies) to EUR 238.1 million, while market production declined by -2.6%. Revenues in North America dropped by EUR -21.7 million to EUR 104.0 million (EUR -17.0 million/-13.5% at constant currencies), outperforming the market, which contracted by -27.6%. The decline was mainly due to reduced sales of KA's gear control units to a Tier 1 customer, driven by lower OEM demand. In China, revenues totaled EUR 26.1 million, down EUR -6.4 million (EUR -5.3 million/-16.2% in constant currencies), significantly underperforming the market, which grew by +24.2%. The drop was largely due to weaker sales of gear shift systems.

Passenger car revenues (30.8% of total revenues) totaled EUR 221.2 million, or EUR 227.1 million at constant currencies, representing a decrease of EUR -32.6 million (-12.8%) from EUR 253.8 million in 2024. In Europe, revenues fell by EUR -19.2 million to EUR 73.7 million (EUR -20.0 million/-21.5% at constant currencies), while revenues in North America slightly decreased by EUR -3.3 million to EUR 104.5 million (EUR +1.0 million/+0.9% at constant currencies). Revenues in China amounted to EUR 30.0 million, down by EUR -9.5 million (EUR -8.3 million/-20.9% at constant currencies).

In 2025, revenues generated in other markets were EUR 90.0 million (or EUR 92.0 million at constant currencies), down from EUR 95.3 million in FY 2024. The decline was mainly due to reduced market activity within the North American off-road market segment*.

For full year 2025, EBIT was EUR 13.6 million (margin +1.9%) compared to EUR 18.7 million (margin +2.4%) in FY 2024. The missing contributions of EUR -26.0 million from lower sales was nearly offset by favorable product mix effects of EUR 9.4 million and further cost reductions of EUR +14.3 million in manufacturing overhead and administrative expenses. EBIT in 2025 was positively affected by the reversal of prior period accruals of EUR 4.9 million related to customer contracts and operating costs, while net tariff costs of EUR 3.2 million affected 2025 negatively. While the EBIT of 2024 benefited from the reversal of impairment at EUR + 5.0 million, 2025 was impacted by impairment of EUR -2.7 million.

**Off-road market segment includes agriculture, construction, power sports, and leisure vehicles.*

SEGMENTS

To enhance segment accountability for all attributable group costs, a new reporting set up was implemented on January 1, 2025, under which all costs previously included in the Corporate & Other segment were allocated to the reportable segments (Drive Control Systems DCS and Flow Control Systems FCS). The allocation was performed based on usage, applying sales and FTEs as the primary drivers.

In Q3 2025, the Driveline (excluding Electric Actuators) business unit (previously presented as Other operations in Note 2) was incorporated into the DCS business area (BA). Figures for 2024 have been restated to reflect this change in segment reporting.

Revenues of the DCS BA amounted to EUR 414.3 million compared to EUR 480.9 million in 2024, a decrease of EUR -66.6 million (EUR -54.9 million/-11.4% at constant currencies). This decrease was mainly driven by lower sales in the commercial vehicle markets in North America (EUR -16.6 million/-15.8%), Europe (EUR -6.6 million/-5.7%) and China (EUR -6.3 million/-27.0%), as well as in the passenger car markets in Europe (EUR -14.5 million/-31.7%) and China (EUR -9.3 million/-25.6%). These declines were partially offset by growth in the Brazilian and North American passenger car markets, which increased by EUR +1.0 million (+10.0%) and EUR +2.2 million (+3.4%), respectively. The operating loss (EBIT) in 2025 amounted to EUR -2.8 million compared to the operating profit of EUR +9.1 million in 2024. In addition to the lost margin due to volume decline, DCS

BA was impacted by a net impairment effect of EUR -1.6 million in 2025 versus a positive effect of EUR +4.6 million in 2024 from the reversal of impairment. Additionally, tariff costs of EUR -4.7 million negatively outweighed the tariff reimbursements of EUR +2.1 million. The prior year's result benefited from a one-time supplier reimbursement of EUR +2.7 million related to a warranty case.

Revenues recorded by the Flow Control Systems (FCS) business area (BA) amounted to EUR 298.5 million in 2025 versus EUR 307.3 million in 2024, a decrease of EUR -8.8 million including negative currency effects of EUR -5.1 million (EUR -3.7 million/-1.2% in constant currencies). This was mainly due to lower sales in passenger cars markets in Europe (EUR -4.9 million/-10.7%) and in North America (EUR -1.1 million/-2.6%) as well as lower sales in the Brazilian heavy-duty vehicles market (EUR -1.5 million/-16.8%). EBIT amounted to EUR 16.4 million in 2025, compared to EUR 9.6 million in 2024. Positive mix effects and a reduction in manufacturing and administrative costs more than compensated for the lost margins due to lower sales, negative tariffs effects, and impairment charges. Allocation of corporate costs had an impact of EUR -4.5 million compared to last year's EUR -7.8 million.

NET FINANCIAL ITEMS

Net financial items in FY 2025 were EUR -13.3 million compared to nEUR -21.0 million in 2024. Interest expenses decreased by EUR 1.2 million, while interest income declined by EUR 0.8 million. Foreign currency gains, primarily related to intercompany balances in USD, amounted to EUR 2.0 million, compared to a foreign currency loss of EUR 1.9 million in 2024, which had been mainly caused by the weakening NOK against EUR. In addition, 2024 was impacted by other financial items of in total EUR -4.4 million, whereas in 2025 they amounted to EUR -1.4 million.

NET PROFIT/LOSS

Profit before tax was EUR +0.3 million, followed by a tax expense of EUR -0.1 million. This resulted in a net profit of EUR +0.2 million for full year 2025, compared to a net loss of EUR 18.2 million in 2024.

CAPITAL

The group's interest-bearing liabilities amounted to EUR 198.7 million as of December 31, 2025, compared to EUR 206.2 million as of December 31, 2024. The shareholders' equity totaled EUR 180.9 million, a decrease of EUR 22.1 million compared to EUR 203.0 million at the end of 2024. This is mainly due to the negative total comprehensive income of EUR -19.9 million in 2025, comprising the net profit of EUR+0.2 million and negative other comprehensive income of EUR -20.1 million. In 2025, the group acquired the remaining 25% shares in one of its subsidiaries from the minority shareholder, which resulted in a reduction of non-controlling interests (EUR -3.3 million) and a corresponding adjustment to equity attributable to owners of the parent (EUR +1.1 million). No gain or loss was recognized in profit or loss.

The equity ratio was 32.0% at the end of 2025 compared to 33.7% in 2024.

CASH FLOW

Cash flow from operating activities in 2025 amounted to EUR 58.5 million compared to EUR 32.4 million in 2024. This improvement was primarily driven by stronger underlying profitability in the second half of the year, lower tax payments of EUR 5.6 million, and lower payments for warranty and other provisions of EUR 11.8 million. In addition, there was an improvement in the change of net working capital, which amounted to EUR +11.4 million in 2025, versus a positive EUR +9.9 million last year. Many of the factors negatively affecting the EBIT margin in full year 2025, such as net impairment charges and increase in warranty provisions, had no impact on cash flow.

Cash flow used by investing activities in 2025 was EUR 14.8 million compared to EUR 21.4 million in 2024. The improvement is partially explained by a reduced spending on investments in tangible and intangible assets of EUR 16.3 million in 2025 compared to EUR 24.7 million in 2024. Both years benefited from the subsequent proceeds from a divestment made in 2022.

In 2025, cash used by financing activities amounted to EUR 27.6 million compared to EUR 92.8 million in 2024. The higher outflow in 2024 was mainly driven by the refinancing completed in June 2024, which resulted in a net repayment of EUR –57.7 million as well as accelerated interest payments on legacy bond notes, which increased interest outflows in 2024.

LIQUIDITY

The liquidity reserve was EUR 105.8 million at the end of 2025, compared to EUR 99.2 million as of December 31, 2024. It consisted of EUR 90.8 million in cash and cash equivalents and the revolving credit facility (RCF) of EUR 15.0 million.

BUSINESS WINS

Business wins for 2025 are assessed to represent EUR 339.0 million in lifetime revenues and EUR 119.9 million in annualized revenues compared to EUR 1,526 million and EUR 382.8 million in 2024, respectively. The values of the business wins are based on assumptions regarding the market in general and the anticipated sales for the actual vehicle platforms in the years to come. There will always be uncertainty linked to such assumptions. The forecasts included in the 2025 figures, which are based on more realistic market conditions, are more conservative than in previous years.

KONGSBERG AUTOMOTIVE ASA – THE PARENT COMPANY

In 2025, the parent company generated total operating (inter-company) revenues of EUR 8.9 million compared to EUR 5.3 million in 2024. This was due to an increase in the trademark license rate, upon which more than offset the impact of lower group sales, which the trademark fee is based. With operating costs falling by EUR 0.6 million (or -16.5%), the operating profit amounted to EUR 5.7 million in 2025, compared to EUR 1.5 million in 2024. The parent company had negative net financial items of EUR 30.4 million in 2025, compared to positive net financial items of EUR 45.8 million in 2024. The positive financial items in 2024 were mainly due to IC dividend income of EUR 26.6 million and positive currency gains of EUR 25.1 million, resulting from realized FX gains on the debt equity conversion with Kongsberg Automotive Holding II, the revaluation effects on the USD loan to this entity, and on the proceeds from the capital reduction of a subsidiary. The negative financial items in 2025 are due to foreign currency losses of EUR 27.8 million, resulting mainly from the revaluation of USD-denominated IC loans into EUR (which has been determined to be the functional currency from 2025 onwards) and interest expenses of EUR 8.8 million, partially offset by IC dividend income and IC interest expenses. The net loss for 2025 amounted to EUR 17.8 million, compared to a net profit of EUR 40.1 million in 2024. Due to the fact that EUR had been determined to be the functional currency of the parent company from 2025 onwards, there are no translation effects in 2025. In the absence of any other comprehensive items, the total comprehensive income for 2025 equals the net loss of EUR 17.8 million. Kongsberg Automotive ASA's equity totaled EUR 267.7 million (EUR 285.5 million in 2024).

In accordance with the Dividends Policy, the Board of Directors (the Board) will propose to the 2025 Annual General Meeting that no dividend be paid for 2025. The Board proposes that the parent company's net loss of EUR 17.8 million be carried forward.

OUTLOOK

Kongsberg Automotive (KA) operates in a global vehicle industry with inherent uncertainties and volatility. At the same time, long-term trends such as electrification, autonomation, safety, and sustainability continue to drive customer priorities and represent significant opportunities for KA.

Furthermore, in the medium to longer term, structural factors support increased volumes outlook for the commercial vehicles, which is KA's largest customer segment. The average age of the truck fleet continues to increase in both Europe and the United States, reflecting several years of deferred replacement. An ageing fleet will likely boost replacement demand and sales over time.

KA's improved execution, strategic focus, innovations, and close customer alignment create a solid foundation for ongoing growth and long-term shareholder value.

The recent Iran and Middle East conflicts have raised energy market volatility and economic uncertainty in general. Historically, higher oil prices have short-term reduced the demand for mobile vehicles. In addition, KA may face higher costs and unpredictable supply chains. Higher oil prices over a prolonged period of time, can result in a global recession. Mitigating actions will be implemented.

The Board refers to the risk factors described elsewhere in this Annual Report and emphasizes that all forward-looking statements are subject to uncertainty.

SUSTAINABILITY STATEMENTS

GENERAL INFORMATION

Sustainability has long been a core principle guiding Kongsberg Automotive (KA) in both its operations and business relationships. The company is committed to continuously strengthening its performance across environmental, social, and governance topics to ensure that our value creation is aligned with the principle of sustainable development for people and the planet.

In 2025, KA delivered good results related to social responsibility and governance. This applies both for the internal organization as well as for the part of the value chain that can be influenced by KA. During 2025, KA underwent significant reorganization and restructuring processes, including establishing a new Executive Leadership Team (ELT) and new business units (BUs) within the business areas (BAs). Several of the previously corporate-based functions have been transferred to the BAs, with the objective of achieving even greater accountability and strengthening ownership at the operational level.

As a result of these structural changes, limited new environmental initiatives were launched in 2025. The development of Scope 3 targets and related roadmaps have been deferred to 2026. The same goes for comprehensive climate change scenario analysis or formal resilience analysis. Nevertheless, KA maintained and ensured continuity in its reporting processes. KA is closely monitoring the regulatory development and implementation of the Omnibus packages, with the purpose of simplifying sustainability reporting, and other relevant updates and changes. As set out in its existing roadmap, the initiatives were executed, and reporting was ensured in accordance with the ESRS standard. The double materiality from 2024 was reviewed and confirmed for 2025.

Looking ahead, KA will conduct a comprehensive review of its sustainability strategy in 2026, including an evaluation and potential revision of its long-term sustainability targets.

BASIS FOR PREPARATION

SCOPE OF CONSOLIDATION AND GENERAL REPORTING STANDARDS

The consolidated sustainability statements 2025 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 its IFRS® financial statements in accordance with the IFRS® Accounting Standards as adopted by the EU and covers the 2025 reporting year 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 124.

KA has not opted to omit information corresponding to intellectual property, know-how or results of innovation, but 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 KA's own operations and its upstream and downstream value chain. The extent to which KA's policies, actions, and targets include its value chain depends on the company's 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 conditions" (Transparency Act). The latest available report can be found on KA's external website under the Corporate Governance section. The 2025 report will be published by June 2026.

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 KA's own operations have a higher volume of primary data, while value chain metrics are mostly 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 outflow metrics.

RESTATEMENTS AND CHANGES IN PREPARATION AND PRESENTATION

There are no notable changes in preparation and presentation for the reporting year 2025. Notifications of restatements of information from previous reports are provided where relevant in this report.

INCORPORATION BY REFERENCE

An overview of all incorporations by references used within the sustainability statements is listed in the "Disclosure requirements and incorporation by reference" section.

STATEMENT ON DUE DILIGENCE

Sustainability due diligence (SDD) is the process through which KA identifies, prevents, limits, and reports actual and potential negative impacts on the environment and people resuling from 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 40-43, 45-52, 62-63, 71-73, 76, 87-88, 98, 103
B) ENGAGING WITH AFFECTED STAKEHOLDERS IN ALL KEY STEPS OF THE DUE DILIGENCE PROCESS	pages 40-43, 45-46, 64-66, 71, 73, 77-79, 81, 84-85, 88-96, 100-103
C) IDENTIFYING AND ASSESSING ADVERSE IMPACTS	pages 45-52, 62-63, 71-73, 76, 87-88, 98, 103
D) TAKING ACTIONS TO ADDRESS THOSE ADVERSE IMPACTS	pages 64-66, 71, 73, 78-79, 81, 84-85, 88-96, 100-103
E) TRACKING THE EFFECTIVENESS OF THESE EFFORTS AND COMMUNICATING	pages 66-71, 73-75, 79-83, 85, 91, 94, 96-97, 100-104

SUSTAINABILITY GOVERNANCE

THE ROLE OF ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES

The composition, expertise, experience, and diversity of the Board of Directors (the Board) and Executive Leadership Team (ELT) are described on pages 14-15 of the Corporate Governance section, in particular reporting points eight to ten and in the Board of Directors' profiles, on pages 17-18. These pages also contain information on employee representatives, the independence of Board members, and responsibility for monitoring, measurement, and control of the operation's impact, risks, and opportunities. The Board 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 (see pages 78, 81, and 99). More specific policies are approved by the CEO or the ELT.

In 2024 and at the beginning of 2025, KA was organized with a Corporate Sustainability Manager and a Sustainability Steering Committee. From the second quarter 2025, KA underwent a significant reorganization and restructuring process. This included establishing a new ELT, as well as new BUs within the BAs. Many of the previous corporate functions, such as sales and purchase functions, were moved into the BAs, with the objective of achieving greater accountablity and ownership. During this reorganization process, no strategic decisions on additional sustainabilty-related initiatives were made. However, the initiatives as set out in KA's existing roadmap were executed as scheduled on an operational level.

The new ELT views sustainability as an integral part of KA's overall strategy, which will increasingly leverage this as a source of competitive advantage in selected product areas. This is underlined by the newly envisaged governance structure that the BA heads are responsible for considering sustainability aspects in strategic and operating decisions. The Group Sustainability Expert will coordinate and support the sustainability work within each BA.

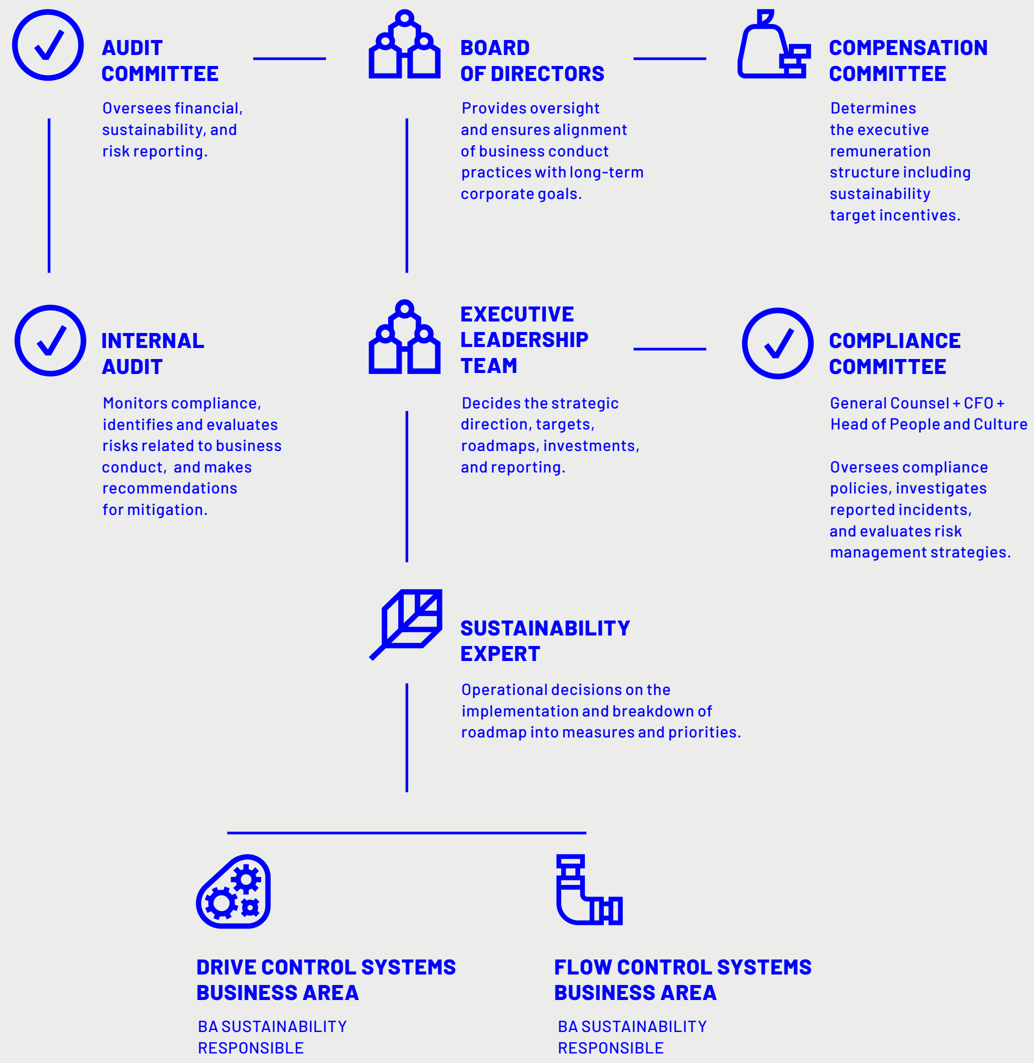
RISK MANAGEMENT AND INTERNAL CONTROL

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 implemented ownership to indicators published in the sustainability statements, with Board oversight of material topics.

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 that 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. Contingent on topic importance, data is gathered quarterly or annually in an effort to support the path toward maturity. Data quality in 2025 was 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 19-21. These risks are part of the inputs to the double materiality process, which forms the basis for sustainability reporting. Reversely, additional significant risks identified during the double materiality process are considered and included in the risk management process by the corporate sustainability manager.

SUSTAINABILITY-RELATED INCENTIVE SCHEMES

KA strategically removed the ESG targets from its top management incentive schemes and integrated them into the company's formal annual performance management process. Under this revised framework, ESG objectives are defined as individualized performance targets, developed jointly between employees



Organizational setup

and their direct managers. These targets focus on specific ESG areas where each leader can drive meaningful impact within their respective functional responsibilities.

By shifting from generic, standardized ESG targets to role-specific, influence-based objectives, KA enhances accountability among the same group of top managers. The new approach ensures that the sustainability goals are both relevant and achievable, and are also directly aligned with each leader's infuence and ability to effect change.

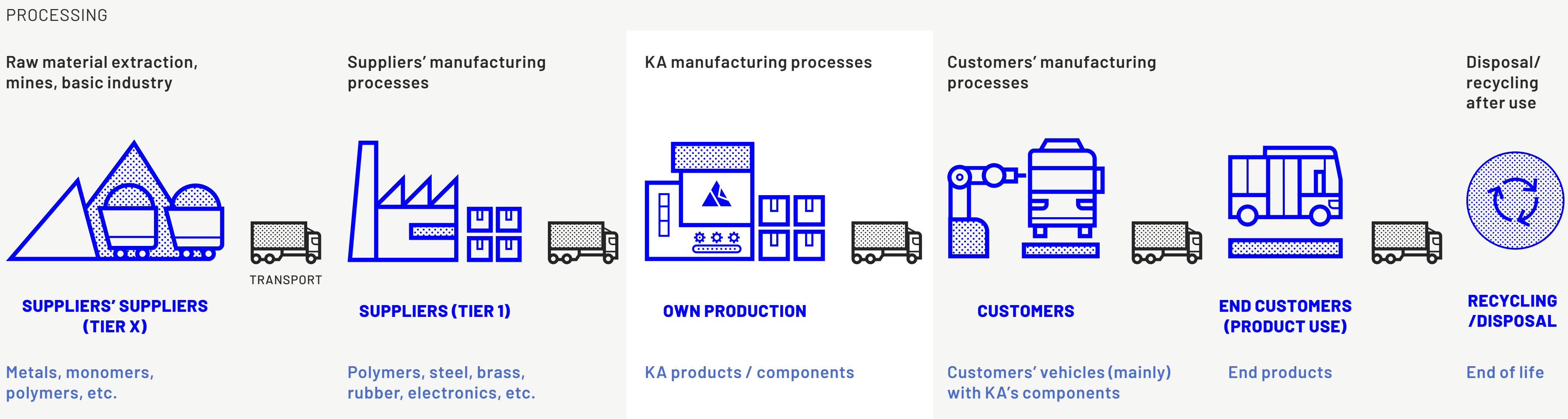
The outcome from the annual performance management process is reflected in the annual salary review process. This supports and reinforces that the top management remains focused on ESG items within their functional responsibility and maintains their commitment to ESG, given that it remains connected to remuneration and ultimately strengthens the leadership engagement. Further details about the incentive programs are presented in the 2025 Remuneration Report available on KA's website.

STRATEGY, BUSINESS MODEL, AND VALUE CHAIN

KA's operations are part of the automotive value chain with main inputs and outputs as well as business partners as illustrated below. KA's business model, including segments, markets, channels, customer relationships, and strategy, are further outlined on pages 23-33. KA develops and offers a wide range of products for passenger cars, commercial vehicles, and the off-highway markets. The differences between KA's BAs (Drive Control Systems and Flow Control Systems) are mainly in terms of materials, suppliers, and products, but the main steps in the value chain are the same. A detailed description of KA's main product groups is available on page 23, detailed financial information on its operating segments is available on pages 124-126, and a breakdown of employee-related figures is available on pages 79 ff.

Sustainability is an integral component of KA's overall strategy, is closely linked to the third point of KA's pathway toward its long-term objectives, and is increasingly leveraged as a source of competitive advantage in selected product areas. KA's strategic direction is outlined on pages 26-27. During 2026, KA will conduct a comprehensive review of its sustainability strategy, including an evaluation and potential revision of its long-term sustainability targets.

For many years, the global automotive industry has been undergoing a significant transition toward more sustainable mobility. A key driver is the transformation from internal combustion engines (ICE) to battery-electric vehicles (BEV). KA supports and contributes to this transition by developing and supplying products for use in BEV and hybrid vehicles. In the product development phase, KA also focuses on less weight, longer durability, and the recyclability of its products, thereby reducing the environmental footprint of its products. Several of KA's products also contribute directly to fuel savings during the use phase (e.g. couplings). For more details, see page 72.



KA's value chain

INTERESTS AND VIEWS OF STAKEHOLDERS

In Kongsberg Automotive's most recent stakeholder assessment, the following five stakeholder groups were identified: customers, investors and shareholders, employees, suppliers, and local communities. KA engages with these stakeholders on a regular basis to identify relevant business and sustainability issues. In this context, sustainability ratings and assessments are of growing importance. Investors, customers, and suppliers in particular use established platforms such as CDP, Eco-Vadis, or SupplierAssurance to evaluate their own and their suppliers' performance. KA uses these platforms as an important element of its stakeholder engagement. The outcome of this engagement and dialogs impact KA's strategy and business (e.g. lighter products, the avoidance of certain input materials, or the reduction of the CO_2e footprint). The stakeholder perspective is reflected in regular dialogs between KA's Executive Leadership Team (ELT) and the Board of Directors (the Board).

STAKEHOLDER GROUP	TYPE OF ENGAGEMENT	EXAMPLES OF OUTCOMES
CUSTOMERS	> KA's website > Trade fairs > Customer meetings > Surveys and assessments > Request for quotation processes	> Sustainability of products (e.g. recyclability) > Innovation for Battery-Electric Vehicles > KA sustainability performance ratings
INVESTORS AND SHAREHOLDERS	> Capital Market Days > Annual General Meeting > Annual and quarterly reports > Breakfast meetings	> Sustainability ratings
EMPLOYEES	> KA intranet > Town hall meetings > Board representation for employees > Day-to-day cooperation between unions and employers > Staff meetings > Social events	> Health and safety as a top focus for plant management > Wellbeing topics to be developed
SUPPLIERS	> Supplier days > Supplier meetings and visits > KA website > Surveys and assessments > Quoting processes	> Supplier sustainability risk assessments > Supplier's sustainability performance > Human rights and supplier's employees working conditions > Responsible sourcing (especially minerals) > KA Supplier event, including Sustainability section (Jan 15, 2025)
LOCAL COMMUNITIES	> Open house days > Press releases > Collaboration with universities > Participation in initiatives	> Educational support (e.g. KA Mexico Scholarship Program) > Participation in Mobility city, "Future of Mobility" (Spain)

SUSTAINABILITY FRAMEWORKS AND RATINGS

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 that are committed to aligning their business activities and strategies 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 has been awarded a C score in the CDP Climate Change 2024 rating. In 2025, KA did not pursue a rating, but will do so in 2026.

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. KA's sustainability efforts have been rated by EcoVadis since 2012. In 2025, KA achieved a score of 61 (out of 100), a small increase from 60 in 2024, achieving the "Committed" status.

Sustainable Development Goals (UN SDGS)

The Sustainable Development Goals is 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, and the following SDGs arethe 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

Kongsberg Automotive (KA) revisited and reconfirmed its double materiality assessment from 2024 for the 2025 reporting year, led by the Group Sustainability Manager. In the initial assessment for 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 the topics that have the greatest impact on the 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 evaluated. 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 the extent of the 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 the 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 intercorrelation 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:

> Analysis of external documents representing different stakeholder groups. Weight 20%
> Risk and opportunity workshops with KA's in-house experts. Weight 56% (combined)
> 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.

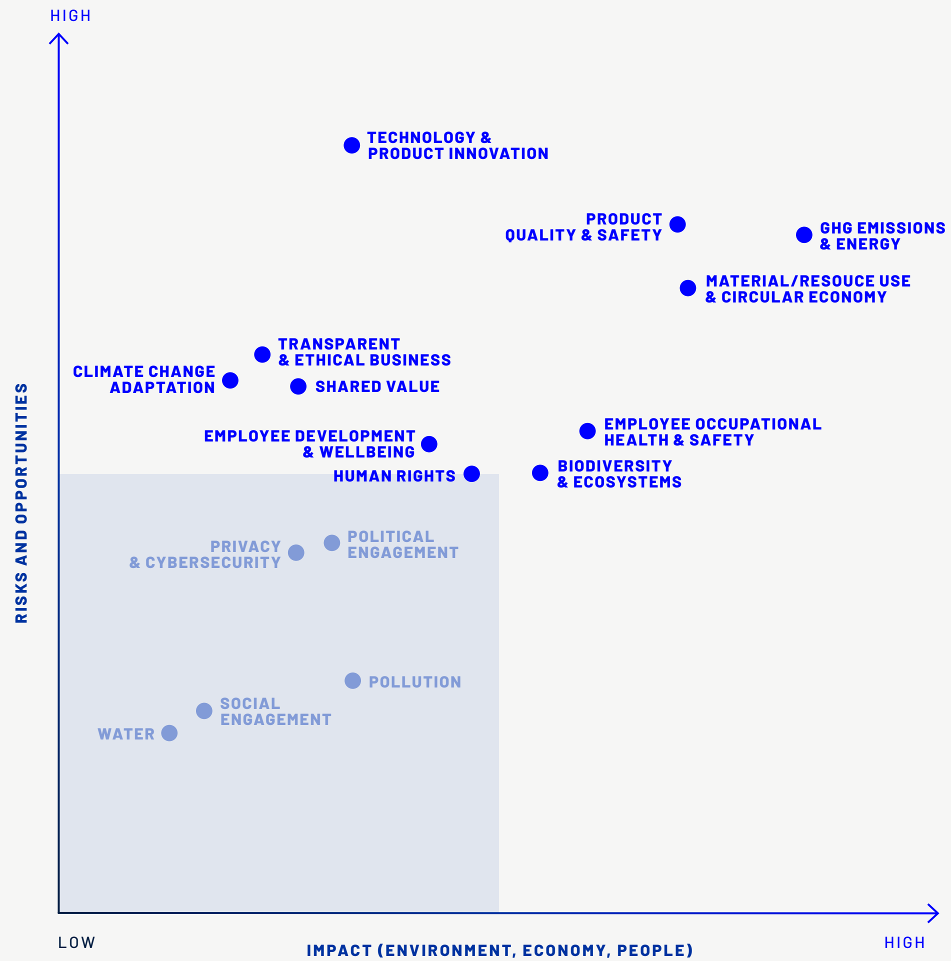
STEP 4: CONSOLIDATION AND APPROVAL

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 subsection and in the different subsequent topic-related sections.

The material topics are selected by setting a 50% threshold. 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 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 ELT and the Board signed off on the results.

The double materiality process determines 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 discloses these metrics and targets in the company's sustainability statements. In areas where processes are less mature, KA is working continuously to develop strategies, define action plans, and implement change. In areas with less mature processes, KA focuses on continuous strategy development, action planning, as well as 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
CLIMATE CHANGE ADAPTATION	ESRS E1 - Climate change
TECHNOLOGY & PRODUCT INNOVATION	ESRS E1 - Climate change
BIODIVERSITY & ECOSYSTEMS	ESRS E4 – Biodiversity and ecosystems
MATERIAL/ RESOURCE USE & CIRCULAR ECONOMY	ESRS E5 - Circular economy and resource use
EMPLOYEE OCCUPATIONAL HEALTH & SAFETY	ESRS S1 – Own workforce
EMPLOYEE DEVELOPMENT & WELLBEING	ESRS S1 – Own workforce
HUMAN RIGHTS IN THE VALUE CHAIN	ESRS S1 – Own workforce, S2 – Workers in the value chain
TRANSPARENT & ETHICAL BUSINESS	ESRS G1 – Business conduct
SHARED VALUE	ESRS G1 – Business conduct
PRODUCT QUALITY & SAFETY (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 that 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 section.

IMPACTS, RISKS, AND OPPORTUNITIES

IRO NAME	IRO TYPE	DESCRIPTION	TIME HORIZON			BUSINESS MODEL AND VALUE CHAIN		
			S	M	L	UPSTREAM	OWN OPERATIONS	DOWNSTREAM
E1 CLIMATE CHANGE								
CO_2 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 and emissions	Distribution
CO_2 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_2 emissions (Scope 1, 2, and 3)	Opportunity	Financial opportunities due to green shift in car market with demand for less carbon-intensive products and the transition to BEVs, as well as the opportunity to grow the 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, and the 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 the 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 and efficiency	Opportunity	Financial opportunities by shifting to renewable energies and the financial opportunity to save money by increasing energy efficiency in production.		x	x	n/a	KA plants	n/a

IRO NAME	IRO TYPE	DESCRIPTION	TIME HORIZON			BUSINESS MODEL AND VALUE CHAIN		
			S	M	L	UPSTREAM	OWN OPERATIONS	DOWNSTREAM
E4 BIODIVERSITY AND ECOSYSTEMS								
Land degradation	Actual negative impact	Land degradation due to mining operations for raw materials. Mining of ores (iron, copper, zinc, and aluminum) all require drastic interventions in local ecosystems and can cause damage. The 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 the 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 and 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

IRO NAME	IRO TYPE	DESCRIPTION	TIME HORIZON			BUSINESS MODEL AND VALUE CHAIN		
			S	M	L	UPSTREAM	OWN OPERATIONS	DOWNSTREAM
Collective bargaining	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
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 from 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 the risk 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 a competitive advantage for a highly trained workforce, enabling a 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). The 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 the event 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, 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

IRO NAME	IRO TYPE	DESCRIPTION	TIME HORIZON			BUSINESS MODEL AND VALUE CHAIN		
			S	M	L	UPSTREAM	OWN OPERATIONS	DOWNSTREAM
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
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	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	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, and anti-competitive behavior	Financial risk	Financial/legal/litigation risks due to global supply chain with lots of inherent risks for fraud, corruption, bribery, and supply chain disruption 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, and supply chain disruption 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 a marketing tool for KA to improve its imagen and gain new customers and new business.		x	x	n/a	KA operations	n/a

IRO NAME	IRO TYPE	DESCRIPTION	TIME HORIZON			BUSINESS MODEL AND VALUE CHAIN		
			S	M	L	UPSTREAM	OWN OPERATIONS	DOWNSTREAM
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	n/a	KA operations	n/a
Management of relationships with suppliers	Opportunity	Opportunity through supplier engagement/localization to gain a competitive advantage, create a more resilient supply chain, as well as reputational gains.		x		n/a	KA operations	n/a
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 a severe impact.	x	x	x	n/a	KA operations	Distribution
Product safety (customer)	Opportunity	High priority of safety for customers -> opportunity to be attractive to customers.		x	x	n/a	KA operations	Distribution
Access to and affordability of products and services (customer)	Opportunity	Shift to electric vehicles —> powertrain bigger part of overall value (greater effect on final price and thus the 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 that are material to Kongsberg Automotive (KA) and 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
DISCLOSURE REQUIREMENT

ESRS 2	GENERAL DISCLOSURES	PAGE	ADDITIONAL INFORMATION
BP-1	General basis for preparation of the sustainability statement	39	
BP-2	Disclosures in relation to specific circumstances	39-40	
GOV-1	The role of the administrative, management, and supervisory bodies	40-42	Incorporation by reference - (ESRS 2 GOV-1 21a-3, 23 a, b): See page 17-18 for composition and competences of BoD, meeting attendance, independence, work and risk assessment/ internal controls on page 14-15 (Corporate governance point 8-10) and diversity metrics on page 82
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management, and supervisory bodies	40-41	
GOV-3	Integration of sustainability-related performance in incentive schemes	41-42	Incorporation by reference - (ESRS 2 GOV-3 (29a-e): For incentive schemes dependent on sustainability-related performance, see remuneration report, paragraph "Long-term incentive plan 2025 for management"
GOV-4	Statement on sustainability due diligence	40	
GOV-5	Risk management and internal controls over sustainability reporting	41	
SBM-1	Strategy, business model, and value chain (products, markets, customers)	42	Incorporation by reference - (ESRS E2 SBM-1 38, 40a-g): For overall strategy and business model (products, markets, and customers), see pages 23-27. For sustainability related strategy, see pages 26-27. For headcount of employees by geographical areas, see page 28
SBM-2	Interests and views of stakeholders	43	
SBM-3	Material impacts, risks and opportunities, and their interaction with the strategy and business model	48-52	
IRO-1	Description of the process to identify and assess material impacts, risks, and opportunities	45-46	
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	47, 53-56	

ENVIRONMENTAL STANDARDS
DISCLOSURE REQUIREMENT

ESRS E1	CLIMATE CHANGE	PAGE	ADDITIONAL INFORMATION
ESRS 2, GOV-3	Integration of sustainability-related performance in incentive schemes	41-42	Incorporation by reference - ESRS E1 13: See Remuneration Report, paragraph "Long-term incentive plan 2025 for management"
E1-1	Transition plan for climate change mitigation	64-66	
ESRS 2, SBM 3	Material impacts, risks and opportunities, and their interaction with the strategy and business model	48, 62-63	
ESRS 2, IRO-1	Description of the processes to identify and assess material climate-related impacts, risks, and opportunities	45-46, 62	
E1-2	Policies related to climate change mitigation and adaptation	63	
E1-3	Actions and resources in relation to climate change policies	64-66	
E1-4	Targets related to climate change mitigation and adaptation	66-67	
E1-5	Energy consumption and mix	67, 70	
E1-6	Gross Scopes 1, 2, 3 and total GHG emissions	68-70	
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	n/a	
E1-8	Internal carbon pricing	n/a	
E1-9	Anticipated financial effects from material physical and transitional risks and potential climate-related opportunities	n/a	Phase-in option used

ESRS E4	BIODIVERSITY AND ECOSYSTEMS	PAGE	ADDITIONAL INFORMATION
E4-1	Transition plan and consideration of biodiversity and ecosystems in the strategy and business model	71	
ESRS 2, SBM 3	Material impacts, risks, and opportunities, and their interaction with the strategy and business model	49, 71	
ESRS 2, IRO-1	Description of the processes to identify and assess material biodiversity and ecosystem-related impacts, risks, and opportunities	45-46, 71	
E4-2	Policies related to biodiversity and ecosystems	71	
E4-3	Actions and resources related to biodiversity and ecosystems	71	
E4-4	Targets related to biodiversity and ecosystems	71	
E4-5	Impact metrics related to biodiversity and ecosystems change	71	
E4-6	Anticipated financial effects from biodiversity and ecosystem-related risks, and opportunities	n/a	

ESRS E5	RESOURCE USE AND CIRCULAR ECONOMY	PAGE	ADDITIONAL INFORMATION
ESRS 2, IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks, and opportunities	45-46, 72-73	
E5-1	Policies related to resource use and circular economy	73	
E5-2	Actions and resources related to resource use and circular economy	73	
E5-3	Targets related to resource use and circular economy	73	
E5-4	Resource inflows	72-75	
E5-5	Resource outflows	72, 74-75	
E5-6	Anticipated financial effects from material resource use and circular economy-related risks and opportunities	n/a	Phase-in option used

SOCIAL STANDARDS
DISCLOSURE REQUIREMENT

ESRS S1	OWN WORKFORCE	PAGE	ADDITIONAL INFORMATION
ESRS 2, SBM-2	Interest and views of stakeholders	43	
ESRS 2, SBM-3	Material impacts, risks, and opportunities and their interaction with the strategy and business model	45-46, 49-50, 76-77	
S1-1	Policies related to own workforce	78, 81, 84	
S1-2	Processes for engaging with own workers and workers' representatives about impacts	43, 77	
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	77, 102	
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 the effectiveness of those actions	78-79, 81, 84-85	
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	79, 81-82, 85	
S1-6	Characteristics of the undertaking's employees	79-80	
S1-7	Characteristics of non-employee workers in the undertaking's own workforce	79-80	
S1-8	Collective bargaining coverage and social dialog	79-80	
S1-9	Diversity metrics	82	
S1-10	Adequate wages	82	
S1-11	Social protection	78-79	
S1-12	Persons with disabilities	n/a	Phase-in option used
S1-13	Training and skills development metrics	81-82	
S1-14	Health and safety metrics	85	
S1-15	Work-life balance metrics	n/a	Phase-in option used
S1-16	Compensation metrics (pay gap and total compensation)	83	
S1-17	Incidents, complaints, and severe human rights impacts	77, 80	

ESRS S2	WORKERS IN THE VALUE CHAIN	PAGE	ADDITIONAL INFORMATION
ESRS 2, SBM-2	Interests and views of stakeholders	43, 94-95	
ESRS 2, SBM-3	Material impacts, risks, and opportunities and their interaction with the strategy and business model	45-46, 50-51, 87-88	
S2-1	Policies related to value chain workers	88-89	
S2-2	Processes for engaging with value chain workers about impacts	94-95	
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	95	
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 the effectiveness of those actions	88-94, 96	
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	96-97	

GOVERNANCE STANDARDS
DISCLOSURE REQUIREMENT

ESRS G1	BUSINESS CONDUCT	PAGE	ADDITIONAL INFORMATION
ESRS 2, GOV-1	The role of the administrative, supervisory, and management bodies	40-42	Refer to ESRS 2 GOV for incorporation by reference
ESRS 2, IRO-1	Description of the processes to identify and assess material impacts, risks, and opportunities	45-46, 51, 98	
G1-1	Business conduct policies and corporate culture	99-100	
G1-2	Management of relationships with suppliers	102, 88-93	
G1-3	Prevention and detection of corruption and bribery	101	
G1-4	Incidents of corruption or bribery	101	
G1-5	Political influence and lobbying activities	n/a	Subtopic not material
G1-6	Payment practices	102	

ENVIRONMENTAL INFORMATION
EU TAXONOMY

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 judgement and the 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. Detached from this first analysis, the full list of EU taxonomy activities was screened for applicable activities based on the activity descriptions, which also included supporting economic activities. 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 those that are 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 department, the product families were discussed for each business unit. Thereby, as a first step, products that can be built into electric vehicles and projects that develop electronic vehicle components were identified (products that can be installed in hybrid vehicles and/or vehicles with internal combustion engines are not included). In a second step, it was discussed whether the identified products are essential parts necessary to the environmental performance of the electric vehicle and are thus eligible for 3.18.

3.6 MANUFACTURE OF OTHER LOW CARBON TECHNOLOGIES

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 the company 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 finally classified as non-eligible for fiscal year 2025. KA will continue to analyze these activities in more detail going forward through a lifetime GHG saving analysis.

6.5 TRANSPORT BY MOTORBIKES, PASSENGER CARS, AND LIGHT COMMERCIAL VEHICLES

The definition of this activity includes the purchase, financing, renting, leasing, and operation of vehicles designated as categories M1. Therefore, this activity includes the leasing of company cars by employees.

7.7 ACQUISITION AND OWNERSHIP OF BUILDINGS

The definition of this activity includes buying real estate and exercising ownership of said real estate. This also includes leased real estate and thus, includes buildings owned and leased by KA.

All four listed activities are attributed to the climate-change mitigation objective. No activities were identified that comply with the climate-change adaption objective.

NON-CLIMATE-RELATED ENVIRONMENTAL OBJECTIVES

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.

MINIMUM SAFEGUARDS

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.

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, and corresponding procedures and processes are in place.

KA is actively working on improving minimum safeguards and published its Human Rights Policy at the end of 2024, outlining the company's responsibility, commitment, and behavioral expectations of its personnel and business partners. The procedures and processes surrounding suppliers are well established. However, in its own operations, the establishment of formal internal processes which a dedicated human rights officer could apply to fulfill their role has not been completed in the reporting year. Therefore, KA has concluded that the minimum safeguards are not yet fulfilled for the reporting year 2025.

ASSESSMENT OF KA'S ACTIVITIES' TAXONOMY ALIGNMENT

The requirements to be able to classify activities as Taxonomy-aligned include compliance with the minimum safeguards as well as fulfilling the substantial contribution and do-not-significantly-harm criteria (DNSH). 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 2025. Because of this, the substantial contribution and the DNSH criteria were not assessed for the 2025 reporting year.

KEY PERFORMANCE INDICATORS (KPIs)

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.

TURNOVER

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 (2025: MEUR 712.8) in accordance with IFRS 15 and IAS 1 82(a), and can be reconciled to the consolidated statement of comprehensive income of 2025. Further information can be found in note 7 of the consolidated financial statements 2025.

CAPITAL EXPENDITURE (CAPEX)

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 activities (3.18), investment in buildings and building leases (activity 7.7) that are included in the scope of IFRS 16, and car-lease investments 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 remeasurement (2025: MEUR 22.8). It can be reconciled with the additions reported in notes 12 to 14 of the consolidated financial statements 2025.

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 the maintenance and repair of property, plant, and equipment (2025: MEUR 66.2).

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

There were no restatements of the prior year numbers. The eligibility KPIs 2025 for activity 3.18 show comparable numbers to the 2024 reporting year:

> Activity 3.18: Turnover (2025: 0.2% / 2024: 0.4%), Capex (2025: 3.1% / 2024: 5.8%), Opex (2025: 0.5% / 2024: 1.3%)
> Activity 6.5: Capex (2025: 0.4% / 2024: 1.2%), Opex (2025: 0% / 2024: 0.1%)
> Activity 7.7: Capex (2025: 20.6% / 2024: 31.6%), Opex (2025: 0% / 2024: 0%)

NOTE ON EXPOSURE TO NUCLEAR AND FOSSIL GAS-RELATED ACTIVITIES

ROW	NUCLEAR ENERGY-RELATED ACTIVITIES	
1	The undertaking carries out, funds, or has exposure to the 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 exposure to the 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 the best available technologies.	NO
3	The undertaking carries out, funds, or has exposure to the 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 exposure to the construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds, or has exposure to the construction, refurbishment, and operation of combined heat/cooling and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds, or has exposure to the construction, refurbishment, and operation of heat generation facilities that produce heat/cooling using fossil gaseous fuels.	NO

FINANCIAL YEAR	2025	BREAKDOWN OF ENVIRONMENTAL OBJECTIVES OF TAXONOMY-ALIGNED ACTIVITIES													
KPI (1)	TOTAL (2)	PROPORTION OF TAXONOMY-ELIGIBLE ACTIVITIES (3)	TAXONOMY-ALIGNED ACTIVITIES (4)	PROPORTION OF TAXONOMY-ALIGNED ACTIVITIES (5)	"CLIMATE CHANGE MITIGATION (6)"	"CLIMATE CHANGE ADAPTATION (7)"	WATER (8)	CIRCULAR ECONOMY (9)	POLLUTION (10)	BIODIVERSITY (11)	PROPORTION OF ENABLING ACTIVITIES (12)	PROPORTION OF TRANSITIONAL ACTIVITIES (13)	NOT ASSESSED ACTIVITIES CONSIDERED NON MATERIAL (14)	TAXONOMY-ALIGNED ACTIVITIES IN PREVIOUS FINANCIAL YEAR (2024) (15)	PROPORTION OF TAXONOMY-ALIGNED ACTIVITIES IN PREVIOUS FINANCIAL YEAR (2024) (16)
TEXT	*MEUR*	*%*	*MEUR*	*%*	*%*	*%*	*%*	*%*	*%*	*%*	*%*	*%*	*%*	*MEUR*	*%*
Turnover	**712.8**	**0.2%**													
Capex	**22.8**	**24.1%**													
Opex	**66.2**	**0.5%**													

REPORTED KPI	TURNOVER												
FINANCIAL YEAR	2025	ENVIRONMENTAL OBJECTIVE OF TAXONOMY-ALIGNED ACTIVITIES											
ECONOMIC ACTIVITIES (1)	CODE (2)	TAXONOMY-ELIGIBLE KPI (PROPORTION OF TAXONOMY-ELIGIBLE TURNOVER) (3)	TAXONOMY-ALIGNED KPI (MONETARY VALUE OF TURNOVER (4)	TAXONOMY-ALIGNED KPI (PROPORTION OF TAXONOMY-ALIGNED TURNOVER (5)	CLIMATE CHANGE MITIGATION (6)	CLIMATE CHANGE ADAPTATION(7)	WATER (8)	CIRCULAR ECONOMY (9)	POLLUTION (10)	BIODIVERSITY (11)	ENABLING ACTIVITY (12)	TRANSITIONAL ACTIVITY (13)	PROPORTION OF TAXONOMY-ALIGNED IN TAXONOMY-ELIGIBLE (14)
TEXT		*%*	*MEUR*	*%*	*%*	*%*	*%*	*%*	*%*	*%*	*E*	*T*	*%*
Acquisition and ownership of buildings	CCM 7.7	0.0%											0%
Manufacture of automotive and mobility components	CCM 3.18	0.2%											0%
Transport by motorbikes, passenger cars, and light commercial vehicles	CCM 6.5	0,.0%											0%
Sum of alignment per objective													
Total KPI (Turnover)		**0.2%**											**0%**

REPORTED KPI	CAPEX													
FINANCIAL YEAR	2025		ENVIRONMENTAL OBJECTIVE OF TAXONOMY-ALIGNED ACTIVITIES											
ECONOMIC ACTIVITIES (1)	CODE (2)	TAXONOMY-ELIGIBLE KPI (PROPORTION OF TAXONOMY-ELIGIBLE CAPEX) (3)	TAXONOMY-ALIGNED KPI (MONETARY VALUE OF CAPEX (4)	TAXONOMY-ALIGNED KPI (PROPORTION OFTAXONOMY-ALIGNED CAPEX (5)	CLIMATE CHANGE MITIGATION (6)	CLIMATE CHANGE ADAPTATION(7)	WATER (8)	CIRCULAR ECONOMY (9)	POLLUTION (10)	BIODIVERSITY (11)	ENABLING ACTIVITY (12)	TRANSITIONAL ACTIVITY (13)	PROPORTION OF TAXONOMY-ALIGNED IN TAXONOMY-ELIGIBLE (14)
TEXT		%	MEUR	%	%	%	%	%	%	%	E	T	%
Acquisition and ownership of buildings	CCM 7.7	20.6%											0%
Manufacture of automotive and mobility components	CCM 3.18	3.1%											0%
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0.4%											0%
Sum of alignment per objective													
Total KPI (Capex)		**24,1%**											**0%**

REPORTED KPI	OPEX													
FINANCIAL YEAR	2025		ENVIRONMENTAL OBJECTIVE OF TAXONOMY-ALIGNED ACTIVITIES											
ECONOMIC ACTIVITIES (1)	CODE (2)	TAXONOMY-ELIGIBLE KPI (PROPORTION OF TAXONOMY-ELIGIBLE OPEX) (3)	TAXONOMY-ALIGNED KPI (MONETARY VALUE OF OPEX (4)	TAXONOMY-ALIGNED KPI (PROPORTION OFTAXONOMY-ALIGNED OPEX (5)	CLIMATE CHANGE MITIGATION (6)	CLIMATE CHANGE ADAPTATION(7)	WATER (8)	CIRCULAR ECONOMY (9)	POLLUTION (10)	BIODIVERSITY (11)	ENABLING ACTIVITY (12)	TRANSITIONAL ACTIVITY (13)	PROPORTION OF TAXONOMY-ALIGNED IN TAXONOMY-ELIGIBLE (14)
TEXT		%	MEUR	%	%	%	%	%	%	%	E	T	%
Acquisition and ownership of buildings	CCM 7.7	0.0%											0%
Manufacture of automotive and mobility components	CCM 3.18	0.5%											0%
Transport by motorbikes, passenger cars, and light commercial vehicles	CCM 6.5	0.0%											0%
Sum of alignment per objective													
Total KPI (Opex)		**0.5%**											**0%**

CLIMATE CHANGE

ESRS E1

Climate change is one of the most daunting challenges of our time, posing significant risks to industries, economies, and ecosystems worldwide. The automotive sector is a major contributor to global greenhouse gas (GHG) emissions and is undergoing a profound transformation to enable low-emission mobility. Kongsberg Automotive (KA) is continuously working toward reducing GHG emissions from its own operations, its products, as well as throughout its supply chain. The company aims to make a meaningful contribution to society's efforts to combat climate change and protect the environment. The company is committed to reducing carbon emissions and minimizing its environmental footprint, in both its operations and product portfolio, while supporting and enabling customers to achieve their own sustainability objectives.

IMPACTS, RISKS, AND OPPORTUNITIES

As part of the process to identify climate-related material impacts, risks, and opportunities, KA has reviewed climate-related physical risks affecting its own operations as well as in its value chain. The assessment considered its exposure to climate-related hazards of lower and higher magnitudes (above and below the 1.5°C global warming scenario). Discussions on transitional risks within the double materiality process were mainly driven by the anticipated shift of the global 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. The 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 its supply chain operations. KA faces both physical and transitional dimension risks of climate change. Physical risks arise from the exposure of the company's operations, suppliers, and customers to the increasing severity of climate change. Transitional risks primarily relate to the challenges associated with phasing out the fossil fuels used in KA's operations and adapting to the industrial shift toward electric vehicles. At the same time, climate change offers strategic opportunities for KA. The ongoing transformation of the automotive industry significantly influences the company's future strategy, product portfolio, and decision-making processes. The table below summarizes KA's main impacts, risks, and opportunities:

IRO NAME	IRO TYPE	DESCRIPTION	KA'S RESPONSE
CO_2 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.	> **Implementation of energy efficiency measures and the setting of energy reduction targets to reduce energy consumption and related GHG emissions** > **Ongoing shift to the usage of renewable energy for KA's production processes and buildings to reduce GHG emissions** > **Product design reflecting requirements for lower weight, recyclability, lower embedded GHG emissions, and compatibility with battery electric vehicles** > **Purchase of input materials with lower GHG emissions**
CO_2 EMISSIONS (SCOPE 1, 2, AND 3)	Transitional financial risk	Global focus on emissions and energy —> customers demand products for the green shift, legacy products become unmarketable —> financial risks and compliance necessary to maintain the license to operate. Risk of disruptive technologies, losing R&D investments, not competitive.	
CO_2 EMISSIONS (SCOPE 1, 2, AND 3)	Opportunity	Financial opportunities due to the green shift in the car market with demand for less carbon-intensive products, the transition to BEVs, and the opportunity to grow the product portfolio to align with low-carbon car market demands. Opportunity by developing new products to open up new business areas and replacement businesses.	
CLIMATE CHANGE ADAPTATION - PHYSICAL RISKS	Physical risk	Physical risks to operations due to changing climate: Damage to property, supply chain disruption, and the costs for climate hazard protection.	> **ISO 14001 certification of all plants (includes climate change-related topics)** > **Broad supplier portfolio and supplier risk mapping** > **Internal team of sustainability experts**
CLIMATE CHANGE ADAPTATION - TRANSITIONAL RISKS	Transitional financial risk	Customers demand products for the green shift, legacy products become unmarketable —> financial risks. Transitional risks through the costs associated with changing legislation and taxes due to CC. Investments needed to maintain the license to operate.	
RENEWABLE ENERGIES	Transitional financial risk	Increasing/volatile energy prices increase operational costs as energy production shifts to low carbon solutions.	> **Roadmap defined to switch to 100% renewable electricity by 2030**
RENEWABLE ENERGIES AND ENERGY CONSUMPTION AND EFFICIENCY	Opportunity	Financial opportunities by shifting to renewable energies and the financial opportunity to save money by increasing 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 the 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 Declaration and KA's Supplier Sustainability Manual) that both focus on upstream value chain and 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 86 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

As noted in the introduction to the General Information chapter, KA underwent significant reorganization and restructuring processes in 2025. Despite these changes, the company maintained continuity in its focus on sustainability across its operations and reporting. The initiatives outlined in the existing roadmap were implemented, and reporting was ensured in accordance with the ESRS standard. No further significant actions or the development of Scope 3 targets and roadmaps were initiated in 2025.

ACTIONS IN OWN OPERATIONS

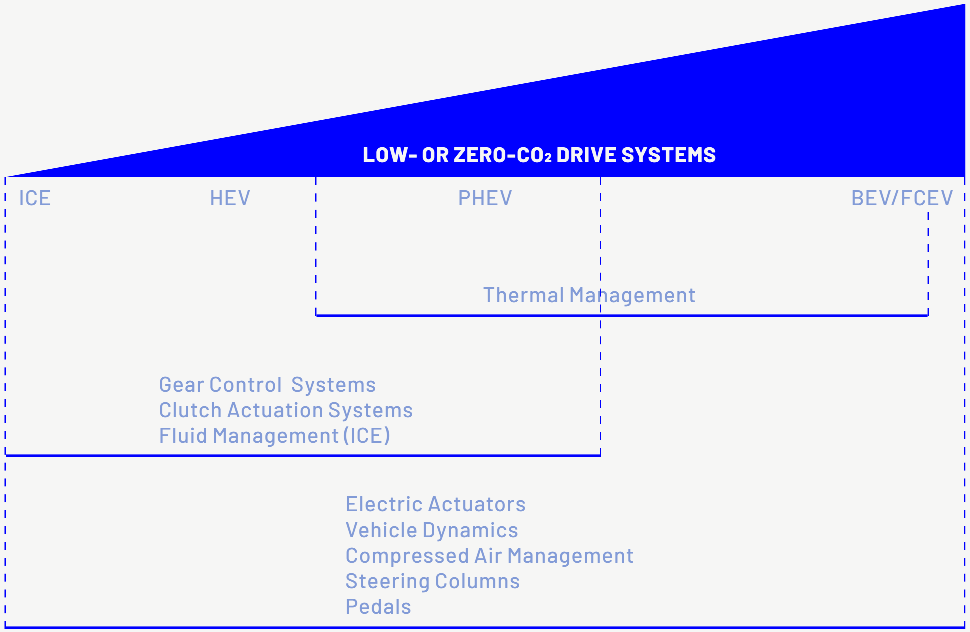
KA's climate change transition plan covers Scope 1 and 2 and is based on several key elements. It does not cover Scope 3 yet. Climate risks are included in KA's overall risk management system to reflect implications on an ongoing basis and in a structured way.

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_2e EMISSIONS BY 85% (BASE YEAR 2023) BY 2030 AND ACHIEVING ZERO SCOPE 1 AND 2 CO_2e EMISSIONS BY 2035



KA's product groups
(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 target setting is in line with European climate neutrality targets and also reflects the Science Based Targets Initiative (SBTi) recommendations. KA is not excluded from the EU Paris-aligned benchmarks. The targets and transition plan have been approved by the ELT. These long-term strategic goals, including any potential introduction of Scope 3 targets and roadmaps, will be revisited and reviewed again as part of a comprehensive review of KA's sustainability strategy by the ELT, together with the new sustainability organization in 2026.

As noted above, climate change is significantly affecting the global automotive sector and contributes to the pathway 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 23 ff. A formal resilience analysis was not conducted in 2025. KA will consider conducting a formal resilience analysis in the comprehensive review of its sustainability strategy in 2026.

KEY ACTIONS/ DECARBONIZATION LEVERS	DESCRIPTION	SCOPE OF ACTION	TARGET IN PLACE?	OVERALL PROGRESS IN 2025 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 plants resulted in a total energy reduction of 595 MWh in 2025**	APPROX. 5%
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 58%)**	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	**No update**	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. No progress for Scope 3 in 2025**	TBD

At present, KA's GHG emissions reduction strategy does not utilize removals and/or offsetting credits and is 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 budget planning process. The future alignment of KA's activities (TURNOVER, 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.

UPSTREAM AND DOWNSTREAM VALUE CHAIN-RELATED ACTIONS

As climate change, resource scarcity, and biodiversity loss create increasing challenges worldwide and across the automotive industry, KA initiated two-way communication and engagement with suppliers on decarbonization targets and environmental responsibility. KA's risk assessments, the decarbonization questionnaire, and onsite sustainability audit checklist address environmental and energy management policies and systems, yearly environmental targets, and employee training.

KA requests information from its suppliers regarding the percentage of renewable energy used in electricity and heating. KA also collects primary performance data to enable future hybrid Scope 3 upstream emission calculations and strengthen supplier engagement to decrease emissions throughout the value chain. KA has not established a Supplier Academy yet in 2025, but still plans to do so, offering training on climate change, sustainable development, ESG, human rights, and other relevant topics to suppliers and their employees.

At a company level, KA calculates upstream Scope 3 CO_2e emissions using a spend-based calculation model, enabling the company to analyze hot spots and develop effective measures to decrease carbon emissions in its supply chain. The calculation shows that purchased goods account for the largest share of KA's upstream CO_2e emissions, followed by logistics.

For the calculation of downstream Scope 3 emissions, a calculation method 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_2e emissions. Although KA's products do not directly generate any emissions during the use phase, they contribute indirectly to the emissions of commercial and passenger vehicles. Scope 3.11 emissions are expected to decline in the coming years due to the increasing adoption of electric vehicles.

No additional upstream or downstream value chain-related actions were introduced 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 ZERO **(100% ABSOLUTE REDUCTION) BY 2035 FOR SCOPE 1 AND 2** (MARKET-BASED)

These milestone targets will be revisited and reviewed again as part of a comprehensive review of KA's sustainability strategy by the ELT together with the new sustainability organization in 2026.

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_2e 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 discussed during the comprehensive review of KA's sustainability strategy in 2026 .

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 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% purchased renewable energy by 2030, which refers to purchased electricity and heat, underlines the prioritization of removing emissions related to Scope 2 first and remaining Scope 1 emissions by 2035. The next milestone for this long-term strategic goal was to switch one additional plant to 100% renewable electricity in 2025, which was achieved (Plant in Wuxi, China, switched to 100% renewable electricity in May 2025).

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. The 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 61% in 2024 to 68% in 2025. Additional production sites have been identified for the transition to renewable electricity tariffs in 2026.

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 2026 to decrease their energy consumption by 2% relative to total product sales ("energy intensity") compared to 2025.
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 2025 amounted to 123 megawatt hours used in production for every million EUR of total product sales, which equates to a 9.8% increase from the 112-megawatt hours per million EUR of total product sales in 2024. This increase is partly due to the lower level of sales compared to a similar number of production sites. A significant portion of the energy consumption (such as heating and cooling) is not influenced by production volumes. The energy intensity is expected to stabilize again with less volatility in sales numbers.

While energy intensity was the primary key performance indicator, manufacturing units reported that absolute energy use decreased in 2025 by 0.7% to 87,622 megawatt hours from 88,217 megawatt hours in 2024.

In 2024, the group's CO_2e emissions (Scope 1 and 2) were approximately 15,557 tonnes of CO_2e (market-based), which equates to a 14% reduction from the

18,113 tonnes of CO_2e emitted in 2023 (base year). These significant reductions were achieved to some extent by improving energy efficiency. In 2025, the group's CO_2e emissions (Scope 1 and 2) were approximately 16,320 tonnes of CO_2e (market-based), which equates to a 10% reduction from the 18,113 tonnes of CO_2e emitted in 2023 (base year).

In 2025, despite the positive development compared to the 2023 base year, the target of -12% CO_2e emissions (Scope 1 and 2) compared to 2023 was not achieved. This was partly due to increasing emission rates in one of the largest plants that has not yet switched to renewable electricity. The actual reduction compared to the base year 2023 was mainly achieved by switching additional plants to renewable electricity. KA will keep on working to further reduce emissions in 2026 in accordance with its roadmap, and switching further production sites to renewable energy.

Total Scope 3 CO_2e emissions decreased from 4.3 million tonnes in 2024 to 3.2 million tonnes in 2025, which is to some extent driven by the reduced number of products sold and a reduced amount of purchased goods. The CO_2e intensity values (market-based) on net revenues also decreased between 2024 and 2025 by 17%, demonstrating that a CO_2e reduction was achieved aside from sales effects. To a large extent, this decrease is the result of the most material Scope 3 category, 3.11 Use of sold products. The calculation is tied to product weight compared to total vehicle weight and in 2025, the product mix sold was more favorable in terms of total weight compared to 2024, which contributed largely to the decrease of CO_2e emissions on top of lower volumes sold in 2025. Further, the amounts from the most material upstream Scope 3 category (3.1 Purchased goods and services) decreased overproportionally as well due to a lower share of products bought from countries with high average emission intensity.

To achieve the long-term goal of carbon-neutral products by 2039, upstream Scope 3 GHG emissions also need to be addressed. Up until the end of 2025, no Scope 3 targets or roadmaps were developed. Any potential introduction of Scope 3 targets and roadmaps to achieve this long-term goal will be revisited and reviewed again as part of a comprehensive review of KA's sustainability strategy in 2026.

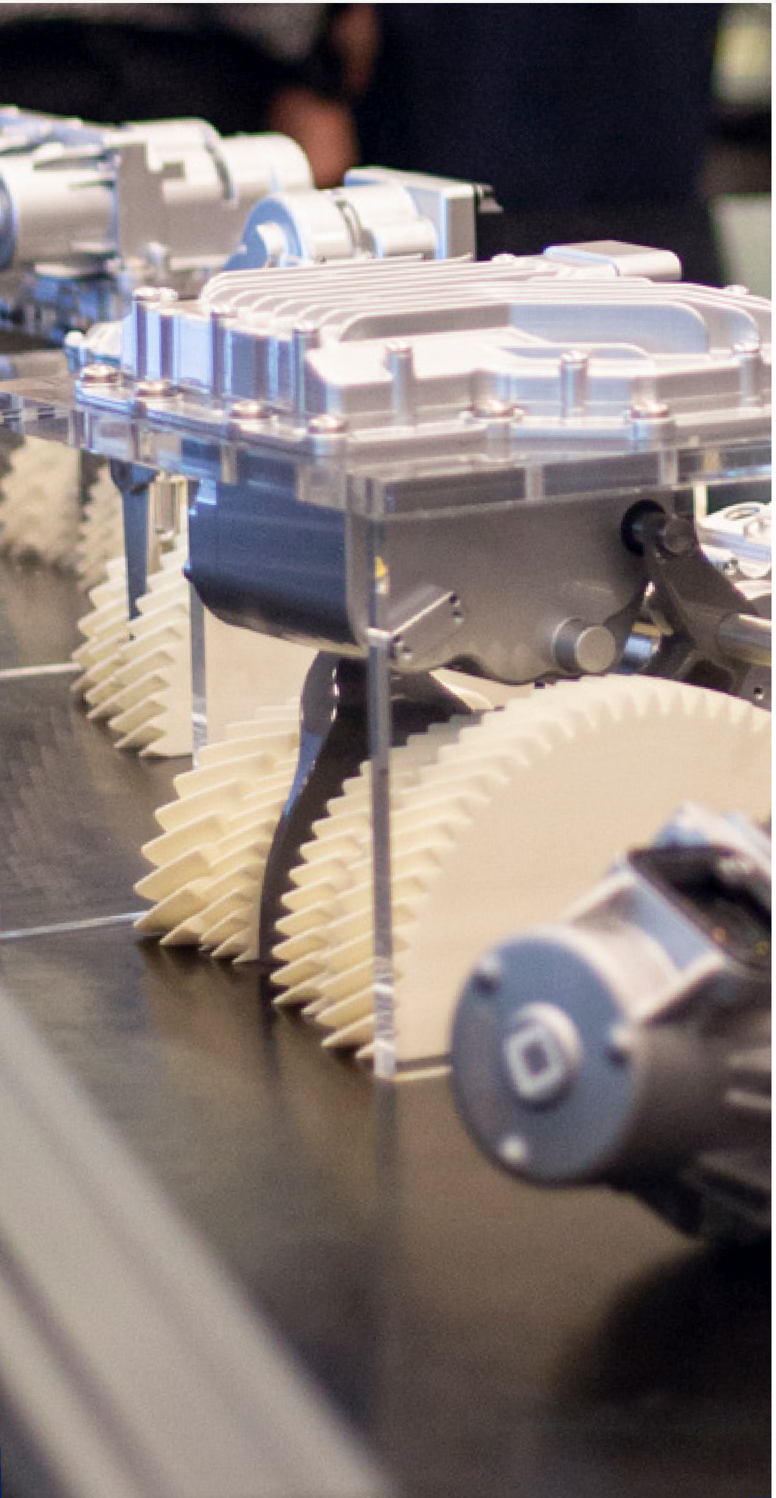
ENERGY CONSUMPTION AND MIX	2024*	2025*
(1) Fuel consumption from coal and coal products (MWh)	-	-
(2) Fuel consumption from crude oil and petroleum products (MWh)	267	693
(3) Fuel consumption from natural gas (MWh)	12.295	12.287
(4) Fuel consumption from other fossil sources (MWh)	857	685
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	23.214	20.013
(6) Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)	**36.632**	**33.678**
Share of fossil sources in total energy consumption (%)	**43%**	**38%**
(7) Consumption from nuclear sources (MWh)	5.530	3.533
Share of consumption from nuclear sources in total energy consumption (%)	**6%**	**4%**
(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)	46.054	50.410
(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)	46.054	50.410
Share of renewable sources in total energy consumption (%)	**54%**	**58%**
Total energy consumption (MWh) (calculated as the sum of lines 6, 7 and 11)	**88.217**	**87.622**
Energy intensity (MWh /mEUR)	**112**	**123**
Renewable electricity share (%)	**61%**	**68%**

**2024 and 2025 figures do not include fuel consumption of company cars*

	MILESTONES AND TARGET YEARS								
	BASE YEAR 2023	2024	2025	Δ (%) 2023-2025	Δ (%) 2024-2025	2025 (TARGET)	2030 (TARGET)	-2050 (TARGET)	ANNUAL % TARGET-/-BASE YEAR
Gross Scope 1 GHG emissions (tCO_2e)	**2,742**	**2,493**	**2,608**	**-5%**	**5%**	**2,413**	**411**	**0**	
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0%	0%	0%	0%	0%	0%	0%	0%	
Gross location-based Scope 2 GHG emissions (tCO_2e)	**17,705**	**16,410**	**18,125**	**2%**	**10%**	**15,580**	**2,656**	**0**	
Gross market-based Scope 2 GHG emissions (tCO_2e)	**15,371**	**13,064**	**13,712**	**-11%**	**5%**	**13,527**	**2,306**	**0**	
Total gross indirect (Scope 3) GHG emissions (tCO_2e)*	**5,074,153**	**4,253,482**	**3,174,492**	**-37%**	**-25%**				
1 Purchased goods and services*	261,760	198,366	169,513	-35%	-15%				
2 Capital goods	16,803	5,298	5,395	-68%	2%				
3 Fuel and energy-related activities (not included in Scope 1 or Scope 2)*	4,605	3,755	4,140	-10%	10%				
4 Upstream transportation and distribution	11,933	12,127	9,275	-22%	-24%				
5 Waste generated in operations	1,258	1,044	1,083	-14%	4%				
6 Business travel	388	312	312	-20%	0%				
7 Employee commuting	4,531	4,218	3,784	-16%	-10%				
8 Upstream leased assets									
9 Downstream transportation	1,363	1,149	878	-36%	-24%				
10 Processing of sold products	8,641	7,697	5,982	-31%	-22%				
11 Use of sold products	4,762,161	4,018,921	2,973,658	-38%	-26%				
12 End-of-life treatment of sold products	707	596	472	-33%	-21%				
13 Downstream leased assets									
14 Franchises									
15 Investments									
Total GHG emissions(location-based) (tCO_2e)*	**5,094,599**	**4,272,385**	**3,195,225**	**-37%**	**-25%**				
Total GHG emissions (market-based) (tCO_2e)*	**5,092,266**	**4,269,039**	**3,190,812**	**-37%**	**-25%**				

GHG INTENSITY BASED ON NET REVENUE	2023	2024	2025
Total GHG emissions (location-based) per net revenue (tCO_2e/mEUR)*	**5,757**	**5,420**	**4,483**
Total GHG emissions (market-based) per net revenue (tCO_2e/mEUR)*	**5,755**	**5,416**	**4,476**

**Comparative figures have been restated due to sector mapping revision (Scope 3.1. and Scope 3.3).*



ACCOUNTING POLICIES

SCOPE 1 EMISSIONS

Total GHG emissions, expressed in tonnes of CO_2 equivalent (tCO_2e), 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_2e 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, 2024, or 2025 reporting.

SCOPE 2 EMISSIONS

Total GHG emissions, expressed in tonnes of CO_2 equivalent (tCO_2e), from purchased electricity, heat, and steam consumed by KA. Location-based emissions are based on country/region-specific average CO_2e conversion factors for defined locations retrieved from Carbon Footprint (CaDI. (2025). Greenhouse Gas Emissions Factors for International Grid Electricity (calculated from fuel mix). Retrieved on 19.01.2026 from www.carbondi.com). 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_2e emission calculation (CaDI. (2025), retrieved on 19.01.2026 from www.carbondi.com).

SCOPE 3 EMISSIONS

Total GHG emissions, expressed in tonnes of CO_2 equivalent (tCO_2e), originating from KA's value chain. KA has identified four out of the fifteen categories defined by the GHG Protocol as not applicable, and calculated CO_2e emissions for the other eleven categories applying the GHG Protocol standards. Accounting policies are only included for the two most material categories of Scope 3 – category 1 and category 11.

CATEGORY 1: PURCHASED GOODS AND SERVICES

Emissions related to all spend from external suppliers, except for investment spend and travel categories and spend that is included in other Scope 3 categories. Purchased goods and services mainly comprise direct and indirect purchases of raw materials and parts for products and components such as electronics, mechanical parts, services, packaging materials, etc. The total spend is converted into CO_2e emissions using the spend-based method, which is based on environmentally extended input-output (EEIO) models (estell by company Systain Consulting). 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.

CATEGORY 11: USE OF SOLD PRODUCTS

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 is available, an average product weight was applied. These weight values enable KA to calculate its portion of the CO_2e emissions that the different types of vehicles that 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_2 emissions per kilometer differ per category.

The emissions rate for passenger cars is based on statistical data of the average CO_2 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_2 targets are unfit for the 2020s."

The emission rate used for buses is based on the UBA (Umweltbundesamt) publication: Aktualisierung TREMOD/TREMOD-MM und Ermittlung der Emissions-daten des Verkehrs nach KSG im Jahr 2024. 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 2024 publication by the association of issuing bodies (AIB).

TOTAL GHG EMISSIONS

Total GHG emissions, expressed in tonnes of CO_2 equivalent (tCO_2e), are calculated as the sum of Scope 1, 2, and 3 emissions.

TOTAL ENERGY CONSUMPTION (MWH)

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 www.iea.org (retrieved as at 13.02.2025) have been used.

ENERGY INTENSITY (MWH/MEUR)

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 107.

RENEWABLE ELECTRICITY SHARE (%)

The ratio is calculated by dividing total consumption of purchased renewable electricity by total electricity consumption.

BIODIVERSITY AND ECOSYSTEMS

ESRS E4

Loss of 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.

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 upstream 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 that could negatively affect KA's resilience in this context have been identified. 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. The 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.**
EXPLOITATION	Physical risk	Risks to operation/value of services (provisioning) at stake due to progressed exploitation.	

POLICIES

Currently, KA does not have a 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 86 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 in 2024. There is only one location (Ramos Arizpe, Mexico) that is directly located in a KBA, and no material negative impacts on the surrounding area were identified. Therefore, no mitigating actions were taken in 2024 or 2025. KA will continue to analyze potential implications and, if relevant, determine the requisite 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 in which the company operates. KA is committed to reducing waste generation, improving waste management practices, and implementing circularity approaches. Through these efforts and reduction strategies, the company aims to conserve natural resources and further reduce its 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 requirements. 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 has to align at least with the lifetime of the vehicle they are built into as defined by industry standards, typically 10–15 years. 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 could be less efficient than recycling and replacing parts with new ones. The packaging of products is mainly made from cardboard and plastics, which are fully recyclable, and in some instances, products are delivered in multi-use boxes provided by the customers themselves, which are then reused for future deliveries.

The materials present in KA's waste include 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 the 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 the 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	IRO TYPE	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 are to be developed. No progress has been made toward this in 2025.
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 the price and availability of raw materials as this might cause operations to halt production.	
GENERATED WASTE	Transitional financial risk	Risk of regulatory non-compliance/loss of investors.	
CIRCULAR PRINCIPLES	Opportunity	Opportunity as a shift to circular economic principles will 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 Policies 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 the reuse, recycling, and recovery of materials to minimize waste. Due to the nature of the products and business, the focus is on prevention of waste, reduction, reusage, 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 also reviewed in formalized monthly discussion calls.

Actions often depend on local circumstances and individual local initiatives. A few initiatives in 2025 have been continued from 2024, including the reuse of scrap, specifically for plastics and brass, the testing of new material solutions and redesigns in the Research and Development department, and an increase of recycling share through enhanced local waste separation processes.

The waste oil reuse program of one location from 2023, which reduced virgin oil purchases by approximately 90%, is being expanded to more of the companies' locations. No notable additional actions were taken in 2025. Further actions will be determined as part of the sustainability roadmap, including corresponding time horizons and the resources necessary.

METRICS AND TARGETS

To track the effectiveness of KA's actions, an annual global target for own operations was set to reduce the Disposed Waste Index as defined by KA. The target for 2025 was set to -2% compared to 2024 target values as agreed between internal corporate and plant level stakeholders. The target addresses both resource inflows and outflows through the minimization of waste and the promotion of recyclable resource inputs. The reduction target is not mandated by law. The target is based on the involvement of internal experienced stakeholders and is not based on external scientific evidence. The annual target for 2026 has already been set as well as a reduction of -2% on the Disposed Waste index compared to 2025.

PERFORMANCE ON RESOURCE INFLOWS

The overall total weight of products and technical and biological materials used by KA amounted to 78,000 tonnes in 2025 (2024: 84,000 tonnes). The rate of biological materials used in 2025 is 0% (2024: 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 and 2025 reporting periods. KA will further analyze cases to be reported in this metric in future reporting periods.

PERFORMANCE ON RESOURCE OUTFLOWS

The overall recyclable content of products sold in 2024 and 2025 based on weight is between 80%-90% of total weight. The actual recycling rate of products sold in 2024 and 2025 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 14% in 2024 to 13% in 2025. Total waste generated decreased by -3.5% compared to 2024. The share of landfilled waste of total waste also decreased from 6% to 5%, while the share of incinerated waste stayed stable at 8%. The disposed waste index for 2025 amounted to 0.782 (2024: 0.966), depicting a decrease of -19% compared to 2024. Thus, the target for 2025 was surpassed, largely due to the lower amount of total waste directed to disposal.

RESOURCE INFLOWS	2024*	2025
Overall total weight of products and technical and biological materials used during the reporting period (tonnes)	**84,039**	**78,241**
Biological materials and biofuels used for non-energy purposes (%)	**0**	**0**
Absolute weight of secondary reused or recycled components (tonnes)	**7,954**	**7,754**
Secondary reused or recycled components (%)	**9%**	**10%**

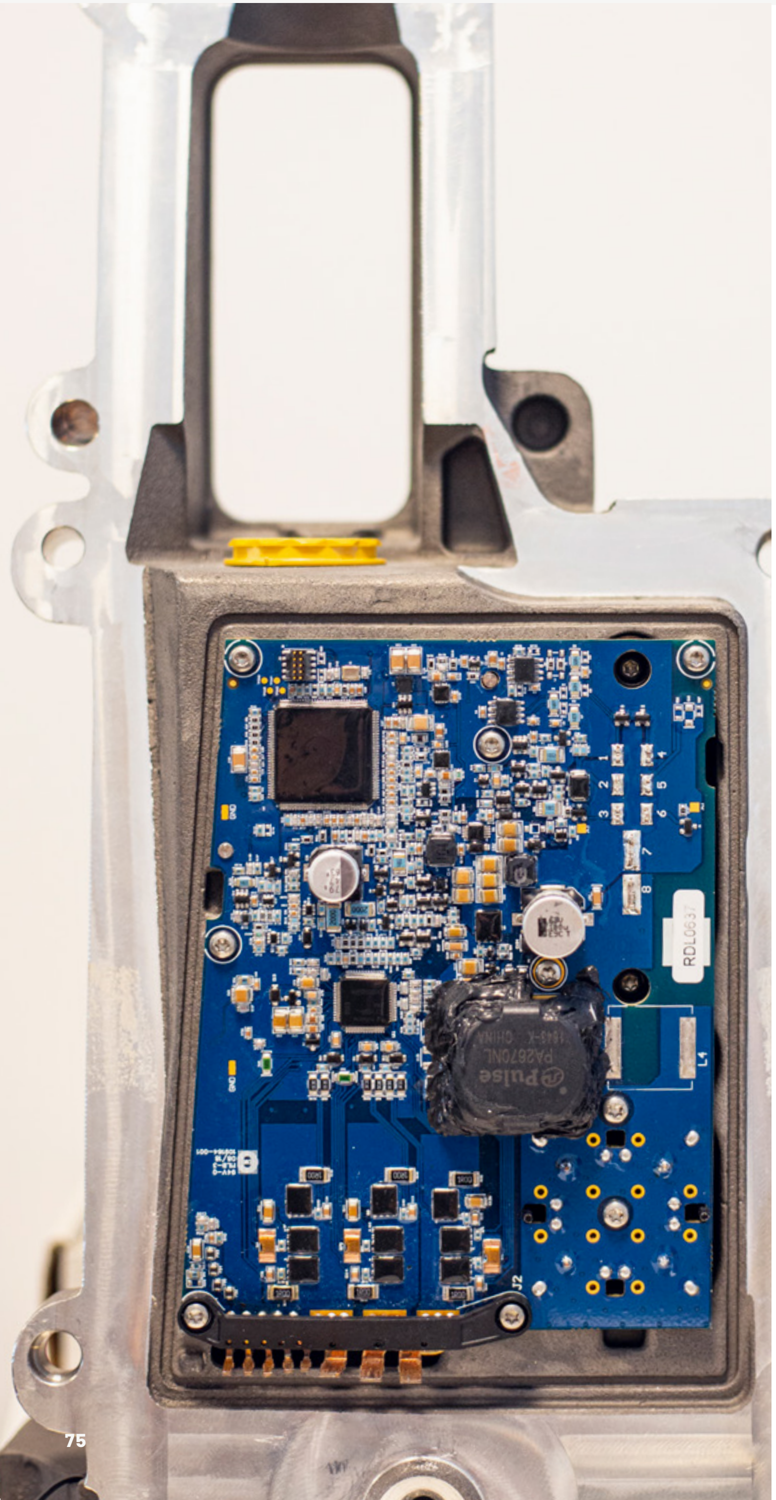
RESOURCE OUTFLOWS - WASTE

RESOURCE OUTFLOWS	UNIT	2024			2025		
		TOTAL	HAZARDOUS	NON-HAZARDOUS	TOTAL	HAZARDOUS	NON-HAZARDOUS
Total waste generated	**TONNES**	**6,145**	**414**	**5,731**	**5,933**	**278**	**5,654**
Diverted from disposal							
Preparation for reuse	TONNES	0	0	0	-	0	**0**
Recycling	TONNES	5,306	171	5,135	5,183	242	**4,941**
Other recovery operations	TONNES	0	0	0	-	0	**0**
Total diverted from disposal	TONNES	**5,306**	**171**	**5,135**	**5,183**	**242**	**4,941**
Directed to disposal							
Incineration	TONNES	489	227	262	473	28	444
Landfill	TONNES	350	16	334	277	8	269
Other disposal operations	TONNES	0	0	0	-	0	0
Total directed to disposal	TONNES	**839**	**243**	**596**	**750**	**36**	**714**
Non-recycled waste	TONNES	**839**	**243**	**596**	**750**	**36**	**714**
Percentage of non-recycled waste	%	**14%**	**59%**	**10%**	**13%**	**13%**	**13%**
Total amount of radioactive waste	TONNES	**0**	**0**	**N/A**	**0**	**0**	**N/A**

	2024**	2025
Disposed Waste Index	**0.966**	**0.782**

**The absolute weight of secondary reuse or recycled components (t) was restated due to an improvement in data availability for treated and reused brass in Raufoss.*

***Correction of prior year error, 0.976 was 2023 Index number, while 0.966 was 2024 Index number.*



ACCOUNTING POLICIES

OVERALL TOTAL WEIGHT OF TECHNICAL AND BIOLOGICAL PRODUCTS AND MATERIALS

Total weight includes all raw materials, associated process materials, and parts sourced into production. The 01.01.2025-10.12.2025 period is based on actual data, the remaining period in December is estimated. For missing weight data fields, an average weight has been applied. KA does not have sufficient data for estimating the weight of production machinery inflows. Thus, no weight for production machinery is included for 2025.

ABSOLUTE WEIGHT OF SECONDARY REUSED OR RECYCLED COMPONENTS

The total weight of previously used or recycled materials used in the production process. This includes the swarf used in Norway, which is actively tracked. The base materials used in 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 the recyclable content of products sold. This was then divided by the 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 KA's own operations.

HAZARDOUS AND NON-HAZARDOUS WASTE DIVERTED 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 available plants' hazardous treatment 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 available plants' hazardous treatment has been applied to all locations, assuming similar treatment across all plants.

PERCENTAGE OF NON-RECYCLED WASTE

The share of all waste directed to disposal out of total waste.

DISPOSED WASTE INDEX

The sum of the weight of the total waste disposed to landfill sites and total hazardous waste regardless of whether it is diverted or disposed of, divided by total product sales.

SOCIAL INFORMATION
OWN WORKFORCE

ESRS S1

Kongsberg Automotive is firmly committed to realizing the full potential of its global workforce, regardless of geographical location or organisational hierarchy.

The organisation places equal emphasis on continuous growth, cultivating individual strengths, respectful collaboration, acknowledging performance, and offering flexible working conditions. This holistic approach contributes to KA's reputation as an employer of choice at all its 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 workforce 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.	> **Training and development programs and platforms (SuccessFactors, Percipio)** > **Setup of graduate program and summer internships to fill KA´s talent pipeline** > **Introduction of an Employee Engagement Survey, with regular iteration to measure results of the action plans** > **Structured succession process to ensure talent development and close identified gaps** > **Occupational Safety roadmap with dedicated resources, targets, and actions**
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 from 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 the risk of falling behind. KA can have positive impacts on employees by providing continuous education, development, and career opportunities.	
EMPLOYEE DEVELOPMENT AND CAREER OPPORTUNITIES	Opportunity	Opportunity to create a competitive advantage by highly trained workforce enabling a 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 costs can increase. Risk of not attracting talent in the event 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 such as the KA Intranet and regular global town hall meetings, followed by individual meetings for functions and business units. Daily interaction with trade unions and their representatives completes the picture. In 2025, KA started a regular engagement survey to collect structured feedback to understand what matters most to KA´s employees. These surveys are followed up by local action plans to improve employee engagement. Social events are also an important factor to promote 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 the 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 by KA's General Counsel and EVP HR. The General Counsel is responsible for ensuring that grievances are investigated using the appropriate means, e.g. internal resources from Finance, Legal, or HR, or retained external resources. The General Counsel provides quarterly reports to the CEO of all ongoing and closed matters concerning potential Code regarding Conduct violations. Significant and serious matters are reported to the Board of Directors. 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'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 sees limited risks of forced or compulsory labor or child labor in its operating countries and locations due to 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 such as general behavior expectations, anti-corruption and bribery, anti-fraud, conflict of interest, 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 the corporate culture subsection in G1 Business conduct.

KA's Human Rights Policy outlines our commitment to respecting human rights, including labor rights, of people in KA's own workforce and its value chain. It also specifically addresses human trafficking, forced 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, equal treatment and opportunities for all. This includes engaging with and respecting the labor rights of KA's own workforce. The policy is available for all employees and other stakeholders on KA's external website. The policy is approved by the ELT 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 rolled out a new process in Q4 2025 which provides transparency on training completion status. The challenges mainly related to documentation for non-IT users were solved.

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 the loss of income due to sickness, unemployment, employment injury, parental leave, retirement, 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 grading and benchmarking to assess wage alignment and define adequacy across the countries in which 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 ELT. 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.

In December 2024, the Group's Human Rights Policy was set up and published. In 2025, potential violations were followed up by the grievance process described in G1.

S1-6- CHARACTERISTICS OF KA'S EMPLOYEES

EMPLOYEES BY GENDER

GENDER	NUMBER OF EMPLOYEES (HEADCOUNT) 2024	NUMBER OF EMPLOYEES (HEADCOUNT) 2025
MALE	2,903	2,657
FEMALE	1,691	1,570
OTHER	1	1
NOT REPORTED	326 (external workers)	277 (external workers)
TOTAL EMPLOYEES	**4,921**	**4,505**

HEADCOUNT FOR COUNTRIES WITH AT LEAST 50 EMPLOYEES REPRESENTING AT LEAST 10% OF THE TOTAL NUMBER OF EMPLOYEES

COUNTRY	NUMBER OF EMPLOYEES (HEADCOUNT) 2024	NUMBER OF EMPLOYEES (HEADCOUNT) 2025
MEXICO	1,024	908
POLAND	573	521
NORWAY	537	519

HEADCOUNT FOR PERMANENT, TEMPORARY, NON-GUARANTEED EMPLOYEES, PER GENDER

	FEMALE 2024	FEMALE 2025	MALE 2024	MALE 2025	OTHER 2024	OTHER 2025	NOT DISCLOSED 2024	NOT DISCLOSED 2025	TOTAL 2024	TOTAL 2025
NUMBER OF EMPLOYEES	1,703	1,594	3,036	2,790	1	2	181	119	4,921	4,505
NUMBER OF PERMANENT EMPLOYEES	1,660	1,554	2,869	2,628	1	1	0	0	4,550	4,183
NUMBER OF TEMPORARY EMPLOYEES	23	40	167	162	0	1	181	119	371	322
NUMBER OF FULL-TIME EMPLOYEES	1,626	1,520	2,973	2,717	1	2	180	119	4,780	4,358
NUMBER OF PART-TIME EMPLOYEES	77	72	63	55	0	0	1	0	141	127

At the end of 2025, KA's workforce included 277 external workers (2024: 326), representing 6% (2024: 7%) of the total workforce. The most common type of external workers are those who cover fluctuations in production capacity or bring in additional skills.

EMPLOYEE TURNOVER	2024	2025
EMPLOYEE TURNOVER IN %	33%	20%
EMPLOYEE TURNOVER ABSOLUTE	1,477	892

The turnover in 2025 showed a downward trend, standing at 20% (2024: 33%), including all types of reasons for departure. Besides further announced reductions in overhead areas which reside mainly in involuntary turnover, KA recognized a postive downward trend for voluntary leavers. The voluntary departure rate is constantly reviewed and fluctuates within the industry standard.

The overall number of employees decreased to comply with the market demands, and as announced improve KA's cost structure. The countries with the highest share of employees remained the same.

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 coun-cils without fear of discrimination or retaliation. There is no European works council in place, but rather local unions and committees. KA cooperates with and maintains an open and trusting relationship with trade union representatives.

In 2025, 63% (2024: 50%) of KA's internal employees were covered by collective bargaining agreements.

> EEA countries: 69% (2024: 74%)

> Non-EEA countries: 57% (2024: 30%)

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.

COLLECTIVE BARGAINING COVERAGE FOR LOCATIONS >50 EMPLOYEES AND >10% OF POPULATION (2024)*			SOCIAL DIALOG
COVERAGE RATE	**SOCIAL DIALOG**	**EMPLOYEES – NON-EEA**	**WORKPLACE REPRESENTATION (EEA ONLY)**
0-19%	Poland	Mexico	Poland
20-39%			
40-59%			
60-79%	Norway		Norway
80-100%			

**Restated 2024 table to include only countries above the threshold of >50 employees and >10% of population for comparability purposes with 2025.*

COLLECTIVE BARGAINING COVERAGE FOR LOCATIONS >50 EMPLOYEES AND >10% OF POPULATION (2025)			SOCIAL DIALOG
COVERAGE RATE	**SOCIAL DIALOG**	**EMPLOYEES – NON-EEA**	**WORKPLACE REPRESENTATION (EEA ONLY)**
0-19%	Poland		Poland
20-39%			
40-59%			
60-79%	Norway	Mexico	Norway
80-100%			

In 2025, one incident of discrimination was reported (2024: no cases). Further, no legal cases, fines, or penalties regarding discrimination were brought against the company or its employees. The total number of cases collected and tracked throughout various channels amounted to 37 (2024: 5 cases). The number of tracked cases shows an increase of awareness of and engagement with the available channels.

INCIDENTS AND COMPLAINTS	UNIT	2024	2025
Number of cases reported through the channels for own workforce	NO.	5	37
Number of complaints filed to National Contact Points for OECD Multinational Enterprises	NO.	0	0
Number of discrimination cases reported	NO.	0	1
Number of substantiated discrimination cases	NO.	0	0
Number of fines, penalties, and compensation	NO.	0	0

ACCOUNTING POLICIES

EMPLOYEES (HEADCOUNT)

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

Headcount is counted as 1 for active, short-term leave, long-term leave, and suspended employees, regardless of 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 a 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. Reasons for departure 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's internal employees.

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 its global operations, but also means creating a strong learning culture within KA's own workforce. For 2025, KA planned to revise the training policy to support this strategic pillar of the Human Resource strategy while continuing to apply the principles in the existing policy. However, due to first priorities within KA's reorganization process being set in other areas, this was postponed to 2026.

POLICIES

KA's Code of Conduct includes topics such as equal opportunities, diversity, and discrimination (explicitly based on race, color, religion, sex, age, national origin, ethnicity, disability, and sexual orientation). In 2025, the Diversity and Inclusiveness Policy was updated to protect groups at particular risk of vulnerability within KA's own workforce. In 2026, KA aims to implement initiatives to develop and encourage women to take on leadership positions to a greater extent than before, as KA has identified room for improvement in this area.

More information on the Code of Conduct, including implementation through corporate culture and reporting mechanisms, can be found in G1 Business Conduct.

KA has a well-established remuneration policy to ensure fair and competitive compensation practices. The policy defines salary-setting structures, position evaluation, and variable salary frameworks to support consistency and alignment with market standards. The policy covers all employees at the company and focuses on the office employees. 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. Variable pay programs are designed to reward positive business results. The responsibilities and procedures for implementing the policy are clearly defined in order to ensure compliance and consistency. The Human Resources Procedure ensures the standards KA wants to maintain and provides guidance for the Human Resources function.

ACTIONS

The remuneration policy and the global Human Resources Procedure were reviewed and updated in 2025.

The company conducts annual performance and career development reviews for approximately 98% of its office employees, 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, calibration for fairness, and transparent communication of outcomes to employees.

In recent years, KA has initiated various projects related to improving the learning experience for employees. These include regular campaigns to develop a learning culture to enhance employee skills and capabilities. 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 global job levels defined for the entire work force. Global job levels exist for less than 10% of the workforce. This limitation makes it challenging to conduct a comprehensive gender pay gap analysis, as global job levels are essential for accurate comparisons and meaningful insights. However, the company recognizes the importance of this analysis and kicked off a structured job architecture implementation project in 2025 with expected completion in 2026.

TARGETS AND METRICS

The metrics for KA's own workforce are reviewed on a regular basis with the Executive Leadership Team (ELT). 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 2025 was the further development of the Percipio learning platform to support professional development, which was achieved through enhanced employee engagement with the platform. In 2025, 483 employees have engaged with the platform, dedicating more than 1,000 hours to their personal and professional growth. The corresponding target for 2026 is to further enhance employee and leadership development. To achieve this, KA will launch various new initiatives, including a leadership development program, summer internships, and a graduate program. KA will continue to promote the existing platforms to support professional development. Building career paths and developing a structured succession planning process were also part of the 2025 initiatives.

As part of the equal pay initiative, a key target for 2026 is the establishment of a robust job architecture with globally consistent job levels defined across the organization to increase comparability. Once job levels are available, the company will be able to analyze the data to identify potential gaps and take appropriate actions to mitigate any deviations, ensuring equitable compensation practices. Nevertheless, the company has included the ratio for male-to-female average pay at a group level as a preliminary metric in order to have a general overview.

DIVERSITY METRICS

In 2025, women made up 37% of the total workforce, which remained unchanged compared to 2024, and 0% of the ELT. This was also driven by a significant reduction in the size of the ELT. As a Norwegian public listed company, KA is required to have at least 40% female representation on the Board of Directors (the Board), excluding employee representatives. By the end of 2025, KA's Board (excluding employee representatives) comprised five members, two of whom were women, maintaining the ratio from 2024 and fulfilling the requirement. Shown in the table is the headcount including employee representatives.

Female representation across the Company's global workforce remains strong compared to the broader automotive manufacturing sector, where female participation is traditionally lower due to the production-intensive nature of the industry. This positive position is particularly visible in production roles, where female participation is comparatively high relative to typical industry patterns. In professional and white-collar functions, however, female representation remains lower, reflecting a structure commonly observed across the sector.

At KA, the share of female employees decreases across most countries when moving from the overall workforce to managerial roles with direct reports. The company has identified a potential leadership pipeline gap, where women are well represented in the workforce but are less frequently represented in management positions. Strengthening the progression of female employees into leadership roles therefore represents an important opportunity for the company.

GENDER (ONLY WITHIN KA)	2024		2025	
	HEADCOUNT	%	HEADCOUNT	%
TOTAL INTERNAL EMPLOYEES	**4,595**	**100%**	**4,228**	**100%**
F	1,691	37%	1,570	37%
M	2,903	63%	2,657	63%
U	1	0%	1	0%
EXECUTIVE LEADERSHIP TEAM	**10**	**100%**	**5**	**100%**
F	1	10%	0	0%
M	9	90%	5	100%
BOARD OF DIRECTORS	**8**	**100%**	**8**	**100%**
F	3	38%	4	50%
M	5	62%	4	50%

In 2025, 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 management reviews as well.

AGE GROUP (ONLY KA'S INTERNAL EMPLOYEES)	2024		2025	
	HEADCOUNT	%	HEADCOUNT	%
<30	765	17%	673	16%
30-50	2,457	53%	2,231	53%
>50	1,373	30%	1,324	31%
TOTAL	**4,595**	**100%**	**4,228**	**100%**

REMUNERATION METRICS

	UNIT	2024	2025
Unadjusted gender pay gap	%	69%	70%
Ratio of annualized base pay to highest-paid individual	TIMES	17	20

The gender pay gap at the group level is 70% and reflects the composition of KA's workforce and industry dynamics. This gap was slightly increased by 1% compared to the previous year. The gap is influenced by the distribution of men and women across different roles, with a higher proportion of men in senior and technical positions, as well as broader industry trends and career progression patterns. As mentioned earlier, 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 20 compared to 17 in 2024. This reflects the company's diverse geographical footprint. As a European-based company with manufacturing operations across multiple regions, the overall salary distribution 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 a 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. the 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 wellbeing 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 wellbeing of KA's employees. The company complies with various ISO standards, including ISO 9001 (quality management systems), ISO 14001 (environmental management systems), and ISO 45001 (occupational health and safety management systems), to maintain a robust management system that aligns with international best practices.

In 2025, KA assessed the feasibility of developing a global internal mental wellbeing policy for all employees. However, during the process, it became clear that a global policy does not easily capture all the local requirements and that the existing local policies already address the topic more appropriately.

ACTIONS

KA's actions are recurring on an annual basis. KPIs and targets are reviewed and set based on the prior year performance.

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 environments with a higher risk exposure. An important element of the system is to perform risk assessments. New in 2025 is the introduction of a monthly review covering 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, comprising 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 the 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 damages. 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 refresher 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 cthe ontinuous improvement of HSE performance were set and communicated in early 2025. Key performance indicators were reviewed regularly, and adjustments were made immediately when needed.

METRICS AND TARGETS

For the year 2025, there were a total of eight recorded work-related accidents, all of which involved KA's own employees. Four accidents resulted in lost time, while four incidents required medical treatment (stitches, prescription medication), with employees returning to work afterwards. The overall number of accidents has decreased by four, compared to 2024, with lost days increasing to 285 from 158. The number of plants that remained accident-free in 2025 remained stable at 17.

The incident rate decreased from 1.36 per million hours worked in 2024 to 0.99 per million hours worked in 2025. KA's 2026 target is to reduce the incident rate below 0.90. The company has made significant progress in raising awareness and ensuring robust reporting, as demonstrated in 2024 and 2025.

In 2024 and 2025, 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.

The number of internal audits performed is a combination of risk assessements and audits. In 2025, the number of risk assessments has increased compared to 2024. In 2025, the number of external audits on health, safety, and environmental topics performed is similar to 2024. The small decrease is due to the three-year cycle scoping for entities.

HEALTH, SAFETY, AND ENVIRONMENTAL AUDITS	2024	2025
Internal audits performed	500	628
External audits performed	42	40
Total of internal audits performed	**542**	**668**

ACCOUNTING POLICIES (FOR HEALTH & SAFETY)

WORK-RELATED ACCIDENTS

Number of work-related accidents with or 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 such as 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 resulted in either absences 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 that 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 accidents resulting in the death of an employee. This metric includes all employees (full-time, part-time, and temporary workers).

WORKERS IN THE VALUE CHAIN

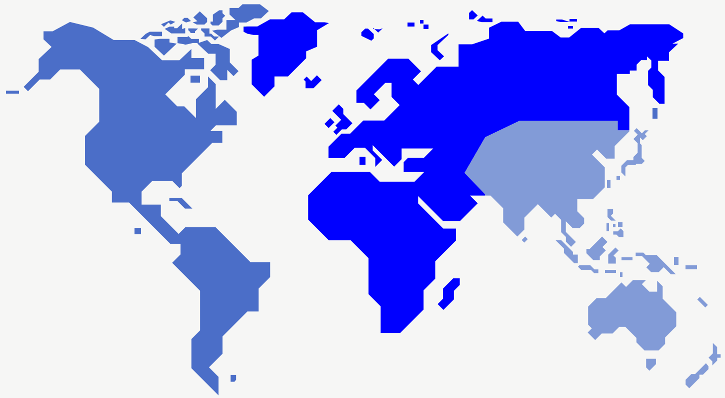
ESRS S2

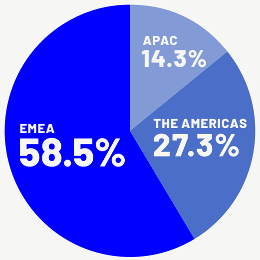
KA'S UPSTREAM VALUE CHAIN

Kongsberg Automotive (KA) has a significant global footprint through its 1,465 (2024: 1,475) direct material suppliers in 40 (2024: 38) countries and 5,520 (2024: 5,588) indirect suppliers in 44 countries (2024: 43). With the strategic aim to work with global and local suppliers and build a diverse supplier portfolio, in 2025, KA had a footprint of 493 (520 in 2024) direct material suppliers in the Americas, 309 (272 in 2024) suppliers in the Asia Pacific region, and 663 (683 in 2024) 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 (88% in 2024) and 98% of indirect spend (97% in 2024). 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, and Asia-Pacific). KA's medium- and long-term goal is to maintain these local sourcing percentages, supporting both regional development and global growth.

In 2025, approximately 7% of suppliers (271 direct material and 304 indirect suppliers) account for 80% of the annual purchasing spend (2024: 7% of suppliers account for 80% of annual purchasing spend, 300 direct material suppliers and 200 indirect suppliers).



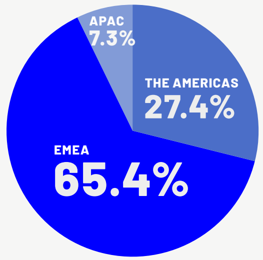


TOTAL ANNUAL DIRECT MATERIAL PURCHASING PER REGION

EMEA (EUROPE, MIDDLE EAST, AND AFRICA)
58.5% of total annual purchase spend, of which **93.3%** is purchased locally

THE AMERICAS
27.3% of total annual purchase spend, of which **77.8%** is purchased locally

APAC (ASIA-PACIFIC)
14.3% of total annual purchase spend, of which **96.3%** is purchased locally



TOTAL ANNUAL INDIRECT MATERIAL PURCHASING PER REGION

EMEA (EUROPE, MIDDLE EAST, AND AFRICA)
65.4% of total annual purchase spend, of which **99%** is purchased locally

THE AMERICAS
27.4% of total annual purchase spend, of which **96.7%** is purchased locally

APAC (ASIA-PACIFIC)
7.3% of total annual purchase spend, of which **99.9%** is purchased locally

OUR SUPPLY CHAINS AT A GLANCE

DIRECT SUPPLIERS

>1,400 DIRECT SUPPLIERS

40 COUNTRIES

INDIRECT SUPPLIERS

~5,500 INDIRECT SUPPLIERS

44 COUNTRIES

IMPACTS, RISKS, AND OPPORTUNITIES

KA has identified its main impacts, 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 impacts 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 and one-time suppliers (not considered 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 conflict minerals in high-risk areas (such as CAHRAs and the Democratic Republic of the Congo and surrounding areas), 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 requires 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
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.	> **Supplier sustainability risk assessment contains working conditions as focus area** > **Benchmark tools of costs of workforce** > **Awareness raising with buyers and within the supply chain** > **On-site sustainability supplier audits focusing on working conditions** > **Resilience**
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.	
COLLECTIVE BARGAINING	Financial risk	Legal/reputational financial risks associated with human rights/working rights non-compliance in the supply chain.	
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.	
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.	> **Awareness raising and including equal treatment, learning and development, and inclusivity in supplier sustainability risk assessments and on-site audits** > **Resilience**
EMPLOYEE DEVELOPMENT AND CAREER OPPORTUNITIES	Opportunity	Opportunity to create a competitive advantage by highly trained workforce enabling a 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.	
FORCED LABOR	Potential negative impact	Possible negative impact through unintentional contribution during mineral sourcing: Forced or child labor.	> **Responsible mineral sourcing due diligence process and yearly data collection (with a special focus on smelters of concern regarding tin, tungsten, tantalum, gold, mica, cobalt, copper, graphite, lithium, and nickel sources)** > **Country ESG supply chain risk and natural hazard risk pre-evaluation of suppliers** > **Awareness raising and including human rights and climate adaptation in supplier sustainability risk assessment**
CHILD LABOR AND FORCED LABOR	Financial risk	Legal/reputational financial risks associated with human rights/working rights non-compliance in the supply chain.	

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.

KA'S APPROACH AND POLICIES

To support a just transition to greener mobility, KA expects the companies it works with to run their businesses 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:

> Fair wages
> Job security
> Safe working conditions
> Freedom of expression
> Protected trade union rights

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 potential conflict minerals only covers suppliers that use the minerals. 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.

POLICIES AND REQUIREMENTS

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 the specific topics below). These requirements were updated in 2024 to include new legal and industrial requirements and standards, especially regarding human and labor rights.

KA has a Responsible Minerals Sourcing Position Statement Statement, which was updated in 2025 and assesses suppliers' compliance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. The Supplier Quality Manual also specifically refers to the regulations on the Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH). Due to the stricter requirements as regards the respecting of human rights, KA also introduced a separate Human Rights Policy which applies to its 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.

KA reviews these documents through memberships and benchmarking approximately every two years or as needed, updating policies accordingly.

These documents and requirements align with the relevant standards and guidelines:

> UN Universal Declaration of Human Rights
> UN Global Compact and Guiding Principles for Business and Human Rights
> OECD guidelines for multinational enterprises and due diligence guidance for responsible supply chains of minerals
> Declaration on Fundamental Principles and Rights at Work adopted by ILO (International Labour Organization)
> Responsible Business Alliance RMI guidelines
> Global Automotive Sustainability Guiding Principles and reporting standards as GRI and ESRS and the following legal requirements: Norwegian (Transparency Act); Canadian Forced and Child Labor in Supply Chains Act; US Uyghur Forced Labour Prevention Act (UFLPA), UK Modern Slavery Act, EU Corporate Sustainability Due Diligence Directive (CSDDD), German Supply Chain Act (LkSG), and EU Corporate Sustainability Reporting Directive (CSRD) as well as 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, the 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 the requisite 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 and share documentation with clients to close the gap.

KA's requirements towards suppliers are reviewed regularly and in 2025, a subsite was created for suppliers on the external company website to clearly summarize all sustainability-related documents. This enables actual and potential suppliers to receive more structured information about KA's requirements in a timely manner and makes them publicly available (https://www.kongsbergautomotive.com/for_suppliers/sustainability-our-suppliers/).

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 diagram below.

HUMAN RIGHTS DUE DILIGENCE AT KONGSBERG AUTOMOTIVE

DECLARATION OF PRINCIPLES
- > Code of Conduct
- > Supplier Sustainability Manual, Supplier Declaration
- > Human Rights Policy
- > Responsible Minerals Sourcing Position Statement
- > Purchase orders, framework agreements, and the company's website

IMPACT AND RISK ASSESSMENT
- > Implementing country-specific ESG supply chain score assessments
- > Identifying potential risk groups and sites
- > Analysis of existing processes, rules, and tools
- > Double materiality assessment incl. impact on human rights and risk assessment
- > Business risk analysis
- > Supplier sustainability risk assessment

RISK MANAGEMENT PROCESSES AND TOOLS
- > Legal compliance requirements from local laws and regulations with respect to international standards
- > Supplier classification and development plans
- > Supplier on-site sustainability audits
- > Training and raising awareness among Purchasing staff and suppliers
- > Memberships and initiatives
- > Material compliance due diligence processes (conflict minerals, REACH/RoHS, etc.)

MONITORING, WHISTLEBLOWING, AND GRIEVANCE MECHANISMS
- > SpeakUp® line
- > Central and local grievance and complaint mechanism
- > Business reviews
- > Analysis of data and risk assessment results
- > Benchmark and desktop research
- > Joining initiatives
- > Customer audit and assurance processes

REPORTING AND COMMUNICATION
- > Self-assessment
- > Customer assessment (SAQ, EcoVadis, customer questionnaires)
- > Annual report
- > Accountability reports e.g. Transparency Act report, Modern Slavery Statement, etc.
- > Sustainability report
- > Website

CORRECTIVE ACTION PLAN AND DEVELOPMENT
- > Sustainability/ESG Committee evaluation
- > Appropriate corrective actions to prevent or minimize risks and negative impacts

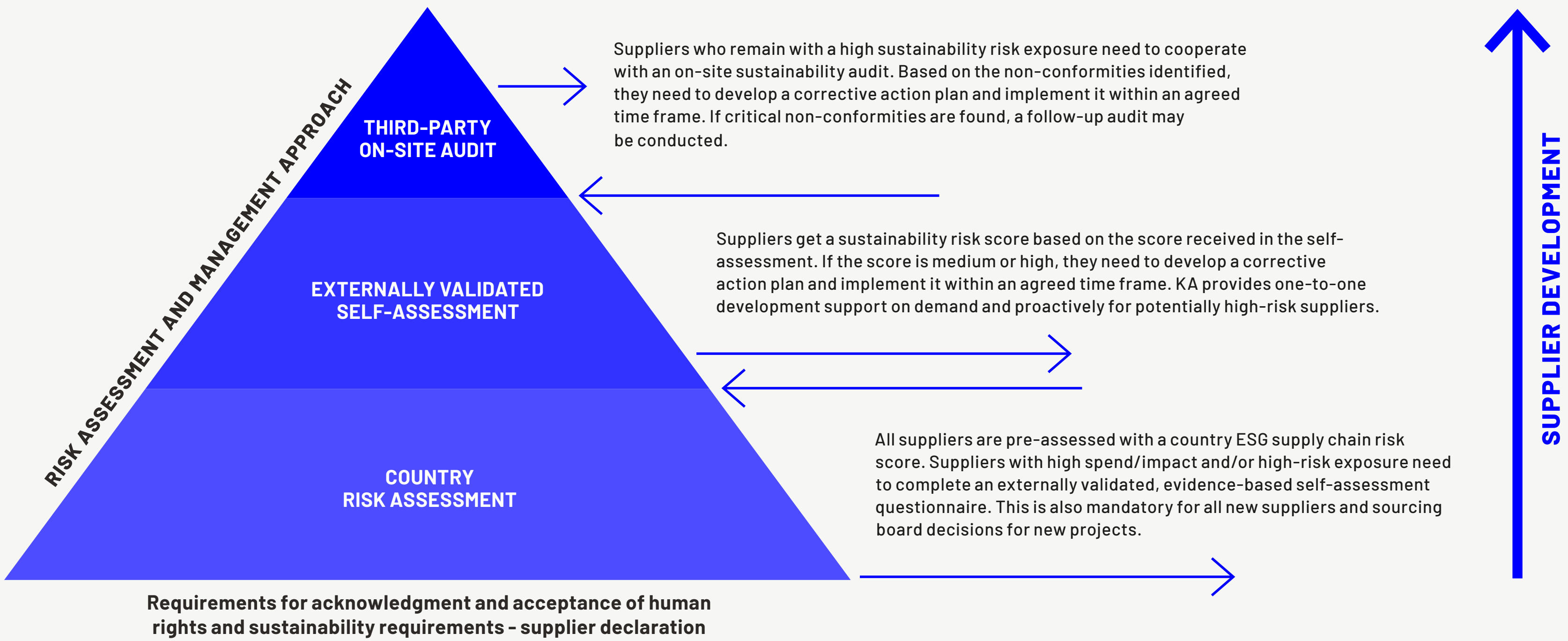
Within the Purchasing department, all jobs have a responsibility and common ESG target, covering human rights risk prevention and mitigation strategies. The Sustainable Purchasing team supports supplier assessment and engagement efforts performed by buyers and other members of the Governance team. New and updated policies are validated and approved by these committees. Due to ongoing organizational changes in 2025/26, the governance for sustainable purchasing is under revision, and new responsibilities for purchasing and sustainability within purchasing will be set up in 2026.

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

In 2025, 90% (2024: 86%) of direct material spend was with suppliers who have signed the Supplier Declaration. 10% (2024: 9%) of indirect material suppliers have signed the Declaration. KA is reviewing possible actions to increase the acceptance rate in 2026.

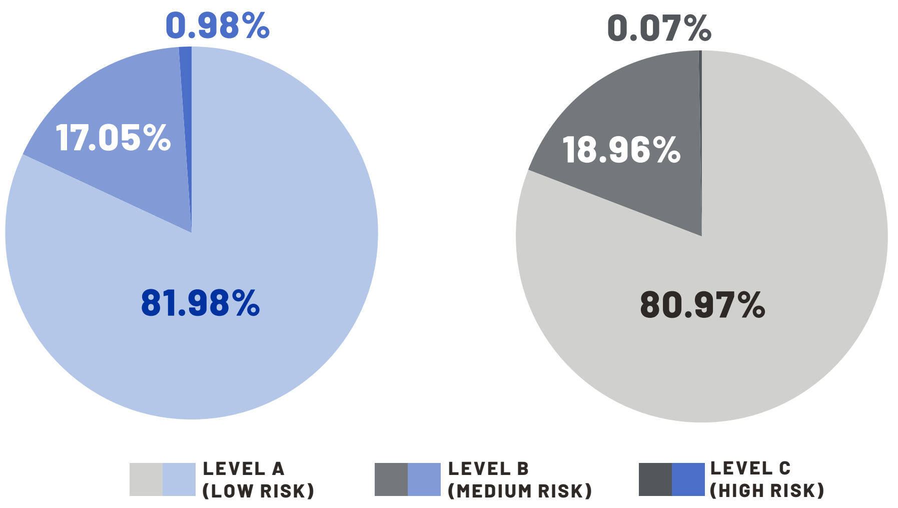
HUMAN RIGHTS AND SUSTAINABILITY DUE DILIGENCE WITHIN THE SUPPLY CHAIN AT KONGSBERG AUTOMOTIVE



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. Turkey and Bosnia and Herzegovina in 2025), KA identifies the respective risks and takes steps to improve performance. The share of high-risk suppliers decreased as India and Vietnam were reclassified as medium risk by the globally used database and methodology.

DIRECT SUPPLIERS' COUNTRY RISK SCORE BY SPEND

INDIRECT SUPPLIERS' COUNTRY RISK SCORE BY SPEND



SUPPLIER COMPLIANCE RISK ASSESSMENT AND AUDITS

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

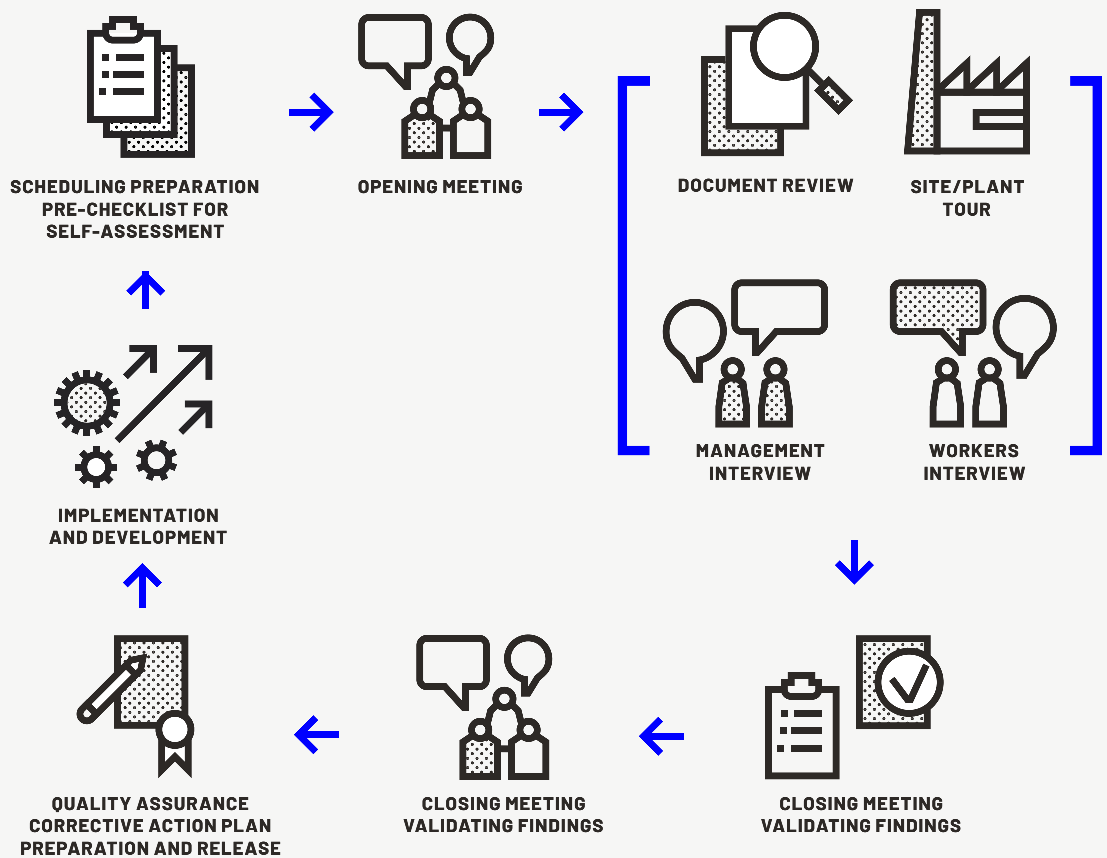
KA expects its supplier to have an effective policy and management system in place to identify and manage any material environmental, social, and ethical risk as well as their performance when it comes to offering training for their workforce on relevant issues and communicating the necessary requirements 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 Supplier Assurance 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 the seven areas presented above. In 2025, SAQ 5.0 was introduced with improvements designed to make the assessment more adaptable and modular for small and micro-sized organizations. KA also accepts alternative valid risk assessments of suppliers provided, if 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 2025, 469 suppliers, covering 90% (2024: 88%) 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 helps them in setting 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 (potential high risk or awarded for new business) that do not sign the Supplier Declaration or fail to undertake the external sustainability risk assessment are invited to a dialog with KA's purchasing colleagues to determine how the supplier can improve. KA seeks to replace suppliers that do not comply with the 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 high-risk potential and preferred suppliers with development needs.

Where appropriate, KA conducts third-party on-site sustainability audits to ensure the effective implementation of sustainability-related management systems and performance in accordance with KA's requirements. The following diagram summarizes the process steps and topics. The audits also allow for the validation of self-assessment results and provide additional insights into risk assessment gaps. In 2025, KA commissioned five (2024: eight) on-site first audits and three online follow-up audits (2024: one), all conducted by a third 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 or newly awarded suppliers have signed the Supplier Sustainability Declaration and perform the external 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. As a result of this step, transparency for monitoring has improved; however, KA still needs to ensure that suppliers do not pass the sourcing board without a low or medium-risk external sustainability assessment.

Key findings from human and labor rights risk assessments and audits relate to the following areas:

> Missing formal human and labor rights policies and commitments are widespread in KA's complex global supply chain, due to the following factors:
  » Suppliers in developed countries (e.g. Germany and 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)
  » 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)
  » Some suppliers lack the requisite 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)

> Missing human rights management system: Many suppliers have existing processes, practices, and principles but lack systematic presentation. KA encourages the 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)

> Audits identified the following challenges:
  » 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 legally compliant locally, this contradicts both ILO standards and KA's requirements. (individual incidents)
  » Lack of effective grievance and whistleblowing mechanisms due to company size (widespread, systematic)
  » Labor representation: Where unions or collective bargaining are absent (either due to legislative requirements or lack of employee demand), KA verifies the proper communication and protection of these rights. (systematic)
  » 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
  » Regular health and safety audits are not conducted, and risk assessments are not performed to identify occupational health hazards (individual incidents)

> Missing sustainability and human rights requirements toward their own suppliers, mostly due to a lack of processes, awareness, and company size (systematic)

Out of the eight suppliers placed under sustainability audit in 2024, five have improved from high risk to medium risk in their externally validated self-assessment due to the development feedback and required measures.

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.

A formal escalation process provides guidance for addressing sustainability-related risks or incidents (including human and labor rights) through the Supplier Risk Team. Due to the recent organizational changes, the risk escalation process needs to be revised and relaunched. KA's approach to business relationships emphasizes supplier development over termination. Business relationships continue when suppliers demonstrate the willingness and ability to improve, with KA providing necessary support. In 2024 and 2025, no significant breaches or human rights impacts were identified, particularly regarding child or forced labor. No supplier relationships were terminated for such or any sustainability conformity reasons in either year. In both years, two escalation cases coincided with existing business-related terminations.

RESPONSIBLE MINERAL SOURCING

KA's responsible mineral sourcing efforts focus on metals supply chains, acknowledging the mining industry's inherent challenges and complex networks. The approach targets ten key minerals with the highest risk of adverse social and environmental impacts, operating through two strategic pillars:

> **Supply chain transparency:** KA enhances smelter transparency through collaboration with Tier 1 suppliers and mineral associations. Following OECD due diligence guidance for responsible mineral sourcing from conflict-affected and high-risk areas, KA conducts an annual collection of data from Tier 1 suppliers covering ten minerals: Tin, tungsten, tantalum, gold, cobalt, mica, copper, graphite, lithium, and nickel. 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. The due diligence process includes supplier information and training, as well as the promotion of product-level reporting, where feasible.

> **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 against industry-wide and cross-industry impacts and risks. Joint outreach campaigns and collaborative efforts enhance supplier responsiveness.

	2023		2024		2025	
	# OF SUPPLIERS ASSESSED	RESPONSE RATE BASED ON FINAL CMRT/EMRT	# OF SUPPLIERS ASSESSED	RESPONSE RATE BASED ON FINAL CMRT/EMRT	# OF SUPPLIERS ASSESSED	RESPONSE RATE BASED ON FINAL CMRT/EMRT
CONFLICT MINERALS REPORTING	524	85%	756	90%	427	89%
EXTENDED MINERALS REPORTING	125	64%	108	68%	240	65%

Note: The conflict minerals due diligence campaign runs from May within the current year to April in the following year. The data therefore reflects the campaign completion results rather than the calendar year-end figures, enabling a better comparison. Based on more accurate data, the preselection of suppliers resulted in a lower number of relevant suppliers for CMRT reporting in 2025. The inclusion of additional minerals within the scope of EMRT led to a higher number of relevant suppliers in 2025.

In line with the RMI recommendations, KA requires and encourages suppliers to identify resourcing 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:

> Encouraging suppliers to provide product or part-level reporting whenever possible, including incorporating IMDS reporting and promoting its use among upstream and downstream stakeholders

> 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 "ENGAGING WITH WORKERS IN THE SUPPLY CHAIN"

Changes in actions compared to the previous year:

Although the company attended one meeting of the Responsible Minerals Initiative working group, no additional material benefits were identified for 2025, taking into account the available resources. Further engagement was therefore not pursued during the reporting period, but may be considered for next year. Additionally, in 2025, product-level reporting was not mandatory, as most companies were not legally required to provide such disclosures. Still KA encourages suppliers to report on product level or user-defined scope if possible.

ENGAGING WITH WORKERS IN THE SUPPLY CHAIN

In KA's Purchasing teams, 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 teams maintain direct contact with suppliers and proactively encourage 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 at no charge to improve their score. This 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

KA plans to develop additional learning and template materials for suppliers. Learning opportunities will be available to all suppliers, regardless of size. SMEs may use the SAQ 5.0 framework, which is tailored to their scale and capacities, to better understand and focus on the requirements most relevant to them. As the industry-wide tool now takes organization size into account better when conducting the risk assessment, support is less necessary. Nevertheless, one-on-one support is provided and e-learning materials and templates are planned generally (and already provided in specific cases in one-on-one meetings e.g. KA's materials are shared as the benchmark for some documents). 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.

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 an industry and global scale.

REMEDIATION AND CHANNELS TO RAISE CONCERNS

KA monitors compliance, including human and labor rights, through several channels:

> 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)
> 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 notifications and investigative action
> Corrective action: KA supports development and improvement where negative impacts are identified. In 2024 and 2025, no financial remediation was required as KA contributed to but did not directly cause negative impacts through its business relationships.
> 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 use the KA 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 reports were received in 2024 or 2025. 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 or 2025. Therefore, no remediation activities were required.

TRAINING AND DEVELOPMENT, CAPACITY BUILDING, AND RESOURCES

To ensure the necessary resources are available 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, and build skills and competencies among Purchasing staff.

In 2025, KA's Sustainable Purchasing department delivered training to Purchasing staff worldwide, covering sustainable development, responsible and sustainable purchasing, and responsible minerals. Fifteen members of KA's Purchasing team participated in at least one live webinar training session in 2025. As a result, a 98.6% training coverage rate was achieved among Purchasing colleagues by year-end 2025 (2024: 96,7%). KA maintains ongoing awareness through regular engagement with the internal purchasing community. Training for global Purchasing staff extends beyond providing basic sustainability information – it also builds awareness, commitment, and motivation for action. Through its Purchasing organization, KA is establishing worldwide sustainability knowledge and capacity.

To strengthen training effectiveness where processes and rules are not consistently followed, KA plans the following improvements for 2026:

> Integration with the new global e-learning platform to enhance access and monitoring
> Enhanced exercises and follow-up tasks
> Regular awareness campaigns
> Topic presence at town hall meetings to maintain

commitment and motivation and underline strategic relevance
> Continued management participation in training

These improvement plans were already part of the 2025 agenda. As they were only partially achieved due to organizational changes, they are recurring for 2026.

Other functional areas receive general knowledge through KA's Code of Conduct training, as described in section G1 on business conduct.

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:

> Making online information and training materials available through KA and partner websites (RMI, APA Engineering, AIAG)
> Providing individual support meetings: Successfully improved risk scores for 33 suppliers (15 high-risk and 18 medium-risk suppliers) through engagement practices (2024: 34 suppliers)
> Holding technical guidance webinars: Two sessions on responsible minerals and related reporting, conducted with APA Engineering, reaching seven direct suppliers
> Offering specialized support: Individual technical and reporting guidance for suppliers using 3TG, cobalt, mica, copper, graphite, lithium, and nickel provided by third-party experts conducting on-site audits. Five new audits were conducted, incorporating awareness raising on governance and measures across social, environmental, and ethical topics

KA maintains effective due diligence through ensuring annual resources, with sustainable purchasing having a dedicated budget. 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.

SUMMARY OF ACTIONS AND MAIN RESULTS

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:

> The regular risk assessment combines country-specific ESG supply chain risk scores and industry-driven, evidence-based externally validated self-assessment questionnaires. In 2025, 541 suppliers (both direct material and indirect) hold valid external sustainability assessments (2024: 522 suppliers).
> KA supports supplier development, measured by risk scores: 42 suppliers received individual recommendations and explanations. By year-end, 15 suppliers improved from high to medium risk, and 18 suppliers improved from medium to low risk. KA conducted five first on-site audits to better understand risk exposure, assess supplier challenges, evaluate supply chain worker conditions, and enable more direct and effective worker engagement. Global training activities reached 98.6% coverage within KA's Purchasing departments. KA regularly assesses conflict minerals due diligence through annual data gathering and monitoring. Response rates reached 89% for the Conflict Minerals Reporting Template (CMRT) and 65% 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 the Sourcing Board tracking process implementation and reporting alignments for data accuracy.

All actions serve both prevention and mitigation. Results are monitored continuously throughout the year and reviewed at least bi-annually.

GOALS AND TARGETS REGARDING WORKFORCE IN THE SUPPLY CHAIN

Sustainability and human rights development require continuous improvement. Rather than setting a baseline year, KA compares performance against the previous 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 managers responsible at least bi-annually. During these reviews, targets and goals are defined, discussions on dependencies and benchmarks are held, and evaluations of the results and effectiveness are conducted. 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 to feedback, recommendations, and concerns.

Given the complexity of human and labor rights issues in the global 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:

> Strengthening data and information availability throughout the value chain
> Improving accountability measures
> Contributing effectively to solving systematic issues through global stakeholder collaboration

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.

ACCOUNTING PRINCIPLES

Quantitative results were calculated using the R12 year-end spend report with data as of December 31, 2025, published internally in mid-January 2026. All data is calculated, with no estimations or assumptions. Target setting and calculation methodologies remain consistent with the previous year. Most targets are either achieved or are on track for timely completion. The status is monitored throughout the year to achieve and maintain these results.

SHORT-TERM TARGETS REGARDING HUMAN AND LABOR RIGHTS WITHIN THE SUPPLY CHAIN	MID-TERM TARGETS REGARDING HUMAN AND LABOR RIGHTS WITHIN THE SUPPLY CHAIN	LONG-TERM TARGETS REGARDING HUMAN AND LABOR RIGHTS WITHIN THE SUPPLY CHAIN
KA's short-term targets mainly serve three goals: 1. Improving transparency and accountability in supply chain-related issues 2. Decreasing risk exposure through responsible supplier selection and supplier development 3. Increasing potential positive impact through awareness raising and knowledge sharing. See below for detailed one-year targets	> **Maintain transparency on supply chain sustainability performance, e.g. >90% Supplier Declaration acceptance; >90% supplier risk assessment coverage; on-site and follow up audits focusing on high-risk suppliers** > **Train and develop purchasing staff (>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** > **Improve data and information access throughout the value chain to enable risk validation and targeted corrective action** > **Deepen supplier and stakeholder engagement with the aim to better understand, support, and protect workers in the supply chain** > **Improve positive impact through inclusive purchasing and social buying where appropriate**	> Have a positive impact on local economic, employment, and working conditions > Engage with low-risk suppliers only when development opportunities are identified > Minimize the number of individual incidents and their chances by effective supplier selection and development (e.g. less critical findings during audits) > Contribute effectively through transparency and due diligence to solve widespread, systematic negative impacts and risks

KA'S MAIN KPIS AND ONE-YEAR TARGETS RELATED TO S2 - WORKERS IN THE SUPPLY CHAIN	TARGET 2024	STATUS 2024	TARGET 2025	STATUS 2025	TARGET 2026
Percentage of direct material spend with suppliers that have accepted the Supplier Declaration	>90%	86%	>90%	90%	>90%
Percentage of direct material spend with suppliers that have a valid Sustainability Risk Assessment	>85%	88%	>85%	90%	>90%
Percentage of direct material suppliers spend with-high risk external sustainability risk assessment	<10%	4%	<5%	4,5%	<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	8	N/A
Maintain share of local sourcing in all regions for direct material suppliers	>80%	88%	>80%	88%	>85%

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-material impacts, risks, and opportunities, KA's subject matter experts assessed business conduct matters (i.e. ESRS G1) through desktop analyses and discussions, guided by KA's 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 the license to operate if not adequately contributing to local community, employee fluctuation can increase if profits are not shared fairly.	> **Code of Conduct implementation and employee training** > **UN Global Compact membership** > **Supplier assessments and audits** > **Collaboration with suppliers**
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.	
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. At the heart of KA's business concept is a performance-oriented culture, and one of the communicated key priorities 2026 of the newly established ELT is to strengthen KA culture. This is also underlined by the recent structural changes of moving several corporate functions into the BAs, promoting greater ownership and accountability.

The company conducts training programs on topics covered by he Code of Conduct across all levels of KA'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 its ethics framework and is available in 12 languages. It outlines expectations for behavior, decision-making, and interactions with stakeholders. This includes topics such as 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 the Executive Leadership Team (ELT) and Board of Directors (the Board), contractors, and business partners are expected to comply with these guidelines. The Code of Conduct is approved by KA's Board while the CEO holds the ultimate accountability for its implementation. The General Counsel is designated as the functional owner of the Code of Conduct, responsible for monitoring and updating it to keep it current and effective. The expected behavior for suppliers is outlined in a separate supplier's Code of Conduct.

With respect to the customer side, Kongsberg Automotive is subject to Norwegian, EU, UK and US sanctions legislation relating to Russia's invasion of Ukraine. In light of the ever-developing sanction regimes and their increasing complexity in combination with a dynamic environment, Kongsberg Automotive implemented enhanced measures to ensure sanction compliance. The measures involved comprehensive due diligence of potential and existing customers, distributors, and commercial agents. Said due diligence routing included sanction screening of counterparties, their shareholders, and legal representatives through a third-party database which secures the integrity of the due diligence effort by providing up-to-date information at all times. Moreover, further measures included obtaining additional contractual commitments from our counterparties obligating them not to re-export our products, directly or indirectly, to Russia and Belarus.

Experience shows that the risk level involved when trading with a party to a large extent correlates with the geographical area where such parties are established or operates their businesses. The level of required due diligence will therefore also vary dependent on location. Kongsberg Automotive has defined restricted areas where all trading by Kongsberg Automotive is prohibited. The restricted areas are countries that are subject to comprehensive sanctions (not only related to Russia). There are further countries defined as high-risk areas where extensive due diligence is required before Kongsberg Automotive enters into any contract. These countries are often geographically located close to sanctioned countries, or are otherwise a known sanction circumvention hub or that the country does not have corresponding sanctions against Russia. Low-risk countries have been defined as countries within EU/EEA, UK, USA, Australia, New Zealand, Canada, Japan, and South Korea. All of these countries have sanctions against Russia. Kongsberg Automotive's focus has been on current and new business partners in high-risk areas, while gradually expanding the efforts to low-risk countries.

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 required to receive training 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. In 2025, KA reevaluated the Code of Conduct and its training materials and postponed the refresher to 2026 with the release of a revised Code of Conduct. Therefore, the global completion rate was not compiled for 2025. For classroom trainings held in 2025, a new process was rolled out toward the end of the year using tablets to track physical training attendence with the aim of facilitating reporting completeness going forward.

ACCOUNTING POLICIES

COMPLETION RATE OF CODE OF CONDUCT TRAINING (2024 ONLY)

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 through SucessFactors, for workers without a personal computer, the attendance verification 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 of 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 General Counsel. The General Counsel is responsible for ensuring that grievances are investigate using the appropriate means, e.g. internal resources from Finance, Legal or HR, 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 the Code of Conduct are included in the quarterly plant reporting to Internal Audit. No such cases were reported in 2024 and 2025. Site audits by Internal Audit also include an assessment of business ethics and the internal control environment. In 2025, three site audits were performed (2024: five site audits) and no incidents were identified during those audits. Furthermore, no confirmed cases of corruption or bribery were reported through the SpeakUp® line in 2024 and 2025 either.

In conclusion, there were no confirmed incidents of corruption reported or identified in 2024 and 2025. Further, no legal cases regarding corruption were brought against the company or its employees.

PROTECTION OF WHISTLEBLOWERS

POLICIES

Kongsberg Automotive (KA) encourages the reporting of suspected misconduct, and this goes for both employees and people external to the company. The option of raising concerns outside of contacting the direct manager or Human Resources 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 the anonymous reporting of concerns, KA uses a whistleblowing service called the SpeakUp® line. 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 General Counsel and the EVP Human Resources. The General Counsel is responsible for ensuring that grievances are investigated using the appropriate means, e.g. internal resources from Finance, Legal or HR, or retained external resources. The General Counsel provides quarterly reports to the CEO of all ongoing and closed matters concerning potential Code of Conduct violations. Significant and serious matters are reported to the Board of Directors. All concerns are treated with the utmost confidentiality and without fear of retaliation in line with the EU Whistleblower Protection Directive (EU Directive 2019/1937).

ACTIONS, TARGETS, AND METRICS

KA continues to encourage the reporting of suspected breaches of the Code of Conduct or any other unethical or illegal behavior and raises awareness of the options available within the Code of Conduct training. All cases reported are handled with objectivity and diligence. In 2025, 37 whistleblower reports were received, of which 30 were resolved within the reporting year. In 2024, five reports were received, of which four were resolved within the same reporting year.

ACCOUNTING POLICIES

Number of whistleblower reports received and resolved
Number of whistleblower reports received 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 2025, the average invoice payment time was 78 days (2024: 75 days), with no legal proceedings for late payments.

ACCOUNTING POLICIES

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

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

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 Company Specific) through desktop analyses and discussions, guided by KA's 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 a severe impact.	> **Established product quality and safety organization at KA** > **Comprehensive product safety program implemented**
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 (greater effect on the final price and thus the accessibility of the 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 systems) 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 system representatives at the manufacturing and development sites assume the implementation 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 consequences in the case of safety-related components for vehicles or for industrial applications. KA therefore assumes responsibility for the safety of its products throughout their planned life cycle by defining their functional description for customers. The company reduces risks in series production through quality assurance measures and monitors conformity with its specifications through internal and external audits. Identified weaknesses and errors are systematically analyzed and consistently eliminated. As a result of these activities, the company was able to stabilize the number of customer complaints in 2025 compared to 2024 for the Flow Control Systems (FCS) business area and lower the number of customer complaints for the Drive Control Systems (DCS) business area. The 2025 target of defective parts (ppm) of <10.0 was fulfilled by both business areas as well.

KPI	BUSINESS AREA	2024*	2025
Number of accepted customer complaints per €M sales	FCS	0.5	0.5
	DCS	0.4	0.3
Number of non-conforming parts per million parts sold	FCS	1.7	1.6
	DCS	26.6	6.2

**The 2024 results for DCS were restated to reflect the same methodology as FCS (= 12 months rolling calculation)*

For 2026, KA decided to shift the focus to other KPIs to focus on the reduction of Repeated and High Impact claims (NCT3, NCT4 and NCT5) on actual occurrence numbers. NCT refers to non-conformity (claim) types with increasing severity and impact according to the attached number.

#	KPI	BUSINESS AREA	2026 TARGET
1	Customer complaints repeated (re-occurance case)	FCS	2
		DCS	3
2	Customer complaints NCT3 - (customer line stop case)	FCS	0
		DCS	3
3	Customer complaints NCT 4 - (official recall and/or field warranty case	FCS	0
		DCS	0
4	Customer complaints NCT5 - (product safety claim)	FCS	0
		DCS	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 the total number of defective parts during production divided by 1 million parts sold.

Kongsberg, March 25, 2026

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

Sign.
Olav Volldal
Chair

Sign.
Bård Klungseth
Deputy Chair

Sign.
Synnøve Gjønnes
Director

Sign.
Ulla-Britt Fräjdin-Hellqvist
Director

Sign.
Brian Kristoffersen
Director

Sign.
Siw Reidun Wærås Bjerke
Employee representative

Sign.
Hilde-Yvonne Beggerud
Employee representative

Sign.
Ørjan Langnes
Employee representative

Sign.
Trond Fiskum
President & CEO

FINANCIAL STATEMENTS

FINANCIAL STATEMENTS OF THE GROUP

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

MEUR	NOTE	2025	2024
Operating revenues	7	**712.8**	**788.2**
Other income	**9**	**2.3**	**5.0**
Operating expenses			
Raw material expenses		(308.5)	(343.2)
Change in inventories		(4.2)	(21.0)
Salaries and social expenses	8	(211.9)	(234.6)
Other operating expenses	9	(144.1)	(150.9)
Depreciation	13, 14	(29.2)	(29.1)
Amortization	12	(0.9)	(0.7)
(Impairment losses)/reversal of impairment	12, 13, 14, 15	(2.7)	5.0
Total operating expenses		**(701.5)**	**(774.5)**
Operating profit/(loss)		**13.6**	**18.7**
Financial items			
Financial income	10	3.1	2.6
Financial expenses	10	(16.4)	(23.6)
Net financial items		**(13.3)**	**(21.0)**
Profit (loss) before taxes		**0.3**	**(2.3)**
Income taxes	11	(0.1)	(15.9)
Net profit (loss)		**0.2**	**(18.2)**

MEUR	NOTE	2025	2024
Other comprehensive income			
Items that may be reclassified to profit or loss in subsequent periods:			
Translation differences on foreign operations		(21.8)	19.1
Items that will not be reclassified to profit or loss in subsequent periods:			
Translation differences on non-foreign operations		0.0	(12.7)
Remeasurement of net defined benefit obligations (DBO)	20	2.2	(1.0)
Tax on net DBO remeasurement	11	(0.5)	0.2
Other comprehensive income		**(20.1)**	**5.6**
Total comprehensive income for the year		**(19.9)**	**(12.6)**
Net profit attributable to			
Equity holders (parent company)		0.2	(18.2)
Non-controlling interests		0.0	0.0
Total		**0.2**	**(18.2)**
Total comprehensive income attributable to			
Equity holders (parent company)		(19.9)	(12.7)
Non-controlling interests		0.0	0.1
Total		**(19.9)**	**(12.6)**
Earnings per share:			
Basic earnings per share, euros	19	(0.00)	(0.02)
Diluted earnings per share, euros	19	(0.00)	(0.02)

CONSOLIDATED STATEMENT OF CASH FLOWS

MEUR	NOTE	2025	2024
Operating activities			
Profit/(loss) before taxes		0.3	(2.3)
Depreciation	13, 14	29.2	29.1
Amortization	12	0.9	0.7
Impairment losses/(reversal of impairment)	12, 13, 14, 15	2.7	(5.0)
Interest income and other financial items	10	(1.1)	(2.4)
Interest expenses and other financial items	10	16.3	21.6
Taxes paid		(5.5)	(11.1)
(Gain)/loss on sale of non-current assets		(1.7)	(2.0)
Changes in trade receivables	17	13.1	20.7
Changes in inventory	16	4.2	21.0
Changes in trade payables	24	(5.9)	(31.8)
Currency differences	10	(6.9)	3.6
Difference between pension funding contributions paid/ pensions paid and the net pension cost	20	(0.8)	0.4
Changes in provisions		9.1	(13.9)
Changes in other items*		4.6	3.8
Cash flow from operating activities		**58.5**	**32.4**
Investing activities			
Capital expenditures, including intangible assets	12, 13	(16.3)	(24.7)
Proceeds from sale of intangible and tangible assets		2.0	2.1
Acquisition of Chassis Autonomy, net of cash acquired		0.2	0.0
Interest received and other financial items	10	1.0	2.5
Investments in associates and other	17	(1.7)	(1.3)
Cash flow used by investing activities		**(14.8)**	**(21.4)**

MEUR	NOTE	2025	2024
Financing activities			
Payments for purchase of treasury shares	18	0.0	(2.4)
Net proceeds from issuing new bond notes	21	0.0	107.5
Payments for redemption/repurchase of the old bond notes	21	0.0	(190.2)
Securitization facility drawn/(repaid)	21	0.0	25.0
Net draw down/(repayment) of debt	21	(0.2)	0.0
Interest paid and other financial items		(15.4)	(21.9)
Repayment of lease liabilities	21	(10.0)	(9.7)
Purchase of remaining 25% of shares in KAMS**		(2.0)	0.0
Dividends paid to the subsidiary's minority interest		0.0	(1.1)
Cash flow used by financing activities		**(27.6)**	**(92.8)**
Currency effects on cash		**(9.6)**	**1.4**
Net change in cash		6.5	(80.4)
Net cash as at January 1		84.3	164.7
Net cash as at December 31		**90.8**	**84.3**
Of this, restricted cash		*0.0*	*0.1*

* Includes changes in contract assets and contract liabilities, other current receivables like receivables from public duties, customer developments and prepaid expense, and other non-current assets.

** Relates to the acquisition of the remaining 25% shares in Kongsberg Automotive Morse Shanghai Co. Ltd., from Dongfeng Electronic Technology Co., Ltd. This means KA now owns 100% of the company.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

MEUR	NOTE	2025	2024
Non-current assets			
Intangible assets, including Goodwill	12, 15	80.6	84.6
Property, plant, and equipment	13, 15	103.5	117.3
Right-of-use assets	14, 15	51.4	54.8
Deferred tax assets	11	8.5	10.0
Investments accounted for using the equity method	17	0.0	0.7
Other non-current assets	17	2.4	2.0
Total non-current assets		**246.4**	**269.4**
Current assets			
Inventories	16	76.3	80.5
Trade and other receivables	17	139.0	154.3
Other current assets	17	12.6	14.4
Cash and cash equivalents	21	90.8	84.3
Total current assets		**318.7**	**333.5**
Total assets		**565.1**	**602.9**

EQUITY AND LIABILITIES

MEUR	NOTE	2025	2024
Equity			
Share capital	18	80.6	80.6
Treasury shares	18	(5.2)	(5.2)
Share premium		172.0	172.0
Other reserves		90.9	110.6
Retained earnings		(157.4)	(158.3)
Attributable to equity holders		**180.9**	**199.7**
Non-controlling interests		0.0	3.3
Total equity		**180.9**	**203.0**
Non-current liabilities			
Deferred tax liabilities	11	20.3	25.4
Retirement benefit obligations	20	10.1	13.0
Interest-bearing liabilities	21	133.1	132.5
Non-current lease liabilities	14, 21	55.4	63.8
Other non-current interest-free liabilities	22	1.0	0.7
Total non-current liabilities		**219.9**	**235.4**
Current liabilities			
Current lease liabilities	14, 21	10.2	9.9
Current income tax liabilities	11	0.8	1.3
Trade payables	24	78.9	84.8
Other current payables	24	74.4	68.5
Total current liabilities		**164.3**	**164.5**
Total liabilities		**384.2**	**399.9**
Total equity and liabilities		**565.1**	**602.9**

Kongsberg, March 25, 2026

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

Sign.	***Sign.***	***Sign.***	***Sign.***
Olav Volldal	**Bård Klungseth**	**Synnøve Gjønnes**	**Ulla-Britt Fräjdin-Hellqvist**
Chair	Deputy Chair	Director	Director
Sign.	***Sign.***	***Sign.***	***Sign.***
Brian Kristoffersen	**Hilde-Yvonne Beggerud**	**Ørjan Langnes**	**Siw Reidun Wærås Bjerke**
Director	Employee representative	Employee representative	Employee representative

Sign.

Trond Fiskum

President and CEO

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
Equity as at 01.01.2024	**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:								
Loss for the year					(18.2)	(18.2)	0.0	(18.2)
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 benefit liability				(1.0)		(1.0)		(1.0)
Tax on remeasurement of net defined benefit 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**
Acquisition of NCI				0.4	0.7	1.1	(3.3)	(2.2)
Total comprehensive income for the year:								
Profit for the year					0.2	0.2	0.0	0.2
Other comprehensive income:								
Translation differences on foreign operations				(21.8)		(21.8)		(21.8)
Remeasurement of net defined benefit liability				2.2		2.2		2.2
Tax on remeasurement of net defined benefit liability				(0.5)		(0.5)		(0.5)
Other comprehensive income	**0.0**	**0.0**	**0.0**	**(20.1)**	**0.0**	**(20.1)**	**0.0**	**(20.1)**
Total comprehensive income for the year	**0.0**	**0.0**	**0.0**	**(20.1)**	**0.2**	**(19.9)**	**0.0**	**(19.9)**
Equity as at 31.12.2025	**80.6**	**(5.2)**	**172.0**	**90.9**	**(157.4)**	**180.9**	**0.0**	**180.9**

Specification of constituent elements of equity:

- Share capital: par value for shares in issue
- Treasury shares: par value for own shares and premium over par value for own shares
- Share premium: premium over par value for shares in issue
- Other reserves: translation differences, share options and OCI
- Retained earnings: accumulated retained profits and losses
- Non-controlling interests: NCI share in group's equity

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 REPORTING ENTITY

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.

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 25, 2026.

NOTE 2 STATEMENT OF COMPLIANCE

The group's consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards (IFRS) and IFRIC interpretations as endorsed by the EU.

NOTE 3 MATERIAL ACCOUNTING POLICIES

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.

Basis of preparation

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.

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.

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:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets and liabilities that the entity can access at the measurement date
- 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
- Level 3 inputs are unobservable inputs for the asset or liability

Basis of consolidation

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.

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:

- has the power over the investee,
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

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.

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.

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 parentüompany.

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 between (i) the fair value of the consideration received and the fair value of any retained interest and

NOTE 3 MATERIAL ACCOUNTING POLICIES *(CONTINUED)*

(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.

Business combinations

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value at the acquisition date, 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:

- Deferred tax assets or liabilities arising from assets acquired and liabilities assumed shall be recognized or measured in accordance with IAS 12
- Liabilities related to the acquiree's employee benefit arrangements shall be recognized and measured in accordance with IAS 19
- Right-of-use assets and lease liabilities shall be recognized and measured in accordance with IFRS 16
- 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
- Assets classified as held for sale and discounted operations are measured in accordance with IFRS 5

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognized in the statement of profit or loss in accordance with IFRS 9.

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.

Where the fair value of the identifiable net assets acquired exceeds the aggregate of the consideration transferred, the amount of this excess is recognized by the group as a gain from a bargain purchase (badwill). Such a gain typically arises when a business is acquired for an amount that is less than its fair market value. The group reassesses whether it has correctly identified all assets acquired and liabilities assumed and reviews the procedures used to measure their fair values. Only after this reassessment confirms the bargain purchase, the group recognizes the resulting gain. The gain from a bargain purchase is recognized immediately in profit or loss on the acquisition date. The gain is presented within "Other income" in the consolidated statement of profit or loss.

On January 13, 2025, the group entered into a call option agreement granting the right to acquire the remaining 10,000 shares (75%) of Chassis Autonomy, in addition to the shares already previously acquired. On August 13, 2025, KA exercised the option and purchased the additional 10,000 shares from the four remaining shareholders for a purchase price of 1 SEK each, subject to Earn-Out conditions. Through these transactions, the group obtained full control over employees, customer data, processes, know-how, and other relevant resources, thereby meeting the IFRS 3 criteria for a business combination and qualifying the transaction as a step acquisition. The previously acquired interest was remeasured to the fair value implied by the controlling tranche acquired on August 13, 2025. It was concluded that part of the Earn-Out arrangement represents remuneration for post-acquisition services, while the remaining portion constitutes contingent consideration to be included in the purchase price and subsequent purchase price allocation. Post-combination services provided by employees or selling shareholders are not accrued at the acquisition date, but are recognized as compensation expense over the service period. The acquisition resulted in a small bargain-purchase gain, as the fair value of the identifiable net assets exceeded the consideration transferred. The resulting badwill was immaterial and recognized immediately in profit or loss in accordance with IFRS 3. For additional details, refer to Note 17.

As of December 31, 2025, there is no non-controlling interest recognized in any subsidiary. In 2025, the remaining 25% of the shares in Kongsberg Automotive Morse Shanghai Co., Ltd. has been acquired from the minority shareholder, Dongfeng Electronic Technology Co., Ltd.

Goodwill

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.

NOTE 3 MATERIAL ACCOUNTING POLICIES *(CONTINUED)*

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.

Investments in associates

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.

Functional and presentation currency

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.

For presentation purposes, the assets and liabilities of the group's foreign operations are translated into euros 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.

At 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.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through the 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.

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.

The group presents its consolidated financial statements in euros. The parent company's presentation currency is the euro, and its functional currency was assessed to be changed from Norwegian krone to euro effective January 1, 2025. This change eliminates foreign-exchange gains and losses on EUR-denominated financial instruments and removes translation exposure related to the Norwegian holding operations. All financial information presented in euros has been rounded to the nearest thousand unless otherwise stated.

Segment information

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 the performance of the operating segments, has been identified as the group's Executive Leadership Team (led by the CEO).

Intangible assets other than Goodwill

Internally generated intangible assets – research and development expenditure

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:

NOTE 3 MATERIAL ACCOUNTING POLICIES *(CONTINUED)*

- The technical feasibility of completing the intangible asset so that it will be available for use or for sale
- The entity's intention to exercise the right to use or to sell the asset
- The entity's ability to use or sell the intangible asset
- The entity's asset will generate probable future economic benefits
- The availability of adequate resources to complete the development and to use or sell the asset
- The entity's ability to reliably measure the expenditure incurred during its development

The amount initially recognized for the internally generated asset is the sum of the 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.

After initial recognition, internally generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses. The amortization period is five years.

Software
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.

Development expenses that do not meet these criteria are expensed as incurred and are not recognized as an asset in a subsequent accounting period.

Software costs are amortized over their estimated useful lives, which shall not exceed three years.

Other intangible assets – acquired in a business combination
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.

After initial recognition, intangible assets are reported at cost less accumulated amortization and accumulated impairment losses.

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.

Property, plant & equipment (PP&E)
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:

- Land n/a
- Buildings 3–4%
- Production machinery and tooling 10–25%
- Computer equipment 33%

Right-of-use assets and lease liabilities
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:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- Amounts expected to be payable by the group under residual value guarantees
- The exercise price of a purchase option if the group is reasonably certain to exercise that option
- Payments of penalties for terminating the lease, if the lease term reflects the group exercising that option

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

NOTE 3 MATERIAL ACCOUNTING POLICIES *(CONTINUED)*

The lease payments should be discounted using:

- the interest rate implicit in the lease; or
- if the interest rate implicit in the lease cannot be readily determined, the lessee's incremental borrowing rate.

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:

- The amount of the initial measurement of the lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs
- Restoration costs

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 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.

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.

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.

Taxes on leases

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.

Impairment of PP&E, intangible assets (other than Goodwill) and right-of-use assets

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.

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.

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.

Upon indication that an impairment loss may no longer exist or may have decreased, 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.

NOTE 3 MATERIAL ACCOUNTING POLICIES *(CONTINUED)*

Inventories
Inventories are stated at the lower of cost and net realizable value. The cost of inventories is 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 based 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.

Financial instruments
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.

Financial assets
Subsequent measurement

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 impairment.

Amortized cost and effective interest method

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.

Impairment of financial assets

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.

Derecognition

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.

Financial liabilities
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.

Taxes payable and deferred taxes
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.

NOTE 3 MATERIAL ACCOUNTING POLICIES *(CONTINUED)*

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.

Employee benefits – retirement benefit cost and termination benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement plans, the cost of providing benefits is determined by 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.

Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailment and settlements),
- Net interest expense or income on benefit obligations and/or plan assets,
- Remeasurement, and
- Administration costs.

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.

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.

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.

Pension plans in the group

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.

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.

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.

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.

In the case of defined contribution plans, the contributions are recognized as expense in the period in which they occurred.

Short-term and other long-term employee benefits

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.

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.

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.

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 upon signature of the contract.

NOTE 3 MATERIAL ACCOUNTING POLICIES *(CONTINUED)*

Deferred cash-based and share-based payments

For 2025, KA has a new LTI plan for top executives replacing the previous share-based plans. This is a cash-based plan and consists of an LTI cash payout occurring one year after the plan is communicated to participants. The final LTI cash payout is directly linked to the STI outcome, which is based on the ROCE level achieved. Given the direct link to STI, the same trigger applies for the LTI cash payout (i.e. EBT must be positive after STI payout considerations). After the LTI cash payout is made, participants are obliged to use the net amount to purchase KA shares and to hold them for two years (lock-in period). The LTI cash payout is capped and there is no overachieving in the payout. The individual LTI value is linked to base salary and the role and responsibility. The LTI plan is approved annually by the Board. No expense was recorded in 2025 in relation to the 2025 LTI plan.

KA has legacy share-based remuneration plans for eligible top executives coming from plans granted in 2023 and 2024 which consist of two equity instruments: Performance Stock Units (PSU) and Restricted Stock Units (RSU). Both instruments are based on a service condition to vest. In addition, the PSU evaluation is based on three performance conditions: total shareholder return (TSR) versus a defined peer group, one financial target, and one ESG target. The plans will vest three years after the grant date, in 2026 and 2027, respectively per plan.

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.

Provisions

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.

Onerous contracts

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.

Restructuring provisions

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.

Warranties

Provisions for the 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 continue to be recorded on the ongoing sales until the underlying issue is solved. The estimate of warranty-related costs is reviewed and revised quarterly.

Government grants

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.

Equity instruments

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 cancelation of the company's own equity instruments.

NOTE 3 MATERIAL ACCOUNTING POLICIES *(CONTINUED)*

Revenue recognition

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 the 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 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.

Engineering

Before manufacturing and sale of automotive parts begins, 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 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.

Tooling

After the engineering phase, and before manufacturing and sale of automotive parts begins, 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.

Product sales

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.

Variable consideration

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.

NOTE 3 MATERIAL ACCOUNTING POLICIES *(CONTINUED)*

Warranty obligations

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.

Incremental contract costs

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.

NOTE 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

In application of its accounting policies, the group is required to make judgments, estimates, and assumptions about the carrying amounts of assets and liabilities that 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.

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.

Critical judgments in applying accounting policies

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.

Lease extension and termination options

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 the 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 that 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.

Incremental borrowing rate used to discount the lease payments

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.

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.

NOTE 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS *(CONTINUED)*

Consolidation of SPE

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.

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.

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.

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.

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.

Key sources of estimation uncertainty

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.

Impairment

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 provide 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.

The cash-generating units in the group are the business units (Drive Control Systems segment consisting of: On-Highway, Off-Highway, Driveline, Electric Actuators and Headrest; Flow Control Systems segment consisting of: Fluid Transfer System and Couplings). In 2025, the Driveline (excluding Electric Actuators) segment (previously presented as Other operations in 2024) has been incorporated into the Drive Control System segment. Figures for 2024 have been accordingly restated in note 7 to reflect this change in segment reporting. The forecasts of future cash flow 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 flow and may result in impairment.

The carrying amount of Goodwill as at December 31, 2025 was MEUR 68.0 (2024: MEUR 73.8). No impairment losses were recognized in 2025. 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 the 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 2025, 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, 2025. 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 21 – The effects of changes in foreign change rates – Lack of Exchangeability.

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 IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments & Contracts referencing nature-dependent electricity (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 have an impact on the recognition and measurement of items in the financial statements, its impact 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.

NOTE 6 SUBSIDIARIES

ENTITY NAME	COUNTRY OF INCORPORATION	OWNER-SHIP	CONSOLI-DATION METHOD	OWNED BY COMPANY
Kongsberg Automotive Ltda	Brazil	100%	Full	X
Kongsberg Inc	Canada	100%	Full	
Kongsberg Automotive (Wuxi) Ltd	China	100%	Full	X
Kongsberg Automotive Morse Shanghai Co., Ltd*	China	100%	Full	
Kongsberg Driveline Systems SAS	France	100%	Full	
Kongsberg Raufoss Distribution SAS	France	100%	Full	
SCI Immobilière La Clusienne	France	100%	Full	
Kongsberg 1 GmbH	Germany	100%	Full	
Kongsberg Actuation Systems GmbH	Germany	100%	Full	
Kongsberg Automotive GmbH	Germany	100%	Full	
Kongsberg Driveline Systems GmbH	Germany	100%	Full	
Kongsberg Actuation Systems Ltd	Great Britain	100%	Full	
Kongsberg Automotive Hong Kong Ltd	Hong Kong	100%	Full	
Kongsberg Automotive (India) Private Ltd	India	100%	Full	X
Kongsberg Automotive Ltd	Korea	100%	Full	X
Kongsberg Driveline Systems S. de RL de CV	Mexico	100%	Full	
Kongsberg Fluid Transfer Systems, S. de R.L. de CV	Mexico	100%	Full	
Kongsberg Actuation Systems BV	Netherlands	100%	Full	
Kongsberg Automotive AS	Norway	100%	Full	
Kongsberg Automotive Holding 2 AS	Norway	100%	Full	X
Kongsberg Automotive Sp. z.o.o	Poland	100%	Full	
Kongsberg Automotive s.r.o	Slovakia	100%	Full	
Kongsberg Actuation Systems SL	Spain	100%	Full	
Kongsberg Automotive AB	Sweden	100%	Full	

* In Q3 2025, the remaining 25% of the shares was acquired from the minority shareholder, Dongfeng Electronic Technology 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)

***In Q3 2025, Kongsberg Automotive decided to take full ownership of the entity and acquired the remaining shareholding from the existing shareholders.

ENTITY NAME	COUNTRY OF INCORPORATION	OWNER-SHIP	CONSOLI-DATION METHOD	OWNED BY COMPANY
Kongsberg Power Products Systems AB	Sweden	100%	Full	
KA Group AG	Switzerland	100%	Full	
Kongsberg Driveline Systems I LLC.	US	100%	Full	
Kongsberg Actuation Systems II LLC.	US	100%	Full	
Kongsberg Holding III Inc.	US	100%	Full	
Kongsberg Automotive Inc.	US	100%	Full	
Kongsberg Power Products Systems I LLC.	US	100%	Full	
Kongsberg Automotive Finance BV**	Netherlands	100%	Full	
Chassis Autonomy AB***	Sweden	100%	Full	
Entities liquidated/merged in 2025 and 2024:				
Kongsberg Automotive SARL	France	100%	Liquidated in 2024	
Kongsberg Automotive Ltd	Great Britain	100%	Liquidated in 2024	
CTEX Seat Comfort (Holding) Ltd	Great Britain	100%	Liquidated in 2024	
Kongsberg Power Products Systems Ltd	Great Britain	100%	Liquidated in 2024	
Kongsberg Automotive Japan KK	Japan	100%	Liquidated in 2024	
Kongsberg Automotive Driveline System India Ltd	India	100%	Merged in 2025 with Kongsberg Automotive (India) Private Ltd	
Kongsberg Automotive Technology Center India Private Ltd	India	100%	Merged in 2025 with Kongsberg Automotive (India) Private Ltd	

NOTE 7 SEGMENT INFORMATION

Operating segments

As of December 31, 2025, the group had two reportable segments, which are the strategic core business segments: Drive Control Systems (DCS) and Flow Control Systems (FCS). In Q3 2025, the Driveline (excluding Electric Actuators) segment (previously presented as Other operations in 2024) was incorporated into the Drive Control System segment. Following the adoption of new segment structure from January 1, 2025, figures in 2024 have been restated accordingly to reflect this change.

To enhance segment accountability for all attributable group costs, a new reporting approach was implemented on January 1, 2025, under which all costs previously included in the Corporate & Other segment are allocated to the reportable segments (DCS & FCS). The allocation is performed based on usage, applying Sales and FTE as the primary drivers. As this constitutes a change in accounting policies, the prior year's periods have been restated.

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 Leadership Team (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, EBIT, and ROCE 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 couplings systems for compressed-air circuits in heavy-duty vehicles.

Profit and loss statement

	FY 2025			FY 2024		
MEUR	DRIVE CONTROL SYSTEMS	FLOW CONTROL SYSTEMS	TOTAL GROUP	DRIVE CONTROL SYSTEMS	FLOW CONTROL SYSTEMS	TOTAL GROUP
Revenues*	**414.3**	**298.5**	**712.8**	**480.9**	**307.3**	**788.2**
EBITDA	**13.0**	**30.7**	**43.7**	**24.4**	**24.1**	**48.5**
Depreciation	(15.0)	(14.2)	(29.2)	(14.7)	(14.4)	(29.1)
Amortization	(0.8)	(0.1)	(0.9)	(0.6)	(0.1)	(0.7)
EBIT	**(2.8)**	**16.4**	**13.6**	**9.1**	**9.6**	**18.7**
Impairment losses (-) and Reversal of impairment losses (+), thereof:	(1.5)	(1.2)	(2.7)	4.6	0.4	5.0
- allocated to Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
- allocated to assets other than Goodwill	(1.5)	(1.2)	(2.7)	4.6	0.4	5.0
Timing of revenue recognition						
Ownership transferred at a point in time	**414.3**	**298.5**	**712.8**	**480.9**	**307.3**	**788.2**

*For segment reporting purposes, revenues are only external revenues; related expenses are adjusted accordingly.

NOTE 7 SEGMENT INFORMATION *(CONTINUED)*

Balance sheet

	FY 2025				FY 2024			
MEUR	DRIVE CONTROL SYSTEMS	FLOW CONTROL SYSTEMS	CORPORATE & OTHER*	TOTAL GROUP	DRIVE CONTROL SYSTEMS	FLOW CONTROL SYSTEMS	CORPORATE & OTHER*	TOTAL GROUP
Assets and liabilities								
Goodwill	16.1	52.0	0.0	68.1	16.5	57.3	0.0	73.8
Other intangible assets	7.5	4.6	0.4	12.5	6.2	4.5	0.1	10.8
Property, plant, and equipment	43.1	59.0	1.4	103.5	51.5	63.7	2.1	117.3
Right-of-use assets	18.2	29.0	4.2	51.4	18.9	32.9	3.0	54.8
Inventories	33.9	42.4	0.0	76.3	38.1	42.4	0.0	80.5
Trade receivables	80.2	47.1	0.4	127.7	89.1	51.9	0.0	141.0
Other assets	3.8	2.4	0.0	6.2	3.6	3.6	0.0	7.2
Segment assets	**202.8**	**236.5**	**6.4**	**445.7**	**223.9**	**256.3**	**5.2**	**485.4**
Unallocated assets			119.4	119.4			117.5	117.5
Total assets	**202.8**	**236.5**	**125.8**	**565.1**	**223.9**	**256.3**	**122.7**	**602.9**
Trade payables	49.8	27.8	1.3	78.9	50.9	31.2	2.7	84.8
Accrued expenses	24.4	14.7	2.5	41.6	31.5	11.5	3.3	46.3
Provisions	23.6	0.1	2.4	26.1	12.6	0.3	3.0	15.9
Non-current lease liabilities	18.7	33.0	3.7	55.4	22.9	37.4	3.5	63.8
Current lease liabilities	6.2	3.0	1.0	10.2	6.3	2.6	1.0	9.9
Segment liabilities	**122.7**	**78.6**	**10.9**	**212.2**	**124.2**	**83.0**	**13.5**	**220.7**
Unallocated assets			172.0	172.0			179.2	179.2
Total liabilities	**122.7**	**78.6**	**182.9**	**384.2**	**124.2**	**83.0**	**192.7**	**399.9**
Total equity			**180.9**	**180.9**			**203.0**	**203.0**
Total equity and liabilities	**122.7**	**78.6**	**363.8**	**565.1**	**124.2**	**83.0**	**395.7**	**602.9**
Capital expenditure	(7.2)	(9.1)	0.0	(16.3)	(9.9)	(14.2)	(0.6)	(24.7)

*The column "Corporate & Other" mainly includes balance sheet items related to tax, pension, and financing.

The 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	2025	2024
Segment assets of reportable segments	439.3	480.2
Assets of segment "Corporate & Other"	6.4	5.2
Unallocated assets include:		
Deferred tax assets	8.5	10.0
Investments accounted for using the equity method	0.0	0.7
Other non-current assets	2.2	1.7
Cash and cash equivalents	90.8	84.3
Other current receivables	17.9	20.8
Total assets of the group	**565.1**	**602.9**

Operating segments – reconciliation to total liabilities

MEUR	2025	2024
Trade payables of reportable segments	77.6	82.1
Accrued expenses of reportable segments	39.1	43.0
Provisions of reportable segments	23.7	12.9
Non-current lease liabilities of reportable segments	51.7	60.3
Current lease liabilities of reportable segments	9.2	8.9
Liabilities of segment "Corporate & Other"	10.9	13.5
Unallocated liabilities include:		
Deferred tax liabilities	20.3	25.4
Retirement benefit obligations	10.1	13.0
Interest-bearing loans and borrowings	133.1	132.5
Other non-current interest-free liabilities	1.0	0.8
Current income tax liabilities	0.8	1.3
Other short term liabilities	6.7	6.2
Total liabilities of the group	**384.2**	**399.9**

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	2025	%	2024	%
Europe	322.6	45.3%	344.9	43.8%
North America	237.4	33.3%	271.4	34.4%
South America	46.6	6.5%	46.3	5.9%
Asia	101.6	14.3%	122.0	15.5%
Other	4.6	0.6%	3.6	0.4%
Revenues	**712.8**		**788.2**	

Intangible assets, PP&E, and RoU by geographical location

MEUR	2025	%	2024	%
Europe	141.6	60.1%	146.4	57.0%
North America	74.4	31.6%	86.5	33.7%
South America	1.3	0.6%	1.6	0.6%
Asia	18.2	7.7%	22.2	8.7%
Total intangible assets, PP&E, and RoU	**235.5**		**256.7**	

Major customers

Included are revenues of MEUR 101.1 in 2025 (2024: MEUR 100.8) which arose from sales to the group's largest customer. One single customer contributed 10% or more to the group's revenues in 2025.

NOTE 8 SALARIES AND SOCIAL EXPENSES

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

MEUR	2025	2024
Wages and salaries	147.5	162.6
Social security tax	30.1	31.4
Severance payments	1.5	2.7
Pension cost, defined benefit plans	0.1	1.0
Pension cost, defined contribution plans	6.8	7.8
Other employee-related expenses*	25.9	29.1
Total salaries and social expenses	**211.9**	**234.6**

*Other employee-related expenses include bonus costs.

As of December 31, 2025, the group had 4,291 employees (FTEs), while as of December 31, 2024, the number of employees (FTEs) was 4,714.

NOTE 9 OTHER INCOME AND OTHER OPERATING EXPENSES

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

MEUR	2025	2024
Gain on external sale of non-current assets	0.4	0.1
Subsequent proceeds from sale of major operations	1.7	1.9
Income from sub-leases	0.2	0.2
Income from compensation received	0.0	2.8
Total other income	**2.3**	**5.0**

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

MEUR	2025	2024
Operating expenses		
Freight, packaging, and customs duties charges	31.7	34.1
Tariff costs (not included in customs duties)*	5.7	0.0
Facility costs	11.7	11.6
Consumables	18.3	20.9
Repairs and maintenance	12.2	11.7
Service costs/external services	8.3	10.1
Warranty expenses	21.0	19.5
Other costs	8.6	11.7
Administrative expenses		
Utilities	0.9	0.3
Service costs/external services	13.9	17.6
Consumables	4.4	4.6
Travel costs	1.5	2.4
Other costs	5.9	6.4
Total other operating expenses	**144.1**	**150.9**

*Of which MEUR 5.6 is related to US tariff costs

NOTE 10 FINANCIAL ITEMS

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

MEUR	2025	2024
Foreign currency gains*	2.0	0.0
Interest income	0.8	1.7
IFRS 16 interest income	0.2	0.1
Other financial income	0.1	0.8
Total financial income	**3.1**	**2.6**
Interest expense	(10.3)	(11.3)
IFRS 16 interest expense	(4.3)	(4.5)
Foreign currency losses *	0.0	(1.9)
Account receivables securitization – expense	(0.3)	(0.4)
Change in value of financial derivatives	0.0	(0.1)
Share of net profit (loss) from investments accounted for using the equity method	0.0	(0.2)
Impairment of the equity investments and loans granted to equity and at cost investments	(0.5)	(2.4)
Other financial expenses	(1.0)	(2.8)
Total financial expenses	**(16.4)**	**(23.6)**
Total financial items	**(13.3)**	**(21.0)**

*Includes realized currency loss of MEUR 4.9 and unrealized currency gain of MEUR 6.9 (2024: realized currency gain of MEUR 1.7 and unrealized currency loss of MEUR 3.6

NOTE 11 TAXES

Tax recognized in the statement of income

The major components of income tax expense:

MEUR	2025	2024
Current tax on profits for the year*	(4.9)	(8.2)
Total current tax	**(4.9)**	**(8.2)**
Current year change in deferred tax	5.2	(7.8)
Impact of changes in tax rates	0.0	(0.4)
Adjustments in respect of prior years – deferred tax	(0.4)	0.5
Total change in deferred tax	**4.8**	**(7.7)**
Total income tax (expense)/credit	**(0.1)**	**(15.9)**

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

Tax recognized in other comprehensive income

MEUR	2025	2024
Tax on pension remeasurement	(0.5)	0.2
Tax in other comprehensive income	**(0.5)**	**0.2**

Reconciliation of the Norwegian nominal statutory tax rate to effective tax rate

MEUR	2025	2024
Profit/(loss) before taxes	**0.3**	**(2.3)**
Expected tax calculated at Norwegian tax rate	0.0	0.5
Other permanent differences/currency	1.2	(2.4)
Effect of withholding tax	(0.7)	(3.0)
Foreign tax rate differential	(0.5)	(1.7)
Impact of changes in tax rates and legislation	0.0	(0.4)
(Losses not recognized as deferred tax assets)/Usage of tax losses without DTA	2.0	(8.8)
Write down of deferred tax assets	(1.7)	(0.6)
Adjustments in respect of prior years and other adjustments	(0.4)	0.5
Income tax (expense)/credit	**(0.1)**	**(15.9)**
Average effective tax rate	**33%**	**-691%**

Tax recognized in the statement of financial position

Current income tax

MEUR	2025	2024
Current income tax receivables*	2.5	1.8
Current income tax liabilities	(0.8)	(1.3)
Total	**1.7**	**0.5**

*Included under "Trade and other receivables".

Deferred tax

MEUR	2025	2024
Deferred tax assets	8.5	10.0
Deferred tax liabilities	(20.3)	(25.4)
Total	**(11.8)**	**(15.4)**

NOTE 11 TAXES *(CONTINUED)*

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

2025 MEUR	OPENING BALANCE	CHARGED TO INCOME	CHANGES IN RATE	OCI	FX DIFF AND RECLASSIFI-CATION	CLOSING BALANCE
Property, plant, and equipment	(1.4)	0.9	0.0	0.0	0.0	(0.5)
Intangible assets	(5.8)	0.5	0.0	0.0	0.6	(4.7)
Leases	1.9	0.2	0.0	0.0	0.0	2.1
Retirement benefits obligations	1.6	(0.1)	0.0	(0.5)	0.0	1.0
Losses carried forward	2.6	1.8	0.0	0.0	(0.3)	4.1
Trade and other receivables	3.5	0.1	0.0	0.0	0.0	3.6
Accrued expenses	4.0	(0.5)	0.0	0.0	(0.2)	3.3
Accrued interest	1.4	2.2	0.0	0.0	(0.2)	3.4
Unrealized exchange differences on long-term receivables/payables	(30.3)	6.9	0.0	0.0	0.0	(23.4)
Other temporary differences	7.1	(7.2)	0.0	0.0	(0.6)	(0.7)
Net deferred tax assets/ (liabilities)	**(15.4)**	**4.8**	**0.0**	**(0.5)**	**(0.7)**	**(11.8)**

2024 MEUR	OPENING BALANCE	CHARGED TO INCOME	CHANGES IN RATE	OCI	FX DIFF AND RECLASSIFI-CATION	CLOSING BALANCE
Property, plant, and equipment	(2.0)	1.1	(0.4)	0.0	(0.1)	(1.4)
Intangible assets	(5.4)	0.0	(0.1)	0.0	(0.3)	(5.8)
Leases	1.5	0.4	0.1	0.0	(0.1)	1.9
Retirement benefits obligations	1.4	(0.1)	0.0	0.2	0.1	1.6
Losses carried forward	4.8	(2.4)	0.0	0.0	0.2	2.6
Trade and other receivables	3.2	0.4	0.0	0.0	(0.1)	3.5
Accrued expenses	7.1	(3.2)	0.0	0.0	0.1	4.0
Accrued interest	0.0	1.4	0.0	0.0	0.0	1.4
Unrealized exchange differences on long-term receivables/payables	(26.0)	(5.6)	0.0	0.0	1.3	(30.3)
Other temporary differences	5.8	0.7	0.0	0.0	0.6	7.1
Net deferred tax assets/ (liabilities)	**(9.6)**	**(7.3)**	**(0.4)**	**0.2**	**1.7**	**(15.4)**

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 48.6 will not be deductible within the foreseeable future, resulting from a change of tax positions not recognized of MEUR 2.0 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%. 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 2025. 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	2025	2024
Tax positions not recognized	48.6	50.6
Total	**48.6**	**50.6**

Remaining lifetime of tax losses (gross tax value)

MEUR	2025	2024
Less than five years	27.7	19.8
5–10 years	5.8	13.9
10–15 years	0.0	1.9
15–20 years	0.0	0.0
Without time limit	19.8	17.6
Total	**53.3**	**53.2**

NOTE 12 INTANGIBLE ASSETS

MEUR	GOODWILL	CUSTOMER RELATION-SHIPS	PATENTS AND DEVELOP-MENT	SOFTWARE AND OTHER	TOTAL
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**
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**

MEUR	GOODWILL	CUSTOMER RELATION-SHIPS	PATENTS AND DEVELOP-MENT	SOFTWARE AND OTHER	TOTAL
Cost at 01.01.2025	99.1	20.9	47.2	8.9	176.1
Additions (purchases and capitalized costs)	0.0	0.0	2.7	0.2	2.9
Additions – first consolidation of Chassis Autonomy	0.0	0.0	1.6	0.0	1.6
Disposals accumulated cost	0.0	0.0	0.0	(0.7)	(0.7)
Translation differences	(6.1)	(2.1)	(0.2)	(0.3)	(8.7)
Acquisition costs at 31.12.2025	**93.0**	**18.8**	**51.3**	**8.1**	**171.2**
Accumulated amortization & impairment at 01.01.2025	(25.3)	(20.9)	(37.1)	(8.2)	(91.5)
Amortization	0.0	0.0	(0.7)	(0.2)	(0.9)
Impairment loss	0.0	0.0	(1.6)	(0.1)	(1.7)
Reversal of impairment loss	0.0	0.0	0.0	0.0	0.0
Disposals accumulated amortization	0.0	0.0	0.0	0.7	0.7
Translation differences	0.3	2.1	0.1	0.3	2.8
Accumulated amortization & impairment at 31.12.2025	**(25.0)**	**(18.8)**	**(39.3)**	**(7.5)**	**(90.6)**
Acquisition costs	93.0	18.8	51.3	8.1	171.2
Accumulated amortization & impairment	(25.0)	(18.8)	(39.3)	(7.5)	(90.6)
Net book value at 31.12.2025	**68.0**	**0.0**	**12.0**	**0.6**	**80.6**

NOTE 12 INTANGIBLE ASSETS *(CONTINUED)*

Internally developed intangible assets

MEUR	2025	2024
Internally developed intangible assets at 01.01.	9.8	6.6
Additions (purchases and capitalized costs)	2.7	3.6
Additions – first consolidation of Chassis Autonomy	1.6	0.0
Disposals during the year	0.0	0.0
Amortization	(0.6)	(0.4)
Impairment	(1.6)	0.0
Reversal of impairment	0.0	0.3
Translation differences	(0.1)	(0.3)
Internally developed intangible assets at 31.12.	**11.8**	**9.8**
Non-capitalized development costs net of customer contribution	(24.3)	(25.8)
Amortization of internally developed intangible assets	(0.6)	(0.4)
Total recognized development cost in the reporting period*	**(24.9)**	**(26.2)**
Cash investment in development	(27.0)	(29.4)

*Net amount; gross amount MEUR 29.4 in 2025 (2024: MEUR 31.2).

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-MENT	TOTAL
Acquisition costs	3.0	27.2	451.3	481.5
Accumulated depreciation & impairment	(1.6)	(21.7)	(342.4)	(365.7)
Net book value at 31.12.2023	**1.4**	**5.5**	**108.9**	**115.8**
Cost at 01.01.2024	3.0	27.2	451.3	481.5
Additions	0.0	2.8	17.9	20.7
Disposals accumulated cost	0.0	(0.1)	(7.3)	(7.4)
Translation differences	0.0	0.2	(0.7)	(0.5)
Acquisition costs at 31.12.2024	**3.0**	**30.1**	**461.2**	**494.3**
Accumulated depreciation & impairment at 01.01.2024	(1.6)	(21.7)	(342.4)	(365.7)
Depreciation	0.0	(0.8)	(19.7)	(20.5)
Reversal of impairment loss	0.0	0.0	1.6	1.6
Disposals accumulated depreciation	0.0	0.1	7.0	7.1
Translation differences	0.0	(0.1)	0.6	0.5
Accumulated depreciation & impairment at 31.12.2024	**(1.6)**	**(22.5)**	**(352.9)**	**(377.0)**
Acquisition costs	3.0	30.1	461.2	494.3
Accumulated depreciation & impairment	(1.6)	(22.5)	(352.9)	(377.0)
Net book value at 31.12.2024	**1.4**	**7.6**	**108.3**	**117.3**

MEUR	LAND	BUILDINGS	EQUIP-MENT	TOTAL
Cost at 01.01.2025	3.0	30.1	461.2	494.3
Additions (purchases and capitalized costs)	0.0	0.2	13.6	13.8
Additions – first consolidation of Chassis Autonomy	0.0	0.0	0.2	0.2
Disposals accumulated cost	0.0	(1.2)	(17.6)	(18.8)
Translation differences	0.0	(1.0)	(14.6)	(15.6)
Acquisition costs at 31.12.2025	**3.0**	**28.1**	**442.8**	**473.9**
Accumulated depreciation & impairment at 01.01.2025	(1.6)	(22.5)	(352.9)	(377.0)
Depreciation	0.0	(0.8)	(19.9)	(20.7)
Depreciation – first consolidation of Chassis Autonomy	0.0	0.0	(0.1)	(0.1)
Impairment loss	0.0	(0.1)	(2.7)	(2.8)
Reversal of impairment loss	0.0	0.0	0.0	0.0
Disposals accumulated depreciation	0.0	1.2	17.4	18.6
Translation differences	0.0	0.6	11.0	11.6
Accumulated depreciation & impairment at 31.12.2025	**(1.6)**	**(21.6)**	**(347.2)**	**(370.4)**
Acquisition costs	3.0	28.1	442.8	473.9
Accumulated depreciation & impairment	(1.6)	(21.6)	(347.2)	(370.4)
Net book value at 31.12.2025	**1.4**	**6.5**	**95.6**	**103.5**

Impairment testing

See note 15 for information related to impairment testing of intangible assets, PP&E, and right-of-use assets.

NOTE 14 RIGHT-OF-USE ASSETS

MEUR	BUILDINGS	EQUIP-MENT	TOTAL
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**
Cost at 01.01.2024	103.3	6.0	109.3
Additions	8.2	1.3	9.5
Lease terminations	(6.2)	(0.5)	(6.7)
Translation differences	(2.8)	(0.1)	(2.9)
Acquisition costs at 31.12.2024	**102.5**	**6.7**	**109.2**
Accumulated depreciation & impairment at 01.01.2024	(51.4)	(2.9)	(54.3)
Depreciation	(7.6)	(1.0)	(8.6)
Reversal of impairment loss	3.0	0.1	3.1
Lease terminations	4.1	(0.1)	4.0
Translation differences	1.4	0.0	1.4
Accumulated depreciation & impairment at 31.12.2024	**(50.5)**	**(3.9)**	**(54.4)**
Acquisition costs	102.5	6.7	109.2
Accumulated depreciation & impairment	(50.5)	(3.9)	(54.4)
Net book value at 31.12.2024	**52.0**	**2.8**	**54.8**

MEUR	BUILDINGS	EQUIP-MENT	TOTAL
Cost at 01.01.2025	102.5	6.7	109.2
Additions	4.5	1.8	6.3
Additions – first consolidation of Chassis Autonomy	0.3	0.0	0.3
Lease terminations	(2.2)	(1.3)	(3.5)
Translation differences	(2.0)	(0.0)	(2.0)
Acquisition costs at 31.12.2025	**103.3**	**7.0**	**110.3**
Accumulated depreciation & impairment at 01.01.2025	(50.5)	(3.9)	(54.4)
Depreciation	(7.4)	(1.1)	(8.5)
Reversal of impairment loss	1.8	0.1	1.9
Lease terminations	0.1	0.9	1.0
Translation differences	1.1	0.0	1.1
Accumulated depreciation & impairment at 31.12.2025	**(54.9)**	**(4.0)**	**(58.9)**
Acquisition costs	103.3	7.0	110.3
Accumulated depreciation & impairment	(54.9)	(4.0)	(58.9)
Net book value at 31.12.2025	**48.4**	**3.0**	**51.4**

NOTE 14 RIGHT-OF-USE ASSETS *(CONTINUED)*

Lease liabilities

MEUR	2025	2024
Non-current lease liabilities	55.4	63.8
Current lease liabilities	10.2	9.9
Total lease liabilities	**65.6**	**73.7**

Maturity analysis – contractual undiscounted cash flows

MEUR	2025	2024
Within one year	14.1	14.3
One to five years	39.6	41.9
More than five years	31.8	43.0
Total undiscounted lease commitments	**85.5**	**99.2**

In 2025, the group had total cash outflows of approximately MEUR 14.7 (2024: MEUR 14.7) for all leases, including non-material leases that are not part of the group's IFRS 16 reporting.

Amounts recognized in the statement of comprehensive income relating to leases

MEUR	2025	2024
Interest expense on lease liabilities (included in financial items)	(4.3)	(4.5)
Interest income on subleases	0.2	0.1
Depreciation of right-of-use assets	(8.4)	(8.6)
Expenses relating to low-value and short-term leases	(0.3)	(0.3)
Total expenses relating to leases	**(12.8)**	**(13.3)**

NOTE 15 IMPAIRMENT LOSSES

The group has performed impairment tests on the carrying values of all intangible assets (including goodwill), property, plant, and 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).

In Q3 2025, the Driveline (excluding Electric Actuators) segment (previously presented as other operations) has been incorporated into the Drive Control System segment. This is in line with how the new management team views and reports the business, and the Driveline segment is no longer defined as "non-core".

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

Cash flow projections and assumptions

The model was based on a three-year projection of discounted cash flows plus a terminal value (calculated using Gordon's growth model with the perpetual growth of 1.6% (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 three-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) and customers, in addition to all relevant internal information, such as change in orders, customer portfolio, fitment rate for products, geographical development, market shares, etc.

Discount rate assumptions

The required rate of return was calculated 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 9.6% pre-tax. The WACC used was the same for all CGUs; the reason being that the long-term risk 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:

NOTE 15 IMPAIRMENT LOSSES *(CONTINUED)*

- Risk-free interest rate: 3.66%. Based on 10-year governmental Eurobond rate and US treasury 10-year yield, weighted 50/50.
- Beta: 1.22. Based on an estimated unlevered beta for the automotive industry levered to the group's structure.
- Market risk premium: 4.87% (post tax). Based on market sources.
- Cost of debt: based on the market value of the group's debt.

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.

Sensitivity analysis and allocation of impairment as of December 31, 2025

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.

On-Highway:

No reasonable change in any of the key assumptions would cause the recoverable amount to be lower than the carrying value.

Off-Highway:

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.

Headrest:

No reasonable change in any of the key assumptions would cause the recoverable amount to be lower than the carrying value.

Driveline & Electric Actuators:

Due to the similarities in the business profiles of Driveline and Electric Actuators (EAC), their projected free cash flows and net carrying values were combined for the impairment test. The calculated value-in-use is slightly higher than the combined carrying amount, based on projected cash flow for the next three years (excluding terminal value due to uncertainties surrounding both business units). Management firmly believes that EAC holds significant potential. Strategic investments in this innovative technology position KA to capture market opportunities and reinforce its leadership in the industry. Following the successful restructuring of operations, Driveline is generating positive margins and is expected to maintain this performance over the coming years. This will provide the necessary resources to finance EAC's product development. Therefore, no impairment needs to be recorded as of December 31, 2025.

In 2023, it was determined that the Driveline business unit should be fully impaired, therefore, all assets used in the production of Driveline products were written down to zero. In 2024 and 2025, 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 1.5 (2024: MEUR 5.0) and they were placed back on their original depreciation schedules under their new business unit. Otherwise, and given the current key assumptions, no plausible changes are expected to justify the further reversal of the previously recorded impairment.

Couplings:

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.

Fluid Transfer Systems:

No reasonable change in any of the key assumptions would cause the recoverable amount to be lower than the carrying value.

NOTE 15 IMPAIRMENT LOSSES *(CONTINUED)*

Net carrying value of the Goodwill per business unit

	DRIVE CONTROL SYSTEMS					FLOW CONTROL SYSTEMS		
MEUR	ON-HIGHWAY	OFF-HIGHWAY	DRIVELINE	ELECTRIC ACTUATORS	HEADREST	COUPLINGS	FLUID TRANSFER SYSTEMS	TOTAL
Goodwill								
Gross book value as at 01.01.2025	16.5	0.0	6.8	0.0	0.0	0.2	57.0	80.5
Accumulated impairment as at 01.01.2025	0.0	0.0	(6.8)	0.0	0.0	0.0	0.0	(6.8)
Translation adjustments	(0.5)	0.0	0.0	0.0	0.0	0.0	(5.2)	(5.7)
Net book value as at 31.12.2025	16.0	0.0	0.0	0.0	0.0	0.2	51.8	**68.0**

NOTE 16 INVENTORIES

Specification of inventories

MEUR	2025	2024
Raw materials	43.5	47.3
Work in progress	17.5	17.4
Finished goods	15.3	15.8
Total inventories	**76.3**	**80.5**

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

Provision for slow-moving and obsolete inventory

MEUR	2025	2024
Book value at 01.01.	(13.4)	(14.2)
Write-down	(1.7)	(2.2)
Reversal of prior write-downs	3.5	3.1
Foreign currency effects	0.5	(0.1)
Book value at 31.12.	**(11.1)**	**(13.4)**

NOTE 17 TRADE AND OTHER RECEIVABLES

Specification of trade and other receivables

MEUR	2025	2024
Trade receivables	127.7	140.8
Public duties	6.7	6.6
Other short-term receivables	4.6	6.9
Total trade and other receivables	**139.0**	**154.3**

Trade receivables maturity

MEUR	2025	2024
Not overdue	108.7	123.3
Overdue 1–20 days	9.8	11.7
Overdue 21–40 days	4.3	1.8
Overdue 41–80 days	1.7	1.2
Overdue 81–100 days	1.6	0.3
Overdue > 100 days	2.5	3.4
Gross trade receivables	**128.6**	**141.7**
Total provision for bad debt	(0.9)	(0.9)
Net trade receivables	**127.7**	**140.8**

The provision for bad debt remained stable compared to 31.12.2024. 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 2025 (2024: MEUR 0.9). 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	2025	2024
EUR	50.2	52.5
USD	49.6	42.5
CNY	17.4	31.5
NOK	4.0	4.7
Other	17.8	23.1
Total trade and other receivables	**139.0**	**154.3**

Other current assets

MEUR	2025	2024
Tooling for sale	4.6	5.9
Customer development for sale	1.3	1.0
Prepayments	6.5	7.4
Contract costs – current	0.2	0.1
Total other current assets	**12.6**	**14.4**

Other non-current assets

MEUR	2025	2024
Investments accounted for using the equity method	0.0	0.7
Investments in non-material subsidiary	0.2	0.6
Contract costs – non-current	0.2	0.4
Net pension assets	0.3	0.2
Other non-current assets	1.7	0.8
Total other non-current assets	**2.4**	**2.7**

NOTE 17 TRADE AND OTHER RECEIVABLES *(CONTINUED)*

Investments accounted for using the equity method/business combinations

Acquisition of Chassis Autonomy SBA AB

On January 13, 2025, the group entered into a call option agreement granting the right to acquire the remaining 10,000 shares (75%) of Chassis Autonomy SBA AB, in addition to the shares already previously acquired. On August 13, 2025, KA exercised the option and purchased the additional 10,000 shares from the four remaining shareholders for a purchase price of 1 SEK each, subject to Earn-Out conditions.

Through these transactions, the group obtained full control over employees, customer data, processes, know-how and other relevant resources, thereby meeting the IFRS 3 criteria for a business combination and qualifying the transaction as a step acquisition. From the acquisition date, Chassis Autonomy SBA AB is fully consolidated into the group's financial statements, and all intra-group balances and transactions have been eliminated. The previously held interest was remeasured to the fair value implied by the controlling tranche acquired on August 13, 2025. The consideration transferred for the additional 75% interest, together with the fair value of the previously held interest, was allocated to the identifiable assets acquired and liabilities assumed based on their fair values at the acquisition date.

It was concluded that part of the Earn-Out arrangement represents remuneration for post-acquisition services, while the remaining portion constitutes contingent consideration to be included in the purchase price and subsequent purchase price allocation. Post-combination services provided by employees or selling shareholders are not accrued at the acquisition date, but are recognized as compensation expense over the service period.

The acquisition resulted in a small bargain-purchase gain, as the fair value of the identifiable net assets exceeded the consideration transferred. The resulting gain from a bargain purchase (badwill) was immaterial (<100 kEUR) and recognized immediately in profit or loss in accordance with IFRS 3.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of Chassis Autonomy SBA AB as at the date of acquisition were:

MEUR	NOTE	FAIR VALUE RECOGNISED ON ACQUISITION
Intangible assets (development costs)	12	1.6
Property, plant, and equipment	13	0.1
Right-of-use assets	14	0.3
Other current assets	17	0.5
Cash and cash equivalents	21	0.2
Total assets		**2.7**
Contingent liability	22	0.3
Interest-bearing liabilities	21	0.1
Non-current lease liabilities	21	0.2
Current lease liabilities	21	0.1
Trade payables	24	0.2
Other current payables	24	0.1
Total liabilities		**1.0**

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 18,225,314 shares (2024: 21,994,445) 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."

	2025	2024
Number of shares in issue at 01.01.	951,423,131	951,423,131
Number of shares in issue at 31.12.	**951,423,131**	**951,423,131**
Of these, treasury shares	18,225,314	21,994,445

The twenty largest shareholders in the company as at 31.12.2025 were as follows:

SHAREHOLDERS AND NOMINEES	NO. OF SHARES	%	COUNTRY	TYPE OF ACCOUNT
Apollo Asset Limited	115,000,000	12.1%	Cayman Islands	Ordinary
Nordnet Bank AB	36,849,233	3.9%	Sweden	Nominee
Saxo Bank AS	35,816,871	3.8%	Denmark	Nominee
Citibank, N.A.	22,186,690	2.3%	Ireland	Nominee
Kongsberg Automotive ASA	18,225,314	1.9%	Norway	Ordinary
Arild Vigen Christoffersen	14,280,921	1.5%	Norway	Ordinary
Nordnet Livsforsikring AS	13,896,983	1.5%	Norway	Ordinary
The Bank of New York Mellon SA/NV	12,792,265	1.3%	United Kingdom	Nominee
Danske Bank A/S	11,195,656	1.2%	Denmark	Nominee
Verdipapirfondet DnB Norge Indeks	8,776,876	0.9%	Norway	Ordinary
Commuter 2 AS	7,300,000	0.8%	Norway	Ordinary
Kransekakebakeren AS	7,296,868	0.8%	Norway	Ordinary
Finn Arnesen	6,600,000	0.7%	Norway	Ordinary
UBS Switzerland AG	6,540,934	0.7%	Switzerland	Nominee
Lars Rimestad	6,150,000	0.6%	Norway	Ordinary
Verdipapirfondet KLP Aksjenorge	5,879,895	0.6%	Norway	Ordinary
Jan Erik Andersen	5,431,824	0.6%	Norway	Ordinary
Verdipapirfondet Storebrand Indeks	5,181,372	0.5%	Norway	Ordinary
John Stien Invest AS	4,950,000	0.5%	Norway	Ordinary
Alfaplan AS	4,700,000	0.5%	Norway	Ordinary
Total 20 largest shareholders	**349,051,702**	**36.7%**		
Other shareholders	602,371,429	63.3%		
Number of shares in issue at 31.12.2024	**951,423,131**	**100.0%**		
Number of shareholders	21,796			
Foreign ownership	33.0%			

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)

	2025		2024	
NOK	AVERAGE EXERCISE PRICE	OPTIONS	AVERAGE EXERCISE PRICE	OPTIONS
Options at 01.01.	3.0	1,827,835	3.0	4,677,069
Granted	–	–	–	–
Forfeited	3.0	(321,190)	3.0	(1,294,116)
Expired	3.0	(325,031)	3.0	(716,177)
Adjusted (quantity)	3.0	–	3.0	(838,941)
Options at 31.12.	**3.0**	**1,181,614**	**3.0**	**1,827,835**

Outstanding options at the end of the year (NOK)

	2025		2024	
EXPIRY DATE	EXERCISE PRICE (NOK)	OPTIONS	EXERCISE PRICE (NOK)	OPTIONS
10.06.2031 (grant 2021)	3.0	1,181,614	3.0	1,827,835
Options at 31.12.		**1,181,614**		**1,827,835**

Movements in restricted stock units (RSU) and performance stock units (PSU)

NOK	2025	2024
RSU at 01.01.	29,776,538	26,545,542
Granted	–	16,834,565
Released	(5,073,501)	(4,713,359)
Forfeited	(10,925,335)	(8,725,343)
Adjusted	(2,952,172)	(164,867)
RSU at 31.12.	**10,825,530**	**29,776,538**

Outstanding restricted stock units and performance stock units at the end of the year

EXPIRY DATE	2025	2024
Grant 2022 (02.06.2025)	–	5,369,783
Grant 2023 (05.06.2026)	3,302,990	7,754,410
Grant 2024 (30.05.2027)	7,522,540	16,652,345
RSU at 31.12.	**10,825,530**	**29,776,538**

NOTE 19 EARNINGS AND DIVIDEND PER SHARE

Earnings per share for the group

	2025	2024
Net profit attributable to equity shareholders (MEUR)	0.2	(18.2)
Weighted average number of shares in issue (in millions)	**1,041.0**	**1,039.2**
Weighted average total number of ordinary shares (in millions)	*1,061.9*	*1,061.9*
Weighted average number of treasury shares held (in millions)	*(20.9)*	*(22.7)*
Basic earnings per share, EUR	**0.00**	**(0.02)**
Weighted average number of shares in issue (diluted) (in millions)	**1,062.1**	**1,068.4**
Weighted average number of outstanding options & RSU/PSU (in millions)	*21.2*	*29.2*
Diluted earnings per share, EUR	**0.00**	**(0.02)**

Dividend per share

EUR	2025	2024
Dividend per share paid	0.0	0.0
Dividend per share proposed	0.0	0.0

No dividend was proposed for 2025.

NOTE 20 RETIREMENT BENEFIT OBLIGATIONS

Retirement benefit obligations recognized in the statement of financial position

MEUR	2025	2024
Defined benefit pension obligation	9.4	12.4
Top hat, retirement provisions, and other employee obligations	0.7	0.6
Retirement benefit obligations	**10.1**	**13.0**

Defined benefit scheme – assumptions

	2025	2024
Discount rate	2.3%	2.9%
Rate of return on plan assets	0.1%	0.2%
Salary increases	1.1%	1.1%
Increase in basic government pension amount	0.9%	1.0%
Pension increase	0.5%	0.4%

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	2025	2024
Current service cost	0.5	0.6
Past service cost (including plan settlement)	(0.9)	0.0
Interest on benefit obligations	0.3	0.4
Net periodic pension cost	**0.1**	**1.0**
Remeasurement of net defined benefit liability	(2.2)	0.9
Actual return on plan assets	6.2%	2.5%

Defined benefit scheme – net pension liability

MEUR	2025	2024
Pension liabilities and assets:		
Projected benefit obligation (PBO)	12.0	16.2
Fair value of pension assets	(2.6)	(3.8)
Net pension liability before social security taxes	**9.4**	**12.4**
Social security taxes liabilities	0.0	0.0
Net pension liability	**9.4**	**12.4**

Specification of carrying value of net pension liability

MEUR	2025	2024
Retirement benefit obligation	12.0	16.2
Retirement benefit asset	(2.6)	(3.8)
Net pension liability	**9.4**	**12.4**

Defined benefit scheme – change in net pension liability

MEUR	2025	2024
Net pension liability 01.01.	12.4	11.3
Pension cost for the year	0.0	1.0
Remeasurement of net defined benefit liability	(2.2)	0.9
Paid pensions	(0.6)	(0.6)
Pension plan contributions	(0.2)	(0.3)
Translation differences	0.0	0.1
Net pension liability 31.12.	**9.4**	**12.4**

NOTE 20 RETIREMENT BENEFIT OBLIGATIONS *(CONTINUED)*

Defined benefit scheme – sensitivities*

MEUR	DBO AS AT 31.12.2025	DBO AS AT 31.12.2024
Actual valuation	9.4	12.4
Discount rate + 0.5%	9.0	11.7
Discount rate – 0.5%	9.9	13.1
Expected rate of salary increase + 0.5%	9.5	12.4
Expected rate of salary increase – 0.5%	9.3	12.3
Expected rate of pension increase + 0.5%	9.8	12.8
Expected rate of pension increase – 0.5%	9.0	11.9

*The sensitivity does not include all schemes, however it covers a 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 employee 21 years
- Female employee 24 years

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

- Male employee 24 years
- Female employee 27 years

Expected pension payment

The pension payment for 2026 is expected to be in line with the 2025 payment.

NOTE 21 INTEREST-BEARING LIABILITIES

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

MEUR	2025	2024
Non-current interest-bearing loans and borrowings	110.0	110.0
Capitalized arrangement fees	(1.9)	(2.5)
Drawn securitization facility	25.0	25.0
Interest-bearing lease liabilities	65.6	73.7
Total interest-bearing liabilities	**198.7**	**206.2**

On June 24, 2024, the previously secured five-year bonds with the outstanding principal amount of MEUR 190.6, 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 31, 2025.

The indenture for our outstanding Senior Notes and the RCF includes customary terms and conditions, including restrictions on the 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 that could have a material impact on the group, such as the 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

NOTE 21 INTEREST-BEARING LIABILITIES *(CONTINUED)*

be less than the commitment, depending on the availability of receivables meeting the investment criteria. At the end of December 2025, MEUR 25.0 had been drawn from the facility.

The group was in compliance with all applicable debt covenants at and for the year ending December 31, 2025.

Specification of total interest-bearing liabilities by currency

MEUR	2025	2024
EUR	168.0	170.7
USD	11.4	14.8
Other currencies	21.2	23.2
Capitalized arrangement fees	(1.9)	(2.5)
Total interest-bearing liabilities	**198.7**	**206.2**

Changes in liabilities arising from financing activities

MEUR	2025	2024
Opening balance at 01.01.	206.2	264.9
Changes arising from cash flows:		
Net proceeds from issuing the new bond notes	0.0	107.5
Payments for redemption/repurchase of the old bond notes	0.0	(190.2)
Securitization facility drawn/(repaid)	0.0	25.0
Repayment of lease liabilities	(10.0)	(9.7)
Repayment of Chassis Autonomy's external debt	(0.2)	0.0
Non-cash changes:		
Additions – lease liabilities	4.1	7.1
Additions – first consolidation of Chassis Autonomy	0.4	0.0
Amortization of capitalized arrangement fees	0.5	0.0
Reduction of capitalized arrangement fees due to the bond repayment	0.0	1.3
Other:		
Foreign exchange movement	(1.0)	2.1
Translation effect	(1.3)	(1.8)
Closing balance at 31.12.	**198.7**	**206.2**

Liquidity reserve

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

MEUR	2025	2024
Cash and cash equivalents	90.8	84.3
Restricted cash	0.0	(0.1)
Undrawn revolving credit facility	15.0	15.0
Undrawn securitization facility	0.0	0.0
Liquidity reserve	**105.8**	**99.2**

NOTE 22 OTHER NON-CURRENT INTEREST-FREE LIABILITIES

Specification of other non-current interest-free liabilities

MEUR	2025	2024
Contingent liability – first consolidation of Chassis Autonomy	0.3	0.0
Provision for employee litigations	0.5	0.5
Other non-current interest-free liabilities	0.2	0.2
Total other non-current interest-free liabilities	**1.0**	**0.7**

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 the 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 revenues development. However, they have not had a significant impact on operating profit. This is due to the fact that 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 at 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 ultimate parent company's presentation currency is the euro, and its functional currency was assessed to be changed from Norwegian krone to euro effective January 1, 2025. This change eliminates foreign-exchange gains and losses on EUR-denominated financial instruments and removes translation exposure related to the Norwegian holding operations.

Sensitivity

As of December 31, 2025, if the 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 (12.0) and MEUR 13.2, and group's operating result would decrease by MEUR 0.4 (3.0%) and increase by MEUR 0.4 (3.4%).

Operational risks

Operation and investment risks and uncertainties

The group is usually contracted as a supplier with a long-term commitment. The commitment is usually based on model platforms, which for passenger cars are typically three to five years, while for commercial vehicles it is typically five to seven years and in some cases even longer. Purchase orders are achieved on a

NOTE 23 RISK MANAGEMENT *(CONTINUED)*

competitive bidding basis for either a specific indefinite period of 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 cancelations, 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.

Competition

The group has significant competitors in each of its business areas and across the geographical markets in which it 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 its market position.

Volatility in prices of input factors

The group's financial performance is dependent on the prices of input factors, i.e. raw materials and different semi-finished components with a varying degree of processing that are used in the production of the various automotive parts. Some of the major raw materials are:

- Steel including rod and sheet metal, cast iron, and machined steel components
- Polymer components of rubber, foam, plastic components, and plastic raw materials
- Copper
- Zinc
- Aluminum

The prices may 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.

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 on 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.

Uninsured losses

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.

Supply chain-related risks and uncertainties

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 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.

Risks related to the Russia-Ukraine war and conflicts in the Middle East

The war in Ukraine has created considerable uncertainty, particularly with regard to the potential impact of political actions, primarily where the duration, intensity, and allocation of energy supplies, as well as their impact on the supply chain, are concerned. In addition, the recent war in Iran and the broader conflict in the Middle East have further increased volatility in global energy markets and heightened overall economic uncertainty.

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, together with greater volatility, have added to the strain. Developments in the Middle East have reinforced these pressures, contributing to higher energy, logistics, and raw material costs. Furthermore, rising inflation rates could reduce purchasing power, adversely affect end-customer behavior, and put a damper on demand for the products offered to customers.

As a consequence of these geopolitical conflicts, 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. The potential effects and duration of these conflicts remain uncertain and continue to evolve.

The group's operations were not directly impacted by these conflicts, as none of the group's plants are located in Ukraine, Russia, Iran, or other affected countries in the Middle East, and most of KA's customers do not have close economic ties with these regions. However, the group's financials have been impacted by the indirect consequences of these conflicts, such as increased energy prices and

NOTE 23 RISK MANAGEMENT *(CONTINUED)*

rising freight costs, as well as heightened uncertainty in customer demand and global supply chains. The group continues to closely monitor the situation and takes prudent actions to mitigate potential adverse impacts.

Exposure to tariff risks

The uncertainty and risks arising from the tariffs imposed by the United States in 2025 could disrupt supply chains, increase costs, and contribute to inflationary pressures. Any new, increased, or changed tariffs, along with related trade restrictions, may heighten business risks and have a negative impact on existing business and supplier relationships. These developments are closely monitored by Kongsberg Automotive, necessitating sustained attention to mitigate potential adverse impacts. To mitigate the negative effects, Kongsberg Automotive is in continuous dialog with customers to negotiate and agree on compensation. In addition, the group has considered adjusting the sourcing strategy to mitigate the effects from tariffs and their subsequent impact on demand.

Climate change risk

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 an 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 2025, the company's financial reporting was not significantly impacted by climate change risk.

Interest rate 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 notes can be drawn 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 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 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 loss on receivables. Applying forward-looking information, we do not see any material increase in the credit risk. Refer to note 17.

The automotive industry consists of a limited number of vehicle manufacturers; hence, the five biggest customers will account for approximately 41.2% of total sales in 2025. The group has a diversified customer base, with one individual customer 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 no concentration risk; however, due to the number of vehicle manufacturers and customers, concentration risk could be considered to exist.

Liquidity and capital risk

The group's sources of capital consist of shareholders' equity, long-term borrowings, and third-party financing.

Total capital 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 KA Treasury department. The development of net interest-bearing debt and liquidity reserves is closely monitored. For liquidity reserve, see note 21.

NOTE 24 TRADE AND OTHER PAYABLES

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

MEUR	2025	2024
Trade payables	78.9	84.8
Accrued expenses	41.6	46.4
Provisions	26.1	15.9
Interest payable	0.0	0.1
Other short-term liabilities	6.7	6.1
Total trade and other payables	**153.3**	**153.3**

Provisions

MEUR	PROVISION FOR WARRANTIES	RESTRUCTURING AND OTHER PROVISIONS	TOTAL 2025	PROVISION FOR WARRANTIES	RESTRUCTURING AND OTHER PROVISIONS	TOTAL 2024
Opening balance	12.7	3.2	15.9	9.2	8.0	17.2
P&L charge	21.0	2.1	23.1	19.7	2.2	21.9
Payments	(7.7)	(2.4)	(10.1)	(16.6)	(5.3)	(21.9)
Release	(0.1)	(0.9)	(1.0)	(0.1)	(1.7)	(1.8)
Translation effect	(1.7)	(0.1)	(1.8)	0.5	0.0	0.5
Closing balance	**24.2**	**1.9**	**26.1**	**12.7**	**3.2**	**15.9**

Maturity structure

MEUR	PROVISIONS	ACCRUED EXPENSES	INTEREST PAYABLES	OTHER SHORT-TERM LIABILITIES	TRADE PAYABLES	TOTAL 2025
Repayable 0-3 months after year end	8.5	27.9	0.0	4.5	67.6	108.5
Repayable 3-6 months after year end	5.5	9.7	0.0	0.9	6.7	22.8
Repayable 6-9 months after year end	5.5	2.3	0.0	0.2	4.1	12.1
Repayable 9-12 months after year end	6.6	1.7	0.0	1.1	0.5	9.9
Total	**26.1**	**41.6**	**0.0**	**6.7**	**78.9**	**153.3**

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**

NOTE 25 FINANCIAL INSTRUMENTS

Classification, measurement, and fair value of financial instruments

2025 MEUR	LOANS, RECEIVABLES, AND CASH AT AMORTIZED COST	FINANCIAL LIABILITIES AT AMORTIZED COST	TOTAL 2025
Trade and other receivables	139.0		139.0
Cash and cash equivalents	90.8		90.8
Interest-bearing loans and borrowings		(133.1)	(133.1)
Interest-bearing lease liabilities		(65.6)	(65.6)
Trade payables and accrued expenses		(120.5)	(120.5)
Total	**229.8**	**(319.2)**	**(89.4)**
Fair value	229.8	(318.9)	(89.1)
Unrecognized gain/(loss)*		0.3	0.3

*Based on level 1 input. The bond was traded at 98.0% of its par value as at 31.12.2025 (97.8% as at 31.12.2024).

2024 MEUR	LOANS, RECEIVABLES, AND CASH AT AMORTIZED COST	FINANCIAL LIABILITIES AT AMORTIZED COST	TOTAL 2024
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

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

Remuneration and fees recognized in the statement of comprehensive income

KEUR	2025	2024
Total remuneration of the Board of Directors	316.7	321.9
Gross base salary to the CEO[1, 2]	545.1	518.0
CEO short-term incentive costs[3]	0.0	0.0
CEO's long-term incentive costs[4]	0.0	92.7
Pension costs to the CEO[1]	26.5	10.9
Other remuneration to the CEO[1, 5]	76.7	19.7
Management salaries other than to the CEO[2]	1,633.5	2,626.2
STI, LTI costs, and other remuneration of management other than the CEO[3, 4, 5]	102.9	907.6
Pension costs of management other than the CEO	335.2	364.5
Termination payments to former CEO[6]	660.3	0.0
Termination payments to former management members[7]	1,228.9	0.0
Total – Board of Directors and Senior Management	**4,925.8**	**4,861.4**
Remuneration to Nomination Committee	17.3	46.4

[1] For 2025, the CEO-related items reflect the items paid in total to the CEO role, added up from three position holders in the year: former CEO Linda Nyquist-Evenrud (until 28.01.2025), Interim CEO Christian Johansson (29.01.2025-30.03.2025), and current CEO Trond Fiskum (From 31.03.2025). The detailed split of all items can be found in the Remuneration Report 2025 in the section entitled Breakdown of CEO remuneration in 2025.

[2] Holiday pay, as applicable, included in base salary.

[3] There have been no payouts under the current STI plan, as the required performance levels were not reached.

[4] Long-term incentives plans – share-based compensation. The amounts represent the expenses accounted for according to IFRS 2. For LTI 2025, the plan changed from a share-based plan to a cash-based plan. The required performance was not achieved, therefore no grant under LTI 2025.

[5] Includes regular benefits, and for CEO includes a one-time extraordinary payment specific for the FY 2025 that is not part of regular compensation.

[6] Termination payment and benefits paid out to former CEO Linda Nyquist-Evenrud until the last contractual day.

[7] Termination payments and benefits paid out to former executive leadership members.

Specification of fees paid to the auditors

KEUR	2025	2024
Statutory audit services to the parent company (Deloitte)	281.2	364.2
Statutory audit services to subsidiaries (Deloitte)*	626.7	613.8
Statutory audit services to subsidiaries (other)	31.5	113.3
Non-audit services (Deloitte)	36.0	50.2
Tax services (Deloitte)	407.0	290.1
Total	**1,382.4**	**1,431.5**

*of which kEUR 125.9 (kNOK 1,500.0) in 2025 (2024: kEUR 74.8 (kNOK 870.0)) related to 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 2026.

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 Raufoss Distribution SAS, 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, Kongsberg Automotive Ltda, and KA Group AG.

General information

In 2025, total parent guarantees in the total amount of around MEUR 35.0 (MEUR 26.0 and MUSD 10.0) were issued for entities in Slovakia, Poland, and Mexico.

NOTE 28 CONTINGENT LIABILITIES

There are no current material legal disputes involving either the company or its subsidiaries that need to be disclosed.

However, a comprehensive review of the warranty exposure has been conducted. This review has revealed further challenges related to warranty costs. These issues are not primarily due to product quality, but rather stem from historically unfavorable contractual terms and suboptimal warranty management practices. The warranty accrual per Q4 2025 is based on the best estimate of the total liabilities, but the complexity and variability of potential outcomes KA may be held accountable for is significant.

NOTE 29 SUBSEQUENT EVENTS

No significant subsequent events have been identified.

NOTE 30 RELATED-PARTY TRANSACTIONS

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.

Key Management and BoD compensation

See note 26 – it includes remuneration for Senior Management and the Board of Director.

FINANCIAL STATEMENTS OF THE PARENT COMPANY

STATEMENT OF COMPREHENSIVE INCOME

MEUR	NOTE	2025	2024
Operating revenues	**21**	**8.9**	**5.3**
Operating expenses			
Salaries and social expenses	5	(0.3)	(0.3)
Other operating expenses	6	(2.9)	(3.5)
Total operating expenses		**(3.2)**	**(3.8)**
Operating profit		**5.7**	**1.5**
Financial items			
Financial income	7	9.5	58.6
Financial expenses	7	(39.9)	(12.8)
Net financial items		**(30.4)**	**45.8**
Profit/(loss) before taxes		**(24.8)**	**47.3**
Income taxes	8	7.0	(7.2)
Net profit/(loss)		**(17.8)**	**40.1**
Other comprehensive income			
Translation differences		0.0	(12.7)
Other comprehensive income		**0.0**	**(12.7)**
Total comprehensive income for the year		**(17.8)**	**27.4**

STATEMENT OF CASH FLOW

MEUR	NOTE	2025	2024
Operating activities			
Profit/(loss) before taxes		(24.8)	47.3
Interest income	7	(4.1)	(4.7)
Dividend income	7	(5.3)	(26.8)
Interest expenses and other financial expenses	7	11.9	12.4
(Gain)/loss on sale of non-current assets		0.0	(1.0)
Changes in trade receivables*	12	(26.3)	42.4
Changes in trade payables**	16	21.1	15.8
Currency differences	7	27.7	(21.1)
Changes in other items***		0.3	1.1
Cash flow from operating activities		**0.5**	**65.4**
Investing activities			
Repayment of investments in subsidiaries	4	0.0	9.7
Interest received	7	4.1	4.7
Dividends received	7	4.8	24.5
Other investing payments		(0.3)	0.0
Cash flow from investing activities		**8.6**	**38.9**
Financing activities			
Payments for purchase of treasury shares	13	0.0	(2.3)
Net proceeds from issuing the new bond notes	14	0.0	107.5
Repayment of IC loans	14	0.0	(199.0)
Interest paid and payments for other financial items	7	(9.3)	(12.3)
Cash flow used by financing activities		**(9.3)**	**(106.1)**
Currency effects on cash		**0.4**	**0.4**
Net change in cash		0.2	(1.4)
Net cash at January 1		0.0	1.4
Net cash at December 31		**0.2**	**0.0**
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	2025	2024
Non-current assets			
Investments in subsidiaries	4	228.6	228.6
Loans to subsidiaries	21	211.4	238.6
Other non-current assets		0.1	0.1
Total non-current assets		**440.1**	**467.3**
Current assets			
Trade and other receivables	12, 21	35.0	11.5
Cash and cash equivalents		0.2	0.0
Total current assets		**35.2**	**11.5**
Total assets		**475.3**	**478.8**

EQUITY AND LIABILITIES

MEUR	NOTE	2025	2024
Equity			
Share capital	13	80.6	80.6
Treasury shares	13	(5.2)	(5.2)
Share premium		172.0	172.0
Other reserves		(49.5)	(49.5)
Retained earnings		69.8	87.6
Total equity		**267.7**	**285.5**
Non-current liabilities			
Deferred tax liabilities	8	19.0	26.5
Retirement benefit obligations		0.3	0.3
Interest-bearing liabilities	14	108.1	107.5
Total non-current liabilities		**127.4**	**134.3**
Current liabilities			
Trade and other payables	16, 21	80.2	59.0
Total current liabilities		**80.2**	**59.0**
Total liabilities		**207.6**	**193.3**
Total equity and liabilities		**475.3**	**478.8**

Kongsberg, March 25, 2026

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

Sign.
Olav Volldal
Chair

Sign.
Bård Klungseth
Deputy Chair

Sign.
Synnøve Gjønnes
Director

Sign.
Ulla-Britt Fräjdin-Hellqvist
Director

Sign.
Brian Kristoffersen
Director

Sign.
Hilde-Yvonne Beggerud
Employee representative

Sign.
Ørjan Langnes
Employee representative

Sign.
Siw Reidun Wærås Bjerke
Employee representative

Sign.
Trond Fiskum
President and CEO

STATEMENT OF CHANGES IN EQUITY

MEUR	SHARE CAPITAL	TREASURY SHARES	SHARE PREMIUM	OTHER RESERVES	RETAINED EARNINGS	TOTAL EQUITY
Equity as at 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 31.12.2024/01.01.2025	**80.6**	**(5.2)**	**172.0**	**(49.5)**	**87.6**	**285.5**
Purchase of treasury shares		0.0				0.0
Share-based compensation				0.0		0.0
Total comprehensive income for the year:						
Loss for the year					(17.8)	(17.8)
Other comprehensive income:						
Translation differences	0.0	0.0	0.0	0.0		0.0
Total comprehensive income for the year	**0.0**	**0.0**	**0.0**	**0.0**	**(17.8)**	**(17.8)**
Equity as of 31.12.2025	**80.6**	**(5.2)**	**172.0**	**(49.5)**	**69.8**	**267.7**

NOTES TO THE FINANCIAL STATEMENTS OF THE PARENT COMPANY

NOTE 1 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 a 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 25, 2026.

NOTE 2 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.

NOTE 3 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 statement. 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).

The company's presentation currency is the euro, and its functional currency was assessed to be changed from Norwegian krone to euro effective January 1, 2025. This change eliminates foreign-exchange gains and losses on EUR-denominated financial instruments and removes translation exposure related to the Norwegian holding operations. All financial information presented in euros has been rounded to the nearest thousand, unless stated otherwise.

NOTE 4 INVESTMENTS IN SUBSIDIARIES

ENTITY NAME	COUNTRY OF INCORPORATION	OWNERSHIP 2025 & 2024	2025	2024
Kongsberg Automotive Holding 2 AS	Norway	100%	223.1	125.7
KA Group AG	Switzerland	0%*	0.0	97.4
Kongsberg Automotive (Wuxi) Ltd	China	100%	0.8	0.8
Kongsberg Automotive Ltda	Brazil	100%	2.0	2.0
Kongsberg Automotive Ltd	Korea	100%	1.5	1.5
Kongsberg Automotive (India) Private Ltd	India	100%	0.8	0.8
Kongsberg Automotive Driveline System India Ltd	India	100%	0.4	0.4
Total investments in subsidiaries			**228.6**	**228.6**

*The carrying amount of the investment in KA Group AG resulted from capital contributions made by the parent company in prior years without the issuance of shares. KA Group AG is directly and wholly owned by another subsidiary of the group, Kongsberg Actuation Systems B.V.

Investments

In 2025, no new investments were made in subsidiaries. The change in the carrying amount of the investments in Kongsberg Automotive Holding 2 AS and KA Group AG is due to the following: the planned closure of the Swiss entity in 2026 required the parent company to fully impair its shareholding in this subsidiary, while the impairment test performed for the shareholding in Kongsberg Automotive Holding 2 AS indicated that the previously recognized impairment could be reversed in an amount corresponding to the impairment charges recorded for the shareholding in KA Group AG. As a result, there was no net impact on the total carrying value of the parent company's investments in subsidiaries.

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.

NOTE 4 INVESTMENTS IN SUBSIDIARIES *(CONTINUED)*

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 to group companies, and intercompany receivables. The impairment assessment is made at a "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

Based on the results from the impairment test performed, the company concluded that there is no requirement for impairment indicated as at 31.12.2025.

NOTE 5 SALARIES AND SOCIAL EXPENSES

MEUR	2025	2024
Wages and salaries	0.3	0.3
Pension cost (defined contribution plans)	0.0	0.0
Total salaries and social expenses	**0.3**	**0.3**

The company had no employees as of 31.12.2025 and 31.12.2024. Wage and salaries comprise directors' fees.

NOTE 6 OTHER OPERATING EXPENSES

MEUR	2025	2024
Service costs	2.4	2.6
Other costs	0.5	0.9
Total other operating expenses	**2.9**	**3.5**

NOTE 7 FINANCIAL ITEMS

MEUR	2025	2024
Dividend and other financial income	5.3	26.6
Foreign currency gains*	0.0	25.1
Account receivables securitization – income	0.6	0.7
Interest income	3.6	4.0
Reversal of write-down of intercompany shares	0.0	2.2
Total financial income	**9.5**	**58.6**
Interest expense	(8.8)	(12.0)
Foreign currency losses*	(27.8)	0.0
Change in value of financial derivatives	0.0	(0.1)
Write-down of intercompany loans	(2.9)	(0.3)
Other financial expenses	(0.4)	(0.4)
Total financial expenses	**(39.9)**	**(12.8)**
Total financial items	**(30.4)**	**45.8**

*Includes unrealized currency loss of MEUR 27.7 (2024: unrealized gain of MEUR 21.1)

NOTE 8 TAXES

Tax recognized in the statement of income

The major components of income tax expense:

MEUR	2025	2024
Current tax on profits for the year*	(0.4)	(2.2)
Adjustments in respect of prior years – current tax	(0.1)	(0.1)
Total current tax expense	**(0.5)**	**(2.3)**
Current year change in deferred tax	7.4	5.0
Adjustments in respect of prior years – deferred tax	0.1	0.1
Total change in deferred tax	**7.5**	**(4.9)**
Total income tax (expense)/credit	**7.0**	**(7.2)**

* Includes withholding tax of MEUR 0.4. Further details can be found in table below.

Tax recognized in other comprehensive income

No tax was recognized in other comprehensive income in 2025 and 2024.

Reconciliation of the Norwegian nominal statutory tax rate to effective tax rate

MEUR	2025	2024
Profit/(loss) before taxes	**(24.8)**	**47.3**
Expected tax calculated at Norwegian tax rate	5.5	(10.4)
Dividends (permanent differences)	1.1	5.7
Other permanent differences	0.9	(0.3)
Effect of withholding tax*	(0.4)	(2.2)
Income tax (expense)/credit	**7.0**	**(7.2)**
Average effective tax rate	**28.2%**	**15.2%**

*Paid by the distributing entity.

Tax recognized in the statement of financial position

Current tax

MEUR	2025	2024
Current income tax receivables	0.0	0.0
Current income tax liabilities	0.0	0.0
Total	**0.0**	**0.0**

Deferred tax

MEUR	2025	2024
Deferred tax liability	(19.0)	(26.5)
Total	**(19.0)**	**(26.5)**

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 BALANCE	CHARGED TO INCOME	CHANGES IN RATE	OCI	EXCHANGE DIFFER-ENCES	CLOSING 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	0.1	0.4	0.0	0.0	0.0	0.5
Trade and other receivables	3.3	0.3	0.0	0.0	0.0	3.6
Unrealized FX on long-term receivables/payables	(30.3)	6.8	0.0	0.0	0.0	(23.5)
Other temporary differences	0.3	0.0	0.0	0.0	0.0	0.3
Net deferred tax asset/(liability)	**(26.5)**	**7.5**	**0.0**	**0.0**	**0.0**	**(19.0)**

Tax positions not recognized

The company had no unrecognized positions in 2025 and 2024.

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, 2025.

NOTE 10 PROPERTY, PLANT & EQUIPMENT (PP&E)

All PP&E assets were fully depreciated as of December 31, 2025.

NOTE 11 RIGHT-OF-USE ASSETS

All right-of-use assets were fully depreciated as of December 31, 2025.

Lease liabilities

MEUR	2025	2024
Non-current lease liabilities	0.0	0.1
Current lease liabilities	0.0	0.0
Total lease liabilities	**0.0**	**0.1**

Maturity analysis – contractual undiscounted cash flows

MEUR	2025	2024
Within one year	0.0	0.1
One to five years	0.0	0.0
More than five years	0.0	0.0
Total undiscounted lease liabilities	**0.0**	**0.1**

NOTE 12 TRADE AND OTHER RECEIVABLES

In 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. In addition, 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	2025	2024
Short-term group loans and receivables	9.6	9.7
In-house bank	24.8	1.3
Other short-term receivables	0.1	0.1
Receivables	**34.5**	**11.1**
Prepayments	0.5	0.4
Total trade and other receivables	**35.0**	**11.5**

Receivables by currency

MEUR	2025	2024
NOK	25.7	4.5
EUR	8.9	5.5
USD	0.4	1.5
Total trade and other receivables	**35.0**	**11.5**

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	2025	2024
External non-current interest-bearing loans and borrowings	110.0	110.0
Capitalized arrangement fees	(1.9)	(2.5)
Total interest-bearing liabilities	**108.1**	**107.5**

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 company 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 by currency

MEUR	2025	2024
EUR	110.0	110.0
Capitalized arrangement fee	(1.9)	(2.5)
Total interest-bearing liabilities	**108.1**	**107.5**

Changes in liabilities arising from financing activities

MEUR	2025	2024
Opening balance as of 01.01.	107.5	197.8
Net proceeds from issuing the new bond notes	0.0	107.5
Repayment of IC loans	0.0	(199.0)
Amortization of capitalized arrangement fees	0.6	0.0
Reduction of capitalized arrangement fees due to the redemption of the old bond	0.0	1.3
Foreign exchange movement	0.0	6.4
Translation effect	0.0	(6.6)
Other	0.0	0.1
Closing balance as of 31.12.	**108.1**	**107.5**

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 risk

Management monitors the currency exposure at a group level. Due to the change of the functional currency from NOK to EUR effective January 1, 2025, the foreign exchange risk on EUR-denominated financial instruments was eliminated. The group's treasury function regularly evaluates the use of hedging 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	2025	2024
Trade payables	0.5	0.8
Group payables	78.4	57.0
Accrued expenses	1.3	1.0
Other short-term liabilities	0.0	0.2
Total trade and other payables	**80.2**	**59.0**

Provisions

The company had no provisions as of December 31, 2025, and December 31, 2024.

Maturity structure

MEUR	ACCRUED EXPENSES	OTHER SHORT-TERM LIABILITIES	GROUP PAYABLES	TRADE PAYABLES	TOTAL 2025
Repayable 0–3 months after year end	0.5	0.0	0.0	0.5	1.0
Repayable 3–6 months after year end	0.6	0.0	0.0	0.0	0.6
Repayable 6–9 months after year end	0.0	0.0	0.0	0.0	0.0
Repayable 9–12 months after year end	0.2	0.0	78.4	0.0	78.6
Total	**1.3**	**0.0**	**78.4**	**0.5**	**80.2**

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 toward suppliers of subsidiaries. The risk exposure is assessed to be immaterial.

In 2025, total parent guarantees in the total amount of around MEUR 35.0 (MEUR 26.0 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.

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	2025	2024
Trademark fee*	5.2	1.9
Service fee**	3.7	3.4
Operating revenues	**8.9**	**5.3**

* In 2024, entirely from KA Group AG; in 2025, entirely from Kongsberg Automotive Holding 2 AS
** In 2024, entirely from KA Group AG; in 2025, MEUR 1.0 from KA Group AG and MEUR 2.7 from Kongsberg Automotive Holding 2 AS

Specification of revenues – revenues by geographical location

MEUR	2025	2024
Norway	7.9	0.0
Switzerland	1.0	5.3
Operating revenues	**8.9**	**5.3**

Outstanding loans and receivables with other group companies

Loans to other group companies

MEUR	2025	2024
Kongsberg Automotive Holding 2 AS	208.6	235.9
Kongsberg Automotive Finance BV	2.5	2.5
Other group companies	0.3	0.2
Total outstanding loans with other group companies	**211.4**	**238.6**

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 125.7 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 Moody's rating methodology.

Short-term group receivables

MEUR	2025	2024
Kongsberg Actuation Systems S.L.U.	0.1	0.1
Kongsberg Automotive Holding 2 AS	5.2	0.0
Kongsberg Automotive Hong Kong Ltd	0.1	1.5
Kongsberg Automotive (Wuxi) Ltd.	2.6	2.6
KA Group AG	0.0	2.1
Other group companies	1.6	3.3
Total outstanding receivables to other group companies	**9.6**	**9.7**

Current assets and liabilities have due dates within one year. The outstanding accounts are repayable on demand based on the available liquidity in the respective subsidiary.

Outstanding liabilities with other group companies

MEUR	2025	2024
Group payables*	78.4	57.0
Total	**78.4**	**57.0**

*Includes the group contribution payable of MEUR 28.9 to Kongsberg Automotive Holding 2 AS as at December 31, 2025, and December 31, 2024.

CONSOLIDATED KEY FINANCIAL DATA

		2025	2024	2023	2022	2021
Operations and profit*						
1 Operating revenues	(MEUR)	712.8	788.2	884.9	905.6	831.4
2 Depreciation/amortization	(MEUR)	30.1	29.8	32.9	34.9	32.1
3 Operating profit/(loss)	(MEUR)	13.6	18.7	(19.7)	63.1	47.5
4 Profit/(loss) before taxes	(MEUR)	0.3	(2.3)	(45.7)	46.3	38.0
5 Net profit/(loss)	(MEUR)	0.2	(18.2)	(59.1)	20.8	28.5
6 Cash flow from operating activities	(MEUR)	58.5	32.4	21.5	64.5	56.7
7 Investment in property, plant, and equipment	(MEUR)	16.3	24.7	28.5	26.4	25.6
8 Development expenses, gross	(MEUR)	29.4	31.2	35.0	42.2	55.9
9 Development expenses, net	(MEUR)	24.9	26.2	28.1	36.6	47.5
Profitability*						
10 EBITDA margin	%	6.1	6.2	1.5	10.8	9.6
11 Operating margin	%	1.9	2.4	(2.2)	7.0	5.7
12 Net profit margin	%	0.0	(2.3)	(6.7)	2.3	3.4
13 Return on total assets	%	2.3	2.8	(2.6)	8.2	5.7
14 Return on capital employed (ROCE)**	%	4.4	5.8	(5.9)	6.8	8.5
15 Return on equity	%	0.1	(8.7)	(23.8)	7.6	11.2

		2025	2024	2023	2022	2021
Capital as at 31.12.						
16 Total assets	(MEUR)	565.1	602.9	721.5	797.9	984.8
17 Capital employed**	(MEUR)	295.0	319.5	319.9	538.8	507.6
18 Total equity	(MEUR)	180.9	203.0	218.1	280.5	265.6
19 Equity ratio	%	32.0	33.7	30.2	35.2	27.0
20 Liquidity reserve	(MEUR)	105.8	99.2	219.2	287.4	140.9
21 Long-term interest-bearing debt	(MEUR)	188.5	196.3	254.7	258.3	338.7
22 Current ratio (banker's ratio)		1.9	2.0	2.2	2.4	1.6
23 Leverage ratio		2.2	2.5	1.8	0.8	3.8
24 Leverage ratio as per bond terms***		2.2	2.1	n/a	n/a	n/a
Personnel						
25 Number of employees (FTEs) at 31.12.		4,291	4,714	5,286	5,270	5,624

* Items in the Statement of comprehensive income and Statement of cash flow classified as discontinued operations are excluded in 2022 and 2021.

** 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 from Q1 2024; Capital employed and ROCE in 2022 and 2021 have not been adjusted and follow the old definition.

*** Since new bond notes were issued on June 24, 2024, the ratio is only available from the year 2024 onward.

Definitions

5 Profit/(loss) 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 Current assets/Current liabilities
23 NIBD/Adjusted EBITDA
25 Full-time equivalents (FTEs)

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 IFRS GAAP. They may be considered as non-GAAP financial measures that may include or exclude amounts that are calculated and presented according to 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 and taxed, excluding foreign exchange gains and losses. Adjusted EBIT is defined as EBIT excluding unusual or non-recurring items and restructuring items. Restructuring items include severance costs related to the overhead costs optimization program.

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.

2025 MEUR	DRIVE CONTROL SYSTEMS	FLOW CONTROL SYSTEMS	GROUP
Operating profit/(loss)	**(2.8)**	**16.4**	**13.6**
Additional salaries and social expenses	1.7	1.6	3.3
Other additional operating expenses/(income)	(1.2)	0.1	(1.1)
Impairment losses/(reversal of impairment)	1.6	1.1	2.7
Adjusted EBIT	**(0.7)**	**19.2**	**18.5**
Adjusted EBIT margin	*-0.2%*	*6.4%*	*2.6%*

2024 MEUR	DRIVE CONTROL SYSTEMS	FLOW CONTROL SYSTEMS	GROUP
Operating profit/(loss)	**9.1**	**9.6**	**18.7**
Restructuring costs	(0.3)	(0.3)	(0.6)
Additional salaries and social expenses	5.3	1.1	6.4
Other additional operating expenses/(income)	(0.6)	0.2	(0.4)
Impairment losses/(reversal of impairment)	(4.6)	(0.4)	(5.0)
Adjusted EBIT	**8.9**	**10.2**	**19.1**
Adjusted EBIT margin	*1.9%*	*3.3%*	*2.4%*

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.

2025 MEUR	DRIVE CONTROL SYSTEMS	FLOW CONTROL SYSTEMS	GROUP
Operating profit/(loss)	**(2.8)**	**16.4**	**13.6**
Depreciation	15.0	14.2	29.2
Amortization	0.8	0.1	0.9
EBITDA	**13.0**	**30.7**	**43.7**
Restructuring items	0.5	1.7	2.2
Impairment losses/(reversal of impairment)	1.6	1.1	2.7
Adjusted EBITDA	**15.1**	**33.5**	**48.6**
Adjusted EBITDA margin	*3.7%*	*11.2%*	*6.8%*

2024 MEUR	DRIVE CONTROL SYSTEMS	FLOW CONTROL SYSTEMS	GROUP
Operating profit/(loss)	**9.1**	**9.6**	**18.7**
Depreciation	14.7	14.4	29.1
Amortization	0.6	0.1	0.7
EBITDA	**24.4**	**24.1**	**48.5**
Restructuring items	4.4	1.0	5.4
Impairment losses/(reversal of impairment)	(4.6)	(0.4)	(5.0)
Adjusted EBITDA	**24.2**	**24.7**	**48.9**
Adjusted EBITDA margin	*5.0%*	*8.0%*	*6.2%*

OPERATING REVENUES AT CONSTANT CURRENCIES

In order to measure the actual revenue development and to have it comparable year-on-year, currency translation effects are excluded. For this reason, the actual operating revenues are remeasured at prior-year currency rates (constant currencies).

2025 MEUR	DRIVE CONTROL SYSTEMS	FLOW CONTROL SYSTEMS	GROUP
Operating revenues (incl. currency translation effects)	**414.2**	**298.5**	**712.8**
Currency translation effects	(11.7)	(5.1)	(16 .7)
Operating revenues (excl. currency translation effects)	**425.9**	**303.6**	**729.6**

BUSINESS WINS

Business wins are reported when KA is awarded: (1) new contracts, (2) an 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 the years of start of production and end of production.

2025 MEUR	DRIVE CONTROL SYSTEMS	FLOW CONTROL SYSTEMS	GROUP
Annualized business wins	35.7	84.2	**119.9**
Lifetime business wins	104.3	234.7	**339.0**

2024 MEUR	DRIVE CONTROL SYSTEMS	FLOW CONTROL SYSTEMS	GROUP
Annualized business wins	249.1	133.7	**382.8**
Lifetime business wins	1,074.6	451.4	**1,526.0**

FREE CASH FLOW

Free cash flow is measured based on the 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	2025	2024
Cash flow from operating activities	58.5	32.4
Cash flow used by investing activities	(14.8)	(21.4)
Cash flow used by financing activities	(27.6)	(92.8)
Currency effects on cash	(9.6)	1.4
Add back/less:		
Payments for purchase of treasury shares	0.0	2.4
Net proceeds from issuing new bond notes	0.0	(107.5)
Payments for redemption/repurchase of the old bond notes	0.0	190.2
Securitization facility (drawn)/ repaid	0.0	(25.0)
Net (draw down)/repayment of debt	0.2	0.0
Free cash flow	**6.7**	**(20.3)**

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	2025	2024
Interest-bearing loans and borrowings	133.1	132.5
Long-term interest-bearing lease liabilities	55.4	63.8
Other short-term liabilities, interest-bearing	10.2	9.9
Cash and cash equivalents	(90.8)	(84.3)
Net interest-bearing debt	**107.9**	**121.9**

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	2025	2024
Intangible assets	80.6	84.6
Property, plant, and equipment	103.5	117.3
Right-of-use assets	51.4	54.8
Net working capital (inventories and trade receivables less trade payables)	125.1	136.5
IFRS 16 lease liabilities (long-term and short-term)	(65.6)	(73.7)
Capital employed	**295.0**	**319.5**

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		2025		2024
Capital employed beginning (1)	01.01.2025	319.5	01.01.2024	319.9
Capital employed at end (2)	31.12 2025	295.0	31.12 2024	319.5
EBIT last twelve months (3)		13.6		18.7
ROCE (3)/((1) + (2)) * 2		**4.4%**		**5.8%**

DECLARATION TO THE ANNUAL REPORT 2025

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, 2025, 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 25, 2026
The Board of Directors and the President & CEO of Kongsberg Automotive ASA

Sign.
Olav Volldal
Chair

Sign.
Bård Klungseth
Deputy Chair

Sign.
Synnøve Gjønnes
Director

Sign.
Ulla-Britt Fräjdin-Hellqvist
Director

Sign.
Brian Kristoffersen
Director

Sign.
Hilde-Yvonne Beggerud
Employee representative

Sign.
Ørjan Langnes
Employee representative

Sign.
Siw Reidun Wærås Bjerke
Employee representative

Sign.
Trond Fiskum
President and CEO

AUDITOR'S REPORT

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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 2025, 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 financial statements of Kongsberg Automotive ASA and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2025, 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 of the Company give a true and fair view of the financial position of the Company as at 31 December 2025, 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 financial statements of the Group give a true and fair view of the financial position of the Group as at 31 December 2025, 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) as applicable to audits of financial statements of public interest entities, 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 5.1 have been provided.

We have been the auditor of Kongsberg Automotive ASA for 16 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 2025. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of Intangible assets, including Goodwill, Property, plant and equipment and Right-of use assets

Description of the Key Audit Matter	**How the matter was addressed in the audit**
Refer to note 15 to the Group financial statements for description of management's impairment testing process and key assumptions. As disclosed in note 12, 13 and 14 the carrying value of Intangible assets, including Goodwill, Property, plant and equipment and Right-of use assets (identified assets) amounted to EUR 235.5 million at 31 December 2025. Management's annual impairment testing is based on the Group's three-year long-range plan, adjusted for relevant recent changes in internal short-term forecasts and market data. Changes in these assumptions could have a significant impact on the value in use of the cash-generating units (CGU's) and the recoverability of the carrying values of the identified assets allocated to these CGU's. Transparent disclosures and clarity about sensitivities to key assumptions used in the valuations are critical to inform readers how management has made their assessments, given the uncertainty associated with the valuation of the recoverable amounts. Due to the inherent uncertainty involved in the forecasting and discounting of future cash flows, which are the basis of the assessment of recoverability of the CGU and the level of management judgement involved, this has been identified as a key audit matter.	We challenged management's assumptions used in its impairment model for assessing the recoverability of the identified assets. We focused on the appropriateness of CGU identification, methodology applied to estimate recoverable values, discount rates and forecasted cash flows. Specifically: • We obtained a detailed understanding of management's process for performing the CGU impairment assessment. As part of this we assessed the design and implementation of the key controls. • We tested the methodology applied to estimate recoverable values as compared to the requirements of IAS 36, Impairment of assets; • We tested the mathematical accuracy of management's impairment models; • We obtained an understanding of and assessed the basis for the key assumptions for the Group's four-year long-range plan; • We evaluated and challenged management's cash flow forecasting included in the four-year plan and the growth rate beyond with reference to the recent and historical performance of the CGU's and external market forecasts and by performing sensitivity analysis; • We assessed the discount rate applied by benchmarking against independent data. We used Deloitte valuation specialists to assist our audit of the impairment testing. We considered the appropriateness of the related disclosures provided in note 15.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

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.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our statement on the Board of Directors' report applies correspondingly to the statement on Corporate Governance.

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.

Responsibilities of Management for the Financial Statements

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.

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.

Auditor's Responsibilities for the Audit of the Financial Statements

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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- 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.

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- 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.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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.
- 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.
- 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.

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.

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.

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.

Report on Other Legal and Regulatory Requirements

Report on Compliance with Requirement on European Single Electronic Format (ESEF)

Opinion

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 5967007LIEEXZXJDCG21-2025-12-31-1-en.zip, 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 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

Management's Responsibilities

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.

Auditor's Responsibilities
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.

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 iXBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL 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.

Oslo, 25 March 2026
Deloitte AS

Lars Atle Lauvsnes
State Authorised Public Accountant
(electronically signed)

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To the General Meeting of Kongsberg Automotive ASA

INDEPENDENT SUSTAINABILITY AUDITOR'S LIMITED ASSURANCE REPORT

Limited assurance conclusion

We have conducted a limited assurance engagement on the consolidated sustainability statement of Kongsberg Automotive ASA, included in Sustainability Statement of the Board of Directors' of the Board of Directors' report (the "Sustainability Statement"), as at 31 December 2025 and for the year then ended.

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:

- 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 pages 45-46, and
- compliance of the disclosures in subsection EU Taxonomy on pages 57-61 of the Sustainability Statement with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation").

Basis for conclusion

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.

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.

Our independence and quality management

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.

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.

Other matter

The comparative information included in the Sustainability Statement for the financial year 2023 and previous years was not subject to an assurance engagement. Our conclusion is not modified in respect of this matter.

Responsibilities for the Sustainability Statement

The Board of Directors and the Managing Director (management) are responsible for designing and implementing a process to identify the information reported in the Sustainability Statement in accordance

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with the ESRS and for disclosing this Process in subsection Double Materiality Assessment on pages 45-46 of the Sustainability Statement. This responsibility includes:

- understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

Management is further responsible for the preparation of the Sustainability Statement, in accordance with the Norwegian Accounting Act section 2-3, including:

- compliance with the ESRS;
- preparing the disclosures in subsection EU Taxonomy on pages 57-61 of the Sustainability Statement, in compliance with the Taxonomy Regulation;
- designing, implementing and maintaining such internal control that management determines is necessary to enable the preparation of the Sustainability Statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

Inherent limitations in preparing the Sustainability Statement

In reporting forward-looking information in accordance with ESRS, management is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

Sustainability auditor's responsibilities

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Sustainability Statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Sustainability Statement as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities in respect of the Sustainability Statement, in relation to the Process, include:

- obtaining an understanding of the Process, but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- considering whether the information identified addresses the applicable disclosure requirements of the ESRS; and
- designing and performing procedures to evaluate whether the Process is consistent with the Group's description of its Process set out in subsection Double Materiality Assessment on pages 45-46.

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

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- 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:

- obtained an understanding of the Process by:
  - performing inquiries to understand the sources of the information used by management (e.g., stakeholder engagement, business plans and strategy documents); and
  - reviewing selected parts of the Group's internal documentation of its Process; and

- 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 45-46.

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 and selected 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 inquires 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

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Independent sustainability auditor's
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- performed inquiries of selected relevant personnel, analytical procedures and substantive procedures on selected taxonomy disclosures included in the Sustainability Statement.

Oslo, 25 March 2026
Deloitte AS

Lars Atle Lauvsnes
State Authorised Public Accountant - Sustainability Auditor
(This document is signed electronically)

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