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KONGSBERG AUTOMOTIVE UK TAX STRATEGY

SCOPE & OBJECTIVE

This strategy applies to Kongsberg Automotive Ltd., Kongsberg Actuation Systems Ltd., Kongsberg Power Products Systems Ltd. And CTEX Seat Comfort (Holding) Ltd. Collectively referred to as "Kongsberg Automotive UK" in this strategy. This document is published in conformity with the United Kingdom ("UK") statutory obligation under Paragraph 16(2) and Schedule 19 of the Finance Act of 2016 for the financial year 2022, starting 1st January 2022 and ending 31st December 2022.

The Kongsberg Automotive Group strives for full compliance with all statutory obligations, internationally recognized standards, and full disclosure to relevant tax authorities. Kongsberg Automotive Group's tax affairs are managed in a way which takes into account the corporate reputation in line with Kongsberg Automotive Group's overall high standards of governance, core ethical behaviors and values

GOVERNANCE IN RELATION TO UK TAXATION

- > This Tax Strategy is approved by CFO and VP Global Tax of Kongsberg Automotive Group
- > Executive management of the Kongsberg Automotive UK tax matters is delegated to the UK finance team with support from VP Global Tax of Kongsberg Automotive Group
- > Local management of each legal entity is responsible for ensuring that all applicable regulations as well as internal guidelines and governance procedures relating to taxation are observed
- > Group Tax, Group Finance and regional finance teams are staffed with appropriately qualified individuals

RISK MANAGEMENT

- > Kongsberg Automotive UK operates a system of tax risk assessment and controls as a component of the overall internal control framework applicable to the Kongsberg Automotive Group's financial reporting system,
- > Kongsberg Automotive UK seeks to reduce the level of tax risk arising from its operations as far as is reasonably practicable by ensuring that reasonable care is applied in relation to all processes which could materially affect its compliance with its tax obligations,
- > Processes relating to different taxes are allocated to appropriate process owners, who carry out a review of activities and processes to identify key risks and mitigating controls in place. These risks are monitored for business and legislative changes which may impact them and changes to processes or controls are made when required,
- > Advice is sought from external advisers where appropriate

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ATTITUDE TOWARDS TAX PLANNING AND LEVEL OF RISK

- > Kongsberg Automotive UK manages risks to ensure compliance with legal requirements in a manner which ensures payment of the right amount of tax.
- > Kongsberg Automotive UK does not engage in artificial arrangements, i.e. tax planning that is not underpinned by commercial or economic substance. Tax planning measures are always in line with the tax legislation with a low risk of non-acceptance by tax authorities.
- > When entering into commercial transactions, Kongsberg Automotive UK seeks to utilize available tax incentives, reliefs and exemptions in line with and in the spirit of tax legislation

RELATIONSHIP WITH HMRC

Kongsberg Automotive UK seeks to have an open, transparent and constructive relationship with HMRC through regular communication and ad-hoc meetings in respect of developments in its business, current, future and retrospective tax risks, and interpretation of the law in relation to all relevant taxes