Welcome to your CDP Climate Change Questionnaire 2022

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

KONGSBERG is a leading global technology group, delivering mission-critical solutions to customers operating in extremely challenging environments. Throughout our proud two hundred year history, we have continuously advanced, applying innovative solutions to the needs of our customers, partners and society at large.
Today, we work for organisations across a number of sectors including: deep-sea, digital, defence, merchant marine, oil and gas, fisheries, aerospace and space industries. While our business areas are diverse, our focus is single-minded, we operate as a 11,000 strong team, dedicated to delivering technical excellence, at a world-class level. Our headquarters is in Norway, and we have operations in more than 40 countries. Per 31. December 2021 we had above 11 thousand employees, and total revenue was MNOK27.449.

Kongsberg Gruppen ASA is listed on the Oslo Stock Exchange and is subject to Norwegian securities legislation and stock exchange regulations. The Norwegian state owns 50.001 per cent of the shares in the company. KONGSBERG's deliveries are often of strategic importance for our customers, and contribute to the satisfaction of important societal needs and development trends within sectors such as safety, energy, transport and climate. It is important for KONGSBERG to hold technological and product positions where we are either world-leading or have the potential to become world-leading in the long term. KONGSBERG's strategic goal is to utilise our technologies to develop sustainable solutions for today's societal challenges. Our deliveries are facilitating a green switch in shipping, optimal management of the ocean's resources, monitoring of the condition of the oceans using data and information from satellites, as well as greater security for society.

Our Business areas are:
Kongsberg Defence & Aerospace (KDA)
Two decades of innovation, change and a focus on results have made Kongsberg Defence & Aerospace (KDA) a respected global technology leader and a leading supplier within defence, monitoring, space and aircraft structures, and within maintenance, repairs and service. We take

great pride in developing advanced solutions and products of strategic importance, for markets around the world, with applications spanning from underwater to surface, land and air to space.
Kongsberg Maritime (KM) develops and supplies technology which is helping to realise sustainable management of the ocean space. The market lies within traditional merchant vessels, fishing vessels, offshore and research vessels, as well as advanced offshore installations linked to aquaculture, oil and gas.
Kongsberg Digital (KDI) was established in 2016 to deliver next-generation software and digital solutions to customers in the maritime, oil and gas and renewable energy sectors. KDI possesses leading domain and digital expertise in areas which support increased automation and autonomous operations in the industry.

Sustainability and consideration for climate and the environment form an integral part of KONGSBERG's business strategy. We are developing innovative products and solutions for our customers which reduce greenhouse gas emissions, particularly within "Green Shipping" with the development of autonomous vessels, hybrid solutions and electric ferries. We are developing technology through collaboration and the use of "cross-over" technology between our business areas within defence, maritime and digital. We are contributing through collaboration in order to reduce harmful impacts on the oceans via management systems for fish farms, monitoring of marine areas for illegal fishing, plastic in the oceans, port monitoring, fishing quotas, trawler management, etc.
Sustainability in a business context for KONGSBERG is about business development; identifying opportunities and growth areas, improving our operations and practice, understanding regulatory, technological and market risks, ensuring political influence, goodwill and impact on framework conditions together with communication and branding.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1, 2021	December 31, 2021	Yes	3 years

C0.3

(C0.3) Select the countries/areas in which you operate.

Australia
Brazil
Canada
Chile
China
Croatia
Denmark
Finland
France

Germany
Greece
Hong Kong SAR, China
Hungary
India
Ireland
Italy
Japan
Malaysia
Mexico
Namibia
Netherlands
Norway
Panama
Poland
Qatar
Republic of Korea
Russian Federation
Saudi Arabia
Singapore
South Africa
Spain
Sweden
Switzerland
Turkey
United Arab Emirates
United Kingdom of Great Britain and Northern Ireland
United States of America
Viet Nam

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

NOK

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	NO0003043309
Yes, a Ticker symbol	KOG

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board Chair	The Chair of the Board has the highest level of responsibility for the Sustainability strategy including climate strategy, and approval of the Climate and Environmental Accounts in the Group. The Board has Sustainability and ESG on their agenda throughout the year, and approves the strategy and reporting in a yearly process. An example of a strategic decision made by the board and board chair, is that we will implement a new climate plan approved in 2021 for our internal operations, with the goal of contributing to Norway's climate targets for 2030, and ambition to support the Paris Agreement's intention. Another example is related to our product development, where we spend above two-thirds of our investments (which totals MNOK 1,721) in areas that largely support new sustainable solutions. Examples of sustainable solutions are: • Reduction of energy consumption and environmental impact alongside increased efficiency in the maritime sector • Observation, monitoring and management of marine natural resources and satellite monitoring of rainforests • Carbon-neutral solutions, such as offshore wind and zero-emission vessels.
Chief Executive Officer (CEO)	The CEO has the administrative responsibility for the Sustainability strategy including climate strategy, and the Climate and Environmental Accounts in the Group. This includes risk assessments for climate and environmental issues,

	development of plans to adress such risks and opportunities, and follow up of plans throughout in the organisation. The Corporate Management Team has Sustainability and ESG on their agenda throughout the year, and approves the strategy and reporting in a yearly process.
Chief Sustainability Officer (CSO)	Group Executive Vice President Public Affairs, Communication and Sustainability has the operative responsibility in the Corporate Management Team for Sustainability strategy including climate strategy, and the Climate and Environmental Accounts in the Group. This includes risk assessments for climate and environmental issues, development of plans to adress such risks and opportunities, and follow up of plans throughout in the organisation. Group EVP Public Affairs, Communication and Sustainability has the responsibility for developing the Sustainability strategy and reporting for the Group in a running process, including developing goals, objectives and KPI's.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding annual budgets Reviewing and guiding business plans Setting performance objectives Monitoring implementation and performance of objectives Overseeing major capital expenditures, acquisitions and divestitures Monitoring and overseeing progress against goals and targets for addressing climate-related issues	The Board reviews and approves strategy, risk assessments, plans, budgets etc where climate-issues are integrated according to a scheduled yearly plan. If any important matter arise this will be addressed promptly.

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues
Row 1	Yes	We have competence and relevant strategic and practical experinence within our Board for the following issues. We will further develop the criterias used to assess competence in following election of Board members. - Competence on climate-related issues as Science Based Target initiative, Green House Gas protocol etc. - Relevant experience related to sustainability and climate from an industrial perspective.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Chief Executive Officer (CEO)	Both assessing and managing climate-related risks and opportunities	Quarterly
Other C-Suite Officer, please specify Group Executive Vice President Public Affairs, Sustainability and Communication	Assessing climate-related risks and opportunities	Quarterly
Other, please specify Group Vice President Sustainability & Governance	Both assessing and managing climate-related risks and opportunities	Quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

Kongsberg Gruppen consist of three diverse Business Areas, with individual management and organisation. The Group has developed a Sustainability strategy, including Climate plan and ambitions, which is mandatory for all Business Areas to base their individual Climate risk-and opportunity plans upon. All Business Areas report as a minimum annually on risk- and

opportunities, plans for the coming year, and results for the plans. This is aggregated on Group-basis and discussed in the Corporate Management Team (CMT) , and the BoD. Group Vice President Sustainability & Governance is the operating officer when it comes to the day-to-day contact, assistance, guidance and monitoring towards the Business Areas, and reports to Group Executive Vice President Public Affairs, Sustainability and Communication who is a member of the CMT. The CEO has the ultimate responsibility for climate-related issues, and reports to the BoD at least annually on this. The risk analyses, plans and reports are discussed and approved in the CMT before presented and discussed in the BoD, who approves the Group strategies and plans.

The rationale for organizing the responsibilities and monitoring related to climate issues, is to have a clear tone-at-the-top from CMT and BoD with regard to strategy, ambitions, follow-up and monitoring, and at the same time empowering and making the Business Areas accountable for their own results. This follows the Governance model in the Group in general.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	Our CEO has as a part of his KPI's incentives for 2021 related to preparation and submission of necessary documentation for approval of Science Based Targets at SBTi. This is also included in the score cards for the Presidents in each of the Business Areas.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Chief Executive Officer (CEO)	Monetary reward	Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target	KPI's incentives related to climate-issues , related to documentation for approval of Science Based Targets at SBTi constitutes a part of the bonus-scheme for top management.

President	Monetary reward	Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target	KPI's incentives related to climate-issues related to documentation for approval of Science Based Targets at SBTi, constitutes a part of the bonus-scheme for top management, including President in our three Business Areas.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	1	3	Assessment of short-term risk is in general connected to our assessment of operational and tactical risk, where the risks can influence our on-going operations and/or the actual years objective, plans and results.
Medium-term	3	5	Assessment of medium-term risk is in general connected to our assessment of operational and tactical risk, where the risks can influence our on-going operations and/or the following 1-2 years objective, plans and results.
Long-term	5	30	Assessment of long-time horizon has in our operations no defined end-date, especially due to our participation in the aerospace- and defence industry, which can involve very long lead times . It is connected to our assessment for strategic risk, which can influence on our long-term strategic plans.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

We have defined different levels for consequences; from very low, low, medium, high to very high. Each level is defined with EBITA impact according to % of revenue for financial consequences, from less than 1%, to 20% or more impact on EBITA. A substantive financial or strategic impact on our business, is defined as all risks and opportunities over 10% of our EBITDA (In 2021 EBITDA was 4 086 MNOK, and 10% was 409 MNOK). The criteria also include what will be deemed as consequences for Safety, Health & Environment (HSE), reputation and consequences for not meeting objectives. The likelihood is rated from very low, low, medium, high to very high. The likelihood levels are defined in five ranges to ascertain insight to the probability of a risk to occur. The probabilities are also evaluated with regards to timing of the materialization of risk (operational/tactical: 0-24 months, strategic level more than 24 months).

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

Our process for identifying, assessing and responding to climate-related risks and opportunities, is that all our Business Areas conduct risk and opportunities analysis which identifies any potential negative impact on environment and climate as a result of the BAs own operations and value chain, and report to Group Vice President Sustainability & Governance in a structured process, who will aggregate the risk assessment on Group level and report to CMT and BoD for their discussion and approval.

Our response to each risk is rooted in our ISO 14001 Environmental Management. All our business areas are certified in accordance with ISO 14001, where risk management is a key element. As a result, we are dealing with environmental problems before, during

and after their inception. All Business Areas conduct business reviews quarterly, including risk management process according to ISO 14001.

In addition to the ISO 14001 processs, KONGSBERG has started evaluating and reporting on climate related risks and opportunities, supporting the Task Force for Climate-related Financial Disclosures (TCFD).

Our managers and Board design our business strategy, fundamental components of which are sustainability and climate issues. Our overall risk assessments involve a range of scenarios including geopolitical conditions, climate-related conditions, market conditions, etc. We evaluate opportunities and risks on the basis of what we regard as the most probable scenarios. Our business areas perform continuous risk assessments, including climate risk. Our risk assessments are provisional and will be further developed and updated on an ongoing basis.

As a case study of how our risk processes have been used for physical risks, our ISO 14001 process thoroughly surveyed all production sites and offices. Hurricanes, other extreme weather events, could pose a risk to personnel working offshore or in offices exposed to more extreme weather (e.g. US and Asia). Through the process, we ensured that they have relevant safety measures in place for the locations that could be affected by incidents such as flooding. Our subsidiary Kongsberg Technology Park, which administer the property for a large part of the industry in Kongsberg , comprising 5.500 employees, has build physical flood control, safety measures and emergency preparedness routines which are continuously tested. Other results of the surveys was that we determined that physical risk resulting from climate change, in the form of costs caused by physical damage such as floods, hurricanes, drought, fires, etc., is low in our operations.

As a case study for how our processes have been utlized for identifying, assessing transitional climate-related opportunities,
we can mention how we are developing a circular economy in our operations. We identified that land-based systems in Kongsberg Defence & Aerospace, can offer solutions and services throughout the life-cycle of its products. The assesment was that we could ensure that the systems has a longer lifespan. One of the results was to give our customers the opportunity to return products when they have finished using them. This has also been included in a separate business area, where Kongsberg Maritime also offers to take products back after the end of their life. With these initiatives, we are helping to reduce waste when systems become outdated and making it possible to secure components for reuse and resale

Another case study and example related to transitional risks, is that we have identified that the current development in oil prices, combined with the transition to more sustainable solutions and energy sources We have assessed that this will affect investment levels in a number of segments. Our response is to increase product development. We spend above two-thirds of our investments (which totals MNOK 1,721 for 2021) in areas that largely support new sustainable solutions. Examples of

sustainable solutions are:
• Reduction of energy consumption and environmental impact alongside increased efficiency in the maritime sector
• Observation, monitoring and management of marine natural resources and satellite monitoring of rainforests
• Carbon-neutral solutions, such as offshore wind and zero-emission vessels.
Developing more sustainable solutions will provide increased opportunities both in markets where we already have strong positions, but also in new markets where Kongsberg technology will be part of the solution.

Value chain stage(s) covered

Upstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

Our process for identifying, assessing and responding to climate-related risks and opportunities, is that all our Business Areas conduct risk and opportunities analysis on a quarterly basis. This process should identify any potential negative impact on environment and climate as a result of the BAs own operations and value chain. Reporting to Group Vice President Sustainability & Governance shall be done in a structured process, who will aggregate the risk assessment on Group level and report to CMT and BoD for their discussion and approval. The quarterly risk management process is done according to ISO 14001, and includes a range of scenarios including geopolitical conditions, climate-related conditions, market conditions, etc. From 2020 our risk assessments includes our supply chain and logistics. KONGSBERG has more than 8,500 suppliers globally, and it is a challenge to ensure that all subcontractors, throughout the value chain, comply with our requirements. We follow up our responsibilities through clear requirements in our agreements with suppliers as well as risk-based follow-up and audits. Our suppliers are committed to making similar requirements to their sub suppliers. We divide our total supplier portfolio into different risk classes where, among other things, volume of purchases, countries, and the extent to which we are dependent on the goods and services we purchase, constitutes assessment factors. The risk assessment includes existing and new suppliers and includes assessments of environmental conditions, HSE, and business ethics. Based on the result of the initial risk assessment, the suppliers are followed up with further assessments and mitigating actions and audit visits. Suppliers who, due to initial risk

assessments, were followed up more closely in 2021 accounted for about 20 per cent of our total supplier portfolio (up from 15% in 2020). All identified conditions that were categorized with high risk were clarified and concluded within given deadlines.

Our risk identification process, has seen increases in flight prices that could result in increased costs. Our assessment is that this also applies to other parties in the market and is not expected to have a major effect on our competitiveness.

As a case study for how our processes have been utlized for identifying, assessing climate-related transitional opportunities,
we can mention the implementation of e-learning and webinars for our suppliers on sustainability and ESG-issues. We identified the need to onboard and educate our suppliers. The assessment was to contribute to this through e-learning, and the response to arrange supplier conferences for our largest suppliers. Through this initiative we can evaluate and further
develop our work towards a sustainable value chain.

Value chain stage(s) covered

Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

Our process for identifying, assessing and responding to climate-related risks and opportunities, is that all our Business Areas conduct risk and opportunities analysis on a quarterly basis. This process should identify any potential negative impact on environment and climate as a result of the BAs own operations and value chain. Reporting to Group Vice President Sustainability & Governance shall be done in a structured process, who will aggregate the risk assessment on Group level and report to CMT and BoD for their discussion and approval. All Business Areas conduct business reviews quarterly, including risk management process according to ISO 14001. KONGSBERG has started a process of evaluating and reporting for climate related risks and opportunities, in line with the recommendations from the Task Force on Climate-related Financial Disclosures (TCFD). Our overall risk assessments involve a range of scenarios including geopolitical conditions, climate-related conditions, market conditions, etc. One of areas where we have identified both risks and opportunities, is for Kongsberg Maritime and the maritime sector, where climate related issues may

impact on demand for our products and services. Changes in climate policy could result in changes to constraints, such as more stringent legislation or an increase in carbon pricing with the aim of reducing emissions. As a leading technology company, Kongsberg will have considerable opportunities to develop competitive technology which responds to the market's changing demands for low-emission products and services. We invest significantly in research and development for innovative and sustainable solutions for our customers to meet this risk and seize opportunities. Our assessment is that our technology is part of the solution and is helping towards the transition to a zero emission society.

As a case study for how our processes have been utlized for identifying, assessing both climate-related transitional risks and opportunities, we can use examples from the maritime sector. Our processes have identified transitional risks linked to a need for new technology such as autonomous and / or remotely operated systems, and hybrid and electrical propulsion. In our assessment, we identified a need for a broad portfolio of new products, enabling the maritime industry to reduce emissions. Our response has been to participate in a series of environmental research projects during 2020-2021, with focus on safe and sustainable sea transport. An example of our efforts is the AUTOSHIP project – Autonomous Shipping Initiative for European Waters. The project responds to EU's need to increase multimodal transport and relieve road congestion. It will develop, equip and run full scale operational demonstrations of autonomous functionality for two vessels and related shore control infrastructure, accelerating the future adoption and commercialization of autonomous shipping.
Another example of the results of our efforts is HYSEAS - The world's first sea-going hydrogen-powered RoPax ferry and a business model for European islands. The project is constructing and testing the vessel hybrid fuel cell power system at full scale and producing the final specification for the vessel fuelling infrastructure that will influence the transition to zero-carbon marine transport.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Knowledge and compliance with current legislation is a cornerstone in our risk assessments. Examples of risk types considered, are regulations related to installing new equipment, new buildings and choice for transportation for goods.
Emerging regulation	Relevant, always included	Knowledge of trends and emerging regulations is crucial for our development of new technology, to ensure we meet our customers demands and expectations. This influences on both risk and opportunities. As examples of risk types considered are emerging regulations for the maritime sector, such as a possible in cap and trade schemes (i.e.

		EU/ETS) and sector regulations on emissions, fuels, particulate matter etc. from IMO (Internatinal Maritime Organization).
Technology	Relevant, always included	As a technological company, with products and services within maritime, aerospace, defence and digital businesses, we will strive to be in front when it comes to improvements and innovations that support the transition to a lower-carbon, energy-efficient economic system. As a leading technology company, KONGSBERG will have considerable opportunities to develop competitive technology which responds to the market's changing demands for low-emission products and services. As examples of transitional risks and opportunities,is that transportation by sea is moving from fuel-intensive to hybrid and electrical technology, while also exploring opportunities for using alternate technologies for the propulsion systems. Another example is autonomous and / or remotely operated systems. As a technology company we have to be in the forefront of the technological development, understanding the risks and opportunitires this development involves for the industry, and for us as a company.
Legal	Relevant, always included	We consider liability risk in connection with our risk assessments, in the form of claims for damages linked to decisions or the lack of decisions which can in any way be connected to climate policy or climate change. Examples of this risk type is pollution due from our products, by leakage etc. which can involve a liability risk.
Market	Relevant, always included	We include assessment of transitional risks, which is the financial risk associated with the transition to a low carbon or net zero society. Examples of market risks to Kongsberg, is that we have a significant part of our revenue from the maritime sector. This sector is generally exposed to transitional risks, with their dependency on fossil fuels, and close relation to oil and gas business. Transportation by sea is moving from fuel-intensive to hybrid and electrical technology. Other examples of risk types include increased demands from customers, reduced activity in the oil & gas sector, and increased focus on value chains and circular economy. As examples of opportunities, Kongsberg sees opportunities in carbon reduction, diversification (including aquaculture and offshore wind), delivering optimisation, navigation, and digitalization technology, and satellite-related solutions to monitor climate changes.
Reputation	Relevant, always included	We include assessment of reputational risk, which can affect the company if it is considered to have contributed to climate change or have not done enough to limit the effects of climate change. Our assessment is that our technology is part of the solution and is helping towards the transition to a low carbon and net zero society, and therefore a positive factor regarding reputational risk. Examples of risk types include negative incidents (such as leakages), and related to attracting talent.

		Examples of opportunities is our products and services are considered part of the green transition, and that our innovative technology enables a customer to reduce emissions substantially, e.g. as for the autonomous electrical vesselproject "YaraBirkeland" , or HYSEAS and Autoship projects.
Acute physical	Relevant, always included	We include assessment of acute physical risk resulting from climate change, in the form of costs caused by physical damage such as floods, hurricanes, drought, fires, etc., in our operations. We thoroughly surveys production sites and offices and have relevant safety measures in place for the locations that could be affected by incidents such as flooding. Examples of acute physical risks, is flooding (in Kongsberg Technology Park and Houston), or Hurricane activity (USA ands Asia), which can imply shutdown for shorter or longer time.
Chronic physical	Relevant, always included	We include assessment of chronic physical risk resulting from climate change on our operations, and includes in long-term planning. Examples of Chronic physical risks include chronic higher temperatures and more frequent heatwaves in exposed regions, affecting our ability to render services in due time.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Market

Changing customer behavior

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Company-specific description

The maritime sector is seeing, and is expected to see even more, stricter regulations on climate effects from Oil&Gas related operations, in a global context. New technology could also lead to disruptive market changes. This development will be of specific importance, and potentially give material operational impact, on our maritime business area (KM), which represent 60% of the revenues for the Group in 2021.

Kongsberg Maritime has a significant part of its revenues from Oil & Gas and Offshore vessels chartered in the Oil & Gas Value chain. In a scenario where Offshore Oil & Gas exploration and production are declining due to a market shift towards green energy, newbuilds and aftermarket related to these segments will gradually decline, and can represent a risk if we do not adapt timely to the market changes.

Time horizon

Long-term

Likelihood

Very likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

495,000,000

Potential financial impact figure – maximum (currency)

792,000,000

Explanation of financial impact figure

Estimated yearly EBITDA from Oil & Gas Activities based on 2021 revenues of NOK 16.5 bilion and EBITDA of 12%.
Long term reduction in EBITDA from Oil & Gas and Offshore related business estimated at a range of approximately 25-40%
Calculation: 16.5 billion x 12% = 1,98 billion x 25 - 40% = 495 to 792 MNOK.
A major decline is not expected within the next 10 years.

Cost of response to risk

4,800,000

Description of response and explanation of cost calculation

Kongsberg Maritime has operated in cyclic markets for decades and is highly adaptive to increasing and declining demands. As a case study for actions taken to mitigate this risk is our initiatives for providing the state-of-the-art technology solutions needed for the green power revolution related to Offshore Wind and green upgrades of sailing vessels,

please see further explanation in C2.4a. This is already ongoing important business activities generating material revenues, and is a part of our future business strategies.

We have used a case study, including an action resulting in an annual cost of 3 FTE's monitoring market development which is a permanent solution, and with a indefinite timescale. Cost calculation 1 FTE = 1,6 MNOK x 3 = 4,8 MNOK.

The time frame for these efforts is long-term, and will be a part of our continuous market intelligence.

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Market
Changing customer behavior

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Company-specific description

The defence sector is seeing, and is expected to see even more, stricter regulations on climate effects from defence operations. The development is especially driven from an European and US perspective, but is expected to expand in a global context within a short time-horizon. The development is expected to give both opportunities and risks in a global context.
This development will be of specific importance, and potentially give material operational impact, on our defence business area (KDA), which represent 37% of the revenues for the Group in 2021.

Kongsberg/KDA develops technology for a wide product range from deep sea to outer space. Products are made from raw materials, such as different metals and composites, electric components and all sorts of mechanical parts, optics, sensors and other fittings. Together with software and internal development, technologically advanced products are offered. Kongsberg/KDA rely on suppliers for delivery of raw materials and components for production. To be able to reduce Kongsberg's/KDA's carbon footprint and stay competitive we need to ensure that our suppliers follow the same standards. 97-98% of emissions in KDA are from supply chain.
In addition to the Supply Chain, KDA needs to lead by example and drive the focus of continuous improvements and enhancements on the product portfolio from an

environmental perspective. This includes future R&D developments. The ability to meet customer demands is critical and the risk of losing a contract if customer requirements are not met. The operational impact will result in loss of contract and decreased revenue.

Reduction of emissions requires suppliers to adapt and change accordingly. Lack of ability to set standards and requirements to KDA's suppliers, and a lack of ability to create an efficient system for implementation, including monitoring of tiers can result in non-compliance in a competitive phase with a Customer.
KDA see this as a 'one-time' risk event or risk over a shorter time frame for example 1-2 years.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

37,500,000

Potential financial impact figure – maximum (currency)

150,000,000

Explanation of financial impact figure

KDA sees that a potential loss in contract award between the range of 250 MNOK and 1 BNOK as a one time event as a result of not meeting the Green Industry Shift required in the Defence Industry.
Risk of lost revenue 250 MNOK to 1 BNOK where KDA has applied median peer group EBITDA margin of 15%.
Calculation of financial impact figure Minimum: 250 MNOK sales x 15% = 37,5 MNOK EBITDA. Maximum 1.000 MNOK x 15% = 150 MNOK EBITDA.
The time frame for these efforts is in the next 2-3 years.

Cost of response to risk

20,000,000

Description of response and explanation of cost calculation

Plans for actions based on our case study for mitigating these risks, includes competence building, establishing dialogue and cooperation within the organization and in our supply chain, setting standards and implementing requirements for our own operations and the supply chain with respect to all sustainability efforts. KDA also will work closely with Customer and review current requirements and propose and work collaboratively to influence more sustainable solutions. In addition to the Supply Chain, KDA will lead by example and drive the focus of continuous improvements and enhancements on the product portfolio from an environmental perspective. This includes future R&D developments and has a current short term timescale of 2 - 3 years, but will most likely be continous work for all future years.

These efforts will have a combined estimated cost range of 5-20 MNOK to meet future customer requirements. We have used the upper end of the estimate as our figure for cost to realize opportunity. Calculation: 1 x 20 MNOK = 20 MNOK

The time frame for these efforts is in the next 2-3 years.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Markets

Primary climate-related opportunity driver

Access to new markets

Primary potential financial impact

Increased revenues through access to new and emerging markets

Company-specific description

Offshore wind farms are set to boom over the next few years, becoming an ever more important way of meeting the world's sustainable energy needs.
Offshore wind power is rapidly becoming a more affordable than fossil fuels, thanks to innovation in the design of wind turbines and their infrastructure, installation and maintenance. Several countries can already meet much of their national demand for energy using only wind power: building on this and helping the world to achieve 100% clean and sustainable energy production is at the heart of KONGSBERG's mission. This development will be of specific importance, and potentially give material operational impact, on our maritime Business Area, which represent 60% of the revenues for the Group in 2021. The development is expected to give opportunities in a global context.

Kongsberg Maritime (KM) is providing the state-of-the-art technology solutions needed for this green power revolution. KMs product portfolio fit for offshore wind market is strong. High complexity vessels, with high level of integration is required. KM has seen significant growth in orders from this segment during the last period.

An example of this revenue is the contract with AWIND for 4 IWS vessels with a comprehensive KM scope, at an approximate value of NOK 450 million. In 2021 KM signed contracts of NOK 1,4 billion to offshore wind related vessels. Another example is the US $40 million contract signed by KM in 2021 to supply a comprehensive integrated technology solution for a Wind Turbine Installation Vessel (WTIV), to be built at Keppel AmFELS shipyard in the USA.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

200,000,000

Potential financial impact figure – maximum (currency)

400,000,000

Explanation of financial impact figure

There are significant uncertainties related to measuring the opportunity related to how large the increase in offshore wind farms will be, but it seems reasonable that yearly

profits from this segment could be 10-20% of our EBITDA within 5 years, and increasing from that point.
In 2021 KM had a total EBITDA of NOK 2 billion and 10 - 20% of this would be 200 MNOK - 400 MNOK.

Cost to realize opportunity

430,000,000

Strategy to realize opportunity and explanation of cost calculation

We have applied case studies where we have seen that many of the competences required for surveying, building and maintaining offshore wind infrastructure are similar to those deployed on projects involving traditional oil and gas platforms. This is an area in which we have long had a presence.

In recent years, KONGSBERG have spent considerable resources on product development every year. In 2021 this amounted to a total of MNOK 1,721 of which 1.507 was expensed and 214 capitalised. Over two-thirds of our investments are made in areas that largely support new sustainable solutions, and approximately one-third supports the development of existing products.

This cost must be seen together with other opportunities, short term and long term, hence only a portion of the total spend (estimate MNOK 400) for sustainable product development is allocated to this opportunity. Estimated calculation: 25% of 1721 MNOK = 430 MNOK.

The realization of the opportunity is anticipated over a shorter time frame; 1-5 years.

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Markets

Primary climate-related opportunity driver

Other, please specify

Development of market from fossil fuels to green upgrades of sailing vessels

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Transport by sea represent a large portion of the total CO2 emissions globally, and green upgrades of sailing vessels will become an ever more important way of reducing these emissions, in a global context.
Kongsberg Maritime (KM) develops and supplies technology which is helping to realise sustainable management of the ocean space. The market lies within traditional merchant vessels and fishing vessels, offshore and research vessels, as well as advanced offshore installations linked to aquaculture, wind power, and oil and gas. KMs portfolio for vessel specific green vessel upgrades is wide, combined with new digital technology for evaluation and verification of emission savings - the potential market for upgrades is significant. Combined with stricter regulations on emissions reductions and market pull towards verification of CO2 savings, this is a positive position for KM. Further development in this area will be of specific importance, and potentially give material operational impact, on our maritime business area, which represent 60% of the total revenues for the Group in 2021.

A case study/Example of contract is the signed upgrade of three Hurtigruten Norwegian Coastal Express passenger vessels with comprehensive equipment packages for hybrid operation. The company aims to cut CO2 emissions from their operation along the coast of Norway by at least 25 percent.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

300,000,000

Potential financial impact figure – maximum (currency)

500,000,000

Explanation of financial impact figure

We have estimated the financial impact of Green upgrades related revenues, and their expected increase to a yearly revenue level of 3-500 MNOK within the next few years .

Cost to realize opportunity

400,000,000

Strategy to realize opportunity and explanation of cost calculation

KM continues to invest our R&D in integration. Integration capabilities and digital verification will combined with our broad product portfolio be key to continue to grow in delivering green upgrades to the market. As a case study the contract for upgrade of three Hurtigruten Norwegian Coastal Express passenger vessels with comprehensive equipment packages for hybrid operation. The company aims to cut CO2 emissions from their operation along the coast of Norway by at least 25 percent annually.

In recent years, KONGSBERG have spent considerable resources on product development every year. In 2021 this amounted to a total of MNOK 1,721 of which 1.507 was expensed and 214 capitalised. Over two-thirds of our investments are made in areas that largely support new sustainable solutions, and approximately one-third supports the development of existing products.

This cost must be seen together with other opportunities, short term and long term, hence only a portion of the total spend (estimate MNOK 400) for sustainable product development is allocated to this opportunity.

The realization of the opportunity is anticipated over a shorter time frame; 1-5 years.

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

The defence sector is seeing, and is expected to see even more, stricter regulations on climate effects from defence operations. The development is especially driven from an European and US perspective, but is expected to expand in a global context within a short time-horizont. The development is expected to give opportunities in a global context.
This development will be of specific importance, and potentially give material operational impact, on our defence business area (KDA), which represent 37% of the revenues for the Group in 2021.

Kongsberg/KDA develops technology for a wide product range from deep sea to outer space. Products are made from raw materials, such as different metals and composites, electric components and all sorts of mechanical parts, optics, sensors and other fittings. KDA products contains raw materials and parts suitable for recycling and circular economy. KDA will design new products with the circularity principles in the forefront of the design and concept phase.

At the current stage there is an opportunity for KDA to take a leading role in the defence market segment with regards to circular economy this is in addition to the already established business model of designing products for long lifetime and focusing on maintenance, repair and upgrade programs on product platforms. The operational impact this can give a competitive advantage and a contribution to increased sales and earnings. External markets are being followed closely and the efforts in enhanced and sustainable commercial products are also being followed for adoption in the industry.

Time horizon

Long-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

15,000,000

Potential financial impact figure – maximum (currency)

60,000,000

Explanation of financial impact figure

KDA sees that low to middle value contracts could be realized by a competitive advantage with circular based or alternative environmentally focused products. The time frame of this advance would be short lived and we expect within a range of 2-3 years, our competitors will follow.

Opportunity of order intake in the range of 100m to 400m NOK with direct revenue impact and KDA has applied media peer group EBITDA margin of 15%. Calculation of financial impact figure. Minimum: 100 MNOK sales x 15% = 15 MNOK EBITDA. Maximum 400 MNOK x 15% = 60 MNOK EBITDA.

Cost to realize opportunity

50,000,000

Strategy to realize opportunity and explanation of cost calculation

Our case study is related to internal competence building, enhancing preparing for new legal requirements / customer demands, assessing our product portfolio with regards to opportunities for circularity. As per our circularity programme executed within a timeframe of 2022 to 2025.
Additional costs to realize the opportunity is calculated to be in the range of 5-50 MNOK, and we have used the upper end of the estimate as our figure for cost to realize opportunity. Cost calculation 1 x 50 MNOK = 50 MNOK

Comment

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a transition plan that aligns with a 1.5°C world?

Row 1

Transition plan

No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a transition plan within two years

Explain why your organization does not have a transition plan that aligns with a 1.5°C world and any plans to develop one in the future

The company has committed to a strategic ambition level of net zero in 2050, with specific reduction targets for 2030, following Science Based Target initiative methodology. The company's strategy processes include our Business Areas with particular attention to expected changes in market dynamics and climate-related public policy, to be able to adapt to the demand for low-carbon products in the green transition. We will ensure that strategy processes include financial planning for adaptation and for capitalising on business opportunities. We will stress-test new strategic choices against climate-related scenarios .

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy
Row 1	Yes, qualitative and quantitative

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios Customized publicly available transition scenario	Company-wide	1.5ºC	The company has committed to a strategic ambition level of net zero in 2050, with specific reduction targets for 2030. The company's strategy processes include identification of climate related market developments and how to mitigate risks and seize opportunities. We will further develop the risk/opportunity identification process in a systematic approach and ensure linkage to financial impacts of strategic consequences. We include stress testing of supply chains and building resilience for future disruptions. Specific risks, including climate-related factors, are identified bottom up in the business, and are assessed at management level both in the Business Areas and at Group level as part of our ERM process. An even more systematic and unified process for climate-related risk management will be further developed in 2022. Assessment of measures in the short and longer term is part of this process.All Business Areas have implemented risk mitigation measures for risks identified.
Physical climate scenarios RCP 4.5	Company-wide		Projections are based on a high emissions scenario Projections for temperature according to RCP 4.5 show the level of radiative forcing by greenhouse gas emissions stabilizing at 4.5 W/m2 by 2100 Employment of a range of technologies and strategies for reducing greenhouse gas emissions are assumed in this stabilization scenario. RCPs describe 4 different scenarios based on different assumptions about population, economic growth, energy consumption and sources and land use over this century. Our preliminary scenario-analysis shows that we have business units located close to ocean/harbours which could be exposed to extreme weather. Potential hurricanes and other extreme weather events, can pose risk to personnel working

			offshore or in offices exposed to more extreme weather (e.g., US and Asia). Disruptions can occur in production and/or transportation of goods from suppliers due to increase in severity and frequency of extreme weather events. Some facilities could be exposed to risk of flooding. Space-related business at Svalbard can be exposed to more extreme weather.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

1. How could climate-related risks, especially physical and transition risks, plausibly affect our company?
2. What do we need to support decision-making? What shall we prioritize?
3. Define roadmaps (Time Horizon(s))

Results of the climate-related scenario analysis with respect to the focal questions

We have conducted scenario-analysis for our two main business areas within defence and maritime sector.
The two business areas have different organizational approaches and capabilities to identify and manage climate related risks and opportunities. Due to the strategic nature of climate related risks and opportunities, we will further develop a more systematic and streamlined approach to scenario analyses. This includes developing and tracking estimates of future costs and potential revenue related to climate-related factors across our business areas and reporting . These analysis have informed our business strategy processes, and will be further developed in the time coming.

The main, preliminary results of the conducted scenario analysis for the transition risk that plausibly can affect our company are:
MARITIME SECTOR:
- The maritime sector is seeing, and is expected to see even more, stricter regulations on climate effects from Oil&Gas related operations, in a global context.
- Offshore wind farms are set to boom over the next few years, becoming an ever more important way of meeting the world's sustainable energy needs.
This development can be of specific importance, and potentially give material operational impact, on our maritime business area, which represent 60% of the revenues for the Group in 2021. The development is also expected to give opportunities

in a global context, if the company adapts timely to the market and is in forefront for customer needs.

DEFENCE SECTOR:
The defence sector is seeing, and is expected to see even more, stricter regulations on climate effects from defence operations, which is expected to impact customer behaviour in the sector in a "greener" direction . The development is especially seen from an European and US perspective, but is expected to expand in a global context within a short time-horizont. The development is expected to give both opportunities and risks in a global context, and be of specific importance, and potentially give material operational impact, on our defence business area (KDA), which represent 37% of the revenues for the Group in 2021.

The chance of physical risk in our own business as a result of climate change is considered relatively low. We have thoroughly surveyed production sites and offices and have relevant safety measures and alternative supply lines in place for locations that could be affected by extreme weather events. We have Property Damage and Business Interruption Coverage (PDBI) insurance in place, which covers risks adapted to our exposure in the different locations around the world in which we operate.

Further information can be found in our Annual and Sustainability report on pages 45ff https://www.kongsberg.com/globalassets/corporate/investor-relations/annual-report/kog-arsrapport-2021-gb_final_240322.pdf

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Mitigating risks and seizing opportunities is at the heart of our business. Several climate-related business opportunities have been identified related to our products and services. Our ambition is to be at the forefront of the green transition, balanced with strong economic and environmental performance and value creation. Our technology is part of the solution. This is the rationale behind our efforts, which also includes need for diversification into other industries and segments, as well as development of new products and services within existing business areas. Climate-related risks and opportunities has informed our

		maritime and digital businesses and led to increased R&D and increasing offerings for the "green transition". If we are not able to migrate fast enough we can experience reduced demand for our products and services, and competitors might take market-shares. If we do not succeed in technology development according to the markets expectations this can be a substantial risk. KONGSBERG spends considerable resources on product development every year. In 2021 this amounted to a total of MNOK 1,721 of which 1.507 was expensed and 214 capitalised (MNOK 1,576 of which 1.353 was expensed and 223 activated). Over two-thirds of our investments are made in areas that largely support new sustainable solutions, and approximately one-third supports the development of existing products. Kongsberg delivers a wide range of products and services for technological developments which can reduce our customers GHG emissions substantially. Our business strategy includes continous investments in R&D to meet this development, and to be in forefront as a technology-leader in our segments.
Supply chain and/or value chain	Yes	The rationale behind our efforts with climate related risks and opportunities for our supply chain and value chain are that over 95% of the emissions in our value chain are made by our suppliers and our customers. Our strategy has been influenced by our scenario analysis, where we identified that requirements to our suppliers and enabling our customers would be the areas where we could contribute to the largest emission reductions. We have cooperation with business partners for development of products which can reduce GHG emissions substantially compared to traditional products. We have focus on climate reduction in our supply chain through our Supplier Conduct Principles, and is working on developing more specific weighting of climate factors when choosing new suppliers, and renewals of contracts. We have included goals and KPI's related to our supply chain in our strategic goals, including the CEO and top management in the Group. As a case study of how we have engaged with our suppliers, one of the most substantial strategic decisions was to distribute e-learning to our suppliers, with particular emphasis on the environment, climate and human rights. As part of this process, we arranged supplier conferences for our largest suppliers. Kongsberg have more than 8,500

		suppliers globally, and we will continuously assess the need to update governance documents, methodologies, tools and training for our suppliers. We will evaluate experiences from our current initiatives and further develop work with a sustainable value chain.
Investment in R&D	Yes	Kongsberg have been investing heavily in the upgrading of our existing product portfolio and the development of new products. The rationale behind our efforts has been our ambition to be at the forefront of the green transition, and that our technology is part of the solution. Upgrades and improvements to the product portfolio are focused on ensuring that our customers have access to new versions and improvements where required. It is also important to invest in existing products to ensure that they can continue to be produced and maintained throughout their lifecycle. Climate related risks and opportunities has influenced our strategy by identifying what sectors, products and services will be in demand in the short, medium and long term. KONGSBERG spends considerable resources on product evelopment every year. In 2021 this amounted to a total of MNOK 1,721 of which 1.507 was expensed and 214 capitalised (MNOK 1,576 of which 1.353 was expensed and 223 activated). Over two-thirds of our investments are made in areas that largely support new sustainable solutions, and approximately one-third supports the development of existing products. Kongsberg delivers a wide range of products and services for technological developments which can reduce our customers GHG emissions substantially. Our business strategy includes continous investments in R&D to meet this development, and to be in forefront as a technology-leader in our segments.
Operations	Yes	For our own operations, our risk and opportunity strategies are rooted in our ISO 14001 Environmental Management. All our business areas are certified in accordance with ISO 14001, where risk management is a key element. The rationale for our efforts is that we wish to deal with environmental issues, at the earliest stage possible, and be prepared to mitigate risks preferably before, but also during and after their inception. All Business Areas conduct business reviews quarterly, including risk management process according to ISO 14001. For our own operations our strategies has been influenced by needs for circular business processes, our goals for

		reducing CO2 (carbon dioxide) emissions in our own operations, sustainable buildings and sustainable purchasing. This strategy is followed up with risk based plans in each Business Area, including setting goals and KPI's for internal operations. KONGSBERG has developed a new climate strategy in line with the goals of the Paris Agreement. In October 2021 our CEO Geir Håøy signed and submitted a Commitment letter to the Science Based Targets initiative (SBTi) where he committed KONGSBERG to set climate targets that are in line with a 1.5-degree scenario. We have set preliminary targets for 2030 and will during 2022 further develop the targets as part of the approval process in collaboration with the SBTi. Kongsberg's strategic goal is to utilise our technologies to develop sustainable solutions for today's societal challenges. Our products and solutions have strong focus on green solutions and the digital transformation towards higher operational efficiency, safety and reliability for our customers.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs	Our business strategy includes continous investments in R&D to meet this development, and to be in forefront as a technology-leader in our segments. Climate related risks and opportunities have influenced our financial planning. As a case study of how KONGSBERG spends considerable resources on product development every year. In 2021 this amounted to a total of MNOK 1,721 of which 1.507 was expensed and 214 capitalised (MNOK 1,576 of which 1.353 was expensed and 223 activated). Over two-thirds of our investments are made in areas that largely support new sustainable solutions, and approximately one-third supports the development of existing products. Kongsberg delivers a wide range of products and services for technological developments which can reduce our customers GHG emissions substantially.

		We budget for further product development investments on short- and long term perspective, as an assumption for being a market leader in our segments including digitalization, hybrid solutions for maritime sector etc. This will thus both affect direct cost in a short- and long term perspective, and revenues in a longer perspective as the basis for future growth in revenues. The time perspectives for many of our reduction targets, investments, and product development projects use time horizons until 2030. During 2021, we have been working on further development of a new climate strategy with effect target year 2030, with the aim of being in line with Norway's climate plan and the EU's objectives.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2019

Target coverage

Company-wide

Scope(s)

Scope 1
Scope 2
Scope 3

Scope 2 accounting method

Location-based

Scope 3 category(ies)

Category 4: Upstream transportation and distribution
Category 6: Business travel

Base year

2019

Base year Scope 1 emissions covered by target (metric tons CO2e)

1,255

Base year Scope 2 emissions covered by target (metric tons CO2e)

9,582

Base year Scope 3 emissions covered by target (metric tons CO2e)

58,191

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

69,028

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

1.82

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

13.88

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

84.3

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2030

Targeted reduction from base year (%)

38

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

42,797.36

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

2,447

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

8,795

Scope 3 emissions in reporting year covered by target (metric tons CO2e)

23,700

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

34,942

% of target achieved relative to base year [auto-calculated]

129.9472677754

Target status in reporting year

Underway

Is this a science-based target?

Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next two years

Target ambition

1.5°C aligned

Please explain target coverage and identify any exclusions

KONGSBERG's operations have very low direct emissions. However, the carbon footprint of our entire value chain is significant, and in 2021, we have prioritised to improve the data quality in our climate accounts and set emission reduction targets for our own operations and supply chain. To support the Paris Agreement, we need to reduce energy consumption, transition to renewable energy and develop solutions that help our customers reduce their own emissions. KONGSBERG can make a substantial difference throughout the value chain. To deliver our systems and products, KONGSBERG relies on thousands of sub-suppliers all over the world and our clients use our systems everywhere 24/7, from the very deep oceans to outer space. To make a real difference we need to involve the entire value chain from our sub-suppliers to our clients, both in Norway and internationally. KONGSBERG has developed a new climate strategy in line with the goals of the Paris Agreement. In October 2021 our CEO Geir Håøy signed and submitted a Commitment letter to the Science Based Targets initiative (SBTi) where he committed KONGSBERG. to set climate targets that are in line with a 1.5-degree scenario. We have set preliminary targets for 2030 and will during 2022 further develop the targets as part of the approval process in collaboration with the SBTi.

We will focus on reducing carbon intensity in our own business, increase the use of green logistics solutions, reduce our own travel, increase the amount of waste recycling, optimize material management and implement a greater degree of circularity in our activities. We aim for near 100 per cent reductions of CO2 emissions by 2030 (scope 1&2), compared to 2019 (baseline). We are also addressing emissions occurring in our value chain, as preliminary analysis shows that this represents our biggest impact and thus improvement potential. In our current reporting we have available data for logistics and business travel (scope 3), and we are working to further increase data quality to expand the scope 3 emissions reporting. We aim for 25 per cent reduction in emissions from logistics and 30 per cent reduction in emissions from business travel by 2030. In addition, we will engage and collaborate with our suppliers. Our aim is that within the

next 5-year period, 2/3 of KONGSBERG suppliers set science-based CO2 emissions reduction targets.

Plan for achieving target, and progress made to the end of the reporting year

List the emissions reduction initiatives which contributed most to achieving this target

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

No other climate-related targets

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	0	0
Implementation commenced*	0	0
Implemented*	2	498
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in buildings

Insulation

Estimated annual CO2e savings (metric tonnes CO2e)

185

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

346,000

Investment required (unit currency – as specified in C0.4)

3,300,000

Payback period

11-15 years

Estimated lifetime of the initiative

16-20 years

Comment

This inititative in one of our plants, show figures related to a project where we have in this period removed oil as a heat source and replaced it with electricity, together with other measures as installing air heating pump and a new insulated tent cloth fitted. The electricity consumption has also decreased by 4% . This also give a lower CO2 footprint.

In addition to this project, we have several other energy saving actions which saves significant amounts of kWh.

Initiative category & Initiative type

Energy efficiency in buildings

Lighting

Estimated annual CO2e savings (metric tonnes CO2e)

313

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

1,050,000

Investment required (unit currency – as specified in C0.4)

740,000

Payback period

1-3 years

Estimated lifetime of the initiative

21-30 years

Comment

Lighting modernization in one of our plants in Poland.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Internal incentives/recognition programs	The CEO of the KONGSBERG Group, and the Presidents in the Business Areas has personal KPIs related to submitting targets to the Science Based Target initiative in 2022.
Compliance with regulatory requirements/standards	All Business Areas are certified according to ISO 14001.
Dedicated budget for low-carbon product R&D	We spend above two-thirds of our investments (which totals MNOK 1,721 for 2021)for product development, in areas that largely support new sustainable solutions. Examples of sustainable solutions are: • Reduction of energy consumption and environmental impact alongside increased efficiency in the maritime sector • Observation, monitoring and management of marine natural resources and satellite monitoring of rainforests • Carbon-neutral solutions, such as offshore wind and zero-emission vessels.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

The EU Taxonomy for environmentally sustainable economic activities

Type of product(s) or service(s)

Shipping

Other, please specify

Retrofitting activities for maritime sector that reduce fuel consumption by more than 10%

Description of product(s) or service(s)

Climate Change mitigation activities; Retrofitting of passenger- and freight transport vessels (ref EU taxonomy art. 6.9 & 6.12)

Detailed reporting on avoided emissions and revenue from these activities eligible under EU Taxonomy, is still in process, and is therefore reported as 1 in this report.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Functional unit used

Reference product/service or baseline scenario used

Life cycle stage(s) covered for the reference product/service or baseline scenario

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

Explain your calculation of avoided emissions, including any assumptions

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

1

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

The EU Taxonomy for environmentally sustainable economic activities

Type of product(s) or service(s)

Other

Other, please specify

Data-driven solutions for GHG emissions reductions (ref EU Taxonomy art. 8.2)

Description of product(s) or service(s)

Development or use of ICT solutions that are aimed at collecting, transmitting, storing data and at its modelling and use where those activities are predominantly aimed at the provision of data and analytics enabling GHG emission reductions.
Detailed reporting on avoided emissions and revenue from these activities eligible under EU Taxonomy, is still in process, and is therefore reported as 1 in this report.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Functional unit used

Reference product/service or baseline scenario used

Life cycle stage(s) covered for the reference product/service or baseline scenario

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

Explain your calculation of avoided emissions, including any assumptions

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

1

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

No taxonomy used to classify product(s) or service(s) as low carbon

Type of product(s) or service(s)

Other

Other, please specify

Retrofitting activities for maritime sector that reduce fuel consumption by more than 10%

Description of product(s) or service(s)

Climate Change mitigation activities; Retrofitting of passenger- and freight transport vessels which comply with the requirements in EU taxonomy art. 6.9 & 6.12, but are not defined as eligible vessels by the EU Taxonomy.

Avoided emissions from these activities are substantial, calculated to more than 10% fuel consumption reductions, but methodology for LCA calculations are still in progress, and therefore reported as NO in this report.
Revenues from these activities amount to substantial parts in our Business Area Kongsberg Maritime; detailed reporting on this is in process and is therefore reported as 1 in this report.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Functional unit used

Reference product/service or baseline scenario used

Life cycle stage(s) covered for the reference product/service or baseline scenario

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

Explain your calculation of avoided emissions, including any assumptions

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

1

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

No taxonomy used to classify product(s) or service(s) as low carbon

Type of product(s) or service(s)

CO2 storage

Other, please specify

Satellite-based information is essential for environmental monitoring, as global climate control relies on timely and accurate satellite data.

Description of product(s) or service(s)

Norway has taken a leading role internationally in monitoring global deforestation. By providing satellite mosaics of selected regions, deforestation can be monitored and controlled with the aim of reducing it. Deforestation is globally crucial important to catch storage Co2.

Together with Planet and Airbus, KSAT - Kongsberg Satellite Services which is 50% owned by Kongsberg Gruppen, is providing access to high-resolution satellite imagery free of charge for anyone wishing to use it to help reduce and reverse tropical forest loss through the NICFI Satellite Data Program.
Revenues from these activities amount to substantial parts for Kongsberg Satelitte Services, detailed reporting on this is in process and is therefore reported as 1 in this report.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Functional unit used

Reference product/service or baseline scenario used

Life cycle stage(s) covered for the reference product/service or baseline scenario

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

Explain your calculation of avoided emissions, including any assumptions

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

1

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

No taxonomy used to classify product(s) or service(s) as low carbon

Type of product(s) or service(s)

Other

Other, please specify

Examples:Reduction of energy consumption and environmental impact and increased efficiency in the maritime sector .Observation, monitoring and management of marine natural resources. Carbon-neutral solutions,as offshore wind and zero-emission vessels

Description of product(s) or service(s)

We are preparing for new reporting requirements that will follow the EU action plan on sustainable finance. The taxonomy, defining environmentally sustainable economic activities, means opportunities for KONGSBERG, as a supplier of technology and solutions in the green transition. At the same time, we believe that the EU's goal of increased transparency and the statutory reporting of sustainability-related information will support the ambitions of the action plan: accelerated sustainable development and management of climate-related financial risk.

In 2021, we started mapping and analyzing how the EU environmental goals. As part of this work, we are also considering how the framework can be used for internal risk management, financial planning and as an input to our strategy processes. An example of the first group pf products - reduction of energy consumption – are products aiming for efficiency improvements of sailing vessels. Over 30,000 sailing vessels have KONGSBERG equipment. In 2021, we performed and delivered a number of

conversions of existing vessels, from conventional propulsion solutions to hybrid solutions. Our hybrid solutions, propulsion upgrades, hull improvements and control and monitoring technology continue to introduce new efficiencies for ships, enabling smarter, more profitable operation through fuel reduction. As an example - through the delivery of multiple upgrades and solutions to Hurtigruten.
We do not disclosed revenue due to commercial reasons.,

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Yes

Methodology used to calculate avoided emissions

Other, please specify

Use of operational data combined with models for emissions reduction on systems and products.

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Use stage

Functional unit used

CO2 emissions per nautical miles on average.

Reference product/service or baseline scenario used

Data captured from sailing vessels pre upgrade.

Life cycle stage(s) covered for the reference product/service or baseline scenario

Use stage

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

0

Explain your calculation of avoided emissions, including any assumptions

Calculated emissions reduction of 21 per cent compared with traditional conventional propulsion solutions to hybrid solutions.

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

1

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

No

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?
Row 1	No

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

1,550

Comment

Scope 2 (location-based)

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

11,718

Comment

Scope 2 (market-based)

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

64,071

Comment

Scope 3 category 1: Purchased goods and services

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 2: Capital goods

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 4: Upstream transportation and distribution

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

24,409

Comment

Scope 3 category 5: Waste generated in operations

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 6: Business travel

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO2e)

33,782

Comment

Scope 3 category 7: Employee commuting

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 11: Use of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 12: End of life treatment of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 15: Investments

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
The Greenhouse Gas Protocol: Scope 2 Guidance

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

2,447

Start date

January 1, 2021

End date

December 31, 2021

Comment

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)

1,076

Start date

January 1, 2020

End date

December 31, 2020

Comment

Past year 2

Gross global Scope 1 emissions (metric tons CO2e)

1,255

Start date

January 1, 2019

End date

December 31, 2019

Comment

Past year 3

Gross global Scope 1 emissions (metric tons CO2e)

830

Start date

January 1, 2018

End date

December 31, 2018

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

8,795

Scope 2, market-based (if applicable)

53,903

Start date

January 1, 2021

End date

December 31, 2021

Comment

Past year 1

Scope 2, location-based

8,297

Scope 2, market-based (if applicable)

51,034

Start date

January 1, 2020

End date

December 31, 2020

Comment

Past year 2

Scope 2, location-based

9,582

Scope 2, market-based (if applicable)

54,974

Start date

January 1, 2019

End date

December 31, 2019

Comment

Past year 3

Scope 2, location-based

10,290

Scope 2, market-based (if applicable)

Start date

January 1, 2018

End date

December 31, 2018

Comment

Market based scope 2 is not applicable for 2018.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, not yet calculated

Please explain

Capital goods

Evaluation status

Relevant, not yet calculated

Please explain

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

100.98

Emissions calculation methodology

Fuel-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Used DEFRA WTT emission factors for fuels and biofuels. GWP from AR4 - 100 year perspective

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

17,270

Emissions calculation methodology

Supplier-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Waste generated in operations

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

253.3

Emissions calculation methodology

Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Used DEFRA emission factors for different types of waste. GWP from AR4 - 100 year perspective

Business travel

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

6,430

Emissions calculation methodology

Supplier-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Employee commuting

Evaluation status

Relevant, not yet calculated

Please explain

Upstream leased assets

Evaluation status

Relevant, not yet calculated

Please explain

Downstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Please explain

Processing of sold products

Evaluation status

Not relevant, explanation provided

Please explain

The products are not further processed before use phase.

Use of sold products

Evaluation status

Relevant, not yet calculated

Please explain

End of life treatment of sold products

Evaluation status

Relevant, not yet calculated

Please explain

Downstream leased assets

Evaluation status

Relevant, not yet calculated

Please explain

Franchises

Evaluation status

Not relevant, explanation provided

Please explain

Our business model does not include franchises.

Investments

Evaluation status

Not relevant, explanation provided

Please explain

We do not invest in other companies.

Other (upstream)

Evaluation status

Please explain

Other (downstream)

Evaluation status

Please explain

C6.5a

(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

Start date

January 1, 2020

End date

December 31, 2020

Scope 3: Purchased goods and services (metric tons CO2e)

Scope 3: Capital goods (metric tons CO2e)

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

Scope 3: Upstream transportation and distribution (metric tons CO2e)

21,931

Scope 3: Waste generated in operations (metric tons CO2e)

Scope 3: Business travel (metric tons CO2e)

7,979

Scope 3: Employee commuting (metric tons CO2e)

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment

Past year 2

Start date

January 1, 2019

End date

December 31, 2019

Scope 3: Purchased goods and services (metric tons CO2e)

Scope 3: Capital goods (metric tons CO2e)

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

Scope 3: Upstream transportation and distribution (metric tons CO2e)

24,409

Scope 3: Waste generated in operations (metric tons CO2e)

Scope 3: Business travel (metric tons CO2e)

33,782

Scope 3: Employee commuting (metric tons CO2e)

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment

Past year 3

Start date

January 1, 2018

End date

December 31, 2018

Scope 3: Purchased goods and services (metric tons CO2e)

Scope 3: Capital goods (metric tons CO2e)

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

Scope 3: Upstream transportation and distribution (metric tons CO2e)

7,546

Scope 3: Waste generated in operations (metric tons CO2e)

Scope 3: Business travel (metric tons CO2e)

16,800

Scope 3: Employee commuting (metric tons CO2e)

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment

C-CG6.6

(C-CG6.6) Does your organization assess the life cycle emissions of any of its products or services?

	Assessment of life cycle emissions	Comment
Row 1	No, but we plan to start doing so within the next two years	We have started a project for Life Cycle Assessment of our products within the maritime sector. We plan to expand the digital methodology to all business areas when the project is completed. The project is run in collaboration with the research institute SINTEF.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Yes

C6.7a

(C6.7a) Provide the emissions from biogenic carbon relevant to your organization in metric tons CO2.

	CO2 emissions from biogenic carbon (metric tons CO2)	Comment
Row 1	0.335	Use of biofuels

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.51

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

11,242

Metric denominator

unit total revenue

Metric denominator: Unit total

27,449,000,000

Scope 2 figure used

Location-based

% change from previous year

2.82

Direction of change

Increased

Reason for change

Intensity figure is calculated as MetricCo2/Million Norwegian Kroner.
The increase in intensity number is mainly due to an increase in the use of oil at the district heating plant in Kongsberg Technology Park. Other units have reduced their emissions significantly.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	2,447	IPCC Fourth Assessment Report (AR4 - 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
China	60.73
Norway	1,891.5
India	8.23
Poland	72.72
United States of America	321.98
Canada	89.41
Brazil	0
Australia	0
United Kingdom of Great Britain and Northern Ireland	0.14
Finland	2.51

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Kongsberg Defence and Aerospace (KDA)	327.09
Kongsberg Maritime (KM)	303.91
Kongsberg Teknologipark (KTP)	1,816.24

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
China	1,151.46	1,151.46
Brazil	40.07	40.07
Norway	958.44	45,733.39
India	121.37	121.37
United Kingdom of Great Britain and Northern Ireland	121.6	180.97
Poland	3,407.02	3,475.27
United States of America	1,438.14	1,511.55
Canada	8.4	94.12
Singapore	187.36	187.36
Australia	153.15	153.15
Croatia	60.52	125.03
Finland	505.72	261.05
Republic of Korea	320.16	320.16
Spain	294.48	494.24
Sweden	27.58	54.25

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Kongsberg Defence and Aerospace (KDA)	1,146.54	17,603.52
Kongsberg Maritime (KM)	7,223.07	23,602.67
Kongsberg Teknologipark (KTP)	245.14	12,318.21

Kongsberg Digital (KDI)	180.71	378.64

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Increased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	1,371	Increased	127	Direct emissions from our own activities (scope 1 and 2) increased in total between 2020 and 2021 mainly due to an increase in the use of oil at the district heating plant in Kongsberg Technology Park. Other units have reduced their emissions significantly.
Other emissions reduction activities				
Divestment				
Acquisitions				
Mergers				
Change in output				
Change in methodology				
Change in boundary				
Change in physical operating conditions				
Unidentified				

Other				

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C-CG7.10

(C-CG7.10) How do your total Scope 3 emissions for the reporting year compare to those of the previous reporting year?

Decreased

C-CG7.10a

(C-CG7.10a) For each Scope 3 category calculated in C6.5, specify how your emissions compare to the previous year and identify the reason for any change.

Fuel and energy-related activities (not included in Scopes 1 or 2)

Direction of change

Increased

Primary reason for change

Other emissions reduction activities

Change in emissions in this category (metric tons CO2e)

228.52

% change in emissions in this category

117

Please explain

Increased use in heating oil

Upstream transportation and distribution

Direction of change

Decreased

Primary reason for change

Change in physical operating conditions

Change in emissions in this category (metric tons CO2e)

4,661

% change in emissions in this category

21

Please explain

The reduction can mainly be referred to a decrease in emissions from transport due to the COVID-19 pandemic, as well as our transport service providers offering more environmentally friendly transport methods.

Waste generated in operations

Direction of change

Decreased

Primary reason for change

Unidentified

Change in emissions in this category (metric tons CO2e)

23.7

% change in emissions in this category

8.5

Please explain

Increased amount of waste for recycling, and reduced amount of residual waste

Business travel

Direction of change

Decreased

Primary reason for change

Change in physical operating conditions

Change in emissions in this category (metric tons CO2e)

1,549

% change in emissions in this category

19

Please explain

The reduction can mainly be referred to a decrease in emissions from air travel and transport due to changes in travel patterns and the increased use of digital meetings, for 2019 and 2020 this was mainly a result of the COVID-19 pandemic.

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	269.36	10,101.83	10,371.19
Consumption of purchased or acquired electricity		2,575.44	128,629.24	131,204.68
Consumption of purchased or acquired heat		0	20,181.39	20,181.39
Total energy consumption		2,844.8	158,912.46	161,757.26

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

Comment

No sustainable biomass used in 2021

Other biomass

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

Comment

No biomass used in 2021

Other renewable fuels (e.g. renewable hydrogen)

Heating value

LHV

Total fuel MWh consumed by the organization

269.36

Comment

Amount of biofuel (in MWh) reported for 2021

Coal

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

Comment

No use of coal in 2021

Oil

Heating value

LHV

Total fuel MWh consumed by the organization

6,101.1

Comment

Use of Heating oil (in MWh) reported for 2021

Gas

Heating value

LHV

Total fuel MWh consumed by the organization

3,903.16

Comment

Amount of Natural gas and LPG (in MWh) reported for 2021

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

LHV

Total fuel MWh consumed by the organization

97.57

Comment

Amount of Diesel (in MWh) reported for 2021

Total fuel

Heating value

LHV

Total fuel MWh consumed by the organization

10,371.19

Comment

Total adding amount of MWh from Heating oil, Natural gas, LPG and Diesel consumption

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier

Electricity

Low-carbon technology type

Hydropower (capacity unknown)

Country/area of low-carbon energy consumption

Finland

Tracking instrument used

GO

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

1,371

Country/area of origin (generation) of the low-carbon energy or energy attribute

Norway

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2,021

Comment

Cancellation Statement - Guarantee of Origin from Fingrid / Finextra

Sourcing method

Unbundled energy attribute certificates (EACs) purchase

Energy carrier
Electricity

Low-carbon technology type
Small hydropower (<25 MW)

Country/area of low-carbon energy consumption
Finland

Tracking instrument used
GO

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
1,379

Country/area of origin (generation) of the low-carbon energy or energy attribute
Finland

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2,021

Comment
Cancellation Statement - Guarantee of Origin from Fingrid / Finextra

C8.2g

(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.

Country/area
Australia

Consumption of electricity (MWh)
159.53

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

159.53

Country/area
Brazil

Consumption of electricity (MWh)

649.42

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

649.42

Country/area

Canada

Consumption of electricity (MWh)

588.82

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

588.82

Country/area

China

Consumption of electricity (MWh)

2,142.65

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

2,142.65

Country/area

Croatia

Consumption of electricity (MWh)

266.59

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

266.59

Country/area

Finland

Consumption of electricity (MWh)

2,575.44

Consumption of heat, steam, and cooling (MWh)

2,373.21

Total non-fuel energy consumption (MWh) [Auto-calculated]

4,948.65

Country/area

Republic of Korea

Consumption of electricity (MWh)

770.35

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

770.35

Country/area

Norway

Consumption of electricity (MWh)

113,642

Consumption of heat, steam, and cooling (MWh)

7,583.43

Total non-fuel energy consumption (MWh) [Auto-calculated]

121,225.43

Country/area
Poland

Consumption of electricity (MWh)
1,750.15

Consumption of heat, steam, and cooling (MWh)
2,732.77

Total non-fuel energy consumption (MWh) [Auto-calculated]

4,482.92

Country/area
Singapore

Consumption of electricity (MWh)
459.23

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

459.23

Country/area
Spain

Consumption of electricity (MWh)
1,722.13

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]

1,722.13

Country/area
Sweden

Consumption of electricity (MWh)
1,568.69

Consumption of heat, steam, and cooling (MWh)

1,651.75

Total non-fuel energy consumption (MWh) [Auto-calculated]

3,220.44

Country/area

United Kingdom of Great Britain and Northern Ireland

Consumption of electricity (MWh)

572.69

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

572.69

Country/area

United States of America

Consumption of electricity (MWh)

4,165.64

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

4,165.64

Country/area

India

Consumption of electricity (MWh)

171.38

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

171.38

C-CG8.5

(C-CG8.5) Does your organization measure the efficiency of any of its products or services?

	Measurement of product/service efficiency	Comment
Row 1	Yes	

C-CG8.5a

(C-CG8.5a) Provide details of the metrics used to measure the efficiency of your organization's products or services.

Category of product or service

Power transmission, transformation and distribution equipment

Product or service (optional)

Hybrid diesel/battery installation on vessels. The Vessel Perfomance System provides real-time information about the vessels operation, fuel consumption and emission levels. Energy Control Projects optimise energy utilisation for large consumers.

% of revenue from this product or service in the reporting year

0

Efficiency figure in the reporting year

3,000

Metric numerator

tCO2

Metric denominator

metric ton of product

Comment

KONGSBERG’s hybrid diesel/battery installation reduces vessel fuel consumption and emissions. This enables fully electric sailing across greater distances for longer periods and zero-emission port operation. Hurtigruten upgraded vessels to the same battery system. For zero-emissions mode, Kongsberg Maritime’s SAVe Energy Storage system powers the complete system, eliminating the need for running engines. KONGSBERG’s AZP 120L-PM thrusters provides propulsion and maneuvering, whilst Kongsberg Maritime’s electric power system, generators, motors, switchboards, power management system, ACON integrated automation system provides power.

The Kongsberg Vessel Performance System provides real-time information about the vessels operation, fuel consumption and emission levels.

The decision to invest in a hybrid solution was an important milestone in Hurtigruten’s

goal of sailing fully electric expeditionary ships in the Arctic and Antarctic. The technology, in combination with the design of the hull and effective use of electricity onboard, reduce fuel consumption by approximately 20 per cent. CO2 emissions are reduced by a similar amount equalling more than 3,000 tonnes of CO2 annually.

Additionally, Kongsberg Maritime's new green fuel gas supply systems play a vital part in helping sustainability and supporting cruise operator's stewardship of planned new zero emission zones. For Havila Kystrutens vessels KONGSBERG estimates greenhouse gas emissions from the engines to be 20 per cent lower than those from equivalent diesels. In addition, the use of LNG reduces CO2 output by 25 per cent and NOx emissions by an unprecedented 90 per cent. The onboard battery packs – said by Havila Krystuten to be the world's largest – provide up to four hours of silent, zero emissions operating time.

Energy Control Project with COSL Drilling, KONGSBERG and NOV reduced the number of running generators and increasing the efficiency of operation of the remaining units produces dramatic savings both in costs and emissions. Annual fuel consumption is cut by approximately 2,300 tonnes, CO2 emissions by 7,300 tonnes and NOx by 125 tonnes, representing an overall saving in both fuel and emissions of more than 25%.

We do not disclose the exact %revenue from these products, since it can be competitive-sensitive information.

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Energy usage

Metric value

16.4

Metric numerator

Energy consumption (MWh)

Metric denominator (intensity metric only)

Number of employees

% change from previous year

8.01

Direction of change

Increased

Please explain

The increase from 2020 is anticipated generated from increased activity post COVID-19. There has been a decline from 2018 compared to 2021.

Description

Energy usage

Metric value

6.7

Metric numerator

Energy consumption (MWh)

Metric denominator (intensity metric only)

Revenue

% change from previous year

5.26

Direction of change

Increased

Please explain

The increase from 2020 is anticipated generated from increased activity post COVID-19. There has been a decline from 2018 and 2019 compared to 2021.

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1	Yes	With our significant research and development investments in sustainable innovation, KONGSBERG demonstrates our long-term commitment to the environmental sustainability agenda. Our most important environmental contribution is to use our technology, capabilities and expertise to develop ever more climate friendly solutions for our customers, with focus on industrial efficiency while strengthening the safety, security and reliability of their operations. In addition to our investments in sustainable R&D,

		KONGSBERG invests heavily in marketing our innovative green solutions and in supporting our customers in the green transition to integrate more eco-friendly products and solutions. Our proactive end-to end approach is made to ensure these sustainable options are not only available but are implemented so they can deliver their positive environmental contribution as soon as possible. KONGSBERG is investing heavily in the upgrading of our existing product portfolio and the development of new products. The upgrades and improvements to the product portfolio are focused on ensuring that our customers have access to new versions and improvements where required. It is also important to invest in existing products to ensure that they can continue to be produced and maintained throughout their lifecycle. In recent years, KONGSBERG have spent a large portion of our R&D investments on the development and innovation of new products and services, and in 2021 this amounted to over two-thirds of the total of MNOK 1,721 (of which 1.507 was expensed and 214 capitalised) which was spent on what we categorize as sustainable innovation. We continue this strategic initiative, alongside to developing our methods for categorizing economic activities according to the EU Taxonomy, both as a driver of technology development, and to prepare for new reporting requirements. Examples of sustainable solutions are: • Reduction of energy consumption and environmental impact alongside increased efficiency in the maritime sector • Observation, monitoring and management of marine natural resources and satellite monitoring of rainforests • Carbon-neutral solutions, such as offshore wind and zero-emission vessels

C-CG9.6a

(C-CG9.6a) Provide details of your organization's investments in low-carbon R&D for capital goods products and services over the last three years.

Technology area

Machinery automation

Stage of development in the reporting year

Applied research and development

Average % of total R&D investment over the last 3 years

21 - 40%

R&D investment figure in the reporting year (optional)

Comment

Automation & Bridge technologies for maritime sector. The products in the portfolio will be in different stages, some also commercialized.

In recent years, KONGSBERG have spent a large portion of our R&D investments on the development and innovation of new products and services, and in 2021 this amounted to over two-thirds of the total of MNOK 1,721 (of which 1.507 was expensed and 214 capitalised) which was spent on what we categorize as sustainable innovation.

Technology area

Smart systems

Stage of development in the reporting year

Applied research and development

Average % of total R&D investment over the last 3 years

≤20%

R&D investment figure in the reporting year (optional)

Comment

Software for management and control on digital platforms for maritime sector. The products in the portfolio will be in different stages, some also commercialized.
In recent years, KONGSBERG have spent a large portion of our R&D investments on the development and innovation of new products and services, and in 2021 this amounted to over two-thirds of the total of MNOK 1,721 (of which 1.507 was expensed and 214 capitalised) which was spent on what we categorize as sustainable innovation.

Technology area

Energy storage

Stage of development in the reporting year

Applied research and development

Average % of total R&D investment over the last 3 years

≤20%

R&D investment figure in the reporting year (optional)

Comment

Energy Storage Technologies for maritime sector. The products in the portfolio will be in different stages, some also commercialized.
In recent years, KONGSBERG have spent a large portion of our R&D investments on the development and innovation of new products and services, and in 2021 this amounted to over two-thirds of the total of MNOK 1,721 (of which 1.507 was expensed and 214 capitalised) which was spent on what we categorize as sustainable innovation.

Technology area

Other energy efficient products or efficiency drivers

Stage of development in the reporting year

Applied research and development

Average % of total R&D investment over the last 3 years

21 - 40%

R&D investment figure in the reporting year (optional)

Comment

Sensors and robotics for maritime sector. The products in the portfolio will be in different stages, some also commercialized.
In recent years, KONGSBERG have spent a large portion of our R&D investments on the development and innovation of new products and services, and in 2021 this amounted to over two-thirds of the total of MNOK 1,721 (of which 1.507 was expensed and 214 capitalised) which was spent on what we categorize as sustainable innovation.

Technology area

Other energy efficient products or efficiency drivers

Stage of development in the reporting year

Applied research and development

Average % of total R&D investment over the last 3 years

≤20%

R&D investment figure in the reporting year (optional)

Comment

Electrification of vessels, to replace older fuel based technology . The products in the portfolio will be in different stages, some also commercialized.
In recent years, KONGSBERG have spent a large portion of our R&D investments on the development and innovation of new products and services, and in 2021 this amounted to over two-thirds of the total of MNOK 1,721 (of which 1.507 was expensed and 214 capitalised) which was spent on what we categorize as sustainable innovation.

Technology area

Smart systems

Stage of development in the reporting year

Small scale commercial deployment

Average % of total R&D investment over the last 3 years

≤20%

R&D investment figure in the reporting year (optional)

Comment

Remote smart systems .
In recent years, KONGSBERG have spent a large portion of our R&D investments on the development and innovation of new products and services, and in 2021 this amounted to over two-thirds of the total of MNOK 1,721 (of which 1.507 was expensed and 214 capitalised) which was spent on what we categorize as sustainable innovation.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Kongsberg_Gruppen_ASA_CDP_Verification_Letter_for_2021.pdf

Page/ section reference

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Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

KOG-Annual_Report_2021_GB_FINAL_CDP.pdf

Page/ section reference

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Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance
Limited assurance

Attach the statement

KOG-Annual_Report_2021_GB_FINAL_CDP.pdf

Page/ section reference
Page 1 - 4

Relevant standard
ISAE3000

Proportion of reported emissions verified (%)
100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category
Scope 3: Upstream transportation and distribution

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement

KOG-Annual_Report_2021_GB_FINAL_CDP.pdf

Page/section reference
Page 1 - 4

Relevant standard
ISAE3000

Proportion of reported emissions verified (%)
100

Scope 3 category

Scope 3: Business travel

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

KOG-Annual_Report_2021_GB_FINAL_CDP.pdf

Page/section reference

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Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, but we are actively considering verifying within the next two years

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers
Yes, our customers/clients
Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Run an engagement campaign to educate suppliers about climate change
Provide training, support, and best practices on how to make credible renewable energy usage claims

% of suppliers by number

25

% total procurement spend (direct and indirect)

74

% of supplier-related Scope 3 emissions as reported in C6.5

0

Rationale for the coverage of your engagement

Global supplier engagement and collaboration programme on carbon emissions reduction based on science based methodology and improvement. Training and guidance to be provided to suppliers to enable sustainable transformation and cross-company and cross-industry collaboration to share best practice. Rationale: Programme focused on the suppliers with the highest carbon emissions contribution (priority based on direct suppliers with highest spend). Indirect Procurement categories for utilities, transportation and travel also overlap with other scope 3 emissions targeted programmes.

Impact of engagement, including measures of success

Measure of success is a SBTI supplier onboarding target with KONGSBERG to have 67% of its direct suppliers by spend to have science-based targets within 5 years. Focus on direct suppliers as have higher carbon emissions contribution. The demonstrated impact will be our suppliers delivering robust carbon emissions reduction plans that are sustainable and global. KONGSBERG focus is suppliers to the main company sectors (Kongsberg Maritime and Kongsberg Defence), regions (Nordics, EMEA, APAC and Americas) and the suppliers with greatest operational impact.

Comment

Carbon emissions reporting from suppliers being managed through KONGSBERG digital supplier portal (IntegrityNext).

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Collaboration & innovation

Other, please specify

Collaboration in projects for proactive bio-fouling control on ships and offers the potential to reduce fuel costs and CO2 emissions on vessels.

% of customers by number

0

% of customer - related Scope 3 emissions as reported in C6.5

0

Please explain the rationale for selecting this group of customers and scope of engagement

The rationale behind the collaboration projects, is that together with our business partners we can innovate and commercialize proactive bio-fouling control on ships and offers the potential to reduce fuel costs and CO2 emissions on vessels. KONGSBERG works with Jotun to bring innovative solutions to market. The Jotun Hull Skating Solutions delivers an always clean hull and help ship operators combat early stage fouling, significantly reduce fuel costs, greenhouse gas emissions and the spread of invasive species.

Impact of engagement, including measures of success

HullSkater is the first solution developed for proactive bio-fouling control on ships and offers the potential to reduce fuel costs by around US$3.6 million and CO2 emissions by 12.5% annually, on a typical vessel. The % of supplier-related Scope 3 emissions as reported in C6.5, is 0, because we haven`t fully developed our methodology for calculating emissions for all categories. We have conducted initial screenings and are working on improvement of the data quality.

Type of engagement & Details of engagement

Collaboration & innovation

Run a campaign to encourage innovation to reduce climate change impacts

% of customers by number

10

% of customer - related Scope 3 emissions as reported in C6.5

0

Please explain the rationale for selecting this group of customers and scope of engagement

The Defence Industry acknowledges the importance of the green shift and realizes that the industry also needs to take action and be part of the solution. Based on this s a project has been funded by the Norwegian Ministry of Defence (Forsvarsdepartementet) to study, in collaboration with FFI (Norwegian Defence Research Establishment), material technology and production processes that will support in reducing the overall environmental footprint in KDAs products. The collaboration project will explore environmentally friendly alternatives that will meet the functions of the future and requirements for military products.

Relevant customers selected are National Armed Forces in Norway and the NATO countries, based on the mutual collaboration policy between the NATO countries.

Impact of engagement, including measures of success

The collaboration project will explore environmentally friendly alternatives that will meet the functions of the future and requirements for load-bearing structures, structures that protect electronics, ballistic protection and more. New production processes in biocomposites, generative design, epoxy-equivalent adhesive systems, cellulose-based nanofiber and recycling. – this will support the emissions reductions target to net zero 2050, however should we reach a 30% reduction in emissions and improve the circularity by 30% by 2030 then this shall be seen as a successful collaboration program.

Type of engagement & Details of engagement

Collaboration & innovation

Other, please specify

Collaboration with customers to be compliant with global targets set by IMO.

% of customers by number

20

% of customer - related Scope 3 emissions as reported in C6.5

0

Please explain the rationale for selecting this group of customers and scope of engagement

KONGSBERG MARITIME COMMITTED TO SUPPORTING CUSTOMERS IN THEIR DECARBONIZATION EFFORTS - in line with the global targets set by the IMO.
The International Maritime Organisation (IMO) is introducing new regulatory standards for ship energy efficiency - the Energy Efficiency Existing Ship Index (EEXI) and Carbon Intensity Indicator (CII) - which are to take effect in January 2023.
Kongsberg Maritime offers a wide range of comprehensive solutions as well as expert guidance to help customers make the most informed decision within the short allowed timeframe and determine the solution that will benefit their vessels and operations in an optimal way. EEXI compliance can be achieved through a variety of measures, the fastest, easiest-to-install and most economical being through power limitation solutions: Engine Power Limitation (EPL) is a functionality available in the AutoChief Digital Governor System (DGS) and CanMan propulsion control system that enables a vessel to limit its engine power output when the pre-set limit is reached, thereby helping operators to keep control of their vessel's level of emissions in operation. The upgrade to the EPL function is available for cargo and passenger ships to enable a swift and cost-effective compliance with the 2023 IMO greenhouse gas regulatory measures.
Also, Shaft Power Limitation (ShaPoLi), developed to enable vessels to limit their fuel consumption and associated greenhouse gas (GHG) emissions by limiting the output power of Controllable Pitch Propeller (CPP) shafts. Installing ShaPoLi is a proven method for projects where vessels have an excess of installed propulsion power following the re-design of a propeller aimed at new operational requirements, and particularly for ships with more than one engine per propeller shaft. ShaPoLi enables an optimisation of a ship's propulsion and blade design to the fullest and brings additional fuel savings and a reduction in CO2 emissions.

Impact of engagement, including measures of success

Despite the imminence of the implementation of the measures, vessel owners have the opportunity to quickly prepare their assets for compliance with the support of Kongsberg Maritime's expertise and broad range of solutions developed to deliver on all operational, commercial, budgetary and time requirements.

Type of engagement & Details of engagement

Collaboration & innovation

Other, please specify

Technological development of Zero-emission Autonomous Coastal Container Feeder

% of customers by number

2

% of customer - related Scope 3 emissions as reported in C6.5

0

Please explain the rationale for selecting this group of customers and scope of engagement

NEW AND INNOVATIVE COLLABORATION PROJECT
With the support from Kongsberg Maritime, DB Schenker plans to run Zero-emission Autonomous Coastal Container Feeder for Ekornes ASA in Norway.
With the prestudy agreement duly signed, DB Schenker, and its cooperation partners – the furniture giant Ekornes and vessel designers Naval Dynamics, in addition to KONGSBERG and Massterly – have taken the first steps in an ambitious collective aim to replace the traditional feeder vessels utilized along this stretch of the Norwegian coastline.
The new autonomous and electric, short-sea container feeder leverages the Naval Dynamics' NDS AutoBarge 250 concept developed in partnership with KONGSBERG and Massterly. Given our decades of expertise in creating and perfecting systems for ship operations in every context, we are in a unique position to carry out pioneering work on this project. KONGSBERG is currently involved in several fully electric and autonomous vessel operations, including Yara Birkeland and ASKO.

Impact of engagement, including measures of success

Given our decades of expertise in creating and perfecting systems for ship operations in every context, we are in a unique position to carry out pioneering work on these projects. KONGSBERG is currently involved in several fully electric and autonomous vessel operations. We now look forward to bringing our know-how and experience to this new partnership with DB Schenker and Ekornes.

Type of engagement & Details of engagement

Collaboration & innovation
Run a campaign to encourage innovation to reduce climate change impacts

% of customers by number

% of customer - related Scope 3 emissions as reported in C6.5

0

Please explain the rationale for selecting this group of customers and scope of engagement

THE WORLDS FIRST FULL SCALE HYDROGEN BASED PROPULSION SYSTEM LAUNCHED BY KONGSBERG
In December-21 we celebrated a world first by testing and verifying a full-scale, full-size, zero-emissions drivetrain powered by hydrogen fuel cells designed for ships and ferries. The project demonstrates that the technology is now mature for using hydrogen (H2) as an energy carrier.
This is the third and final part of the EU funded project "HySeas" which has been running since 2013 to prepare and demonstrate a scalable hydrogen system for ships and ferries. KONGSBERG has been the technical lead of the project, which has

involved participants from Scotland, Denmark, France, Germany, Sweden and England. In this final stage, KONGSBERG has built a full-scale electric propulsion system based on hydrogen-powered fuel cells at Ågotnes outside Bergen. The system will now undertake a 4-month testing program for validation purposes with the aim of verifying the final design for an H2-powered RoPax ferry.

Impact of engagement, including measures of success

Our ambition is to succeed with hydrogen investments in Norway, both to reduce national emissions and create new, green and sustainable jobs. What we together with our partners have succeeded in achieving with this project is yet another proof of the internationally leading competence in the Norwegian maritime cluster. Now we have both taken the next step for solutions in Norway, and the next step for the Norwegian maritime industry to succeed in exporting hydrogen-based technology and solutions Internationally.

Type of engagement & Details of engagement

Collaboration & innovation

Run a campaign to encourage innovation to reduce climate change impacts

% of customers by number

% of customer - related Scope 3 emissions as reported in C6.5

0

Please explain the rationale for selecting this group of customers and scope of engagement

CLEAN SHIPPING: BERGE BULK AND KONGSBERG MARITIME JOIN FORCES TO ADVANCE MARINE DECARBONISATION

Berge Bulk and Kongsberg Maritime has set up a joint development initiative to explore concept designs for a clean energy bulker fleet.

The goal is to identify and test emerging decarbonisation technologies and advance the integration of emerging and existing technologies into deployable marine solutions.

As a leader in international deep-sea dry bulk shipping, Berge Bulk aims to be carbon-neutral by 2025 at the latest and to have a zero-carbon ocean-going dry bulk carrier by 2030. Such an ambitious programme will require significant technical expertise and innovative talent to achieve and present numerous technical, commercial and regulatory challenges. Kongsberg Maritime is Berge Bulk’s latest technology partner to step up to the challenge.

There are two elements of the joint development project. The first will be to evaluate and test emerging decarbonisation technologies for use in the maritime sector. The second will be to integrate both emerging and existing technologies into deployable systems for installation.

Impact of engagement, including measures of success

KM's extensive experience developing technology solutions for marine applications is critical to the success of this project and the broader acceptance of these technologies by the maritime sector. Together, the two companies aim to expand the array of clean technology options available to shipowners who want to reduce their emissions today.

Type of engagement & Details of engagement

Education/information sharing

Run an engagement campaign to educate customers about the climate change impacts of (using) your products, goods, and/or services

% of customers by number

0

% of customer - related Scope 3 emissions as reported in C6.5

0

Please explain the rationale for selecting this group of customers and scope of engagement

KONGSBERG MARITIME PARTNER WITH STATSRAAD LEHMKUHL IN THE ONE OCEAN EXPEDITION

The One Ocean Expedition is a recognized part of the UN Decade of Ocean Science for Sustainable Development. The goal is to create attention and share knowledge about the crucial role of the ocean for a sustainable development in a global perspective. The 107 year old ship Statsraad Lehmkuhl has over many years been equipped and upgraded by Kongsberg Maritime (hybrid propulsion solution, advanced electro system, vessel insight, scientific echo-sounder KM-80, sensors for wind , current and sound, and more) and is today the most modern and environmental friendly tallship in its class. With all its modern instrumentation, it is also a research vessel collecting comparable data from a wide range of environments.

From August 2021 to April 2023, Statsraad Lehmkuhl will sail 55.000 nautical miles and visit 36 ports worldwide. During port visits, the ship is used for conferences, diplomacy, high level meetings and cooperate hospitality. Kongsberg Maritime is part of this and hold workshops with customers and partners in the various ports the ship visits. The key objectives for the voyage and its partners, including Kongsberg Maritime, are:

 To create attention, awareness and knowledge of the crucial role of the ocean for sustainable development.

 To provide a platform for development and outreach of the wide specter of knowledge and research needed for sustainable ocean management.

 To showcase good examples of sustainable ocean activities and actions within shipping, sustainable food production of biological resources and reduced pollution.

 To provide an inspirational setting for meetings at high level as well as between youth and general public across cultural divides.

 To contribute to the UN Decade of Ocean Science for Sustainable
 Development by research as well as education and ocean literacy.
 To use the voyage in all matters for engaging and creating awareness of the objectives for as many as possible, national and international (schools, universities, companies, public in general, and specially for the local inhabitants in the ports we visit).

Impact of engagement, including measures of success

The goal is to create attention and share knowledge about the crucial role of the ocean for a sustainable development in a global perspective.
To showcase good examples of sustainable ocean activities and actions within shipping, sustainable food production of biological resources and reduced pollution.

Type of engagement & Details of engagement

Education/information sharing
Run an engagement campaign to education customers about your climate change performance and strategy

% of customers by number

0

% of customer - related Scope 3 emissions as reported in C6.5

0

Please explain the rationale for selecting this group of customers and scope of engagement

THE #SEACHANGE CONCEPT
To better compile communication on sustainability, Kongsberg Maritime has taken ownership of the #SEACHANGE with the aim of positioning the company as a sustainable solutions leader and oceans expert. The hashtag is widely used across Social Media and digital channels in order to encourage target groups to explore content that catches their eye:
makes it easier to reach target groups
makes it easier to find information with a theme or specific content
makes our messages stand out to the users who find the hashtag valuable
compel an action–When a user sees a post that is of interest, they will likely spend time looking through content brought up by the hashtag.

Impact of engagement, including measures of success

Positioning the company as a sustainable solutions leader and oceans expert.
When a user sees a post that is of interest, they will likely spend time looking through content brought up by the hashtag.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

We are working with business partners in different projects, to form a whole eco-friendly concept. One example is the project with customer Hurtigruten and shipbuilder Kleven working with KONGSBERG on MS Roald Amundsen and MS Fridtjof Nansen.

The partners in our value chain who was part of this project were Klaveness shipping company, the (Norwegian) Institute of Marine Research and the Norwegian Shipowners' Association to develop a mapping concept for plastics in the ocean.

KONGSBERG also has a partnership with Norway’s ministry of Climate and Environment to combat tropical deforestation .

Norway’s Ministry of Climate and Environment has entered partnership with Kongsberg Satellite Services together with Planet and Airbus to provide universal access to highresolution satellite monitoring of the tropics in order to support efforts to stop deforestation and save the world’s tropical forests. The contract is valued up to 405M NOK (~$43.5M, ~37M €). Through this program, the coalition of three geospatial organizations will bring new technologies and transparency to advance the mission which is to protect the world’s tropical forests and provide sustainable pathways to economic development for forest communities and countries. This unique and distinct partnership between the public and private sectors is the result of a comprehensive public procurement process led by Norway, with the ambition to utilize technology and data to help facilitate solutions towards the global challenge of tropical deforestation.

Another example is Satellites for monitoring illegal fishing. Illegal fishing is a global problem and a serious threat to fish populations and marine ecosystems. Kongsberg Satellite Service (KSAT) communicates with satellites every time they pass over the ground station on Svalbard. Much like the Troll research station in Antarctica, they receive information from the satellites that circle the Earth in as little as 100 minutes. In the fight against illegal fishing, these satellites can supply radar images or highresolution images to identify vessels, etc. Combined with the AIS (automatic identification system), this can help detect vessels that are in places where they are not supposed to be.

Case study: HYSEAS - The world’s first sea-going hydrogen-powered RoPax ferry and a business model for European islands The project is constructing and testing the vessel hybrid fuel cell power system at full scale and producing the final specification for the vessel fuelling infrastructure that will influence the transition to zero-carbon marine transport. Total funding for the project is MEUR 12.3.
Case study: AUTOSHIP – Autonomous Shipping Initiative for European Waters The project responds to EU’s need to increase multimodal transport and relieve road congestion. It will develop, equip and run full scale opera tional demonstrations of autonomous functionality for two vessels and related shore control infrastructure, accelerating the future adoption and commercialization of autonomous shipping. Total funding for the project is MEUR 20.1.

Case study: NEXUS – Greener offshore wind operations The main objective of the NEXUS project is to develop new Service Operation Vessel (SOV) designs and business concepts to meet the urgent and growing needs of the offshore wind operations and industry. The project aims to reduce the costs of maintaining wind farms and thus securing the growth of offshore wind energy sector. New designs will contribute to a 30 per cent reduction in C02 emissions compared to existing vessels. Total funding for the project is MEUR 3.3

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

Yes, climate-related requirements are included in our supplier contracts

C12.2a

(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.

Climate-related requirement

Setting a science-based emissions reduction target

Description of this climate related requirement

SBTI supplier onboarding target with KONGSBERG to have 67% of its direct suppliers by spend to have science-based targets within 5 years.

IntegrityNext system is digital portal for suppliers to report carbon emissions. ISO14001 certification at suppliers is recommended through sourcing strategy and validated through audits. In addition compliance is monitored through supplier engagement and on-site reviews.

Supplier engagement on climate improvement is part of the supplier relationship / sourcing activity led by Procurement. Suppliers will be managed and improved through the Procurement process (including management of performance). ISO14001 audits will also continue, focused on the environmental capability at suppliers.

% suppliers by procurement spend that have to comply with this climate-related requirement

67

% suppliers by procurement spend in compliance with this climate-related requirement

5.8

Mechanisms for monitoring compliance with this climate-related requirement

Supplier self-assessment
First-party verification
Supplier scorecard or rating

Response to supplier non-compliance with this climate-related requirement

Retain and engage

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate

Yes, we engage directly with policy makers
Yes, we engage indirectly through trade associations
Yes, we engage indirectly by funding other organizations whose activities may influence policy, law, or regulation that may significantly impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

Yes

Attach commitment or position statement(s)

Commitment letter to Science Based Target initiative
SBT-Commitment-Letter_KongsbergGruppen.pdf

Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy

Our business strategy is based on a business perspective, balanced with the sustainability perspective. The point is that there should not be any contradiction between the
two – we are looking for solutions that are both responsible and profitable.
KONGSBERG's business areas possess expertise and technology that will provide our customers with better opportunities to accomplish their goals on the path toward a more sustainable society. For instance, our products have the potential for large emissions savings for many of our customers.
Our governance system consist of a range of governing documents which are mandatory to comply with for all subsidiaries in the Group. The Business Areas implement the
governing documents in their management systems, and follow up compliance through business reviews and internal audits. All Business Areas report risk based plans and

results annually to the Group on climate, the supply chain, buildings and rentals etc. Our direct and indirect activities supports the strategy, both in a short- and long term perspective. E.g. we are dependent on attracting the best resources and capacities to our operations; hence we are investing in education related activities within the area of natural-sciences.

C12.3a

(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?

Focus of policy, law, or regulation that may impact the climate

Adaptation and/or resilience to climate change
Climate-related targets

Specify the policy, law, or regulation on which your organization is engaging with policy makers

REGULATIONS RELATED TO DEVELOPMENT OF GREEN SHIPPING
Cooperation between the authorities, the research communities and the ocean industries is be a prerequisite for the success of realising the IMO's ambitious CO2 strategy, and driving the development and implementation of a green transition in the maritime sector.

The International Maritime Organisation (IMO) is introducing new regulatory standards for ship energy efficiency - the Energy Efficiency Existing Ship Index (EEXI) and Carbon Intensity Indicator (CII) - which are to take effect in January 2023. IMO, as the regulatory body for the industry, is committed to reducing greenhouse gas emissions from international shipping.

Maritime Forum Norway (MF) is an organisation that brings together the entire Norwegian maritime industry, with purpose and ambition to influence an active green maritime policy and to drive the green transition in the maritime cluster. KONGSBERG engages through our engagement in MF.

Policy, law, or regulation geographic coverage

National

Country/region the policy, law, or regulation applies to

Norway

Your organization's position on the policy, law, or regulation

Support with no exceptions

Description of engagement with policy makers

EVP Communication, Public Affairs and Sustainability in KONGSBERG is Chairman of the Board in Maritime Forum (Norway). MF is an organisation that brings together the entire Norwegian maritime industry, with purpose and ambition to influence an active green maritime policy and to drive the green transition in the maritime cluster. Kongsberg Maritime is committed to supporting maritime decarbonization efforts - in line with the global targets set by the IMO.
The Maritime Forum encourages the authorities to:
• Establish a CO2 fund for shipping without worsening the competitive conditions for shipping compared to other forms of transport. The support is used to stimulate climate-friendly hybrid solutions for domestic, green short-haul shipping based on electricity and natural gas.
• Increase the framework for maritime climate measures and technology development – e.g. through ENOVA – as part of the follow-up of the action plan for green shipping.
• Establish instruments for the development and phasing in of low-emission vessels, such as electric, hybrid and biogas vessels and hydrogen as energy carriers.
• Investigate tax exemptions on hybrid and all-electric ships by model from the electric car scheme.
• Use public procurement as a tool to stimulate Norwegian green technology development, and in the case of public procurement include requirements for HSE and working conditions in the tender.
• Create safe and predictable framework conditions for carbon capture and storage.
• Strengthen Norway's green competitiveness by facilitating industrial clusters that contribute to the development of new climate technology – including by strengthening the environmental technology scheme and Enova.
• Reintroduce, or fully compensate, the exemption from the carbon tax on natural gas and LPG for freight and passenger transport in domestic shipping, as well as for offshore vessels, as well as establish infrastructure for bunkering and investing in LNG as core technology in the transition to a zero-emission society.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.3b

(C12.3b) Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

Other, please specify

Norsk Industri (The Federation of Norwegian Industries which is part of the overall NHO (Confederation of Norwegian Enterprise).

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We publicly promote their current position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

The Federation's most important task is to ensure that the authorities adopt a long-term fiscal policy and framing conditions for a competitive Norwegian industry. Important issues are stable, safe and high activity, increased activity towards international projects, conditions to secure and achieve sustainable business, technology, competence and R&D as well as positive profiling the industry.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

Describe the aim of your organization's funding

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.3c

(C12.3c) Provide details of the funding you provided to other organizations in the reporting year whose activities could influence policy, law, or regulation that may impact the climate.

Type of organization

Non-Governmental Organization (NGO) or charitable organization

State the organization to which you provided funding

The ZERO Environmental Foundation is an independent, nonprofit organization founded in 2002 by a group of former active and employees of Nature and Youth and Bellona. Zero's statement: "We have only one client: the climate issue. ZERO works to ensure that everyone can contribute and become part of the solution. Our goal is to drive zero-

emission solutions, at the expense of solutions that produce emissions. Our position is politically independent."

Funding figure your organization provided to this organization in the reporting year (currency as selected in C0.4)

586,250

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate

The agreement is based on collaboration for technological development of sustainable products for zero-emission solutions. Collaboration for development of regulations and frameworks especially for the maritime sector.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Type of organization

Non-Governmental Organization (NGO) or charitable organization

State the organization to which you provided funding

UN Global Compact

Funding figure your organization provided to this organization in the reporting year (currency as selected in C0.4)

210,000

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate

The funding consist of member fee, cost for competence program and participating in conference.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports, incorporating the TCFD recommendations

Status

Complete

Attach the document

1

KOG-Annual_Report_2021_GB_FINAL_CDP.pdf

Page/Section reference

Kongsberg Annual and Sustainability Report 2021 pages 42-52.

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets

Comment

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues
Row 1	No, but we plan to have both within the next two years

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity
Row 1	No, but we plan to do so within the next 2 years

C15.3

(C15.3) Does your organization assess the impact of its value chain on biodiversity?

	Does your organization assess the impact of its value chain on biodiversity?
Row 1	No, but we plan to assess biodiversity-related impacts within the next two years

C15.4

(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?
Row 1	No, we are not taking any actions to progress our biodiversity-related commitments, but we plan to within the next two years

C15.5

(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No, we do not use indicators, but plan to within the next two years	

C15.6

(C15.6) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

No additional information.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Group Executive Vice President Public Affairs, Communication and Sustainability	Other C-Suite Officer

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

In the same way as we work with our suppliers, we will like to engage with our customers to answer to their questions about our operations. We have established our Supplier Conduct Principles to ensure safe working conditions throughout KONGSBERG's supply chain, ensuring that workers are treated with respect and dignity, impartially and fairly, that business operations are environmentally sound, and that business is conducted in accordance with internationally recognised principles and relevant international conventions (including UN global Compact, ILO conventions, OECD Guidelines for Multinational Enterprises, United Nations Guiding Principles on Business and Human Rights, and UN Conventions on Children's Rights). KONGSBERG expects all its suppliers to act in accordance with the Principles, and of course we will strive to act in accordance with them in all our operations. To reduce KONGBERG operational risks, we regularly perform commercial evaluations and screening of our suppliers. KONGSBERG expects our suppliers to familiarize themselves with KONGSBERG's values, which are available at www.kongsberg.com. KONGSBERG takes a partnership approach to suppliers in an effort to pursue the Principles by: Proactively seek continuous improvement on the part of suppliers within the areas covered by the Principles. If suppliers fail to comply with the standards in the Principles, KONGSBERG's general policy is to encourage improvement and not terminate the contract. We encourage rather than penalise suppliers that identify activities that do not measure up to these standards (by themselves or with subcontractors) and who agree to pursue improvements. We consider a similar ethical trading standard as a reasonable alternative, if suppliers are already working to achieve similar standards.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	27,449,000,000

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Requesting member
Airbus SE

Scope of emissions
Scope 1

Allocation level
Commodity

Allocation level detail

Emissions in metric tonnes of CO2e
18.63

Uncertainty (±%)
5

Major sources of emissions
Direct emissions (Scope 1): Emissions from the use of fuel oil and gas for heating and processes, as well as from the production of district heating at Kongsberg Technology Park.

Verified
Yes

Allocation method
Allocation based on the market value of products purchased

Market value or quantity of goods/services supplied to the requesting member
209,000,000

Unit for market value or quantity of goods/services supplied
Currency

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Climate and environmental data shall be reported from companies in which KONGSBERG own a share of 50% or more, and from all locations having more than 40 employees. Emissions are allocated according to relative share of customer revenue/total revenue.

Requesting member
Airbus SE

Scope of emissions

Scope 2

Allocation level

Commodity

Allocation level detail

Emissions in metric tonnes of CO2e

66.96

Uncertainty (±%)

5

Major sources of emissions

Indirect emissions from electricity (Scope 2): Emissions from electricity consumption and district heating or cooling from external suppliers.

Verified

Yes

Allocation method

Allocation based on the market value of products purchased

Market value or quantity of goods/services supplied to the requesting member

209,000,000

Unit for market value or quantity of goods/services supplied

Currency

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Climate and environmental data shall be reported from companies in which KONGSBERG own a share of 50% or more, and from all locations having more than 40 employees. Emissions are allocated according to relative share of customer revenue/total revenue. The CO2 emission factors used for electricity are location-based and in accordance with GHG Protocol Scope 2 Guidance.

Requesting member

Airbus SE

Scope of emissions

Scope 3

Allocation level

Commodity

Allocation level detail

Emissions in metric tonnes of CO2e

180.43

Uncertainty (±%)

5

Major sources of emissions

Emissions from flights and the transport of goods and products (Scope 3): Emissions from business travel/flights for employees and emissions associated with the transport of goods and merchandise.

Verified

Yes

Allocation method

Allocation based on the market value of products purchased

Market value or quantity of goods/services supplied to the requesting member

209,000,000

Unit for market value or quantity of goods/services supplied

Currency

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Climate and environmental data shall be reported from companies in which KONGSBERG own a share of 50% or more, and from all locations having more than 40 employees. Emissions are allocated according to relative share of customer revenue/total revenue.

Requesting member

SBM Offshore

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

0

Uncertainty (±%)

10

Major sources of emissions

We have not registered any sales to SBM Offshore from any of our Business Areas/subsidiaries in 2021.

Verified

Yes

Allocation method

Other, please specify

N/A, ref above.

Market value or quantity of goods/services supplied to the requesting member

0

Unit for market value or quantity of goods/services supplied

Currency

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

---

Requesting member

Cellnex Telecom SA

Scope of emissions

Scope 1

Allocation level

Commodity

Allocation level detail

Emissions in metric tonnes of CO2e

0.03

Uncertainty (±%)

5

Major sources of emissions

Direct emissions (Scope 1): Emissions from the use of fuel oil and gas for heating and processes, as well as from the production of district heating.

Verified

Yes

Allocation method

Allocation based on the market value of products purchased

Market value or quantity of goods/services supplied to the requesting member

370,000

Unit for market value or quantity of goods/services supplied

Currency

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Climate and environmental data shall be reported from companies in which KONGSBERG own a share of 50% or more, and from all locations having more than 40 employees. Emissions are allocated according to relative share of customer revenue/total revenue.

Requesting member

Cellnex Telecom SA

Scope of emissions

Scope 2

Allocation level

Commodity

Allocation level detail

Emissions in metric tonnes of CO2e

0.12

Uncertainty (±%)

5

Major sources of emissions

Indirect emissions from electricity (Scope 2): Emissions from electricity consumption and district heating or cooling from external suppliers.

Verified

Yes

Allocation method

Allocation based on the market value of products purchased

Market value or quantity of goods/services supplied to the requesting member

370,000

Unit for market value or quantity of goods/services supplied

Currency

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Climate and environmental data shall be reported from companies in which KONGSBERG own a share of 50% or more, and from all locations having more than 40 employees. Emissions are allocated according to relative share of customer revenue/total revenue. The CO2 emission factors used for electricity are location-based and in accordance with GHG Protocol Scope 2 Guidance.

Requesting member

Cellnex Telecom SA

Scope of emissions

Scope 3

Allocation level

Commodity

Allocation level detail

Emissions in metric tonnes of CO2e

0.32

Uncertainty (±%)

5

Major sources of emissions

Emissions from flights and the transport of goods and products (Scope 3): Emissions from business travel/flights for employees and emissions associated with the transport of goods and merchandise.

Verified

Yes

Allocation method

Allocation based on the market value of products purchased

Market value or quantity of goods/services supplied to the requesting member

370,000

Unit for market value or quantity of goods/services supplied

Currency

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Climate and environmental data shall be reported from companies in which KONGSBERG own a share of 50% or more, and from all locations having more than 40 employees. Emissions are allocated according to relative share of customer revenue/total revenue.

Requesting member

U.S. General Services Administration - OMB ICR #3090-0319

Scope of emissions

Scope 1

Allocation level

Commodity

Allocation level detail

Emissions in metric tonnes of CO2e

109.96

Uncertainty (±%)

5

Major sources of emissions

Direct emissions (Scope 1): Emissions from the use of fuel oil and gas for heating and processes, as well as from the production of district heating at Kongsberg Technology Park.

Verified

Yes

Allocation method

Allocation based on the market value of products purchased

Market value or quantity of goods/services supplied to the requesting member

1,233,500,000

Unit for market value or quantity of goods/services supplied

Currency

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Climate and environmental data shall be reported from companies in which KONGSBERG own a share of 50% or more, and from all locations having more than 40

employees. Emissions are allocated according to relative share of customer revenue/total revenue.

Requesting member

U.S. General Services Administration - OMB ICR #3090-0319

Scope of emissions

Scope 2

Allocation level

Commodity

Allocation level detail

Emissions in metric tonnes of CO2e

395.21

Uncertainty (±%)

5

Major sources of emissions

Indirect emissions from electricity (Scope 2): Emissions from electricity consumption and district heating or cooling from external suppliers.

Verified

Yes

Allocation method

Allocation based on the market value of products purchased

Market value or quantity of goods/services supplied to the requesting member

12,333,500

Unit for market value or quantity of goods/services supplied

Currency

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Climate and environmental data shall be reported from companies in which KONGSBERG own a share of 50% or more, and from all locations having more than 40 employees. Emissions are allocated according to relative share of customer revenue/total revenue. The CO2 emission factors used for electricity are location-based and in accordance with GHG Protocol Scope 2 Guidance.

Requesting member

U.S. General Services Administration - OMB ICR #3090-0319

Scope of emissions

Scope 3

Allocation level

Commodity

Allocation level detail

Emissions in metric tonnes of CO2e

1,064.97

Uncertainty (±%)

5

Major sources of emissions

Emissions from flights and the transport of goods and products (Scope 3): Emissions from business travel/flights for employees, and emissions associated with the transport of goods and merchandise (upstream).

Verified

Yes

Allocation method

Allocation based on the market value of products purchased

Market value or quantity of goods/services supplied to the requesting member

1,233,500,000

Unit for market value or quantity of goods/services supplied

Currency

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Climate and environmental data shall be reported from companies in which KONGSBERG own a share of 50% or more, and from all locations having more than 40 employees. Emissions are allocated according to relative share of customer revenue/total revenue.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

Please see:

https://www.kongsberg.com/globalassets/corporate/investor-relations/annual-report/kog-arsrapport-2021-gb_final_240322.pdf

Pages 83-86.

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Customer base is too large and diverse to accurately track emissions to the customer level	Development of a general accepted international standard for accurately climate and environmental accounting for each product/product line to be able to allocate and report emissions to our customers.

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Yes

SC1.4a

(SC1.4a) Describe how you plan to develop your capabilities.

We are working on further developing our internal processes for reporting Life Cycle Assessments at product level, including reporting on climate and environmental data.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

No

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

No, I am not providing data

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms