

C0. Introduction

C0.1

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

Kongsberg Gruppen (KONGSBERG) is an international technology group that delivers advanced and reliable solutions that improve safety, security and performance in complex operations and under extreme conditions. KONGSBERG works with demanding customers in the global defence, maritime, oil and gas, fisheries and aerospace sectors.

The Group is divided into three business areas. Our headquarters is in Norway, and we have operations in more than 40 countries. Per 31. December 2019 we had almost 11 thousand employees, and total revenue was MNOK 24.081 (about 2.738 billion USD).

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. This is positioning KONGSBERG as a highly attractive employer for the recruitment of new talent for value creation and growth going forward.

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 business area doubled in size during 2019, after KONGSBERG completed its largest acquisition to date. The market lies within traditional merchant vessels and fishing vessels, and offshore and research vessels, as well as advanced offshore installations linked to aquaculture, and 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. To get more insight in what is of importance for our stakeholders we conducted an extensive Materiality Assessment late 2019, which rated "Climate risk and opportunities in the green transition" at top of all ESG issues.

Our footprint from our internal operations are quite low. Total CO2 emissions are estimated at 60,400 tonnes for 2019, including acquired companies. The ratio calculated for total emissions relative to turnover remained stable from 2015 and indicates a slight increase relative to the number of full-time equivalents.

We submitted reports to CDP for 2015, 2016 and 2017. During these years, we encountered little interest among our stakeholders for these reports due to our low internal CO2 footprint. We therefore decided not to continue reporting. We are now

seeing an increase in the level of interest in CDP in general and we will start submitting reports to CDP again from 2020.

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 2019	December 31 2019	Yes	3 years

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

- Australia
- Brazil
- Canada
- China
- Croatia
- Finland
- India
- Norway
- Poland
- Republic of Korea
- Singapore
- Spain
- Sweden
- United Kingdom of Great Britain and Northern Ireland
- United States of America

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.

- Financial control

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 superior 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.
Chief Executive Officer (CEO)	The CEO has the administrative superior 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 address 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 address 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	Scope of board-level oversight	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	<Not Applicable>	The Board review and approve 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.

C1.2

(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)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Chief Executive Officer (CEO)	<Not Applicable >	Assessing climate-related risks and opportunities	<Not Applicable>	Quarterly
Other C-Suite Officer, please specify (Group Executive Vice President Public Affairs, Sustainability and Communication)	<Not Applicable >	Assessing climate-related risks and opportunities	<Not Applicable>	Quarterly
Other, please specify (Group Vice President Sustainability & Governance)	<Not Applicable >	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	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 strategy 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 yearly 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 related to climate-issues in the value chain. This is flown down to the Presidents in 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	Environmental criteria included in purchases Supply chain engagement	KPI's incentives related to climate-issues in the value chain, constitutes a part of the bonus-scheme for top management.
President	Monetary reward	Environmental criteria included in purchases Supply chain engagement	KPI's incentives related to climate-issues in the value chain, 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		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.

The likelihood is rated from very low, low, medium, high to very high. Each level is defined from less than 10% chance that the risk will happen in the future (operational: near future / tactical: 12-24 months / strategic level more than 36 months).

The criterias also include what will be deemed as consequences for Safety, Health & Environment (HSE), reputation and consequences for not meeting objectives.

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
Upstream
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

All our Business Areas shall (minimum) annually 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. All our business areas are certified in accordance with ISO 14001 Environmental Management. Risk management is a key element in the ISO 14001, 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. KONGSBERG has started a process of evaluating and reporting for climate risk, 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 from 2019. This will be further developed from 2020, and will include the supply chain and logistics. Our risk assessments for 2019 are provisional and will be further developed and updated on an ongoing basis. We have 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. We have thoroughly surveyed production sites and offices and have relevant safety measures in place for the locations that could be affected by incidents such as flooding. We have ascertained that transition risk, which is the financial risk associated with the transition to a zero emission society, is relatively low for KONGSBERG. At the same time, it may involve a risk to us that the maritime sector is generally exposed to market and transition risk, especially related to oil and gas business, which in turn may impact on demand for our products and services. Changes in climate policy could result in changes to framework conditions, such as more stringent legislation or an increase in carbon pricing with the aim of reducing emissions. Our production is not energy intensive, and our total emissions are low. Significant increases in flight prices could result in increased costs for us, but this also apply to other parties in the market and is not expected to have a major effect on our competitiveness. 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. KONGSBERG has determined that liability risk, 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, is low. This also applies to reputational risk, which can affect companies who are 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 zero emission society. Examples: Due to risk assessment of transitional risk, our maritime business area has developed a broad portfolio of new products, enabling the maritime industry to reduce emissions by hybrid and electrical propulsion systems. Our business area for digitalization has developed digital systems, autonomous and/or remote systems to meet the "green shift" and demand for energy-efficiency in the industry in general. Due to physical risk, 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.

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 to current legislation is a basis for our risk assessments. Examples are consideration of current emission regulations from our operations when installing new equipments, new buildings and choise for transportation for goods.
Emerging regulation	Relevant, always included	Knowledge of trends and emerging regulations is crucial for our development of new technology to meet our customers demand and expectations, which influences on both risk and opportunities. One example is consideration of new, expected regulations e.g. for maritime transportation in IMO regulations.
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. One example is the transiion risk when transportation by sea is moving from fuel-intensive to hybrid and electrical technology. As a technology company we have to be in the forefront of the technological development, understanding the risks this development involves for the industry.
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. One example is the risk for pollution due to our products, by leakage etc. which can involve a liability risk.
Market	Relevant, always included	We include assessment of transition risk, which is the financial risk associated with the transition to a zero emission society, is relatively low for KONGSBERG. At the same time, it may involve a risk to us that the maritime sector is generally exposed to market and transiion risk, especially related to oil and gas business, which in turn may impact on demand for our products and services. An example here can be the same as for technology; the transition risk when transportation by sea is moving from fuel-intensive to hybrid and electrical technology. As a technology company we have to be in the forefront of the technological development, understanding the risks this development involves for the industry when the market 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 zero emission society, and therefore a positive factor regarding reputational risk. One example (opportunity) can be when our innovative technology enables a customer to reduce emissions substantially, e.g. as for the autonomous electrical vesselproject "YaraBirkeland". An example for risk can be if our products causes pollution due leakage of oil etc.
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. An example is the risk for flood in Kongsberg Technology Park, 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. One example can be chronic temperature rising 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?

Upstream

Risk type & Primary climate-related risk driver

Market	Increased cost of raw materials
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Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Our operations and productions are interdependent of our suppliers, delivering high quality goods and services in right time to our customers. Our business areas within maritime, defence and digital industries are in high-tech industry. Any material cost increase for goods and transportation due to e.g. increased carbon-pricing can affect our business substantially, if not given time to correspondingly increase pricing to our customers.

Time horizon

Short-term

Likelihood

Unlikely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Kongsberg Gruppen is a very diversified company with three major business areas. The financial impact can vary within the business areas. This also goes for the time horizon; where maritime the and digital businesses will have a more short term time horizon, and the defence business a more long-term horizon. Normally contracts will have an regulation for such risk, and therefore we deem the likelihood as unlikely and the magnitude as low.

Cost of response to risk

0

Description of response and explanation of cost calculation

The most important response to this risk are robust contracts covering different risks,. It is difficult to predict effect of such risk, and few or none financial instruments to hedge such risks.

Comment

Kongsberg Gruppen is a very diversified company with three major business areas. The financial impact can vary within the business areas. This also goes for the time horizon; where maritime the and digital businesses will have a more short term time horizon, and the defence business a more long-term horizon.

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Technology	Substitution of existing products and services with lower emissions options
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Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Our operations and productions are interdependent of our suppliers, delivering high quality goods and services in right time to our customers. Our business areas within maritime, defence and digital industries are in high-tech industry. Especially the maritime and digital businesses can be affected by the "green transition" , and the change is going fast. 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; this is also reflected in our materiality assessment described in our Annual Report. Our business strategy includes investment in R&D to meet this development, to be in forefront as a technology-leader in our segments.

Time horizon

Medium-term

Likelihood

Very unlikely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The financial impact is assessed as medium, but very unlikely. The financial impact can vary within the business areas, and is difficult to estimate in numbers.

Cost of response to risk

350000000

Description of response and explanation of cost calculation

The most important response to this risk is investment in R&D and continuous competence building to meet this development and to be in forefront as a technology-leader in our segments. A cost related to this response is difficult to estimate since it will include different elements. Our investments in R&D for 2019 connected to sustainability was 350 MNOK.

Comment

Kongsberg Gruppen is a very diversified company with three major business areas. The financial impact can vary within the business areas. This also goes for the time horizon; where maritime the and digital businesses will have a more short term time horizon, and the defence business a more long-term horizon.

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Market	Changing customer behavior
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Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

To some degree the description will identical with the description for technology. It is a risk for a high-tech company to understand the drivers in the market, the regulations affecting the market, and the speed for the development for customers behaviour. Our business strategy is delivering high quality goods and services in right time to our customers, within our business areas maritime, defence and digital industries. Especially the maritime and digital businesses can be affected by the "green transition" , and the change is going fast. 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; this is also reflected in our materiality assessment described in our Annual Report. Our business strategy includes investment in R&D to meet this development, to be in forefront as a technology-leader in our segments.

Time horizon

Short-term

Likelihood

Unlikely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The financial impact is assessed as medium, but unlikely. The financial impact can vary within the business areas, and is difficult to estimate in numbers.

Cost of response to risk

350000000

Description of response and explanation of cost calculation

The most important response to this risk is market research, understanding expectable regulations that can affect our markets, investment in R&D and continuous competence building to meet the customer demand and to be in forefront as a technology-leader in our segments. A cost related to this response is difficult to estimate since it will include different elements. Our investments in R&D for 2019 connected to sustainability was 350 MNOK.

Comment

Kongsberg Gruppen is a very diversified company with three major business areas. The financial impact can vary within the business areas. This also goes for the time horizon; where maritime the and digital businesses will have a more short term time horizon, and the defence business a more long-term horizon.

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

Products and services

Primary climate-related opportunity driver

Development of new products or services through R&D and innovation

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Development of the HullSkater (HSS) technology is based on KONGSBERG's long experience within marine robotics and remote operations, resulting in more energy efficient operations and reduced CO2 and NOx emissions. In addition HSS will eliminate avoid spread of invasive species. The development has been carried out together with business partner Jotun. The hullskater is a revolutionary and climate friendly solution utilizing proactive cleaning of the hull for vessels. If 25% of ships in challenging operations convert to HSS by 2030 (same as Jotun's share of total antifouling market today), this would result in a CO2 emissions reduction of at least 10 million tons per year – equal to around a quarter of total Norwegian CO2 emissions in 2018. The effect of this development is estimated as if all ships in challenging operations converted to HSS, this would result in CO2 emissions reduction of at least 40 million tons per year – equal to the total Norwegian CO2 emissions in 2018. The benefits of the product are: - Full operational flexibility with unlimited idle days - Reduced fuel costs through a consistently clean hull and market leading hull performance - Reduced environmental footprint through improved fuel consumption giving lower greenhouse gas emissions - Reduced risk of spreading invasive species through early removal of hull fouling at its geographical origin - Hull state verification capabilities available 24/7 Estimated example - Reference vessel burning 45 tons fuel per day; - Hull Skating Solutions vs. Market Average for 60 months - Overall fuel cost saving: approx. \$ 4,000,000 (12.5%) - Reduced CO2 emissions: approx. 22,000 tons (12.5%)

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The effect on potential financial figures can be sensitive information which has to be audited and approved before making public as a company traded on Oslo Stock Exchange. We can therefore not disclose any potential financial impact numbers at this time of the project.

Cost to realize opportunity

150000000

Strategy to realize opportunity and explanation of cost calculation

The development has been carried out together with business partner Jotun. The hullskater is a revolutionary and climate friendly solution utilizing proactive cleaning of the hull for vessels. The strategy for realizing the product is to present it to market as a new innovation which can make a change; both with regard to more eco-friendly solution, and cost effective. If 25% of ships in challenging operations convert to HSS by 2030 (same as Jotun's share of total antifouling market today), this would result in a CO2 emissions reduction of at least 10 million tons per year – equal to around a quarter of total Norwegian CO2 emissions in 2018. The cost for the development of the HSS technology is calculated and documented according to required standards for public subsidies. The financing of the project is dependent of research funding from the Norwegian Enova, which offer support to Norwegian businesses, making it easier for Norwegian companies and public enterprises to create viable change. Enova want to get in touch with companies who want to realize projects and be part of the low-emission society.

Comment

We have estimates for financial impact, but due to competitive sensitivity we do not make disclosures.

Identifier

Opp2

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Development of new products or services through R&D and innovation

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

The development of VESSEL INSIGHT enables customers to unlock the value of their data in a simple way - giving them a competitive edge in a fast-paced digital world. The solution provides vessel-to-cloud data infrastructure ensuring that customers can capture and aggregate quality data from their fleet in a cost effective and secure way. With Vessel Insight, onshore and on-site staff involved in fleet management and operations get instant easy access to fleet overview, vessel specific dashboards and data analysis tools. Access to quality data is one of the key challenges for digitalization in the maritime industry. Vessel Insight builds on top of the experience KONGSBERG has as a leading automation and control system vendor in the maritime industry, with over 30 years of experience from delivering management information systems and as a system integrator in the maritime sector, and is the first step in getting customers started on a digitalization journey and getting ROI from their data.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

We have estimates for financial figures, but due to competitive sensitivity we do not make disclosures.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

Vessel Insight builds on top of the experience KONGSBERG has as a leading automation and control system vendor in the maritime industry, with over 30 years of experience from delivering management information systems and as a system integrator in the maritime sector, and is the first step in getting customers started on a digitalization journey and getting ROI from their data. We have estimates for financial figures, but due to competitive sensitivity we do not make disclosures.

Comment

We have estimates for financial figures, but due to competitive sensitivity we do not make disclosures.

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

HYBRID POWER SOLUTIONS MARITIME SECTOR We are developing a range of hybrid solutions for our customers, varying from full battery electric ships, to plug-in hybrid solutions with possibility to operate fully electric part distance and more traditional hybrid solutions. Example: World's first Hybrid Powered Expedition Cruise Ships KONGSBERG's hybrid diesel/battery installation reduces the Norwegian Hurtigruten's fuel consumption and emissions on its new Polar Expeditionary cruise ships.

Hurtigruten and shipbuilder Kleven worked with KONGSBERG on MS Roald Amundsen and MS Fridtjof Nansen. Their goal is to ensure they operate emission-free in sensitive areas while meeting environmental and reliability requirements dictated by the harsh polar conditions. A 'first phase' system onboard the Roald Amundsen reduces fuel consumption. Fridtjof Nansen features a larger capacity 'second phase' battery pack. This enables fully electric sailing across greater distances for longer periods and zero-emission port operation. Hurtigruten aims to upgrade the first ship 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 manoeuvring, whilst Kongsberg Maritime's electric power system, generators, motors, switchboards, power management system, ACON integrated automation system provides power. The Kongsberg Energy Management 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.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

It is difficult to estimate the exact %revenue from these products, as they are integrated in the product portfolio in general, can be development of new/changed functions, improvement of existing systems etc. Some of the developments are still in a R&D phase, some are already commercialized. The effect on potential financial figures can be sensitive information which has to be audited and approved before making public as a company traded on Oslo Stock Exchange. We can therefore not disclose any potential financial impact numbers.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

The global footprint from shipping emissions are substantial, and there is a demand in the market for solutions which can contribute to reductions. This is also extensively regulated, e.g. by IMO 2020. Kongsberg is very well positioned to capture emerging opportunities in sustainable solutions given current "green" product development and portfolio. We believe our leadership providing next generation sustainable solutions to our customers will solidify our unique position. We have estimates for financial figures, but due to competitive sensitivity we do not make disclosures.

Comment

We have estimates for financial figures, but due to competitive sensitivity we do not make disclosures.

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?

Yes

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform its strategy?

Yes, qualitative, but we plan to add quantitative in the next two years

C3.1b

(C3.1b) Provide details of your organization’s use of climate-related scenario analysis.

Climate-related scenarios and models applied	Details
Other, please specify (Science Based Target methodology/scenarios are drawn primarily from the Integrated Assessment Modeling Consortium (IAMC) and the International Energy Agency (IEA).)	We have carried out a pilot project for the use of the “Science Based Target” (SBT) methodology in one of our divisions in the defence business in 2019. SBT scenarios are drawn primarily from the Integrated Assessment Modeling Consortium (IAMC) and the International Energy Agency (IEA). Purpose: The aim is to increase our internal expertise and provide us with a basis for evaluating whether the methodology is suitable for identifying effective goals for reducing greenhouse gas emissions within our value chain. We will also continue our efforts to further develop climate requirements in our internal operations, for our suppliers, climate-friendly logistics, the circular economy and climate-friendly buildings. Time horizon: The project included assessment for a time horizon short/medium/long term; 202-2030, 2030-2040 and 2040-2050, with baseline in GHG accounts for 2018. Results: The project showed that the estimated scope 1 – 3 emissions in the division are today about 49 000 tons of CO2 equivalents/year. Only 2% is scope 1 and 2 emissions. Scope 3 accounts for about 98% and is mainly related to purchased goods and services. This gave us valuable insight in where to prioritize our effort going forward, and we will intensify working with our supply chain to reduce GHG from our operations. The learnings from the project will be utilised in the development of a revised Climate Strategy in 2020. The summary report is presented and distributed for relevant personell in the Group for learning and inspiration. Many of the emissions reduction initiatives identified in the project are general reduction initiatives that are probably applicable to most business areas. The plan is to initiate GHG reduction workshops at unit/BA level to build further upon these findings, build awareness and knowledge and to identify BA/unit unique initiatives.

C3.1d

(C3.1d) 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	KONGSBERG has started a process of evaluating and reporting for climate risk, 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 from 2019. This will be further developed from 2020, and will include the supply chain and logistics. As described e.g. in C2.4a we have a range of products and services for technological developments which can reduce our customers GHG emissions substantially. Our business strategy is delivering high quality goods and services in right time to our customers, within our business areas maritime, defence and digital industries. Especially the maritime and digital businesses can be affected by the "green transition" , and the change is going fast. 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; this is also reflected in our materiality assessment described in our Annual Report. Our business strategy for 2020-2024 includes investment in R&D to meet this development, to be in forefront as a technology-leader in our segments.
Supply chain and/or value chain	Yes	KONGSBERG has started a process of evaluating and reporting for climate risk, 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 from 2019. This will be further developed from 2020, and will include the supply chain and logistics. We have cooperation with business partners for development of products which can reduce GHG emissions substantially compared to traditional products, e.g. as described in C2.4a. 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 for 2020.
Investment in R&D	Yes	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 has spent between a third and half of its R&D investments on the development and innovation of new products and services, and in 2019 this amounted to around MNOK 950. A significant portion of this, around MNOK 350, was spent on products and areas that directly support the UN's sustainable development goals relevant to GHG reductions. Our business strategy for 2020-2024 includes R&D investments priorities and budget.
Operations	Yes	KONGSBERG has a Sustainability Strategy for the period 2018-2022, buildt upon our materiality assessment, which includes plans and requirements for Sustainable internal operations; Circular economy, goals for reducing CO2 (carbon dioxide) emissions, 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.

C3.1e

(C3.1e) 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	In recent years, KONGSBERG has spent between a third and half of its R&D investments on the technological development and innovation of new products and services, and in 2019 this amounted to around MNOK 950 in total. A significant portion of this, around MNOK 350, was spent on products and areas that directly support the development of more climate-friendly products and services than traditional products and services. We budget for further R&D 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. Read more about opportunities in C2.4a for specific products and potential financial impact.

C3.1f

(C3.1f) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

KONGSBERG has a long-term commitment to the reduction of greenhouse gases and other negative environmental effects. Our most important contribution is to use our technology and expertise to develop even more climatefriendly solutions for our customers. This effort will often coincide with the desire to reduce costs and increase efficiency and security. Our competitiveness will be strengthened as a result of these efforts.

C4. Targets and performance

C4.1

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

Both absolute and intensity targets

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

2015

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (location-based) +3 (upstream & downstream)

Base year

2015

Covered emissions in base year (metric tons CO2e)

39268

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2020

Targeted reduction from base year (%)

20

Covered emissions in target year (metric tons CO2e) [auto-calculated]

31414.4

Covered emissions in reporting year (metric tons CO2e)

40274

% of target achieved [auto-calculated]

-12.8094122440664

Target status in reporting year

Underway

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Please explain (including target coverage)

We are aiming to cut our own CO2 emissions by 20 per cent by the end of 2020, based on the figures for 2015. We acknowledge that it is unlikely we will achieve our goal. The Group's emissions measured in absolute terms are more or less the same for 2019 as in 2015, excluding acquired companies. Emissions measured relative to turnover for the Group also remained stable during the period 2015-2019, excluding acquired companies. During 2020, we will set new goals for the period through to 2030. In 2019, we carried out a pilot project concerning use of the "Science Based Target" methodology in one of our divisions in the defence business. The aim is to increase our internal expertise and provide us with a basis for evaluating whether the methodology is suitable for identifying effective goals for reducing greenhouse gas emissions within our value chain. KONGSBERG has acquired and integrated Commercial Marine and Kongsberg Aviation Maintenance Services (KAMS), (previously AIM Norway) in 2019, considerably increasing both the number of employees and turnover. The percentage turnover in the maritime and defence segments changed from 58/42 in 2018 to 70/30 respectively in 2019. This is reflected in the climate statement and renders comparison difficult. In addition, the data quality and scope of the figures for the climate statement improved during the period 2015-2019, which is reflected in the higher emission figures. This particularly applies to flights booked outside Norway. We are continually making improvements and will establish a new climate strategy from 2020 and adopt a new baseline and climate goals. Total CO2 emissions are estimated at 60,400 tonnes for 2019, including acquired companies. The ratio calculated for total emissions relative to turnover remained stable from 2015 and indicates a slight increase relative to the number of full-time equivalents. Our direct and indirect emissions relative to energy consumption indicate a reduction in relation to both turnover and employees. The same applies to emissions relative to the transport of goods. Emissions related to flights indicate an increase with regard to turnover/employees. This is primarily due to a significant increase in customer support activity within Kongsberg Maritime following the acquisition of Commercial Marine. This organisation has a high degree of travel-related activity.

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Year target was set

2015

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (location-based) + 3 (upstream and downstream)

Intensity metric

Metric tons CO2e per unit revenue

Base year

2015

Intensity figure in base year (metric tons CO2e per unit of activity)

2.4

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

100

Target year

2020

Targeted reduction from base year (%)

20

Intensity figure in target year (metric tons CO2e per unit of activity) [auto-calculated]

1.92

% change anticipated in absolute Scope 1+2 emissions

0

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO2e per unit of activity)

2.4

% of target achieved [auto-calculated]

0

Target status in reporting year

Underway

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Please explain (including target coverage)

We are aiming to cut our own CO2 emissions by 20 per cent by the end of 2020, based on the figures for 2015. We acknowledge that it is unlikely we will achieve our goal. The Group's emissions measured in absolute terms are more or less the same for 2019 as in 2015, excluding acquired companies. Emissions measured relative to turnover for the Group also remained stable during the period 2015-2019, excluding acquired companies. During 2020, we will set new goals for the period through to 2030. In 2019, we carried out a pilot project concerning use of the "Science Based Target" methodology in one of our divisions in the defence business. The aim is to increase our internal expertise and provide us with a basis for evaluating whether the methodology is suitable for identifying effective goals for reducing greenhouse gas emissions within our value chain. KONGSBERG has acquired and integrated Commercial Marine and Kongsberg Aviation Maintenance Services (KAMS), (previously AIM Norway) in 2019, considerably increasing both the number of employees and turnover. The percentage turnover in the maritime and defence segments changed from 58/42 in 2018 to 70/30 respectively in 2019. This is reflected in the climate statement and renders comparison difficult. In addition, the data quality and scope of the figures for the climate statement improved during the period 2015–2019, which is reflected in the higher emission figures. This particularly applies to flights booked outside Norway. We are continually making improvements and will establish a new climate strategy from 2020 and adopt a new baseline and climate goals. Total CO2 emissions are estimated at 60,400 tonnes for 2019, including acquired companies. The ratio calculated for total emissions relative to turnover remained stable from 2015 and indicates a slight increase relative to the number of full-time equivalents. Our direct and indirect emissions relative to energy consumption indicate a reduction in relation to both turnover and employees. The same applies to emissions relative to the transport of goods. Emissions related to flights indicate an increase with regard to turnover/employees. This is primarily due to a significant increase in customer support activity within Kongsberg Maritime following the acquisition of Commercial Marine. This organisation has a high degree of travel-related activity.

Target reference number

Int 2

Year target was set

2015

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (market-based) + 3 (upstream and downstream)

Intensity metric

Metric tons CO2e per unit FTE employee

Base year

2015

Intensity figure in base year (metric tons CO2e per unit of activity)

5.3

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

100

Target year

2020

Targeted reduction from base year (%)

20

Intensity figure in target year (metric tons CO2e per unit of activity) [auto-calculated]

4.24

% change anticipated in absolute Scope 1+2 emissions

0

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO2e per unit of activity)

5.7

% of target achieved [auto-calculated]

-37.7358490566038

Target status in reporting year

Underway

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Please explain (including target coverage)

We are aiming to cut our own CO2 emissions by 20 per cent by the end of 2020, based on the figures for 2015. We acknowledge that it is unlikely we will achieve our goal. The Group's emissions measured in absolute terms are more or less the same for 2019 as in 2015, excluding acquired companies. Emissions measured relative to turnover for the Group also remained stable during the period 2015-2019, excluding acquired companies. During 2020, we will set new goals for the period through to 2030. In 2019, we carried out a pilot project concerning use of the "Science Based Target" methodology in one of our divisions in the defence business. The aim is to increase our internal expertise and provide us with a basis for evaluating whether the methodology is suitable for identifying effective goals for reducing greenhouse gas emissions within our value chain. KONGSBERG has acquired and integrated Commercial Marine and Kongsberg Aviation Maintenance Services (KAMS), (previously AIM Norway) in 2019, considerably increasing both the number of employees and turnover. The percentage turnover in the maritime and defence segments changed from 58/42 in 2018 to 70/30 respectively in 2019. This is reflected in the climate statement and renders comparison difficult. In addition, the data quality and scope of the figures for the climate statement improved during the period 2015–2019, which is reflected in the higher emission figures. This particularly applies to flights booked outside Norway. We are continually making improvements and will establish a new climate strategy from 2020 and adopt a new baseline and climate goals. Total CO2 emissions are estimated at 60,400 tonnes for 2019, including acquired companies. The ratio calculated for total emissions relative to turnover remained stable from 2015 and indicates a slight increase relative to the number of full-time equivalents. Our direct and indirect emissions relative to energy consumption indicate a reduction in relation to both turnover and employees. The same applies to emissions relative to the transport of goods. Emissions related to flights indicate an increase with regard to turnover/employees. This is primarily due to a significant increase in customer support activity within Kongsberg Maritime following the acquisition of Commercial Marine. This organisation has a high degree of travel-related activity.

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

Target(s) to reduce methane emissions

C4.2b**(C4.2b) Provide details of any other climate-related targets, including methane reduction 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*	1	0
Implemented*	3	337
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	Maintenance program
--------------------------------	---------------------

Estimated annual CO2e savings (metric tonnes CO2e)

337

Scope(s)

Scope 1

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

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

0

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

0

Payback period

11-15 years

Estimated lifetime of the initiative

11-15 years

Comment

Kongsberg Gruppen is a very diversified company with three major business areas. The financial impact can vary within the business areas, and we can not give verified financial information about savings or investments pt but are working on it. We have described a strategy in our Sustainability Strategy for 2018-2022 for raising the energy standards for new buildings, rehabilitating of property and rental contracts. We are in progress with regard to operationalizing the strategy into mandatory routines to ensure implementation in all business areas and subsidiaries.

Initiative category & Initiative type

Transportation	Other, please specify (Climate-friendly concept for logistics and transportation of goods together with developing internal logistics and planning of transport)
----------------	--

Estimated annual CO2e savings (metric tonnes CO2e)

0

Scope(s)

Scope 3

Voluntary/Mandatory

Voluntary

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

0

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

0

Payback period

1-3 years

Estimated lifetime of the initiative

3-5 years

Comment

Kongsberg Gruppen is a very diversified company with three major business areas. The financial impact can vary within the business areas, and we can not give verified financial information about savings or investments pt but are working on it. We have for several years focused on preferring transporters who offer the most climate-friendly concept for logistics and transportation of goods, together with developing internal logistics and planning competence and routines. We have an extensive portfolio of products with products of heavy weight, and smart logistics and planning is crucial for both cost and climate efficient solutions. E.g. good planning will reduce the need for transportation by air-freight substantially, and we have on-going programs for prioritizing transportation by sea abroad. The climate accounts shows an increase, mainly due to acquisition of companies in 2019, and the reports from our transporters are not possible to divide in exclusive and inclusive acquired companies.

Initiative category & Initiative type

Company policy or behavioral change	Supplier engagement
-------------------------------------	---------------------

Estimated annual CO2e savings (metric tonnes CO2e)

0

Scope(s)

Scope 3

Voluntary/Mandatory

Voluntary

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

0

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

0

Payback period

1-3 years

Estimated lifetime of the initiative

3-5 years

Comment

Kongsberg Gruppen is a very diversified company with three major business areas. The financial impact can vary within the business areas, and we can not give verified financial information about savings or investments pt but are working on it. We are working on analyzing potential emission reductions relating to our supply chain, using Science Based Target methodology as a tool. We aim to set specified criterias for climate and environmental factors in the supplier selection, and working with our main suppliers to achieve reductions, including e-learning and supplier conferences.

Initiative category & Initiative type

Company policy or behavioral change	Other, please specify (Reduction of travel by flights)
-------------------------------------	--

Estimated annual CO2e savings (metric tonnes CO2e)

0

Scope(s)

Scope 3

Voluntary/Mandatory

Please select

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

0

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

0

Payback period

1-3 years

Estimated lifetime of the initiative

3-5 years

Comment

Our business includes extensive use of travel by flight for personnel, e.g. for our service engineers in the maritime sector. We have implemented a "follow-the-sun" service set-up, with service sites located in Norway, USA and Singapore, where service personnel overlap during a 24/7 set-up, resulting in reduced need for on-site service. We also develop digital, remote service opportunities reducing the need for on-site visits. A third initiative is extended use of digital meetings using teams, skype etc, both internally and with our business partners. We have not estimated the total savings in CO2 or monetary. The climate accounts for 2019 shows an increase, mainly due to acquisition of companies in 2019, and the reports from our service providers are not possible to divide in reports showing exclusive and inclusive acquired companies.

C4.3c

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

Method	Comment
Internal incentives/recognition programs	Our Sustainability Strategy require all Business Areas to improve energy class for new buildings, rehabilitation and new leases.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Group of products

Description of product/Group of products

KONGSBERG has a long-term commitment to the reduction of greenhouse gases and other negative environmental effects. Our most important contribution is to use our technology and expertise to develop even more climatefriendly solutions for our customers, especially in the maritime sector. This effort will often coincide with the desire to reduce costs and increase efficiency and security for our customers. Our products includes minimizing the energy consumptions, use of clean energy sources/fuels as hydrogen, bio fuels, LNG etc, and maximizing the energy conversion efficiency by waste heat recovery, electric system efficiency etc.

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product and avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify (Measurement of results of specific trials and comparison between specific arrangements, evaluation according to ISO 15016:2015.)

% revenue from low carbon product(s) in the reporting year

0

% of total portfolio value

<Not Applicable>

Asset classes/ product types

<Not Applicable>

Comment

It is difficult to estimate the exact %revenue from these products, as they are integrated in the product portfolio in general, can be development of new/changed functions, improvement of existing systems etc. Some of the developments are still in a R&D phase, some are already commercialized.

Level of aggregation

Group of products

Description of product/Group of products

Sensors & Robotics: fishery sonars and ocean farming mariculture, engine efficiency etc.

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product and avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify (Measurement of results of specific trials and comparison between specific arrangements.)

% revenue from low carbon product(s) in the reporting year

0

% of total portfolio value

<Not Applicable>

Asset classes/ product types

<Not Applicable>

Comment

It is difficult to estimate the exact %revenue from these products, as they are integrated in the product portfolio in general, can be development of new/changed functions, improvement of existing systems etc. Some of the developments are still in a R&D phase, some are already commercialized. It can also be sensitive information regulated by Oslo Stock Exchange.

Level of aggregation

Group of products

Description of product/Group of products

Automation & Bridge systems: remote and automation of systems for vessels to make the systems more efficient and reduce need for fuel and travel, and thus reduce GHG emissions.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify (Measurement of results of specific trials and comparison between specific arrangements.)

% revenue from low carbon product(s) in the reporting year

0

% of total portfolio value

<Not Applicable>

Asset classes/ product types

<Not Applicable>

Comment

It is difficult to estimate the exact %revenue from these products, as they are integrated in the product portfolio in general, can be development of new/changed functions, improvement of existing systems etc. Some of the developments are still in a R&D phase, some are already commercialized. It can also be sensitive information regulated by Oslo Stock Exchange.

Level of aggregation

Group of products

Description of product/Group of products

Energy systems for vessels, to develop electrical systems, propulsion and storage technology in order to make the systems more efficient and/or reduce GHG emissions.

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product and avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify (Measurement of results of specific trials and comparison between specific arrangements.)

% revenue from low carbon product(s) in the reporting year

0

% of total portfolio value

<Not Applicable>

Asset classes/ product types

<Not Applicable>

Comment

It is difficult to estimate the exact %revenue from these products, as they are integrated in the product portfolio in general, can be development of new/changed functions, improvement of existing systems etc. Some of the developments are still in a R&D phase, some are already commercialized. It can also be sensitive information regulated by Oslo Stock Exchange.

Level of aggregation

Group of products

Description of product/Group of products

Digitalization; software, advisory, controlsystems, simulator training for maritime sector, etc. These products are enablers for automatizing and digitalization which minimizes energy consumption by e.g remote services and functions reducing travel and on-site services, and thus reduces GHG emissions.

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product and avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify (Measurement of results of specific trials and comparison between specific arrangements.)

% revenue from low carbon product(s) in the reporting year

0

% of total portfolio value

<Not Applicable>

Asset classes/ product types

<Not Applicable>

Comment

It is difficult to estimate the exact %revenue from these products, as they are integrated in the product portfolio in general, can be development of new/changed functions, improvement of existing systems etc. Some of the developments are still in a R&D phase, some are already commercialized. It can also be sensitive information regulated by Oslo Stock Exchange.

Level of aggregation

Group of products

Description of product/Group of products

Remote Control Systems Example: The Kongsberg remote and digital tower systems are increasing air traffic safety, while cutting down operational and maintenance costs. The systems enhance optimal efficiency in extreme environments, while maintaining safety through remote tower implementation, digital tower enhancements and implementing other surveillance operations. These products are enablers for minimizing energy consumption and thus reduces GHG emissions.

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product and avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify (Measurement of results of specific trials and comparison between specific arrangements.)

% revenue from low carbon product(s) in the reporting year

0

% of total portfolio value

<Not Applicable>

Asset classes/ product types

<Not Applicable>

Comment

Financial information are not disclosed due to the nature of sensitive information, both with regard to competition and regulations by Oslo Stock Exchange.

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

January 1 2015

Base year end

December 31 2015

Base year emissions (metric tons CO2e)

943

Comment

Scope 2 (location-based)

Base year start

January 1 2015

Base year end

December 31 2015

Base year emissions (metric tons CO2e)

10094

Comment

Scope 2 (market-based)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.2

(C5.2) 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)
1251

Start date
January 1 2019

End date
December 31 2019

Comment
The numbers are reported inclusive acquired companies in 2019.

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)
830

Start date
January 1 2018

End date
December 31 2018

Comment

Past year 2

Gross global Scope 1 emissions (metric tons CO2e)
1065

Start date
January 1 2017

End date
December 31 2017

Comment

Past year 3

Gross global Scope 1 emissions (metric tons CO2e)
702

Start date
January 1 2016

End date
December 31 2016

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 have operations where we are able to access electricity supplier emission factors or residual emissions factors, but are unable to report a Scope 2, market-based figure

Comment
Indirect emissions from electricity included in our Scope 2 climate accounts: Indirect emissions include the consumption of electricity, district heating and cooling from external suppliers within the business areas, as well as the consumption of electricity for the production of district heating and cooling in Kongsberg Technology Park.

C6.3

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

Reporting year

Scope 2, location-based

14672

Scope 2, market-based (if applicable)

<Not Applicable>

Start date

January 1 2019

End date

December 31 2019

Comment

The numbers are reported inclusive acquired companies in 2019.

Past year 1

Scope 2, location-based

10290

Scope 2, market-based (if applicable)

<Not Applicable>

Start date

January 1 2018

End date

December 31 2018

Comment

Past year 2

Scope 2, location-based

9670

Scope 2, market-based (if applicable)

<Not Applicable>

Start date

January 1 2017

End date

December 31 2017

Comment

Past year 3

Scope 2, location-based

10199

Scope 2, market-based (if applicable)

<Not Applicable>

Start date

January 1 2016

End date

December 31 2016

Comment

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?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source

Our internal Directive for Corporate Environmental Reporting sets out the requirements for reporting: • All companies within the Group shall report ; this includes all majority owned companies (where KONGSBERG own 50% or more.) • All locations having more than 40 employees shall report, and location with less than 40 employees, are encouraged to report.

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

As a practical guideline we have limited reporting to all Group companies that cover the material part of our emissions. The companies that are not included are considered to amount to immaterial numbers, and not impact the main picture.

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

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Capital goods

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

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

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Metric tonnes CO2e

10688

Emissions calculation methodology

Data obtained from suppliers or value chain partners.

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

100

Please explain

This includes both upstream and downstream transportation and distribution. The numbers includes acquired companies.

Waste generated in operations

Evaluation status

Relevant, not yet calculated

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Waste quantities can normally be obtained from waste management companies, and commonly the quantities of the different fractions are specified on the invoices. Waste are classified as waste for recycling (5712MT), residual waste (1080MT) and hazardous waste (1038MT). We have not yet calculations for converting to emission data.

Waste fractions and corresponding definitions will depend on the legislation in the different countries. For companies not classifying waste, the total amount of waste should be registered as residual waste. For production companies it is also relevant to register hazardous waste. The numbers includes acquired companies.

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

33782

Emissions calculation methodology

We receive reports directly from our suppliers of flights both purchased in Norway and abroad. We also receive reports from our transporters of goods and products, limited to service paid for in Norway. The numbers includes acquired companies.

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

100

Please explain

The numbers includes acquired companies.

Employee commuting

Evaluation status

Not evaluated

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Upstream leased assets

Evaluation status

Not evaluated

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Downstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Upstream and downstream transportation and distribution is included in numbers shown above for Upstream.

Processing of sold products

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Use of sold products

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

End of life treatment of sold products

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

We do not have leasing of assets as a business model.

Franchises

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

We do not have franchises as a business model.

Investments

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Other (upstream)

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Other (downstream)

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

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	

C6.7

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

No

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

0.66

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

15923

Metric denominator

unit total revenue

Metric denominator: Unit total

2408100000

Scope 2 figure used

Location-based

% change from previous year

14.49

Direction of change

Decreased

Reason for change

In 2019, KONGSBERG closed two acquisitions (Rolls-Royce Commercial Marine and Aerospace Industrial Maintenance.). These two acquisitions have a solid commitment with climate change. Due to these new acquisitions, revenues (denominator) have increased significantly (67%) in 2019.

Intensity figure

1.49

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

15923

Metric denominator

full time equivalent (FTE) employee

Metric denominator: Unit total

10704

Scope 2 figure used

Location-based

% change from previous year

9.42

Direction of change

Decreased

Reason for change

In 2019, KONGSBERG closed two acquisitions (Rolls-Royce Commercial Marine and Aerospace Industrial Maintenance.). These two acquisitions have a solid commitment with climate change. Due to these new acquisitions, the number of FTEs (denominator) have increased significantly (58%) in 2019.

C7. Emissions breakdowns

C7.1

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

No

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	91.51
Norway	560.49
India	13.32
Poland	83.88
United States of America	397.89
Canada	76.41
Brazil	12.33
Australia	6.01
Republic of Korea	9.42

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)	375.5
Kongsberg Maritime (KM)	835.5
Kongsberg Teknologipark (KTP)	40.5

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)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
China	1979.62		2631	
Brazil	37.21		537	
Norway	5814.02		123087	
India	353.36		426	
United Kingdom of Great Britain and Northern Ireland	132.87		322	
Poland	1925.6		3449	
United States of America	2502.08		5020	
Canada	105.4		643	
Singapore	353.86		701	
Australia	153.56		189	
Croatia	16.3		47	
Finland	431.36		5443	
Republic of Korea	693.54		1257	
Spain	112.86		390	
Sweden	60.87		2973	

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)	3305	
Kongsberg Maritime (KM)	9512	
Kongsberg Teknologipark (KTP)	1685	
Kongsberg Digital (KDI)	169	

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		<Not Applicable >		
Other emissions reduction activities		<Not Applicable >		
Divestment		<Not Applicable >		
Acquisitions	5140	Increased	46	KONGSBERG has acquired and integrated Commercial Marine and Kongsberg Aviation Maintenance Services (KAMS), (previously AIM Norway) in 2019, and considerably increasing both the number of employees (increase 57.7%) and turnover (increase 67.5%). The percentage turnover in the maritime and defence segments changed from 58/42 in 2018 to 70/30 respectively in 2019. This is reflected in the climate statement and renders comparison difficult.
Mergers		<Not Applicable >		
Change in output		<Not Applicable >		
Change in methodology		<Not Applicable >		
Change in boundary		<Not Applicable >		
Change in physical operating conditions	346	Decreased	3	Oil and gas consumption has been reduced (specifically in Kongsberg Technology Park), as well as electricity consumption if 2019 and 2018 figures are comparing with same scope.
Unidentified		<Not Applicable >		
Other		<Not Applicable >		

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?

Increased

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.

Upstream transportation and distribution

Direction of change

Increased

Primary reason for change

Acquisitions

Change in emissions in this category (metric tons CO2e)

3142

% change in emissions in this category

42

Please explain

Our direct and indirect emissions relative to energy consumption indicate a reduction in relation to both turnover and employees. The same applies to emissions relative to the transport of goods. Emissions related to flights indicate an increase with regard to turnover/employees. This is primarily due to a significant increase in customer support activity within KM following the acquisition of Commercial Marine.

Business travel

Direction of change

Increased

Primary reason for change

Acquisitions

Change in emissions in this category (metric tons CO2e)

16982

% change in emissions in this category

101

Please explain

Our direct and indirect emissions relative to energy consumption indicate a reduction in relation to both turnover and employees. The same applies to emissions relative to the transport of goods. Emissions related to flights indicate an increase with regard to turnover/employees. This is primarily due to a significant increase in customer support activity within KM following the acquisition of Commercial Marine. This organisation has a high degree of travel-related activity.

C8. Energy

C8.1

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

Don't know

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	Yes
Generation of electricity, heat, steam, or cooling	Yes

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)	HHV (higher heating value)	162	6115	6277
Consumption of purchased or acquired electricity	<Not Applicable>	342	133685	134027
Consumption of purchased or acquired heat	<Not Applicable>	8085	5163	13248
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	0	180	180
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	0	<Not Applicable>	19171
Total energy consumption	<Not Applicable>	8589	164314	172903

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	Yes
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.

Fuels (excluding feedstocks)

Biodiesel

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

162

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

0.00001

Unit

metric tons CO2e per liter

Emissions factor source

DCFC 2014

Comment

Fuels (excluding feedstocks)

Liquefied Petroleum Gas (LPG)

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

202

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

0.21451

Unit

metric tons CO2e per MWh

Emissions factor source

DCFC 2014

Comment

Fuels (excluding feedstocks)

Other, please specify (Heating oil)

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

2242

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-generation or self-trigeneration

<Not Applicable>

Emission factor

0.00254

Unit

metric tons CO2e per liter

Emissions factor source

DCFC 2014

Comment

Fuels (excluding feedstocks)

Natural Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

3495

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-generation or self-trigeneration

<Not Applicable>

Emission factor

0.18497

Unit

metric tons CO2e per MWh

Emissions factor source

DCFC 2014

Comment

Fuels (excluding feedstocks)

Other Petroleum Gas

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

176

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

0.18424

Unit

metric tons CO2e per short ton

Emissions factor source

DCFC 2014

Comment

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	0	0	0	0
Heat	38762	19171	24811	12271
Steam	0	0	0	0
Cooling	26471	16699	0	0

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. Kongsberg Maritime's SAVe Energy Storage system powers the complete system, eliminating the need for running engines. The AZP 120L-PM thrusters provides propulsion and maneuvering, whilst the electric power system, generators, motors, switchboards, power management system, ACON integrated automation system provides power. The Energy Management System provides real-time information about the vessels operation, fuel consumption and emission levels.

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

0

Efficiency figure in the reporting year

20

Metric numerator

tCO2

Metric denominator

metric ton of product

Comment

KONGSBERG's hybrid diesel/battery installation reduces Hurtigruten's fuel consumption and emissions on its new Polar Expeditionary cruise ships. Hurtigruten and shipbuilder Kleven worked with KONGSBERG on MS Roald Amundsen and MS Fridtjof Nansen. Their goal is to ensure they operate emission-free in sensitive areas while meeting environmental and reliability requirements dictated by the harsh polar conditions. A 'first phase' system onboard the Roald Amundsen reduces fuel consumption. Fridtjof Nansen features a larger capacity 'second phase' battery pack. This enables fully electric sailing across greater distances for longer periods and zero-emission port operation. Hurtigruten aims to upgrade the first ship 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 Energy Management 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 equaling more than 3,000 tonnes of CO2 annually. We do not disclose the exact %revenue from these products, since it can be competitive-sensitive information.

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

Description

Energy usage

Metric value

2.5

Metric numerator

Tot CO2 emissions (Scopes 1, 2 and 3) rel to sales

Metric denominator (intensity metric only)

Metric tonnes/MNOK

% change from previous year

0

Direction of change

No change

Please explain

Description

Energy usage

Metric value

5.6

Metric numerator

Tot CO2 emiss scope 1,2,3 rel to man-yrs of labour

Metric denominator (intensity metric only)

Metric tonnes/man-years of labour

% change from previous year

7.7

Direction of change

Increased

Please explain

The increase is mainly allocated to acquisitions and change of the composition of business areas and industries within the Group.

Description

Energy usage

Metric value

15.3

Metric numerator

Energy consumption (MWh) per employee

Metric denominator (intensity metric only)

Energy consumption (MWh) per employee

% change from previous year

20.31

Direction of change

Decreased

Please explain

The decrease is mainly allocated to acquisitions and change of the composition of business areas and industries within the Group.

Description

Energy usage

Metric value

6.9

Metric numerator

Energy consumption relative to sales

Metric denominator (intensity metric only)

MWh/MNOK

% change from previous year

24.17

Direction of change

Decreased

Please explain

The decrease is mainly allocated to acquisitions and change of the composition of business areas and industries within the Group.

(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	KONGSBERG has a long-term commitment to the reduction of greenhouse gases and other negative environmental effects. Our most important contribution is to use our technology and expertise to develop even more climatefriendly solutions for our customers. This effort will often coincide with the desire to reduce costs and increase efficiency and security. Our competitiveness will be strengthened as a result of these efforts. Research and Development 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 has spent between a third and half of its R&D investments on the development and innovation of new products and services, and in 2019 this amounted to around MNOK 950. A significant portion of this, around MNOK 350, was spent on products and areas that directly support low-carbon products or services.

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)

88000000

Comment

Automation & Bridge technologies for maritime sector. The products in the portfolio will be in different stages, some also commercialized. Estimated % and numbers of total R&D.

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)

50000000

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. Estimated % and numbers of total R&D.

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)

61100000

Comment

Energy Storage Technologies for maritime sector. The products in the portfolio will be in different stages, some also commercialized. Estimated % and numbers of total R&D.

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)

78200000

Comment

Sensors and robotics for maritime sector. The products in the portfolio will be in different stages, some also commercialized. Estimated % and numbers of total R&D.

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)

52900000

Comment

Electrification of vessels, to replace older fuel based technology . The products in the portfolio will be in different stages, some also commercialized. Estimated % and numbers of total R&D.

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)

21300000

Comment

Remote smart systems . Estimated % and numbers of total R&D.

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

Deloitte - Clarification letter to KONGSBERG CDP response 2020.pdf

KOG - sustainability report 2019 - auditors report.pdf

1739-KOG-Rapport-2019-GB-final.pdf

Page/ section reference

Report process (collection, compilation and validation) and GHG data reported are covered by assurance on KONGSBERG Sustainability Report 2019 Page 90-91, please see: <https://www.kongsberg.com/globalassets/corporate/document-downloads/ir/annual-report/1739-kog-rapport-2019-gb-final.pdf>

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

Deloitte - Clarification letter to KONGSBERG CDP response 2020.pdf

KOG - sustainability report 2019 - auditors report.pdf

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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: Purchased goods and services

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

Deloitte - Clarification letter to KONGSBERG CDP response 2020.pdf

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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 - sustainability report 2019 - auditors report.pdf

Page/section reference

Report process (collection, compilation and validation) and GHG data reported are covered by assurance on KONGSBERG Sustainability Report 2019 Page 90-91, please see: <https://www.kongsberg.com/globalassets/corporate/document-downloads/ir/annual-report/1739-kog-rapport-2019-gb-final.pdf>

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?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C4. Targets and performance	Year on year change in emissions (Scope 1 and 2)	ISAE 3000 (Revised) Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board.	We report on targets and performance in our annual Sustainability Report. Output and data are verified by external auditor according to international standards ISAE3000.
C4. Targets and performance	Year on year change in emissions (Scope 3)	ISAE 3000 (Revised) Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board.	We report on targets and performance in our annual Sustainability Report. Output and data are verified by external auditor according to international standards ISAE3000.
C4. Targets and performance	Year on year emissions intensity figure	ISAE 3000 (Revised) Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board.	We report on targets and performance in our annual Sustainability Report. Output and data are verified by external auditor according to international standards ISAE3000.
C5. Emissions performance	Change in Scope 1 emissions against a base year (not target related)	ISAE 3000 (Revised) Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board.	We report on targets and performance in our annual Sustainability Report. Output and data are verified by external auditor according to international standards ISAE3000.
C5. Emissions performance	Change in Scope 2 emissions against a base year (not target related)	ISAE 3000 (Revised) Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board.	We report on targets and performance in our annual Sustainability Report. Output and data are verified by external auditor according to international standards ISAE3000.
C5. Emissions performance	Change in Scope 3 emissions against a base year (not target related)	ISAE 3000 (Revised) Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board.	We report on targets and performance in our annual Sustainability Report. Output and data are verified by external auditor according to international standards ISAE3000.
C6. Emissions data	Change in Scope 1 emissions against a base year (not target related)	ISAE 3000 (Revised) Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board.	We report on targets and performance in our annual Sustainability Report. Output and data are verified by external auditor according to international standards ISAE3000.
C6. Emissions data	Change in Scope 2 emissions against a base year (not target related)	ISAE 3000 (Revised) Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board.	We report on targets and performance in our annual Sustainability Report. Output and data are verified by external auditor according to international standards ISAE3000.
C6. Emissions data	Change in Scope 3 emissions against a base year (not target related)	ISAE 3000 (Revised) Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board.	We report on targets and performance in our annual Sustainability Report. Output and data are verified by external auditor according to international standards ISAE3000.
C8. Energy	Energy consumption	ISAE 3000 (Revised) Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board.	We report on targets and performance in our annual Sustainability Report. Output and data are verified by external auditor according to international standards ISAE3000.
Please select	Please select		

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

Yes, other partners in the value chain

C12.1a

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

Type of engagement

Compliance & onboarding

Details of engagement

Included climate change in supplier selection / management mechanism

Climate change is integrated into supplier evaluation processes

% of suppliers by number

40

% total procurement spend (direct and indirect)

40

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

20

Rationale for the coverage of your engagement

Our engagement with our suppliers are risk based, focusing on industry, geographical risk, previous history and volume. This is an continuous, dynamic process.

Impact of engagement, including measures of success

The % above refer to the portion of our suppliers confirmed to be ISO 14001 compliant. All our suppliers are mandated to comply with Kongsberg's Supplier Conduct Principles (SCP). We evaluate our suppliers using Supplier questionnaire (SAQ), and include requirements to sustainable operations in supplier evaluation template. We include requirement in our Supplier Quality Assurance Requirements (SQAR) document – that suppliers should be compliant to ISO 14001. We conduct risk based supplier audit and improvement process in place to meet our requirements.

Comment

All of the above mentioned are part of our integrated management process. We require signed SCP with all Suppliers >0,5M NOK spend; SAQ Coverage >1,5M NOK Spend

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Other, please specify (We require Supplier questionnaires for Sustainability, REACH, Conflict Minerals. We do Supplier audits and supplier development activities. We specify emissions information from logistics suppliers .)

% of suppliers by number

40

% total procurement spend (direct and indirect)

40

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

20

Rationale for the coverage of your engagement

Our engagement with our suppliers are risk based, focusing on industry, geographical risk, previous history and volume. This is an continuous, dynamic process. We require signed SCP with all Suppliers >0,5M NOK spend; SAQ Coverage >1,5M NOK Spend

Impact of engagement, including measures of success

The % above refer to the portion of our suppliers confirmed to be ISO 14001 compliant.

Comment

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Climate change performance is featured in supplier awards scheme

Other, please specify (KONGSBERG is auditing our suppliers to verify compliance with our requirements, with selection audits being risk based.)

% of suppliers by number

100

% total procurement spend (direct and indirect)

100

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

100

Rationale for the coverage of your engagement

All our suppliers are included in our management process for the supply chain.

Impact of engagement, including measures of success

KONGSBERG is auditing our suppliers to verify compliance with our requirements, with selection audits being risk based. When KONGSBERG identifies non-conformance, active measures are taken to address and close the issue. As necessary KONGSBERG will guide and help supplier as necessary in reaching compliance targets. KONGSBERG are conducting annual supplier conferences where Responsible Business Conduct, including climate change, are included as central topics. KONGSBERG are also promoting and supporting industry organizations with similar seminars for our major suppliers.

Comment

Type of engagement

Innovation & collaboration (changing markets)

Details of engagement

Run a campaign to encourage innovation to reduce climate impacts on products and services

Other, please specify (KONGSBERG are conducting annual supplier conferences , and do specific training for Resp. Bus. Conduct where Climate change is a significant topic. We are also promoting and supporting industry org. with similar seminars for our major suppliers.)

% of suppliers by number

50

% total procurement spend (direct and indirect)

50

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

50

Rationale for the coverage of your engagement

Our engagement with our suppliers are risk based, focusing on industry, geographical risk, previous history and volume. This is an continuous, dynamic process.

Impact of engagement, including measures of success

We use training and conferences to raise awareness in our supply chain. We acknowledge that the most material climate reduction in our operations is dependent on our suppliers cooperation. We have included climate change strategies including target setting as KPIs for top management in all Business Areas.

Comment

C12.1b

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

Type of engagement

Collaboration & innovation

Details of engagement

Other, please specify (Collaboration in projects with business partners, e.g. autonomous and hybrid ships.)

% of customers by number

0

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

0

Portfolio coverage (total or outstanding)

<Not Applicable>

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

Together with our business partners we innovate and commercialize digital, eco-friendly solutions which can replace older environmentally harmful technology.

Impact of engagement, including measures of success

Over the next few years, transport from Yara's fertiliser plant in Norway will be handled by the Yara Birkeland – the world's first electric, autonomous and zero-emission container ship. In addition to reducing NOX and CO2 emissions, Yara Birkeland will improve road safety by removing up to 40,000 truck loads per year from the roads in populated and urban areas. KONGSBERG is responsible for the development and delivery of all key technology on board the Yara Birkeland. KONGSBERG's hybrid diesel/battery installation reduces Hurtigruten's fuel consumption and emissions on its new Polar Expeditionary cruise ships. Hurtigruten and shipbuilder Kleven worked with KONGSBERG on MS Roald Amundsen and MS Fridtjof Nansen. The goal is to ensure they operate emission-free in sensitive areas while meeting environmental and reliability requirements dictated by the harsh polar conditions. A 'first phase' system onboard the Roald Amundsen reduces fuel consumption. Fridtjof Nansen features a larger capacity 'second phase' battery pack. This enables fully electric sailing across greater distances for longer periods and zero-emission port operation. Hurtigruten aims to upgrade the first ship to the same battery system. For zero-emissions mode, Kongsberg's SAVE Energy Storage system powers the complete system, eliminating the need for running engines. KONGSBERG's AZP 120L-PM thrusters provides propulsion and manoeuvring, whilst Kongsberg Maritime's electric power system, generators, motors, switchboards, power management system, ACON integrated automation system provides power. The Kongsberg Energy Management 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. Read more about hybrid systems here: <https://www.kongsberg.com/kmagazine/2020/3/hybrid-propulsion-systems/> and <https://www.kongsberg.com/maritime/support/themes/autonomous-shipping/> We do not disclose financial information due to competitive sensitive info.

Type of engagement

Collaboration & innovation

Details of engagement

Other, please specify (Collaboration in projects with business partners, e.g. digital ocean farm)

% of customers by number

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

Portfolio coverage (total or outstanding)

<Not Applicable>

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

Together with our customers we innovate and commercialize digital, eco-friendly solutions which can replace older environmentally harmful technology.

Impact of engagement, including measures of success

KONGSBERG has been working with Ocean Farming to develop the world's first digital ocean farm, "Ocean Farm 1". The first generation of farmed fish was harvested in January 2019. However, the real leap is expected to come with the "Smart Fish Farm", which will be twice as big as the ocean farm and is set to be launched in 2022. Read more about this here: <https://www.kongsberg.com/maritime/about-us/news-and-media/news-archive/2016/worlds-first-offshore-aquaculture-development-project-receives-green-light/>

Type of engagement

Collaboration & innovation

Details of engagement

Other, please specify (Innovate our products to expand the circular use.)

% of customers by number

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

Portfolio coverage (total or outstanding)

<Not Applicable>

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

We are continuously working on developing a circular economy in our operations, giving customers the opportunity to return products when they have finished using them. With this initiative, we are helping to reduce waste when systems become outdated, and making it possible to secure components for reuse and resale.

Impact of engagement, including measures of success

One example is the circular economy in our division for land-based systems in our Business Area Kongsberg Defence & Aerospace, which offers solutions and services throughout the life-cycle of its products, ensuring they have a longer lifespan and end-use.

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 as described in C12.1b.

We collaborate with Klaveness shipping company, the (Norwegian) Institute of Marine Research and the Norwegian Shipowners' Association to develop a mapping concept for plastics in the ocean. Read more about it: <https://www.hi.no/hi/nyheter/2019/juli/kongsberg-seminar-om-bekreftige-hav>

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 high-resolution 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.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

- Direct engagement with policy makers
- Trade associations
- Funding research organizations
- Other

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Energy efficiency	Support	EVP Communication, Public Affairs and Sustainability Even Aas is Chairman of the Board in Maritime Forum (Norway). Maritime Forum is an organisation that brings together the entire Norwegian maritime industry, with purpose and ambition is to influence an active maritime policy.	Examples for engagement: The Maritime Forum asks for a larger condoning scheme must be established for decommissioned Norwegian vessels. Maritime Forum expresses disappointment and misses bigger ambitions related to the Government's hydrogen strategy; The strategy, which is the first of its kind ever, will lay the groundwork for the government's further work on hydrogen. The NOX Fund is launching a support programme for fleet renewal in shipping with investment support for new buildings that replaces older ships with taxable emissions. The support is NOK 10 million per new build, with the possibility of higher support in some cases. A framework of up to NOK 300 million is set aside for the support programme.

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

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

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The largest association in Norway, within the NHO with 25 percent of the total employees (full time equivalents) in NHO member companies. The federation represents more than 2,850 member companies with approx. 127,500 employees. Member companies' interests are the Federation's main focus. The Federation of Norwegian Industries engages in the most important industrial and business policy issues of the day.

How have you influenced, or are you attempting to influence their position?

Group Executive Vice President Public Affairs, Communication and Sustainability is a member of the Board.

C12.3d

(C12.3d) Do you publicly disclose a list of all research organizations that you fund?

Yes

C12.3e

(C12.3e) Provide details of the other engagement activities that you undertake.

Group Executive Vice President Public Affairs, Communication and Sustainability is a member of the Board of Fafo which is an independent social science research foundation that develops knowledge on the conditions for participation in working life, organisational life, society and politics, the relationship between politics and living conditions, as well as on democracy, development and value creation. Fafo was founded by the Norwegian Confederation of Trade Unions (LO) in 1982 and reorganised to become a non-profit foundation in 1993.

KONGSBERG is a member of The Sustainable Ocean Business Action Platform of the United Nations Global Compact convenes leading actors from business, academia and Government institutions to determine how ocean industries can advance progress towards the Sustainable Development Goals (SDGs). The work of the platform also builds upon the Ten Principles of the UN Global Compact, which outline business responsibilities in the areas of human rights, labour, environment and anti-corruption.

KONGSBERG support the science centre Kongsberg Vitensenter, (Innovation Center) which is free to schools and kindergartens, where our employees can bring their children and experiment with drones, robots and visualisation. The centre is also used in connection with visits from local school classes and educational institutions and students that we collaborate with. Children are introduced to the natural sciences through play and experiments, as well as teaching modules in subject areas such as energy, mechanics, mathematics, technology and animation with more for the older ones. We collaborate with a number of lower and upper secondary schools, colleges and universities

in Norway. Here we hold motivational lectures, invite people to visit the company, participate in career days and take on students for work placement.

KONGSBERG support selected student projects where the students wish to write their master's degree in collaboration with KONGSBERG.

KONGSBERG has collaborated with NTNU (Norwegian University of Science and Technology) world's first professorship in Big Data Cybernetics, which combines the fields of chemometrics and cybernetics. The agreement involves a five-year endowed professorship sponsored by KONGSBERG.

KONGSBERG is the main sponsor for two multi-disciplinary student projects at NTNU where students get to set theory into practice. The summer project SmartShip was run for the first time in 2018. The project is based on the zero-emission, electric, autonomous container ship, Yara Birkeland.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy 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.

C12.4

(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

Status

Complete

Attach the document

Deloitte - Clarification letter to KONGSBERG CDP response 2020.pdf

KOG - sustainability report 2019 - auditors report.pdf

1739-KOG-Rapport-2019-GB-final.pdf

Page/Section reference

KONGSBERG's annual report: Section Sustainable Innovation page 54-56 Section Climate and the environment page 78-89

<https://www.kongsberg.com/globalassets/corporate/document-downloads/ir/annual-report/1739-kog-rapport-2019-gb-final.pdf>

Content elements

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

Comment

KONGSBERG'S sustainability report is to give our stakeholders information about how KONGSBERG approaches sustainability and social responsibility. We periodically carry out materiality assessments to define the content of the report.

C15. 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.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Group Vice President Sustainability&Governance	Environment/Sustainability manager

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 KONGSBERG 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	24081000000

SC0.2

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?

Yes

SC0.2a

(SC0.2a) Please use the table below to share your ISIN.

	ISIN country code (2 letters)	ISIN numeric identifier and single check digit (10 numbers overall)
Row 1	NO	0003043309

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

Cellnex Telecom SA

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

0

Uncertainty (±%)

100

Major sources of emissions

Unknown.

Verified

No

Allocation method

Please select

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

We have not been able to identify Cellnex Telecom SA as a customer in any of our Business Areas, Cellnex has not answered our repeatedly request for their enquiry. Therefore we cannot give further information.

SC1.2

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

We have not been able to identify Cellnex Telecom SA as a customer in any of our Business Areas, Cellnex has not answered our repeatedly request for their enquiry. Therefore we cannot give further information.

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	If it will be developed an international standardizing for accurately accounting for each product/product line we will encourage our Business Areas to develop capabilities to allocate emissions to your customers.

SC1.4

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

No

SC1.4b

(SC1.4b) Explain why you do not plan to develop capabilities to allocate emissions to your customers.

The diversity of product lines makes accurately accounting for each product/product line cost ineffective, together with our customer base is too large and diverse to accurately track emissions to the customer level, and managing the different emission factors of diverse and numerous geographies makes calculating total footprint difficult.

If it will be developed an international standardizing for accurately accounting for each product/product line we will encourage our Business Areas to develop capabilities to allocate emissions to your customers.

SC2.1

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

Requesting member

Cellnex Telecom SA

Group type of project

Other, please specify (We have not been able to identify Cellnex Telecom SA as a customer in any of our Business Areas, Cellnex has not answered our repeatedly request for their enquiry. Therefore we cannot give further information.)

Type of project

Other, please specify (We have not been able to identify Cellnex Telecom SA as a customer in any of our Business Areas, Cellnex has not answered our repeatedly request for their enquiry. Therefore we cannot give further information.)

Emissions targeted

Please select

Estimated timeframe for carbon reductions to be realized

Other, please specify

Estimated lifetime CO2e savings

0

Estimated payback

Cost/saving neutral

Details of proposal

We have not been able to identify Cellnex Telecom SA as a customer in any of our Business Areas, Cellnex has not answered our repeatedly request for their enquiry. Therefore we cannot give further information.

SC2.2

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

No

SC3.1

(SC3.1) Do you want to enroll in the 2020-2021 CDP Action Exchange initiative?

Yes

SC3.1a

(SC3.1a) Identify which member(s), if any, have motivated you to take part in Action Exchange this year.

Cellnex Telecom SA

SC3.1b

(SC3.1b) Select the types of emissions reduction activities that your company would like support in analyzing or in implementing in the next reporting year.

Transportation

Waste reduction and material circularity

SC3.1c

(SC3.1c) As part of Action Exchange, would you like facility level analysis?

No

SC3.2

(SC3.2) Is your company a participating supplier in CDP's 2019-2020 Action Exchange initiative?

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 am submitting to	Public or Non-Public Submission	Are you ready to submit the additional Supply Chain Questions?
I am submitting my response	Investors Customers	Public	Yes, submit Supply Chain Questions now

Please confirm below

I have read and accept the applicable Terms