

The Annual General Meeting of Kongsberg Gruppen ASA

14 May 2020

This is an English office translation of the original Norwegian version of this document. In case of discrepancy between the Norwegian language original text and the English language translation, the Norwegian text shall prevail.

**MINUTES FROM
THE 2020 ANNUAL GENERAL MEETING
OF KONGSBERG GRUPPEN ASA**

At 10 a.m. on 14 May 2020, the Annual General Meeting of Kongsberg Gruppen ASA was held at the Conference Centre, Kongsberg Technology Park, Kongsberg (Norway).

Due to the ongoing Corona pandemic, the general meeting room imposed the necessary restrictions on physical attendance (notified in the Notice) and necessary infection control measures recommended by the authorities at the time of the General Meeting. Furthermore, for the same reason the General Meeting was transferred in its entirety on the webcast, where questions could also be submitted to the General Meeting. All shareholders were notified of the link via the company's website and by stock exchange announcement the day before the General Meeting.

Pursuant to §5-12, first subsection, of the Norwegian Public Limited Companies Act and Art. 8 of the Company's Articles of Association, the General Meeting was called to order and chaired by Chair of the Board Eivind Reiten.

The chair requested that Group Vice President General Counsel Christian Karde keep the minutes of the Annual General Meeting.

1. APPROVAL OF THE NOTICE OF THE MEETING AND AGENDA

A total of 190 shareholders were present or represented by proxies. Altogether, 123,821,925 shares, equivalent to approx. 68,79% of the total share capital, were represented. A list of the shareholders and proxies who attended the General Meeting is appended as Appendix 1 and constitutes an integral part of these minutes. The result of the voting for each case included as Appendix 2.

The Chair referred to the Notice of the General Meeting with attachments, dated 23 April 2020.

There were no objections to the Notice of the meeting nor the registration list, and the General Meeting was declared lawfully convened.

In keeping with the Board of Director's proposal, the General Meeting adopted the following **resolution**:

"The notice of the meeting and the agenda are approved."

2. ELECTION OF A PERSON TO CO-SIGN THE MINUTES

To sign the minutes together with the Chair of the General Meeting was proposed Morten Strømgren from the Ministry of Trade, Industry and Fisheries.

In keeping with the Board of Director's proposal, the General Meeting adopted the following **resolution**:

"Morten Strømgren is elected to co-sign the minutes."

3. BRIEFING BY THE CEO

Chief Executive Officer Geir Håøy reviewed the highlights of 2019 and provided a short briefing on trends thus far in 2020.

4. TREATMENT OF THE REPORT ON CORPORATE GOVERNANCE

Chair of the Board Eivind Reiten presented a short verbal account of the Board's corporate governance report.

The State's representative Morten Strømgren gave a short briefing on the government's new ownership notice "The State's direct ownership in companies – Sustainable value creation", including the State's objective and justification for the ownership of the company. It was emphasized that the framework for the state's ownership is fixed. The ownership notice is published on the website www.eierskap.no.

5. APPROVAL OF THE FINANCIAL STATEMENTS AND DIRECTORS' REPORT FOR THE PARENT COMPANY AND THE GROUP FOR THE 2019 FINANCIAL YEAR

The Chair referred to the review provided in the Directors' Report and the accompanying financial statements for 2019, which have been made available on the Group's website.

Chief Financial Officer Gyrid Skalleberg Ingerø reported on the income statement and balance sheet.

State-authorized Public Accountant Finn Espen Sælleg was present. Reference was made to the Auditor's Report, which is included in the Annual Report. There were no comments to the Auditor's Report.

In keeping with the Board of Director's proposal, the General Meeting adopted the following **resolution**:

"The financial statements for the parent company and for the Group for the 2019 financial year are approved. The Directors' Report is likewise approved. The Auditor's Report was taken under advisement."

6. PAYMENT OF DIVIDENDS

Chairman Reiten gave an account of the Board's proposal for dividends.

In keeping with the Board of Directors' proposal, the General Meeting adopted the following **resolution**:

"The Board of Directors' proposal for a dividend of NOK 2.50 per share for 2019 is approved. The dividend will be paid to those listed as the Company's shareholders as at close of business on 14 May 2020 (as they appear in the register of shareholders on 18 May 2020). The Group's shares will be listed on the Oslo Børs excluding rights to dividends as from 15 May 2020. The dividend is expected to be paid out on 26 May 2020.

The payment of dividend of NOK 2.50 per share is tax-wise to be regarded as a repayment of previously paid capital, cf. Taxation Act, § 10-11, second paragraph."

7. AUTHORISATION TO DISTRIBUTE DIVIDENDS BASED ON APPROVED FINANCIAL STATEMENTS FOR 2019

Chairman Reiten gave an account of the Board of Directors' proposal that the Board of Directors to be authorized to decide dividends if the situation in Kongsberg Gruppen dictates this in addition to the dividend adopted by the AGM under Item 6.

In keeping with the Board of Directors' proposal, the General Meeting adopted the following **resolution**:

"The Board of Directors is authorized to adopt one or more dividend payments based on the company's financial statements for 2019, cf. Norwegian Public Limited Companies Act, Section 8-2, second paragraph, and up to MNOK 1,800, which corresponds to up to NOK 10 per share. Before each decision, the Board of Directors shall assess whether the company will have proper equity and liquidity after the dividend payout. The authorization is valid until the next annual general meeting, but no longer than 30 June 2021.

The payment of dividend under this authorization is tax-wise to be regarded as a repayment of previously paid capital, cf. Taxation Act, § 10-11, second paragraph."

8. REMUNERATION TO MEMBERS OF THE BOARD, BOARD COMMITTEES AND THE NOMINATING COMMITTEE

Member of the Nominating Committee Morten Strømgren reported on the Nominating Committee's work and unanimous recommendation of nominees.

In keeping with the Nominating Committee's recommendation for compensation for the directors, including the Audit Committee and the Compensation Committee, as well as the Nominating Committee, applicable as from 14 May 2019 until the next Annual General Meeting, the General Meeting adopted the following **resolution**:

"The Board:

Chair of the Board: NOK 544,000 per year
Deputy Chair: NOK 291,000 per year
Member of the Board: NOK 273,000 per year
Deputy member: NOK 12,300 per meeting

Audit Committee:

Chair NOK 100 000 per year and other members NOK 75 000 per year

Compensation Committee:

Chair NOK 70 000 per year and other members NOK 47 000 per year

Nominating Committee

Chair NOK 8 000 per meeting and other members NOK 5 600 per meeting"

9. COMPENSATION TO THE AUDITOR

In keeping with the Board of Directors' proposal for compensation to the Auditor, the General Meeting adopted the following **resolution**:

"For 2019, remuneration of NOK 1 100,000 to the Company's Auditor for ordinary auditing services rendered to the parent company is approved."

10. APPROVAL OF THE BOARD'S DECLARATION REGARDING THE STIPULATION OF SALARY AND OTHER REMUNERATION TO SENIOR EXECUTIVES

The General Meeting made the following **resolutions** with respect to the recommended guidelines in the statement:

"The General Meeting endorses the recommended guidelines in accordance with the statement on the determination of pay and other remuneration to senior management."

The General Meeting adopted the following **resolution** with respect to the binding guidelines in the statement:

"The General Meeting approves the binding guidelines in the declaration on the stipulation of salary and other compensation to senior executives that refer to compensation related to shares or to the development of the share price in the Company, or in other companies within the Group."

11. ELECTION OF MEMBERS OF THE NOMINATING COMMITTEE

All members of the Nominating Committee are up for election. The Nominating Committee's member Morten Strømgren reported on the work of the Nominating Committee and the recommendation for the election of members to the Nominating Committee. The Nominating Committee's recommendation is unanimous, and the full text of the recommendation is available on the company's website.

In keeping with the Nominating Committee's recommendation, the General Meeting adopted the following **resolution**:

*"The following representatives are elected to the Nominating Committee of Kongsberg Gruppen ASA:
Vigdis Almestad (Chair), Morten Strømgren, Karl C. W. Mathisen and Erik Must."*

12. AUTHORISATION FOR THE ACQUISITION OF TREASURY SHARES - INCENTIVE PROGRAM ETC.

The General Meeting discussed the Board of Directors' proposal concerning authorization for the acquisition of treasury shares in connection with the incentive programme etc. In keeping with the Board of Director's reasoned proposal, the General Meeting adopted the following **resolution**:

- "(a) Pursuant to §9-4 of the Norwegian Companies Act, the Board is authorized to acquire treasury shares for up to a total maximum nominal value of NOK 9,749,279.*
- (b) The authorization may be used several times.*
- (c) The Board's acquisition of shares pursuant to this authorization can only be exercised between a minimum price of NOK 25 per share and a maximum price of NOK 300 per share.*
- (d) Shares acquired under the authorization can be used in relation to the share programme for the Group's employees, to the part of the Management's fixed-wage, as full or partial payment upon acquisition of business activities, or disposed of.*
- (e) The authorization shall apply until the next Annual General Meeting, but no later than 30 June 2021.*
- (f) The acquisition of shares pursuant to this authorization shall take place in the market. The disposal of the shares acquired will take place on the Oslo Stock Exchange, unless the shares are used in conjunction with employee share programs, as part of the Management's fixed-wage, or as full or partial payment upon acquisition of Business."*

13. AUTHORIZATION FOR THE ACQUISITION OF TREASURY SHARES - FOR CANCELLATION

The General Meeting discussed the Board of Directors' proposal concerning authorization for the acquire treasury shares for deletion. In keeping with the Board of Directors' reasoned proposal, the General Meeting adopted the following **resolution**:

- “(a) Pursuant to § 9-4 of the Norwegian Companies Act, the Board is authorized to acquire treasury shares. The authorization includes up to 8,000,000 shares with a total amount up to NOK 10,000,000, however, that the total consideration for the shares cannot exceed NOK 500,000,000.*
- (b) The authorization may be re-used.*
- (c) Acquisition of shares can be exercised only between a minimum price of NOK 25 per share and a maximum price of NOK 300 per share.*
- (d) Treasury shares can only be acquired with the aim of deleting the shares.*
- (e) The Board of Directors is free to decide how to acquire own shares.*
- (f) The authorization shall apply until the next Annual General Meeting, but no later than 30 June 2021.”*

Kongsberg, 14 May 2020

(signature) _____
Eivind Reiten

(signature) _____
Morten Strømgren

Attachment 1: List of shareholders represented at the General Meeting, in person or by proxy.

Attachment 2: Results of the votes on each individual item on the agenda.