

2024

Annual and Sustainability Report

nammo

Securing the Future



Highlights 2024

Sales	Profit	Order reserve	ROCE	Gender equality	Employee well-being
18.3% 	47% 	57% 	23% 	26.8% 	4.4% 
Sales rose 18.3 percent to NOK 10.87 billion	Profit for the year rose 47 percent to NOK 897 million	Order reserve rose to NOK 39.8 billion	Return on capital employed rose to 23 percent	The percentage of female employees decreased to 26.8 percent	Sick leave increased slightly from 4.3 percent

Key business milestones in 2024

- Record high order reserve of NOK 39.8 billion in 2024, demonstrating the trust our customers place in us
- Implementing production capacity expansion at multiple sites to deliver on growth, supported by EU and national government funding
- Advancements in key technologies such as the M72 FFE, Ramjet development for rocket motors and artillery
- Initiated production of red bag charges for artillery ammunition in Perry, Florida
- Initiated the establishment of a solid rocket motor production facility in Perry, Florida to ensure a reliable and independent domestic U.S. source
- Significant artillery production award for DiNa collaboration in Germany
- Landmark contract for APEX ammunition with Australia
- Technology license transfers to Ukraine for artillery production, supported by Norway's government



As a leading international aerospace and defense group, Nammo is committed to securing a sustainable future.

We stand by our core values of dedication, precision and care.

Nammo
SECURING THE FUTURE



NAMMO ANNUAL REPORT 2024

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Table of contents

1

About Nammo

Key figures	6
Vision and values	10
Business units	12
Message from the CEO	14

2

Board of Directors' Report

Board of Directors' Report	19
----------------------------	----

3

Sustainability report

Sustainability	6
Environment	47
Social	66
Governance	75

4

Nammo Group

Income statement	102
Balance sheet	103
Cash flow	105
Accounting policies Nammo Group	107
Notes to the financial statements	110

5

Nammo AS

Income statement	122
Balance sheet	123
Cash flow	125
Accounting policies Nammo AS	127
Notes to the accounts	129

6

Report and index

Auditor's report	137
The Norwegian Transparency Act	140
Report by Nammo AS pursuant to the Norwegian Equality and Discrimination Act. 26	142
TCFD – Task Force on Climate Related Financial Disclosures	145
GRI Index	147

1 | About Nammo

Key figures

Vision and values

Business units

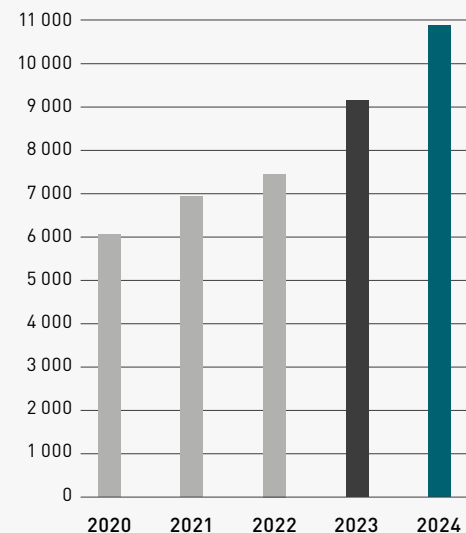
Message from the CEO

Revenue and EBIT

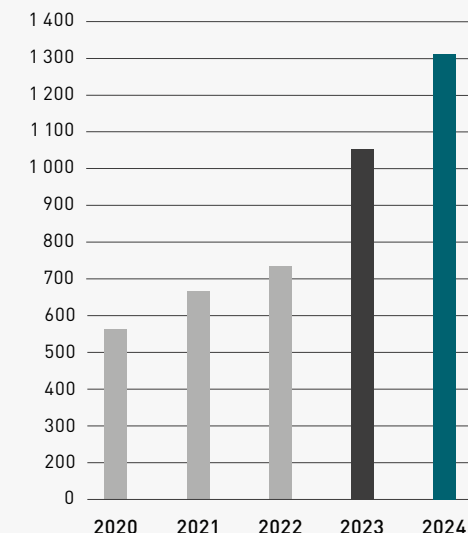
(NOK million)

	2020	2021	2022	2023	2024
Order reserve	9 170	10 307	14 829	25 390	39 797
Revenue	6 036	6 978	7 452	9 191	10 873
Earnings Before Interest and Tax (EBIT)	564	675	736	1 054	1 312
Total Assets	7 106	7 024	8 233	12 416	16 463
Total Equity	3 011	3 187	3 564	4 014	4 768
Average Man-years	2 523	2 648	2 679	2 925	3 280
Pre-tax Return on Sales (ROS)	9.1 %	9.2 %	9.2 %	9.6 %	11.3 %

REVENUE



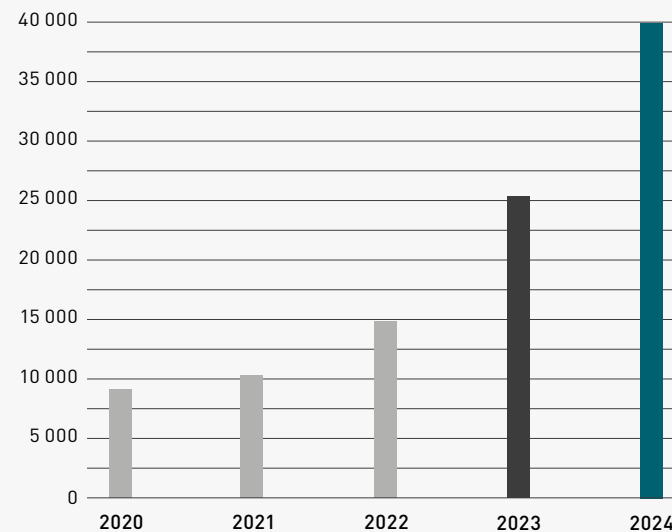
EBIT



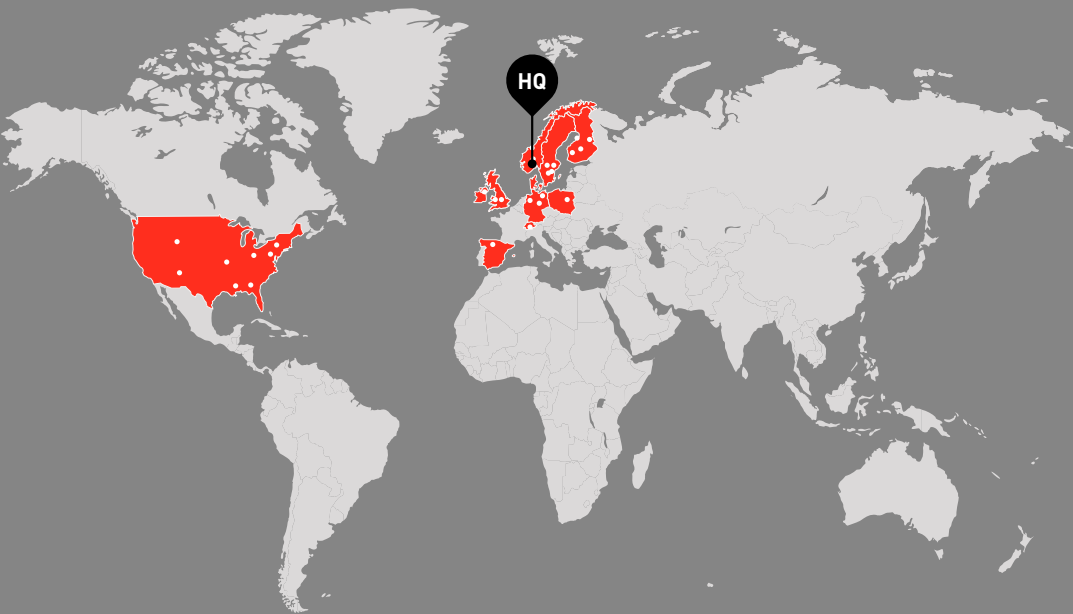
Order reserve

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ORDER RESERVE



Global footprint



USA

- Washington, D.C
- Mesa, AZ
- Bay St. Louis, MS
- Salt Lake City, UT
- Scranton, PA
- Moscow, PA
- Sedalia, MO
- Perry, FL
- Marengo, OH

IRELAND

- Dublin

UK

- Westcott
- Cheltenham

SPAIN

- Palencia

SWITZERLAND

- Hérémence

NORWAY

- Raufoss
- Aurskog
- Løkken Verk

DENMARK

- Ballerup

GERMANY

- Schönebeck
- Schwerte

POLAND

- Warsaw

SWEDEN

- Lindesberg
- Karlsborg
- Vingåker
- Karlskoga

FINLAND

- Lapua
- Vihtavuori
- Sastamala
- Tampere
- Vantaa

NORWAY	11	27	3 623
HQ – Raufoss	Countries	Production sites	Total employees

Nammo sales

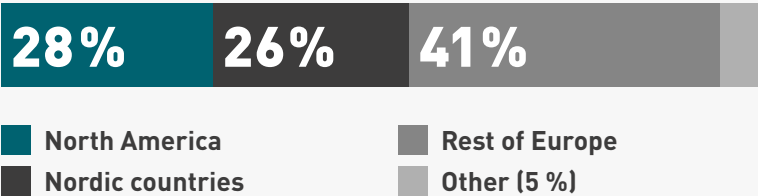
Nammo’s main customers are national authorities, defense forces and other aerospace and defense manufacturers. Commercial market products are sold through distributors, retailers and national sport shooting and biathlon associations.



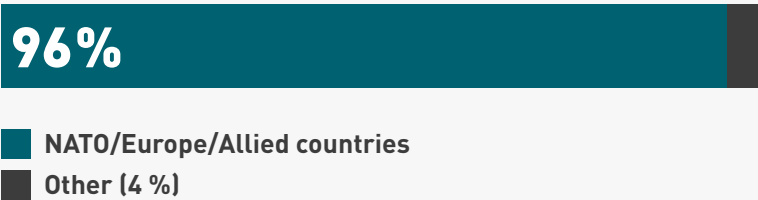
Segment sales



Geographical sales distribution



Sales to NATO, Europe, and allied countries vs. other



About Nammo

Nammo is an international aerospace and defense company headquartered in Norway. With 3 623 employees across 27 production sites and a presence in 11 countries, Nammo is today one of the world's leading providers of specialty ammunition and rocket motors for both military and civilian customers.

The Group was founded in 1998 through a government led business combination of the Nordic ammunition and propulsion businesses in Norway, Sweden and Finland, all of whom brought with them proud legacies of innovation, quality and service to their customers. In the years since, these initial locations have been joined by similar businesses from across Europe and North America, making Nammo what it is today – a unique combination of small, yet highly capable, specialist operations that are equally at home on both sides of the Atlantic. Nammo is owned by the Norwegian Government, through the Ministry of Trade, Industry and Fisheries, and the Finnish company Patria Oyj. Both hold 50 percent of the shares, with the position of Board Chairman alternating between the two owners on

an annual basis. Nammo aims to deliver a truly reliable advantage to customers that accept only the best from themselves and their equipment. Customers are primarily located in Europe and North America, markets which consistently represent more than 90 percent of the Group's revenue. Defense represents 80 percent of Nammo's business, with production facilities in Europe and the United States, all marketed under the Nammo brand. Commercial products, primarily commercial ammunition, gunpowder and components as well as space and sea safety products, represents 20 percent, with the majority of production in Europe, marketed under brands including Lapua, SK, Vihtavuori, Berger and Ikaros.

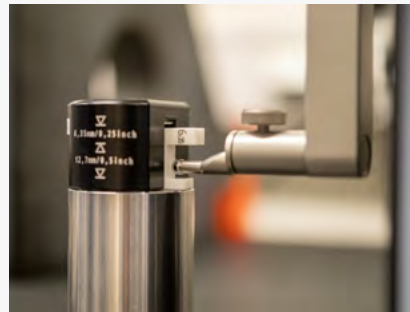
Our values

These values are the fundamental principles guiding the way the company does business and interacts with its stakeholders.



DEDICATION

We are enthusiastic and creative, always searching for the best solutions.



PRECISION

We are reliable and accurate in our technology, processes and business.



CARE

We are inclusive and open-minded, always encouraging team spirit and cooperation.

Our vision: Securing the future

We will develop and secure a long-term sustainable business for our customers and employees.

Our future development depends on a secure and safe working environment. We must emphasize the importance of every single employee.

We will protect our national and allied forces with high-quality defense products.

We will secure the future development of sustainable products, processes and services.

We will secure further growth based on strong financial performance.

Business units

Nammo's day-to-day operations are conducted through four business units, each led by an Executive Vice President (EVP).

Aerospace Propulsion (AP)

EVP: Stein Erik Nodeland

AP specializes in developing and delivering compact, yet supremely reliable and powerful propulsion systems and energetics for both military and commercial applications. With development and manufacturing operations in Norway, the United Kingdom, Ireland and the USA, it has supported international tactical missile programs since the early 1960s, with Nammo today being the sole provider of rocket motors for several key programs. Nammo's core of aerospace engineers are at the cutting edge of development for new propulsion solutions for both air and space applications, including air-breathing and hybrid designs. Other key products include energetic components for aircraft escape systems and in-space propulsion for satellites and other spacecraft, such as the UK-designed and built LEROS series of engines.

Large Caliber Systems (LCS)

EVP: Vegard Sande

LCS delivers large caliber ammunition for naval gun systems, projectiles, ammunition and components for main battle tanks, mortar and artillery systems as well as shoulder-fired weapons such as the M72-series. It has major manufacturing operations in Norway, Sweden, Finland, USA and Switzerland.

In recent years, Nammo has positioned itself as the leading provider of range-extension technologies for artillery systems, developing and manufacturing both complete long-range shells and components and technologies for integration into other designs. Its product range also includes hand grenades, such as the Scalable Offensive Hand Grenade, and the Anti-Personnel Obstacle Breaching System (APOBS).





Small and Medium Caliber Ammunition (SMCA)

EVP: Reijo Bragberg

SMCA is the business unit delivering the widest range of defense products to a large number of customers. With major manufacturing operations in Norway, Sweden, Finland and Spain, as well as smaller operations in several other countries, it covers Nammo's military ammunition products from 4.6 mm up to and including 40 mm. Its specialties include market-leading armor penetrators based on tungsten carbide, lead-free small arms ammunition, programmable 40 mm airburst ammunition, and Nammo's signature Multi-purpose ammunition, which has delivered decisive firepower to both infantry vehicles and aircraft for more than 50 years. SMCA also provides environmentally friendly demilitarization services at facilities in Norway and Sweden.

Commercial Ammunition (CA)

EVP: Raimo Helasmäki

CA delivers premium commercial ammunition products and gunpowder under the brands Lapua, SK, Vihtavuori and Berger. With major manufacturing operations in Finland, Germany and the USA, its products are widely regarded as the world's best in biathlon and are trusted and preferred by competition shooters everywhere. The business unit also delivers specialty high performance small caliber ammunition to defense customers. CA is also responsible for Nammo's production of ammunition base components such as bullets and case cups, through Nammo's German subsidiary ND PressTec.



Dear Nammo stakeholders

As we approach the end of the year I would like to reflect on the significant milestones and challenges that Nammo has faced during 2024. It has been a demanding year marked by the production capacity ramp-up and ongoing war in Ukraine.

MESSAGE FROM PRESIDENT & CEO
MORTEN BRANDTZÆG



As we approach the end of the year I would like to reflect on the significant milestones and challenges that Nammo has faced during 2024. It has been a demanding year marked by the production capacity ramp-up and ongoing war in Ukraine.

Nammo has experienced considerable growth and development during the year and achieved an overall sales growth of more than 18 percent, and a result of NOK 897 million. This expansion was driven by the need to support allied nations and Ukraine, as well as to resupply war stock to enhance deterrence. Our order stock has reached a new record level of NOK 39.8 billion, a testament to the faith our customers have in our ability to deliver.

As we continued our capacity expansion, supported by EU and national government and own funding, we have welcomed more new employees than ever before to the Nammo family. At Nammo, we pride ourselves on a culture that can share knowledge effectively, maintains a flat hierarchy, and invests in the competence and processes that enable our employees to develop and prosper. We are committed to ensuring that our new colleagues receive the best possible training environment, a challenge that is particularly acute given the specialized nature of our work.

Our Nammo culture has been instrumental in fostering cooperation across borders. We have successfully trans-

ferred competence between our sites in Norway, the U.S., and Finland, ensuring that our locations have the resources needed to meet customer expectations. This cooperation is built on our core values of dedication, precision, and care.

Together, we have achieved significant milestones and further advancements in key technologies including the M72 FFE and Ramjet development for rocket motors and artillery. Nammo also established production of propellant bag charges for artillery ammunition in Perry, Florida, and is building solid rocket motor production at the same site to ensure a reliable and independent domestic U.S. source. Nammo also secured significant contracts in Norway for 155mm artillery, established the DiNa collaboration with Diehl Defense for artillery production in Germany, and provided technology license transfers to Ukraine, supported by the Norwegian government.

These organizational, operational and commercial developments will contribute to growth for Nammo, while ensuring we continue delivering products that make a difference in the field. Nammo received critical funding from both the European Union and several European governments to support risk-sharing for expanding production capacity which enables us to scale up operations significantly by adding new facilities and machinery at several existing sites.

“This expansion was driven by the need to support allied nations and Ukraine, as well as to resupply war stock to enhance deterrence.”

Our customers increasingly demand a more sustainable approach to defense manufacturing. At Nammo, we are committed to improving life cycle management for our products – from design to demilitarization – while adhering to the ten principles of the UN Global Compact in areas such as Human Rights, Labor, Environment, and Anti-Corruption. These principles and core sustainability considerations continue to play an important part in our strategy and day-to-day operations

We are aware of the significant challenges that lie ahead as part of an industrial war effort, which demands a wartime production pace that we have not experienced in many years. This requires us to think outside the box, redesign processes, products and methods, and partner with different companies. We must continue to have excellent control over our processes, succeed in onboarding and training new personnel, and ensure that we can deliver on our promises.

Supporting a sovereign country that is defending itself against an outside aggressor goes beyond the mere practical. Meetings with dedicated Ukrainian representatives have been poignant reminders of their needs. Thus, the Norwegian government's decision to allow the transfer of our artillery production technology to Ukraine underscores Nammo's deep commitment and support. This is a responsibility we are honored to fulfill.

To end, I would like to express my deep gratitude to all my colleagues at Nammo for their hard work and dedication. Guided by our vision of "Securing the future" we are contributing to something that is more important than ever, and I am proud of what we have achieved together. We must continue to work hard every day to earn and maintain the trust of our customers and partners in the years ahead.

Sincerely,



MORTEN BRANDTZÆG
PRESIDENT & CEO

2 | Board of Directors' Report

Board of Directors



Esa Rautalinko
CHAIR

President & CEO, Patria Oyj



Dag Schjerven
VICE CHAIR



Cathrine Bjaarstad
BOARD MEMBER

Executive Vice President
(EVP), Specialists at
Skanska Norway



Nora Steiner-Forsberg
BOARD MEMBER

EVP Legal and Compliance
at Wärtsilä



Jan Skogseth
BOARD MEMBER



Marianne Stensrud
BOARD MEMBER

Employee representative
Nammo Raufoss AS



Petri Kontola
BOARD MEMBER

Employee representative
Nammo Lapua Oy



Marjut Porkka
BOARD MEMBER

Vice President, Group
Finance & Tax, Patria Oyj

Board of Directors' Report 2024

Nammo Group maintained its positive momentum in 2024, delivering significant growth in revenues, net profit, and order stock. This robust performance underscores Nammo's resilience and commitment to deliver in a challenging geopolitical landscape.

BOARD OF DIRECTORS REPORT



Nammo Group, with 3600 employees in 11 countries and headquarters in Raufoss, Norway, continues to grow. The Group has a robust product and technology development pipeline, complemented by a significant order stock. However, Nammo remains aware of current and potential challenges that may impact operations and supply chains, particularly as the demand for defense products continues to rise. The Group continues to implement measures to enhance production capacity while maintaining a strong focus on continuous improvement, investments in cutting-edge technologies, and risk mitigation. In its period of expansion and growth, Nammo continues to place the highest emphasis on ensuring the safety of its workforce.

The Group's financial performance in 2024 was strong, with revenues reaching NOK 10.9 billion, up from NOK 9.2 billion in the previous year. Growth was driven by increased sales across all business units, with the key drivers being defense related sales for both small, medium and large caliber ammunition, shoulder-fired systems and rocket motors for tactical missiles. Europe and North America remain the primary markets for Nammo's products and services. Net income after tax rose to NOK 897 million, up from NOK 609 million in the preceding year. Notably, the Group's order stock, which reached an all-time high of NOK 39.8 billion at the end of 2024 (25.4 in 2023), reflects both Nammo's strong market position and the substantial demand for its products.

GENERAL COMMENTS

Demand for Nammo's products has reached unprecedented levels, with artillery ammunition and components, shoulder-fired systems and rocket motors as the key drivers. The Group has also seen demand for small and medium caliber ammunition picking up during the year. This rise is primarily attributed to the ongoing war in Ukraine and NATO allies' efforts to replenish and augment stock levels. The current geopolitical climate suggests this heightened demand is likely to persist, presenting Nammo with the challenge of significantly increasing production volumes and delivery while maintaining the highest standards for quality and workplace safety.

To meet these challenges Nammo has embarked on

an ambitious capacity expansion program. This initiative involves substantial investments in additional production buildings, equipment, machinery, and related infrastructure across multiple countries. In 2024, the Group's investment in capacity was more than triple of an average pre-Ukraine war year. However, the magnitude of current demand and the scale of required investments necessitates risk-sharing arrangements between industry and governments. The European Union's Act in Support of Ammunition Production (ASAP), represents a significant step forward in addressing these challenges. Nammo was awarded co-funding for a handful of projects under the EU ASAP arrangement during the year. Through EU ASAP and other direct co-funding support, Nammo received government

investment support from Norway, Sweden, Finland, and the United States, instrumental in facilitating the Group's expansion efforts.

On the organizational front, Nammo recognized the need to strengthen its operational resilience, enhance internal processes, and expand its workforce to meet the growing demands. As a result, the Group implemented a comprehensive program, Momentum 2030, with measures to support these objectives, ensuring its readiness to tackle the challenges and opportunities that lie ahead in the evolving defense industry landscape.

The Group's on-time delivery to military customers increased to 89 percent (87), primarily due to improvements in production ramp-up and targeted supply chain efforts to ensure timely deliveries. Employee sick-leave across the Group increased from 4.3 percent in 2023 to 4.4 percent in 2024. Maintaining a strong focus on safety, particularly given the inherent risks of working with energetic materials, the Group continued its efforts to reduce risks, prevent accidents, and strengthen its safety culture. The Lost Time Injuries (LTIs) per million working hours ended at 5.9, same as last year.

Nammo maintained its commitment to sustainable performance and global initiatives throughout 2024, further developing and benefiting from close relationships with customers and key stakeholders.

Notable achievements included further advancements in key technologies, including the M72 FFE and Ramjet

development for rocket motors and artillery. The Group also established production of legacy propellant bag charges for artillery ammunition in Perry, Florida, and is establishing solid rocket motor production at the same site to ensure a reliable and independent domestic U.S. source. Furthermore, Nammo secured significant contracts in Norway for 155mm, established the DiNa collaboration with Diehl Defense in Germany, and provided technology license transfers to Ukraine, supported by the Norwegian government.

STRATEGY FOR PROFITABLE GROWTH

Nammo maintained its position as a leading independent provider of specialty ammunition and rocket motors for both military and civilian customers in 2024. The Group's strategy continues to focus on sustainable, profitable growth in the US, Europe, and Nordic markets. Looking ahead, Nammo prioritizes building upon profitability, improving efficiency, and maintaining R&D investment to reinforce its position as a high-end provider to government customers. The Group remains committed to cost control and operational improvements to effectively manage future growth.

Geopolitical tensions continued to drive increased demand, resulting in significant growth in order intake for certain product categories. Nammo increased its order stock by 57 percent during 2024. This strong demand is expected to persist, contributing to substantial growth in

Nammo's business. Recognizing both the opportunity and challenges presented by this growth, Nammo implemented a comprehensive program to address the dual challenges of ramping up capacity and production to meet short-term customer commitments while positioning the Group for future expansion. The program has focused on key performance areas, such as strategy, HESS, operations, supply chain, people and sustainability. The program identified and designed enhancements across the Group, and its implementation will ensure Nammo's long-term resilience in execution and delivery.

OPERATIONS

The Group continues to navigate in a complex and rapidly evolving global landscape. The defense industry has faced significant challenges over the past year, driven by geopolitical tensions and the ongoing war in Ukraine. Despite these challenges, Nammo remains committed to meeting the critical demands of its customers while positioning itself for sustainable growth and innovation. As part of the Momentum 2030 program several initiatives has been initiated related to Operations to ensure Nammo's ability to deliver on its customer commitments and secure profitable growth.

The defense sector has been under considerable strain in 2024. The ongoing war in Ukraine has increased the demand for defense capabilities and continues to strain supply chains, particularly for key components such as

propellants, explosives, primers, fuzes and for some critical chemicals. The availability of these materials has been a limiting factor, requiring strategic actions to secure supply continuity.

To address the unprecedented demand, Nammo has continued to invest in building new production capacities. Several projects to expand and modernize its facilities are underway, ensuring the Group can meet current and future demands. These efforts will strengthen its ability to deliver on its customer commitments, while enhancing operational resilience.

While the outlook for Nammo remains strong, operational efficiency must improve to support sustained growth. Indeed, to enhance Overall Equipment Effectiveness (OEE) and reduce quality costs, a multi-faceted approach is necessary. This includes implementing enhanced monitoring and predictive maintenance strategies to optimize equipment utilization and minimize downtime, while also strengthening quality assurance processes and leveraging advanced analytics to identify and mitigate any defects early.

Productivity gains can be achieved by streamlining workflows and investing in employee training, with a focus on increasing automation efforts to meet high-volume requirements and improve quality while reducing costs. To address increased order stock and improve timely delivery, prioritizing high-impact orders and enhancing logistics and supply chain coordination is crucial. Additionally, standardizing shop floor management across sites will create transparency in

operations, accelerate best practice sharing, and strengthen performance levels. Developing a roadmap for implementing a comprehensive "production system" will be key to achieving these improvements and increasing the Group's overall efficiency and competitiveness.

The future for Nammo is promising. Global defense needs continue to grow, and Nammo is well-positioned to play a critical role in meeting these demands. However, achieving its long-term goals requires firm attention to operational excellence. Enhancing productivity, ensuring quality, and reducing lead times are imperative for maintaining customer trust and competitiveness in a dynamic market.

In 2024, Nammo demonstrated resilience and adaptability in the face of industry challenges. By continuing to invest in capacity and operational improvements, Nammo is preparing to ensure it remains a leader in the defense industry, delivering the highest standards of performance and reliability for its customers.

FINANCIAL STATEMENTS

Pursuant to Section 3–3a of the Norwegian Accounting Act, the Board of Directors confirms that the financial statements have been prepared under the assumption of a going concern as of the date of the financial statements.

The Board confirms that the going concern assumption is valid. The Nammo Group's annual accounts have been prepared in accordance with the Norwegian Accounting Act

and Generally Accepted Accounting Principles (N GAAP). The accounting policies used by the Group have also been applied by Nammo AS and its subsidiaries. For further information, please refer to the financial statements and note disclosures.

The Board confirms that the Directors' report gives a true and fair view of the Group's development, operations and results for the year.

Operating profit and profitability

For 2024, the Group delivered an all-time high revenue of NOK 10.9 billion (9.2) and profit before tax of NOK 1 230 million (880). The profitability improvements of 2024 are the result of increased sales and improved efficiency across all key segments, while recognizing that the most significant increase from last year was seen across the small and medium caliber defense ammunition segment.

Combined, these enabled Nammo to generate a 23.2 percent return on Capital Employed (18.4 percent) and a substantial increase in company value on the back of increased profitability and order stock and a positive future outlook.

Cash flow and liquidity

Nammo's net cash flow from operational activities in 2024 was NOK 2 168 million (1 386). The main drivers for the increase from 2023 to 2024 are related to profits for the year, significant increase in prepayments from customers,

partly offset by the increase in inventory and accounts receivables. Cash outflow from investment activities was NOK 1 643 million (757). This is mainly driven by purchase of fixed assets in Norway, Finland, USA and Sweden to support increased capacity, growth in new product areas, as well as general maintenance investments. Net negative cash flow from financing activities in 2024 amounted to NOK 223 million compared to a cash inflow of NOK 767 million last year. The main cash outflow in financing activities for 2024 is a dividend payment to shareholders of NOK 152.3 million. The change from 2023 is mainly explained by the cash received from new interest-bearing debt of NOK 1 139 million in 2023. The Group's net cash position was NOK 1 960 million at 31 December 2024 (1 659). In addition, Nammo had unused credit facilities of NOK 1 900 million (1 137) at the end of 2024.

Based on the cash flow performance in 2024, cash available at year-end, as well as the available unused credit facilities, Nammo's financial flexibility is good. Continued focus on working capital efficiency and careful prioritization of investment requirements remain key priorities going forward.

Balance sheet

Total assets of the Nammo Group amounted to NOK 16 463 million at the end of 2024 (12 416). Net working capital, excluding cash, was NOK 726 million (1 717), while equity was NOK 4 768 million (4 014). Total liabilities were NOK

11 696 million (8 402) and the equity ratio ended at 29.0 percent (32.3 percent). Return on equity was 20.4 percent (16.1 percent). Total interest-bearing debt to financial institutions amounted to NOK 2 374 million at 31 December 2024 (2 332).

Risk factors

The war in Ukraine continues to underline the inherent risks in Nammo's operations. The past three years have demonstrated how the impact of world events may vary significantly between countries and regions and have shown the need for continued flexible risk mitigation strategies.

Market risk

The operational and financial development of the Group is highly reliant on the overall development of military and commercial ammunition markets. The fact that Nammo operates through four business units, each within a number of different segments, and a wide range of products and locations is an advantage, as it diversifies the risk over a broad platform of business activities. Nammo has manufacturing activities in nine different countries, each with its own export regulations with which Nammo is required to comply. Where export licenses are necessary to address a market, Nammo carries the risk that authorities might revoke these at any time, for reasons beyond Nammo's control.

Operational risk

The Group's value creation consists mainly of products and systems of high technological complexity. Safety is a key priority for Nammo, and the Group has established routines and procedures designed to minimize overall operational risk, particularly those related to the handling of energetic materials and other hazardous materials. The established routines and procedures are subject to continuous monitoring to ensure adequacy and effectiveness. (For further information regarding safety, refer to the section "Health, Environment, Safety and Security" below).

In recent years, with COVID-19 and the war in Ukraine, Nammo has experienced increased risk of supply chain disruptions. Procedures are implemented to secure deliveries of critical raw materials and key components from suppliers.

Financial risk

Nammo has established policies for financial risk management at both corporate and business unit levels. The following have been identified as the key financial risk areas for the Group:

Currency risk: Nammo's customer base is global, and currency fluctuations have a major impact on the Group's financial statements. In the light of this, Nammo is monitoring currency risk through internal risk matching and hedging in the market, using financial instruments to

secure the calculated earnings on contracts and thereby reducing exposure to fluctuations.

Commodity price risk: Price volatility related to copper, steel and other raw materials can directly affect cost of goods sold and hence it can have an effect on the Group's reported operational results. Nammo manages this risk by entering into commodity hedges for significant purchase transactions of metals. This is typically performed through back-to-back agreements with the applicable vendors.

Liquidity risk: Management of liquidity risk means maintaining sufficient cash and cash equivalents and having funds available through adequate committed credit facilities. Nammo maintains a high degree of financial flexibility through both of these.

Credit risk: Nammo's customers are mainly national defense ministries, armed forces and major companies in the defense and space industry in NATO and EU countries. The inherent credit risk is considered low. Credit risk is continuously monitored, and the risk associated with outstanding trade receivables is currently considered low.

Interest rate risk: Interest rate risk for the Nammo Group is monitored and assessed regularly. The main risk is related to long-term financing of the Group and is handled at corporate level. The Group has issued three bonds with

fixed interest rates, two with seven year duration from 2021 and 2023 and one with a ten year duration from 2024. As of December 31, 2024 the Group has revolving credit facilities and a cash credit facility at a total of NOK 1 900 million with floating interest terms for the duration of any utilization. None of these facilities were utilized at December 31, 2024. The interest rate risk is currently considered limited.

Reputational risk

Nammo's reputation is one of the Group's most valuable assets. To protect the Group's reputation, it is important to build a strong company culture.

Nammo runs training programs aimed at continuously strengthening the understanding of ethics and business integrity within the Group.

In order to maintain a strong reputation and the trust of the societies Nammo serves, the Group's products must always be developed and produced according to international laws and conventions.

Nammo's license to operate is dependent on each of the Group entity's compliance with strict national export regulations. Failure to do so represents a significant risk to the Group's reputation, and thereby its business. Nammo maintains its management systems to support the various quality and military standards, as well as regulatory and customer requirements. The integrated procedures and routines are essential risk mitigating factors, along with export control training and third-party due diligence.

The geopolitical situation, with several war and conflict scenarios, has led to increased focus on due diligence activities with regards to sanctions and human rights. All entities have been urged to have a high level of awareness with regard to its due diligence activities. Furthermore, contact with all relevant national authorities has been strengthened in order to closely monitor any change in national policies and regulations.

In 2024 there were no direct actions caused by Nammo or any company practices known of that could be defined as major reputational risk. Nammo did, however, detect unacceptable actions by some employees, leaders and an external business relationship. The company did not receive any report on employees or business leaders involved in unethical behavior towards customers or suppliers.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Nammo's corporate social responsibility is to ensure security of supply to its national and allied forces in support of their work to preserve peace and democracy.

The Group is committed to support global initiatives such as the UN Global Compact and to be aligned with the OECD Guidelines for Multinational Enterprises, which means that Nammo is to operate in a manner that:

- protects the environment
- has zero tolerance of corruption
- supports human rights and decent working conditions

Nammo requires compliance with human and labor rights in all operational sites and requires its overall business to maintain operational quality that prevents any negative effect on the local communities surrounding the facilities.

The Norwegian Transparency Act, with the purpose of promoting companies respect for fundamental human rights and decent working conditions related to production of goods and rendering of services will be reported on by Nammo Raufoss which is covered by the Act. Nammo's full response displaying compliance with the Act is published annually at www.nammo.com.

Nammo reports on sustainability in accordance with legal requirements (the Norwegian Accounting Act) and other relevant industry recognized standards for material topics, such as the Global Reporting Initiative (GRI) standard. In 2024 the Group published its 11th UN Global Compact report.

Priorities

Nammo is subject to the Corporate Sustainability Reporting Directive ("CSRD") in FY25 and the main priority in 2024 has been to take steps to prepare for the comprehensive requirements that accompany CSRD. The key requirement is to carry out a double materiality assessment ("DMA") to determine which sustainability related impacts, risks and opportunities are material to Nammo. Beyond compliance with CSRD, the output from the assessment will guide the Group's sustainability efforts going forward and serve as a strategic foundation.

In parallel to this work the focus has been to follow up the organizational work on last year's revised Sustainability Goals aligned with the Greenhouse Gas Protocol.

During 2024, Nammo has also implemented a digital supplier assessment tool to support the data collection from the supply chain in areas of concern such as human rights and decent working conditions and the GHG protocol.

Quarterly meetings with sustainability champions and site visits were held to follow up data collection, good understanding and knowledge in the organization.

Ethics and anti-corruption

In order to maintain the Group's awareness of business integrity, the Code of Conduct is a major part of the onboarding procedure of all new employees and a part of the annual training distributed by an e-learning program.

The total number of reported concerns from both the line organization and from the grievance mechanism was 9 (24), of which 2 (15) were made through the grievance mechanism. There was a decrease in registered concerns in the line organization in 2024 compared to 2023. One attempt by an external party to bribe a Nammo employee was reported in 2024. Nammo was not subject to any lawsuit or fine related to ethics during 2024.

Nammo has a zero-tolerance policy for corruption and bribery. Regular training sessions for both Nammo's employees and third parties acting on behalf of the Group is considered the best risk mitigation strategy. Training

in ethics and anti-corruption have been divided into three different programs with focus on different target groups at different frequencies. Dilemma workshops are held for employees in high-risk positions. During the year, a fraud performance management indicator program was launched to assess and identify opportunities for enhancing training modules and strengthening awareness of ethical standards.

People

Nammo's People Policy aims to ensure equal opportunities and rights for all employees, as well as preventing discrimination on any grounds. This applies in particular to recruitment, career and competence development, equal pay for equal work, equal pay for work of equal value and working conditions, though always balanced by the need to observe strict accordance with rules and regulations of national security authorities in the respective countries. Nammo's People Guiding Principles describe its commitment and expectations to all Nammo employees, including Leadership, Workplace Behavior, Fair Employment Practices & Equal Opportunities and Reward.

Nammo's employees are key to the Group's continued success. Through performance management processes Nammo aims to ensure that all employees know what is expected of them, and support them in acquiring the necessary skills, knowledge, values and experience to succeed. In addition, Nammo continues to develop and strengthen its leadership program as part of the "Nammo

Academy". As a responsible employer, Nammo has policies in place to support a reasonable work-life balance, safety and overall a good working environment, including several family friendly arrangements. The Group has reason to believe that the company offers a positive working environment as the employee turnover rate in most parts of the Group remains low.

Women accounted for 26.6 percent of all employees at the end of the year, and the Group continues its efforts to encourage female employment to increase the number of women in leadership positions and levels and increase the diversity of the workforce. The goal is for women to comprise 30 percent of Nammo's workforce by 2030. The female ratio in the executive leadership was 23 percent.

During 2024, Nammo Group had an average of 3 280 full-time equivalent employees. The number of employees is expected to increase significantly over the coming years, hence, Nammo has developed a systematic approach to workforce planning, recruitment and improvements related to onboarding and training.

With regards to gender equality and fulfilment of the requirements pursuant to the Norwegian Equality and Discrimination Act. § 26, further details can be found in the Sustainability Report.

Board and Management insurance

Nammo has a directors' liability insurance that is applicable to the Group's Board members and Management.

The insurance covers legal financial claims against the Board or Management arising from actions by the Board or Management. The insurance is valid for the parent company and all Nammo subsidiaries in which Nammo owns more than 50 percent. The insurance is placed with a reputable insurance company with a good rating and the insurance coverage is in line with the market for such insurances.

Health, Environment, Safety and Security (HESS)

HESS continues to be critical for all Nammo Group sites to provide a foundation for safe and effective production to meet the record high demand driven by the current geopolitical situation. Focusing on the integration of occupational health and safety into daily work is key to Nammo's ability to monitor and improve safety within the Group while identifying areas for improvement.

Production pressure has continued through 2024 and will continue for at least several years to come and this makes it vital to maintain the focus on safety as Nammo onboards record numbers of employees to meet customer expectations. During 2024, workshops were conducted at several Nammo Group sites to underline the importance of psychological safety and the principles of Human and Organizational Performance (HOP). These workshops represented the next steps in building upon the training conducted with Nammo Group leadership in 2022/23. The goal remains learning from normal operations to identify systemic weaknesses before an accident resulting in injury or equipment damage occurs.

Site assessments

All Nammo Group sites were visited in 2024 by the HESS Director and/or the Program Director for Lean Six Sigma (L6S) and an updated HESS assessment/risk survey process was developed in conjunction with AON Risk Engineering Services for use in 2025. Site assessments were supplemented by a Group wide safety climate survey, the Forge Works Safety of Work Survey. Survey engagement was 42 percent of the total Group, with frontline workers comprising the largest group of employees responding to the survey. According to Forge Works, engagement levels will vary for numerous reasons, though typically an engagement level of greater than 30 percent provides confidence that the assessment is representative of the broader group.

A thematic analysis of the survey responses led to three key themes: learning and development, communication and coordination, and resource allocation. Learning and development included a desire for improved, hands-on, department-specific training to build upon computer-based training. Communication and coordination revealed a need to improve communication and engagement within the organization, particularly between frontline team members and management driven by more proactive information sharing. The resource allocation theme highlighted the need to ensure that leadership provides the necessary time for maintenance, cleaning and organization of work areas to reduce hazards.

Activities and results

One of the workstreams for the Momentum 2030 project was the HESS workstream. A major focus area was strengthening the Safety Management System (SMS) documentation that resides within the Nammo Management System (NMS) framework. With input from site level HESS managers, NMS HESS Directives were updated and implemented to sharpen the Group's focus on organizational/system level issues that can lead to accidents. HESS resources at both the corporate and site level were evaluated and augmented during 2024 with plans for additional support during 2025.

Reporting of accidents, incidents, near-misses and hazardous conditions increased significantly between 2023 and 2024; from 3 524 to 4 812. This increase in reporting provides evidence that the focus on psychological safety is supporting an improved reporting culture. The LTI value (LTIs per 1,000,000 working hours) for 2024 was 5.9, unchanged from 2023. Nammo Group sites continued to share information regarding not only LTIs, but near-misses and critical hazards utilizing Event Learning reports. Sick absence increased slightly from 4.3 percent in 2023 to 4.4 percent in 2024.

Environment

Nammo Group's operations have a direct impact on the environment through development, testing and production associated with energy usage, water usage, waste stream

management, and transportation. The majority of Nammo employees work at sites certified in accordance with the ISO 14001 standard for Environmental Management Systems.

Remediation efforts continued in connection with the historical pollution resulting from operations conducted at the Mesa site prior to Nammo's acquisition of Talley Defense Systems Inc. in 2007. Cooperation with the US Environmental Protection Agency (EPA) and Arizona Department of Environmental Quality (ADEQ) is ongoing and the additional sampling wells drilled over the past several years have now resulted in approximately 80 percent delineation of the groundwater plume associated with the Former Water Bore Out (FWBO) site. Ammonium perchlorate remains the primary contaminant of concern.

Security

Physical security and protection of critical infrastructure continued to grow in importance as the threat of sabotage increased due to the war in Ukraine and Nammo's position as a key supplier to NATO and other allied nations. Regular engagement with national and local authorities in every country in which Nammo operates continues to be critical in safeguarding both its operations and people. Regular communication with local authorities ensures that Nammo Group sites comply with regulatory requirements and keeping abreast of continuously changing threats. There have been no reports of major security violations

during 2024, but the Group has continued to see increased drone activity around several of its facilities and is addressing the challenge with the support of local/national security authorities. To help address the volume of work associated with security, Nammo has identified the need for a Director for Security & Crisis Management with plans to commence the hiring process in Q1 2025.

Nammo continued to strengthen its cybersecurity posture and digital resilience throughout 2024. Despite a reduction in known software and hardware vulnerabilities compared to previous years, the evolving threat landscape demands heightened vigilance and continuous monitoring of security systems. Ongoing technical advancements remain essential to fortify defenses against adversaries targeting Nammo's digital infrastructure.

While Nammo maintains a strong level of user cybersecurity awareness, there is still a clear need for more advanced, comprehensive employee training to address challenges posed by artificial intelligence and other emerging technologies. Effective cybersecurity relies not only on technical defenses but also on robust organizational, personnel, and physical security measures. Given the complexity and unpredictability of today's threat environment, a holistic approach remains critical.

Nammo adheres to cybersecurity standards such as ISO 27001 and UK Cyber Essentials where formal certifications are required by customers. Notably, no data breaches containing customer or sensitive data were identified in 2024.

DISTRIBUTION OF DIVIDEND

At the Annual General Meeting the Board of Directors will propose a dividend payment of NOK 448.4 million for 2024. Assuming the proposed dividend, the Nammo AS profit for the year of NOK 504.1 million will be distributed as follows; NOK 448.4 million to dividend and NOK 55.7 million to other equity. The proposed dividend represents 50 percent of Nammo Group net profit for the year.

OUTLOOK FOR THE NAMMO GROUP

The Group continues to be influenced by global developments, which have further shaped government spending priorities across Nammo's core product areas. These effects are expected to impact the defense industry's supply chains and distribution in the coming years.

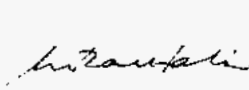
Nammo has further solidified its role in security of supply for several of its core markets, while maintaining its position as an international company. The Group's long-term prospects remain closely tied to international partnerships between industry and collaboration with governments. NATO and allied countries continue to be key markets for the Group and are anticipated to account for a significant portion of Nammo's growth in the years ahead. Consequently, Nammo will continue to pursue programs, investments, partnerships, and opportunities on both sides of the Atlantic.

In line with previous years, 96 (96) percent of Nammo's 2024 revenues were from these regions, with the United States representing 27 (30) percent of the year's sales.

Nammo's strategy continues to emphasize growth in its core markets, continuous internal improvement and investments to maintain technology leadership. The Group's ability to remain a reliable partner is crucial for maintaining its position as a market leader in the long term. Nammo's prospects remain robust, and the Group's ongoing investment in production capacity, people, processes, and technology will ensure its ability to secure the future for its stakeholders.

The Board of Directors expresses its appreciation to all Nammo's employees and customers for their commitment, dedication, and performance during the year.

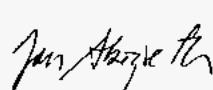
Raufoss, 24 March 2025



Esa Rautalinko
CHAIR



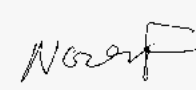
Dag Schjerven
VICE CHAIR



Jan Skogseth
BOARD MEMBER



Cathrine Bjaarstad
BOARD MEMBER



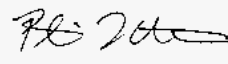
Nora Steiner-Forsberg
BOARD MEMBER



Marjut Prokka
BOARD MEMBER



Marianne Stensrud
BOARD MEMBER



Petri Kontola
BOARD MEMBER



Morten Brandtzæg
PRESIDENT & CEO

3 | Sustainability report

Sustainability

Environment

Social

Governance

Sustainability highlights 2024



CO2 Intensity (KPI)

12.3%



Reduction of intensity
per MNOK revenue



Health and safety (KPI)

37%



Increase in health
& safety reporting



Gender equality (KPI)

26.8%



Decrease in the proportion
of women in the Group



Business integrity (KPI)

97%



Completion of monthly
compliance e-learning



SPEAKUP

Number of reported concerns

9



SCREENING

Number of suppliers screened
and monitored

1 300



COLLECTIVE BARGAINING

Employees covered by collective
bargaining agreements

77 %

Our approach to sustainability

Nammo is dedicated to reducing its carbon footprint while upholding high ethical standards, ensuring fair working conditions, fostering competence development, and enhancing business competitiveness. Sustainability is embedded in Nammo's operations as a strategic priority, reflected in our policies, processes, and long-term commitments.

APPROACH TO SUSTAINABILITY

Strategic vision

Nammo is committed to identifying, addressing, and transparently reporting its Environmental, Social, and Governance (ESG) impacts. As part of the corporate responsibility, Nammo strive to minimize any negative impact of the group operations while delivering high-quality products, technology, and services. The Group's efforts support national authorities and their allies in their critical mission to uphold peace and democracy.

Embedding Nammo's strategic vision

Nammo takes the role as a global group seriously and is committed to responsible business practices. The Group policies reflect these commitments and are based on authoritative intergovernmental frameworks, including the 10 Principles of the United Nations Global Compact and the Fundamental Principles and Rights at Work outlined in the International Labour Organization (ILO)

Declaration. Nammo's dedication to responsible business conduct encompasses due diligence, the precautionary principle, and respect for human rights, aligning with the OECD Guidelines for Multinational Enterprises.

Respect for human rights is integral to all activities and business relationships. Nammo's policies, approved at the highest levels of the organization, apply universally across the Group's operations and business partnerships.

To ensure effective implementation, Nammo provides comprehensive training to embed these commitments into operational processes. Responsibility for execution is distributed across different levels of the organization, with efforts focused on integrating these principles throughout the business relationships. Nammo believe that embedding these commitments is essential to operating as a responsible and sustainable company.



APPROACH TO SUSTAINABILITY

Material topic review

Nammo is prioritizing key Environmental, Social, and Governance (ESG) topics for reporting based on a thorough and comprehensive materiality assessment.

In 2024, the review process adhered to the GRI 3: Material Topics 2021, evaluating both the significance and likelihood of its impacts to determine material topics. Additionally, the Group conduct ongoing assessments when significant changes occur in its organization, strategy, or business environment. While there were no changes to the overall material topics in 2024, adjustments will be made in 2025 to align with the recently conducted double materiality assessment in accordance with the European Corporate Sustainability Reporting Directive (CSRD).

ESG policies

Nammo has established formal and documented ESG policies at the Group level. These policies govern the management approach and decision making regarding ESG matters.

- Code of conduct
- Human rights policy
- Anti-bribery and corruption policy
- Procurement policy
- Trade compliance policy
- Fair competition policy
- Guideline on “How to raise concerns”
- Supplier conduct principles
- Modern Slavery Act statement
- Norwegian Transparency Act statement
- Executive remuneration policy
- Health, Environment, Safety & Security (HESS) policy (internal)
- People policy (internal)
- Guideline for gifts, hospitality, business courtesies and sponsorship (internal)

All of these policies have been approved by the Board. They are reviewed annually. Copies are available on www.nammo.com.

About this Sustainability report

Nammo is committed to transparency and accurately communicating its sustainability performance to stakeholders. The sustainability report is based on recognized reporting standards, including the Global Reporting Initiative (GRI) and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). This ensures that the reporting is consistent, reliable, and comparable to other organizations. Nammo believe that aligning to these standards ensures that its stakeholders have access to accurate and relevant information about the sustainability efforts.

A GRI Index is available in the Appendix to this report and at www.nammo.com. Nammo also incorporates the principles of the United Nations Global Compact and the OECD Guidelines for multinational enterprises in its management and operations. This report represents Nammo’s Communication on Progress to the UN Global Compact (active reporting level).

Nammo’s sustainability reporting includes all of the entities in its financial reporting. Any mergers, acquisitions or name and structural changes are reported to meet the legal requirements of the Norwegian Accounting Act.

Nammo publishes its sustainability report annually alongside its financial reports; this report covers fiscal year 2024.

Questions about reported information or sustainability at Nammo can be addressed to the corporate headquarters in Norway, or by mail at: sustainability@nammo.com.

APPROACH TO SUSTAINABILITY

Sustainability framework

Nammo has classified its material topics into five pillars under ESG (Environmental, Social, and Governance). Its sustainability framework is developed through feedback from stakeholders, internal surveys, and independent expert analysis. This helps prioritize areas where the Group has a significant impact and those that are vital to creating long-term value, guided by its environmental, social, and ethical standards. Each pillar is aligned with relevant UN Sustainable Development Goals (SDGs):

ENVIRONMENT

Environmental stewardship

We continuously strive to reduce our carbon footprint, from product development to the end of the production process, through industrial innovation, responsible consumption, and a strong focus on climate action.

Product stewardship

We manage product safety and life cycle management to ensure that our products meet safety requirements and are responsibly managed from production to end-of-life.

SOCIAL

Employee safety and well-being

We prioritize employee safety and well-being. We provide competence development opportunities and aim to improve diversity.

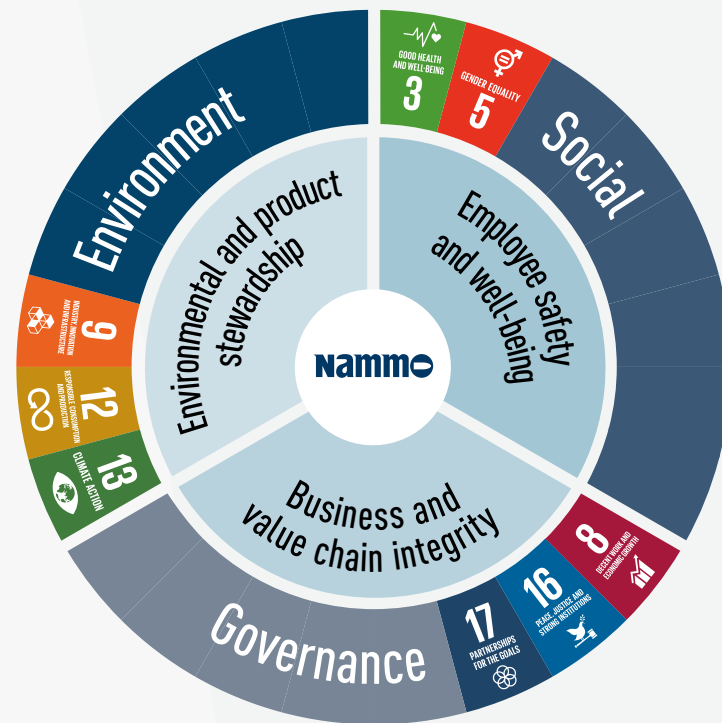
GOVERNANCE

Value chain integrity

We ensure decent working conditions internally and take responsibility for ensuring decent work and economic growth in our supply chain.

Business integrity

We uphold high ethical standards by continuously training employees on best ethical practices and conducting due diligence on customers and partners.



Nammo Sustainability Framework

APPROACH TO SUSTAINABILITY

Group Sustainability goals

UN SDG	Goals	Short term goal (3 years)	Long term goals (2030)	Status 2024
 3 GOOD HEALTH AND WELL-BEING	Build knowledge and develop competence	Map local competence, define future need for competence and knowledge, plan for closing the gap on relevant training and education	The right competence at all Nammo sites	Nammo has strengthened its competence through structured training, skill tracking, and continuous learning, focusing on leadership, safety, and performance.
 5 GENDER EQUALITY	Improve gender balance and diversity	Achieve a minimum of 28 % female employees. Facilitate for employment of people with disabilities	Increased diversity and >30 % female employees	Nammo promotes gender balance and diversity through inclusive leadership, targeted recruitment, and diversity-focused initiatives.
 8 DECENT WORK AND ECONOMIC GROWTH	Audit of suppliers on human rights and decent work conditions	Yearly assessment of all new suppliers and audit of selected existing suppliers	Complete physical and digital audits for all critical suppliers	Nammo reviews suppliers through compliance assessments, increased monitoring, and structured evaluation programs, with over 500 suppliers imported into the Supplier Assessment Portal. More than over 50 suppliers were subject to audits.
	Implement Human and Organizational Performance principles (HOP)	Develop an awareness of HOP principles through annual training/workshops	Develop and improve operational safety through organizational learning	Nammo integrates HOP principles by incorporating targeted training and workshops to cultivate a safety-first, continuously improving work culture. These initiatives promote proactive engagement and enhance overall organizational performance.
 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	All capital expenditure projects shall include a Sustainability profile	Establish and integrate a comprehensive sustainability assessment framework into the capital expenditure project evaluation process	Sustainability is an integral and evolving part of the capital expenditure process	Nammo sites use standardized templates to evaluate sustainability in all CAPEX projects, with sustainability considerations integrated into decision making.

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APPROACH TO SUSTAINABILITY

Group Sustainability goals (continues)

UN SDG	Goals	Short term goal (3 years)	Long term goals (2030)	Status 2024
12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	Reduce total amount of waste and increase recycling rate	Map total waste and methods to reduce the amount of waste sent to landfills or incineration	>75 % sent to recycling, reuse or recovery. Identified actions to reduce waste in production	Many Nammo sites has already set clear targets for waste reduction and increasing recycling rates. This is an effort that all sites are reporting on today, tracking status and improvement.
	Reduce total amount of hazardous waste	Identify amount of hazardous waste and methods of disposal, set annual reduction target	Minimize amount of hazardous waste sent to landfill	This goal is closely tied up to the previous one. Nammo sites are focusing on minimizing waste generation through improved operational efficiency and enhancing waste segregation and recycling processes.
	Increase percentage of demilitarization	Promote environmental demilitarization to the customer in at least 80 % of business opportunities	Promote environmental demilitarization to the customer in every business opportunity	Nammo's initiatives to increase the percentage of demilitarization include ongoing improvements to the demilitarization process and incorporating demilitarization options in customer dialogue practices.
	Implement Life Cycle Assessment as part of product life cycle management	Identify core product categories and perform Life Cycle Assessments (LCA)	Achieve an overview of environmental footprint on core products	Nammo has started building up the competency to perform Life Cycle Assessments on our own products at two of our biggest sites.
13 CLIMATE ACTION 	Reduce emission from energy consumption	Reduce emission from energy consumption annually with 1.5 % compared to 2019	>1.5 % reduction per year in emission (Intensity based, per revenue in local currency)	Nammo is modernizing its energy systems and equipment to lower emissions, such as by installing geothermal heating and upgrading machinery for greater efficiency. These measures aim to reduce the carbon footprint from energy consumption.
	Minimize water usage	Identify opportunities and set site targets to reduce and reuse water consumption	Secure system for reuse of water in operations to mitigate the effect of drought and to reduce local water stress and meet site target	Nammo minimizes water usage by upgrading water systems – employing purification methods and replacing outdated installations – while also utilizing own water sources to reduce reliance on city water.

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APPROACH TO SUSTAINABILITY

Group Sustainability goals (continues)

UN SDG	Goals	Short term goal (3 years)	Long term goals (2030)	Status 2024
13 CLIMATE ACTION 	Mitigate climate risks	Identify local risks and establish risk mitigation plans within 2025	Secure resilient operations according to risk mitigation plan	Nammo has performed a physical climate risk assessment on 16 of its own sites, together with 13 of our most critical sub-suppliers. The results from this assessment will be used to look at risk mitigation at the sites and for specific products.
	Reduce environmental impact from commuting	Identify actions to reduce emission from commuting	Reduce climate footprint for commuting by 30 % per person compared to 2019 levels	Nammo is working to reduce the environmental impact of commuting by promoting sustainable transport options. Initiatives include installing charging facilities for electric vehicles and encouraging carpooling to lower emissions. Some sites are utilizing a 4 day work week as well. For 2024, a more precise commuting survey has been conducted to further improve our reporting.
	Reduce environmental impact from business travels	Reduce amount of business travels and replace with digital meetings when possible.	Reduce climate footprint for business travel by 30 % per person compared to 2019 levels	Although 2024 was a year marked by significant growth across Nammo, the total absolute emissions from business travels are still lower than in 2019. The reduction in emissions pr person is 39 % compared to 2019 levels, meaning Nammo is already ahead of the 2030 goal.
	Avoid negative impact on biodiversity and eco-systems	Identify environmental risks and implement risk mitigation actions to avoid negative impacts	Minimal negative impact on biodiversity and eco-systems	Nammo is addressing biodiversity and ecosystem impacts by investing in environmental infrastructure and management projects. Several initiatives is ongoing, such as moving gopher tortoises in Florida, or building a swallow hotel in Finland.
	Reduce emission from transport of goods	Map and identify upstream and downstream emissions from transport	Implement actions to reduce emission from transport of goods	The work to identify emissions from transportation is far from finalized, but several actions have been implemented already, such as consolidating transport and updating vehicle fleet for greater efficiency.

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APPROACH TO SUSTAINABILITY

Group Sustainability goals (continues)

UN SDG	Goals	Short term goal (3 years)	Long term goals (2030)	Status 2024
 13 CLIMATE ACTION	Reduce direct emission from Fuel consumption	7 % annual reduction compared to 2019	>55 % reduction in emission from fuel consumption, compared to 2019 levels	Several sites are transitioning from internal combustion engine (ICE) vehicles to electric vehicles, oil heaters have been replaced with pellet burners, peat has been replaced with wood pellet etc.
 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Aligned with customers' cyber security requirements	Ensure that Nammo complies with all customers' cybersecurity requirements.	Build and maintain a digital security culture in the Nammo Group by raising awareness and competence levels of all employees	Nammo aligns with customers' cybersecurity requirements by conducting self-assessments and following up with targeted improvements. Ongoing training and projects enhance digital security measures to meet industry standards.
	Conduct business with integrity according to high ethical standards	>95 % completion of mandatory training modules	>98 % completion of mandatory training modules	Nammo upholds high ethical standards by integrating sustainability-focused gatherings and mandatory training, ensuring consistent follow-up on compliance initiatives to maintain business integrity. Completion of mandatory training modules is at 97 %, very close to the 2030 target.
 17 PARTNERSHIPS FOR THE GOALS	Increase Sustainability focus at all sites	Internal: Engage and communicate the Nammo sustainability goals at the local site External: Cooperate with and/or involve local, national or international stakeholders on defined sustainability projects	Increased focus and competence on sustainability	Nammo is embedding sustainability into everyday operations by integrating it into planning, communications, and overall process improvements across all sites.

APPROACH TO SUSTAINABILITY

Stakeholder engagement 2024

Nammo engages in an open and transparent dialogue with key stakeholders in all the countries where we operate. Potential impacts are continuously assessed, taking into account the perspectives of various stakeholders when prioritizing ESG focus areas. Key stakeholders are divided into four main categories: Nammo's organization, local communities, markets, and regulators.



EU commissioner Thierry Breton visited the Sastamala site in Finland. From left to right: Commissioner Thierry Breton, Minister of Employment Arto Satonen. EVP Raimo Helasmäki, General Mikko Heiskanen.

Management approach

Nammo's stakeholder engagement strategy involves identifying and prioritizing key stakeholders based on their potential impact on Nammo's business and its potential impact on them. A variety of methods is used to engage with stakeholders, including surveys, meetings, workshops, and online platforms. Regular review and analysis of feedback from stakeholders informs decision-making and improves sustainability performance.

Performance

Positive feedback is received from stakeholders on the engagement efforts, with high levels of satisfaction reported across all groups. Stakeholder input continues to play a key role in shaping the company's decisions, including the development of new sustainability initiatives and enhancements to the health and safety programs.

In preparation for reporting under the European Corporate Sustainability Reporting Directive (CSRD) in 2026, Nammo conducted a "double materiality assessment" in 2024 to identify the sustainability issues most relevant to both the company and stakeholders. This assessment ensures that the sustainability strategy aligns with regulatory requirements and stakeholder expectations.

Looking ahead

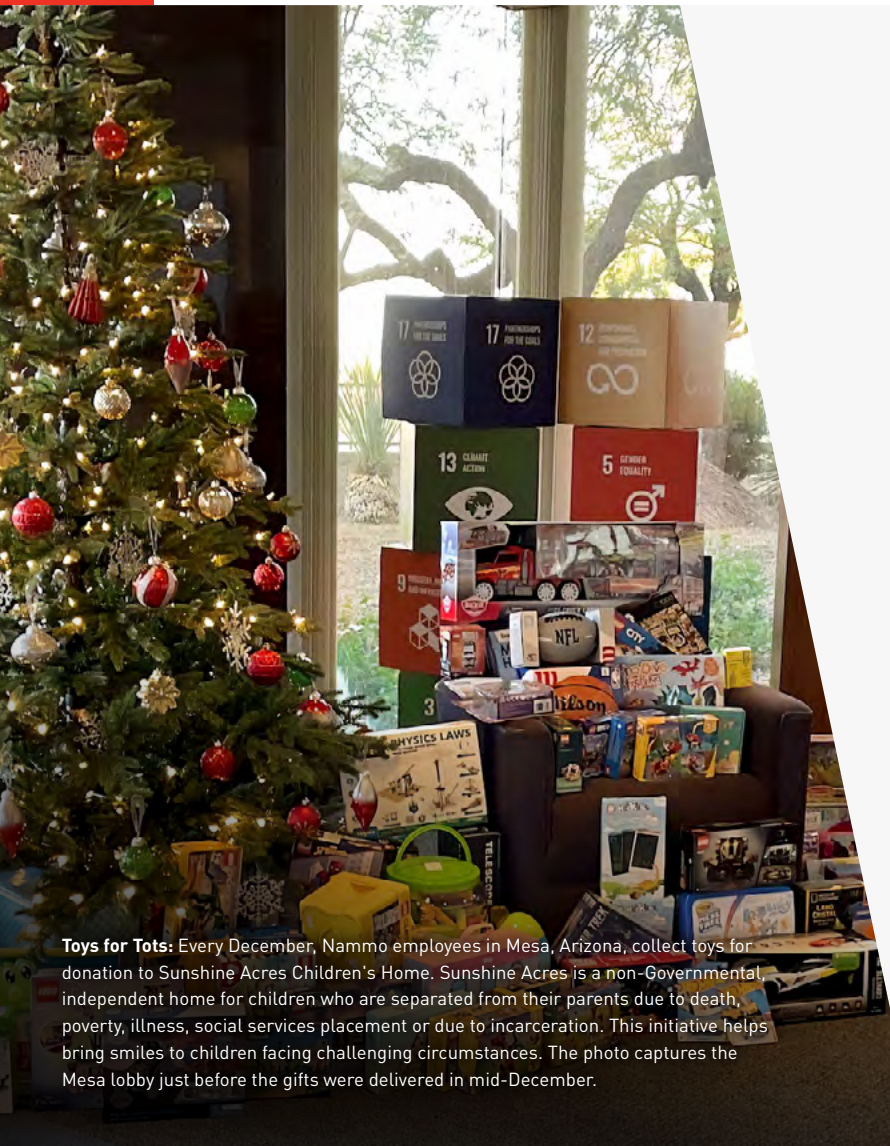
In the coming year, the stakeholder engagement efforts will be strengthened by setting clear targets and implementing new engagement methods aligned with CSRD requirements. Feedback processes will be enhanced, ensuring greater transparency in how stakeholder input informs the company's decision-making. The ultimate goal is to foster trust and maintain an open, constructive dialogue with all stakeholders, driving long-term, sustainable growth.

APPROACH TO SUSTAINABILITY

	Why we engage	How we engage		Key issues raised in 2024	
INTERNAL ORGANIZATION	Employees We depend on our employees, their knowledge, dedication and diversity to successfully deliver our strategy.	- Employee surveys, branding and e-learning surveys - All hands meetings - Appraisal dialogue - Company wide communications - Intranet, social events - Training and education	- Leadership programs - Family Day/Sport events - Professional forums - Company award ceremony (Team, HESS and Sustainability) - Preparedness exercises	- Employment relations and satisfaction - Health Environment Safety & Security (HESS) - HOP principles - Security awareness - State of the business - Compliance; anti-corruption, human rights, export control, ethics, vocational	- IT security - CMMC - Code of Conduct - Speak Up
	Unions and union representatives We seek to maintain a good relationship with the unions and create understanding and common ground for annual negotiations. Together we can foster healthy work environment with opportunities for competence development.	- Local and European work council meetings - Working group meetings - Annual negotiations	Collaborative areas (work environment, employee health etc)	- Work environment council meetings - HESS Safety council meetings - Employment relations - Annual salary negotiations	- Strategy and business forecast - New organizational structures
LOCAL COMMUNITIES	Civil society/media/local community We want to build trust and support in the communities in which we operate.	- Meetings - Media interviews - Social media posts - Opinion pieces - School visits - Meetings with local municipalities	- Community volunteering - Community Board participation - Local/national sponsorship, donations, fundraising - Trainee program - Recruitment	- Business environment and practices - Local community topics; infrastructure and crisis handling - Environmental monitoring and safety - Increased media attention related to war and conflicts	- Capacity expansion and sufficient access to power - Employer branding
	Non-Governmental Organizations (NGO's) and political youth parties We recognize the importance of NGOs as watchdogs that remind us to stay vigilant and critical on crucial issues.	- Meetings and open discussions - Conference participation	Contribution to reports and surveys	- Export control - Human rights due diligence - Environment and emissions	- Business standards and ethics - Sustainable development goals
	Research and academic institutions We share knowledge and learn from others to pursue common goals for industry transition towards future ESG requirements.	- Conferences, meetings - Cooperation and partnership for funding projects	- ESG surveys and interviews - Employment fairs	- Innovation and collaboration - Sustainability projects - Defense industry ambition on ESG	- Educational cooperation - Internships - Recruitment

APPROACH TO SUSTAINABILITY

	Why we engage	How we engage		Key issues raised in 2024	
MARKETS	Customers/Distributors/Retailers We engage with our customers, distributors, and retailers to ensure that we consistently deliver quality products and services that meet their requirements.	- Meetings - Factory visits - Customer audits - Surveys	- Trade shows and product demonstrations - Factory acceptance tests, lot acceptance test	- Offers, quality, prices and lead times - Product quality, performance and availability - Supply chain challenges - Technology development	- Licenses and export control - Health Environment Safety and Security (HESS) - Services - ESG
	Suppliers We engage with our suppliers to ensure that our business partners deliver on their promises while living up to Nammo's ESG expectations and internationally recognized best practices.	- Meetings - Factory visits - Quality audits - Supplier score cards	- Supplier conduct principles - Due diligence - Supplier self-assessment portal	- Sanction risks - Due diligence questions - Offers, quality and prices - Customer flow-down requirements	- Product quality and development - ESG (i.e. human rights and decent work conditions)
	National trade associations We engage with industry associations, NATO, and the national defense and aerospace associations in the countries where we are located (FSi, SOFF, AFDA, ASD, NDIA, NADIC, TEDAE, KCEM, EASSP etc).	- Participate or lead association's working groups - Conferences and forums	- Exchange knowledge and experiences - Cooperation in Business Fairs	- Defense and aerospace business discussions - Contribute in political hearings - Share knowledge of how to improve our sustainability work, available ESG tools - Export control challenges	- Challenges in regulatory changes - Cooperate to understand future ESG requirements - Share safety practices
REGULATORS	Owners/Shareholders/Board We engage with our owners, shareholders, and board members to provide them with accurate, comprehensive, and timely information that support Group governance.	- Monthly report - Quarterly meetings - Board meetings - Annual general meeting		- Business status - HESS - Sustainable development goals - Capital expenditure projects - Risk, Audit and Compliance Committee topics	- HR and Compensation Committee topics - Media issues
	Regulators/Finance and Insurance/Politicians We engage with regulators, financial and insurance actors, as well as policymakers to share our knowledge and help shape regulatory actions in pursuit of our common goals and understanding.	- Formal meetings - Audits - White paper input - Presentations and Q&As - Political committee	Engagement in industry associations by leaders across the company's different locations	- Governance and compliance - Security and Safety - Sustainable business - Additional financing	- Political hearings (i.e. export control) - Input to new law text - ESG with regards to market risks



Toys for Tots: Every December, Nammo employees in Mesa, Arizona, collect toys for donation to Sunshine Acres Children's Home. Sunshine Acres is a non-Governmental, independent home for children who are separated from their parents due to death, poverty, illness, social services placement or due to incarceration. This initiative helps bring smiles to children facing challenging circumstances. The photo captures the Mesa lobby just before the gifts were delivered in mid-December.

SOCIAL RESPONSIBILITY

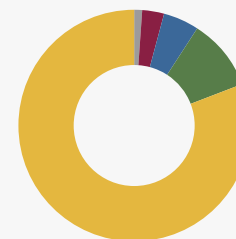
Supporting the employees and the local communities

Nammo's commitment to social responsibility is demonstrated through its contributions to the economic development and social well-being of the local communities where we operate and live. Nammo actively engage with local stakeholders, including sports teams, schools, and charitable organizations, to make a meaningful impact. The Group focus is particularly on supporting initiatives that benefit children and youth.

To ensure fairness and consistency in sponsorships and charitable donations, each local entity shall have established a sponsorship committee responsible for selecting initiatives that align with defined criteria.

Additionally, as part of the commercial activities, Nammo support local and national competition shooting teams, as well as promising young talents, by providing sponsorships that include its commercial products, this explains why the majority of Nammos contribution goes to sponsorship of sport clubs & associations.

SPONSORSHIP AND DONATIONS 2024



- Sport clubs & associations (81 %)
- Local Communities (10 %)
- Defense Association & Homeland Security (5 %)
- Charity (3 %)
- Veterans and family support (1 %)



SOCIAL RESPONSIBILITY

Nammo employees keeping the Arizona desert a beautiful place for all to enjoy

In early 2024, Nammo Defense Systems Inc., in Mesa Arizona connected with the Maricopa County Adopt a Road team requesting to adopt a section of road that encompasses the Granite Reef Dam and a beautiful section of Bush Highway. After a few meetings and some training, Nammo was approved for the adoption and the planning for the first event began.

On a sunny Thursday afternoon, 15 Nammo employees, wearing the provided safety gear and carrying the provided equipment and collection bags, descended on Bush Highway located just a few minutes from Nammo Defense Systems' facility. Their mission – to return this beautiful stretch of an Arizona highway back to a wonderful clean area for outdoor enthusiasts to enjoy.

When the dust settled after nearly three hours of hard work – 25 large garbage bags were filled, and three shopping carts removed. The road adopted by Nammo is in an area frequented by, kayakers, mountain bikers, hikers and other outdoor adventurers.

Nammo has committed to cleaning up this area of the highway a minimum of twice yearly while partnered with Maricopa County Adopt A Road Program. In teaming with the County, Nammo was provided all the tools necessary for the project; garbage bags, personal protective equipment, and signage, while Nammo provided the labor, refreshments, and enthusiasm. Employee volunteers are looking forward to the next scheduled cleanup event in March 2025.

Sustainability – a key consideration in the Defense Industry

Sustainability has become a strategic consideration in the defense industry due to regulatory pressures, stakeholder expectations, and the industry's long-term viability.

Regulatory compliance & reporting

Governments and international bodies are enforcing stricter environmental and social regulations, such as the Corporate Sustainability Reporting Directive (CSRD) and the EU Taxonomy for Sustainable Activities.

Defense contractors must align with sustainability frameworks like the UN Global Compact, OECD Guidelines, and GRI Standards to ensure responsible business conduct.

Climate & environmental responsibility

The defense industry is a high consumer of energy and raw materials, prompting efforts to reduce carbon footprints through energy efficiency, sustainable sourcing, and alternative fuels.

Circular economy initiatives are growing, with increased focus on recycling materials, sustainable production, and extending equipment life cycles.

Supply chain sustainability & risk management

Responsible procurement is a key focus, with defense companies ensuring suppliers comply with ethical labor standards, environmental regulations, and responsible sourcing policies.

Geopolitical risks and resource scarcity have heightened the need for resilient and transparent supply chains.

Investor & stakeholder expectations

Institutional investors and financial markets are incorporating ESG (Environmental, Social, and Governance) criteria into their investment decisions, pressuring defense industry to improve sustainability performance.

Public perception and political scrutiny demand higher levels of transparency and ethical responsibility in defense operations.

National security & operational efficiency

Climate change and resource scarcity are seen as security risks, prompting defense organizations to adopt sustainable energy solutions and reduce dependencies on fossil fuels.

The integration of green technologies, autonomous systems, and energy-efficient operations enhances both sustainability and military effectiveness.

Workforce & talent attraction

Younger professionals and skilled workers prioritize sustainability when choosing employers, making ESG commitments essential for attracting and retaining talent in the defense sector.

Future trends and developments

Sustainability in the defense industry is no longer just a compliance requirement – it is a strategic driver of innovation, competitiveness, and long-term resilience. Companies that proactively integrate sustainability into their operations, supply chains, and product development will be better positioned to meet regulatory demands, enhance operational efficiency, and maintain public trust.

Nammo, as a prominent company in defense, strives to be at the forefront of these efforts. The commitment to environmental stewardship, combined with focus on innovation and excellence in defense and aerospace solutions, positions the Group among the leaders in sustainable defense practices.

Integration of sustainability within the defense sector is a testament to industry's adaptability, demonstrating a commitment to a more socially, financially and environmentally responsible future. As Nammo moves forward, the dedication to these principles will continue to be a guiding force in the operations and strategic decisions.





Environment

Environmental stewardship

Climate risk

Green House Gas emissions

Energy consumption

Water management

Waste and hazardous material

Product stewardship

Life cycle management

Product safety



OUR COMMITMENT

We are committed to reducing our environmental footprint, by measuring and mitigating impact, as well as implementing the most efficient technologies and processes.

ENVIRONMENTAL STEWARDSHIP

Climate risk

Management approach

In 2024, Nammo successfully completed a climate risk assessment for three additional company sites, along with its most critical sub-suppliers. The results of this assessment, combined with findings from the comprehensive climate risk assessment finalized at the end of 2022, were shared with leadership teams across evaluated sites throughout 2024. This physical risk assessment, covering more than half of Nammo's global sites, reinforces the company's unwavering commitment to ESG principles. With these insights, decision-makers are now better equipped to navigate environmental challenges and strengthen risk mitigation strategies.

Performance

Nammo expanded its focus beyond initial assessments to include its supply chain, recognizing the vital role that

its partners play in ensuring operational resilience. This initiative is designed to enhance collective preparedness and maintain business continuity despite climate-related risks across its sites and supply chain.

Looking ahead

Nammo's long-term ambition extends beyond mitigating climate risks to setting new standards for sustainability and resilience within the industry. The comprehensive climate risk assessment reflects the company's leadership and commitment to protecting its operations, employees, and communities against the impacts of climate change. This forward-thinking approach, aligned with the global sustainability agenda, not only reinforces Nammo's internal operations but also contributes to the broader dialogue on climate resilience, demonstrating its unwavering dedication to a sustainable future for all stakeholders.

Climate risk assessment

Hazard	Conditions	Description of results	Conclusion
Extreme wind	Present	Most Nammo sites covered in this assessment are exposed to extreme wind conditions. Only two Nammo sites are classified as Low exposure, while five sites are classified as High or Very high.	Major exposure
	Future	Climate projections of wind are very uncertain. After analysis of changes in extreme wind events, we assess that the best estimate for future wind exposure is the same as for the present conditions in all scenarios and time periods.	No change
Extreme precipitation	Present	Most Nammo sites covered in this assessment are exposed to extreme precipitation. Only two Nammo sites are classified as Low exposure, while four sites are classified as High or Very high.	Major exposure
	Future	Climate change leads to increased water in the atmosphere, and one major consequence of this is the increase in the magnitude of extreme precipitation events. All Nammo sites should expect extreme precipitation events at all return periods to become significantly worse (up to 50 percent more intense in 2050 under high warming) and plan accordingly.	Significantly increasing exposure
River flooding	Present	Only six of 16 assessed Nammo sites are exposed to river flooding. Of these, only two are assessed to be exposed more often than every 100 years.	Site-specific varying exposure
	Future	All exposed sites show similar or decreasing flooding frequencies under assessed climate change scenarios.	No change
Coastal flooding	Present	Only a single site is exposed to coastal flooding. This site is exposed only every 250 years on average under current conditions.	Minor exposure
	Future	No further sites are exposed. This exposed site is flooded at least every 100 years (on average) under all future conditions.	Significantly increasing exposure
Wildfire	Present	Eight of 16 sites are classified as Very low or Low exposure. Of the remaining, all but one are classified as Medium exposure. The last site is classified as Very high exposure.	Medium exposure
	Future	In general, wildfire conditions are expected to increase at most sites.	Some increase
Heat stress/ wave	Present	Sites in the Nordic countries and Germany have Very low to Low exposure. Other sites have Medium to Very high exposure.	Site-specific varying exposure
	Future	Sites in the Nordic countries and Germany see a limited increase in heat stress, but such an assessment is subject to considerable uncertainty. Increased frequency of dangerous heatwaves is expected in Germany. Other sites will experience significant increases in both chronic heat stress and acute heat waves.	Significantly increasing exposure
Water stress/ drought	Present	Most sites currently experience Low exposure to water stress and drought. The remaining sites have High to Extremely high exposure. The exposure is site-specific.	Site-specific varying exposure
	Future	Most sites will experience little change.	Some increase

ENVIRONMENTAL STEWARDSHIP

Building resilience

Nammo's strategy for mitigating climate risks and ensuring operational continuity

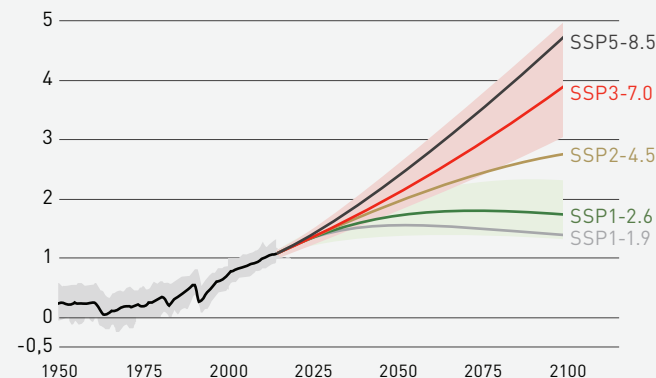
Nammo is committed to mitigating climate risks by proactively assessing and addressing potential threats that may impact its operations. In 2024, several key actions were implemented to reduce vulnerability to extreme weather events. For instance, projects were initiated to reduce flooding risks at certain sites, with improved water drainage systems designed to handle increased rainfall, as well as enhanced fire protection measures, such as maintaining firebreakers and collaborating with industry partners to minimize wildfire risks. Surveillance systems were also upgraded to detect potential fire hazards early, and buildings were reinforced to withstand extreme weather conditions, such as high winds and hurricanes.

In addition to these measures, Nammo is working on long-term strategies to reduce energy dependence and improve resilience. This includes improving the energy efficiency of its buildings and technical installations,

implementing renewable energy solutions, and fostering energy-saving awareness among employees. Sites are also continuously assessing and adapting their infrastructure, such as upgrading heating and cooling systems to mitigate extreme temperatures and reduce environmental impact. While some sites, such as in Sedalia, face minimal climate risks, others, like those in areas prone to heavy snowfall, are implementing specific plans to mitigate potential disruptions.

Looking ahead, Nammo will continue to monitor and adapt to the changing climate, focusing on enhancing its resilience to extreme weather and other climate-related risks. The company remains committed to implementing innovative solutions, reinforcing critical infrastructure, and ensuring that all sites are equipped to handle the challenges posed by climate change.

ACTUAL AND PROJECTED CO2 CONCENTRATION BY SSP ACROSS THE 21ST CENTURY



Source: Wikimedia.org



A synthesized table of results, categorized by specific hazards, consolidates our findings and will serve as a cornerstone for the subsequent stages of Nammo's climate resilience journey, see table above.

ENVIRONMENTAL STEWARDSHIP

Hurricane Helene impact and recovery

In September 2024, Nammo Perry found itself in a familiar, unwanted situation: a second major named hurricane in 13 months made landfall in the immediate vicinity of the site.

Hurricane Helene, a Category 4 hurricane, made landfall just 7 miles down the coast from the Nammo Perry facility. The days following Hurricane Helene would once again test Nammo Perry's preparedness and resilience to return to normal operations as soon as practical.

Using lessons learned following Hurricane Idalia in August 2023, Nammo Perry's management team surveyed the facility the same day the storm made landfall, immediately mitigating any critical risks and preparing a cleanup and recovery plan for the days to come.

The damage was similar to that seen with Hurricane Idalia: major production facilities were largely untouched, and all new roofs installed after Hurricane Idalia faring well. However, there was extensive damage to the plant's electrical infrastructure, water and well system, main inert

warehouse, and the load, assemble and pack line.

Nammo Perry's staff worked for several days without electricity and running water to return utilities to the plant and clean up all areas for safe operations. Full operations were resumed in early October 2024, just 10 days after landfall.

The recovery was only possible through maintenance and execution of a detailed Hurricane/Storm preparation plan coupled with the dedication of the team to return to business as usual with minimal impact while dealing with the damage to their own homes and community. Understanding the natural impacts in the areas in which Nammo operates, and being prepared is key to successfully restoring normal operations with minimum business interruption impact.

ENVIRONMENTAL STEWARDSHIP

Protection of vulnerable species

Before starting a development project in Florida that involves land clearing and construction, it was crucial to comply with environmental regulations. One key requirement was ensuring that vulnerable species, such as Gopher Tortoises, were not disrupted during the process.

The first step in the process was to identify the area to be disturbed and complete a 15 percent survey (evaluate 15 percent of the identified land area for tortoise population) in order to approximate the tortoise population in the area. Nammo Perry's survey determined that there were Gopher Tortoises in the planned construction area.

Survey information was provided to the Florida Fish and Wildlife Agency (FWC) in the form of an application. Once the application was accepted by the FWC, and before any land clearing commenced, a 100 percent survey of the area was carried out to identify all impacted Gopher Tortoises.

Approval from the local county government was the final project approval step, where the focus was on ensuring that the tortoises undergo a minimum of stress when relocated to their new homes.

A silt fence perimeter is formed around the entire construction area preventing the tortoises from re-entering the area once removed by professional authorities. The State of Florida uses certified, approved, companies to perform the relocation and have already identified areas to move affected tortoises. Following relocation, construction and clearing can begin.

Nammo Perry is dedicated to protecting the vulnerable species that naturally inhabit its property. While this process can be lengthy, it is necessary to properly care for keystone species such as the Gopher Tortoise and ensure Nammo exhibits sound environmental stewardship.



ENVIRONMENTAL STEWARDSHIP

Giving swallows a home: How we're supporting biodiversity

Swallows are a familiar sight in summer, darting through the sky in search of insects. But their numbers have declined dramatically in recent years, with both tar swallows and eaves swallows now classified as critically endangered. One of the main reasons is habitat loss – fewer suitable places to nest mean fewer swallows returning each year.

Swallows depend on buildings, beams, and open structures for nesting, but industrial areas often lack stable nesting sites. A survey conducted at the Nammo Vihtavuori site in Finland confirmed that swallows are present in the area, with multiple nests found in existing buildings and many more birds searching for suitable nesting spots. With construction going on at the site it was decided to invest in an Eaves Swallow Hotel – a specially designed artificial nesting structure that offers swallows a safe and stable place to raise their young.

These hotels have proven effective in helping bird populations recover, giving them a reliable habitat in areas where natural nesting sites are scarce. This investment ensures that swallows will continue to return, helping to maintain a balanced ecosystem while demonstrating that industrial operations and biodiversity protection can go hand in hand.

A long-term commitment

The swallow hotel is just one step in Nammo's broader effort to support local wildlife. By taking proactive measures, Nammo is not only protecting an endangered species but also reinforcing the commitment to sustainability. Small actions like this can have a big impact, and Nammo will continue to look for ways to preserve and enhance biodiversity in its operational areas.

ENVIRONMENTAL STEWARDSHIP

Green House Gas (GHG) emissions

Management approach

Nammo continuously refines its approach to greenhouse gas (GHG) monitoring to ensure greater accuracy and impact. An improved commuting survey, designed with enhanced data quality and methodology, has provided deeper insights into employee travel patterns, which in turn led to a reduced emission from commuting compared to earlier years.

Additionally, the Group have intensified the efforts to reduce its climate footprint. Several sites are transitioning from internal combustion engine (ICE) vehicles to electric vehicles, oil heaters have been replaced with pellet burners, peat has been replaced with wood pellets, and all new buildings are designed with a strong focus on thermal efficiency.

Performance

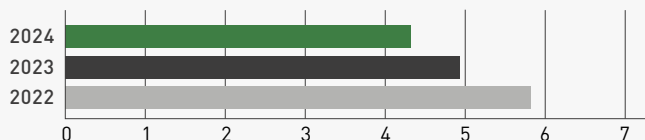
While Nammo have a solid understanding of its Scope 1 and 2 emissions, there is still progress to be made on Scope 3. Although the Group currently measure some of the 15 Scope 3 categories, the focus is on implementing solutions to track

the most significant categories – particularly upstream and downstream transportation and purchased goods – which is assumed to account for a substantial share of its emissions.

Looking ahead

In 2025, Nammo will continue to strengthen its sustainability commitments. The Group will focus on aligning the objectives with the European Sustainability Reporting Standards (ESRS), a job that has been ongoing since it started working on the double materiality assessment in 2024. By aligning with ESRS, Nammo will ensure transparency and accountability in the climate actions while driving meaningful reductions in its carbon footprint.

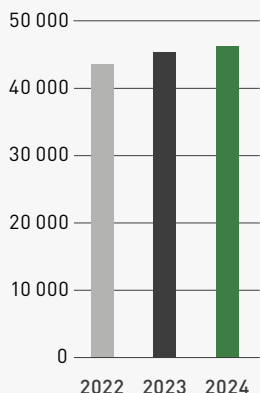
TCO2 EMISSION PER MILLION NOK IN REVENUE



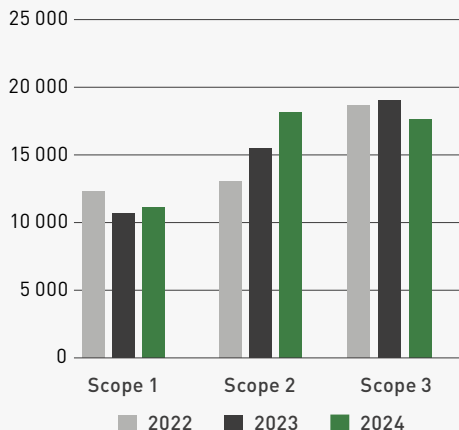
Nammo's GHG emissions

In 2024, Nammo's greenhouse gas (GHG) emissions totaled 46,821 metric tons of CO₂e, reflecting an increase from 45,593 metric tons in 2023. The primary driver for this rise was a notable increase in production activity. Despite this, Nammo remains committed to tracking and mitigating its carbon footprint through efficiency measures and improved reporting.

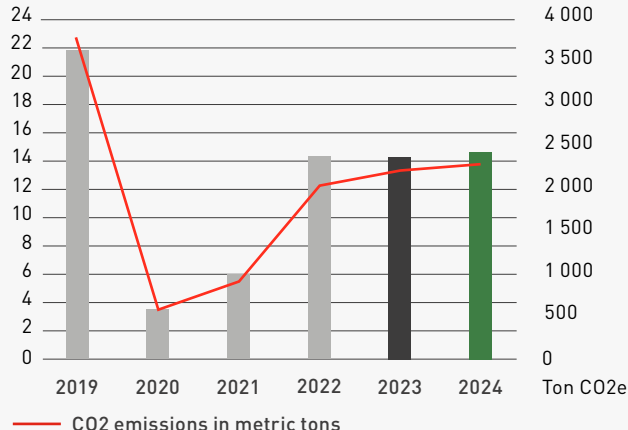
**TOTAL TC02 EMISSIONS
NAMMO GROUP**



**SCOPE 1, 2 AND 3 EMISSIONS
(TC02)**



**BUSINESS TRAVEL
- DISTANCE IN MILLION KM VS CO₂e**



Scope 1

Direct emissions (Scope 1) from fuel combustion in heating, production, and vehicles increased slightly in 2024, rising to 11,340 tons of CO₂e compared to 11,035 tons in 2023. This change correlates with higher production levels across several facilities.

Scope 2

Location-based Scope 2 emissions rose significantly to 18,133 tons of CO₂e, up from 15,485 tons in 2023. This increase is attributed to greater energy consumption due to heightened production demands at its largest sites.

Scope 3

Scope 3 emissions, which include indirect activities such as business travel, waste generation, and employee commuting, went down with 9 percent in 2024. Emissions reached 17,348 tons of CO₂e, compared to 19,071 tons in 2023. The main reason for this reduction is an improved survey completed on employee commuting, where the data is more precise than earlier surveys. Nammo continue to prioritize enhancing the tracking and reporting of Scope 3 emissions to better address its full carbon footprint.

Nammo remains focused on improving carbon efficiency and achieving long-term emissions reductions, with a particular emphasis on lowering CO₂ intensity relative to revenue and production growth.

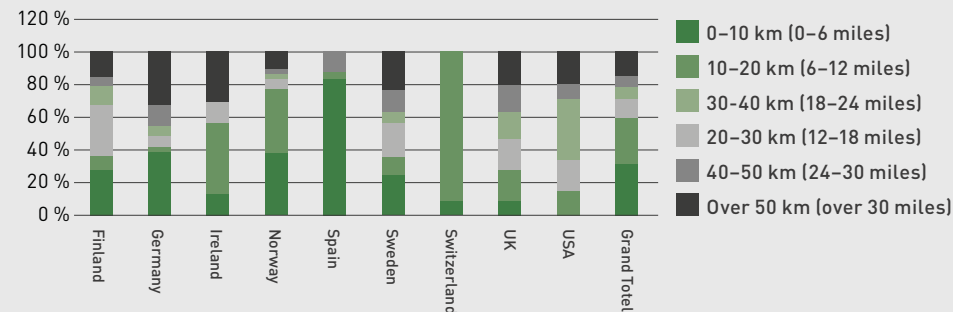
ENVIRONMENTAL STEWARDSHIP

Commuting survey

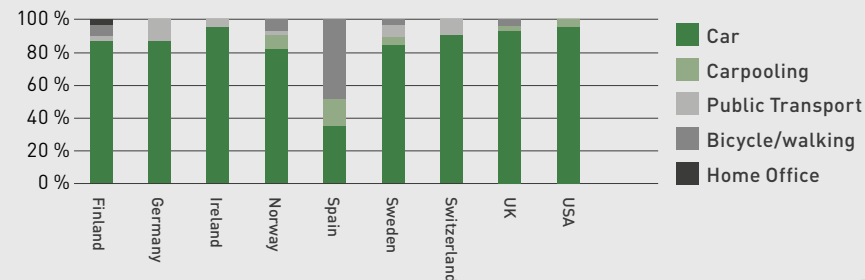
In 2024, Nammo conducted a comprehensive survey to analyze employee commuting practices. The survey was distributed to every employee with an email address, achieving a response rate of over 40 percent, which reflects strong engagement. The survey gathered detailed information on the types of transportation used, the distances traveled, and the frequency of commuting per week. The data was then meticulously analyzed to identify commuting habits and differences across countries, enabling the calculation of total distances traveled by transportation mode. This, in turn, allowed Nammo to estimate the overall greenhouse gas emissions from employee commuting, which totaled 4681 tons of CO₂ in 2024 – a significant reduction from 2023, primarily due to improved data accuracy and measurement methods.

The survey data reveals that commuting practices vary significantly by geographical location. At the Spain site, over 50 percent of employees opt to carpool or use active transportation such as walking or biking – a trend that fits the site's urban context. In contrast, at most other locations, more than 80 percent of employees commute by car, a result that is expected given a typical rural location of Nammo facilities.

COMMUTING DISTANCE (ONE WAY)



MODE OF TRANSPORTATION



ENVIRONMENTAL STEWARDSHIP

Energy consumption

Electricity (kWh)

8.8% 

Electricity (kWh)
8.8 percent increase
compared to 2023

In 2024, the Group's total greenhouse gas (GHG) emissions amounted to 46,821 metric tons of CO₂, reflecting a continued focus on tracking and managing its emissions. This represents an increase from 45,593 metric tons in 2023, highlighting the importance of the ongoing efforts to implement emission reduction measures across the operations.

When looking at intensity based emissions, Nammo's emissions has been reduced with 12.3 percent compared to 2023.

Management approach

The Group is dedicated to reducing energy consumption and enhancing efficiency throughout its operations as part of the broader commitment to sustainability. A key objective within the environmental strategy is to minimize emissions

related to energy use by implementing smarter energy solutions and improving operational efficiency. This goal has been clearly communicated across all Nammo sites, ensuring that each location is aligned with the sustainability efforts. By engaging all sites in energy-saving initiatives, the Group aim to drive measurable reductions in emissions while promoting the responsible use of resources.

Performance

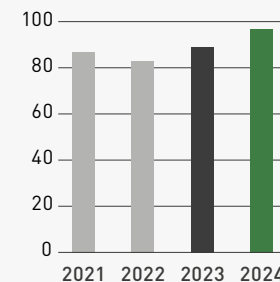
In 2024, Nammo focused on reducing emissions from energy consumption by upgrading heating systems, improving insulation, and transitioning to renewable energy sources like solar power and wood pellets. Investments in LED lighting, heat recovery systems, and high-efficiency equipment further contributed to lower energy demand.

Looking ahead

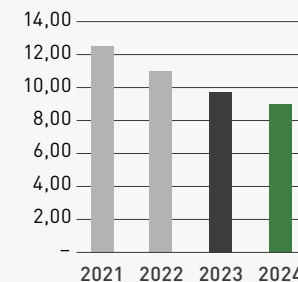
Nammo will maintain a strong focus on reducing emissions by supporting and encouraging the production sites to continue their energy efficiency efforts. This will be

done by ensuring that all sites are equipped with the tools and knowledge needed to drive continuous improvements in energy management. By taking these steps, Nammo is strengthening its commitment to sustainability and ensuring that the Group is well-prepared for the future.

**TOTAL ELECTRICITY
(MILLION KWH)**



**ENERGY INTENSITY
(MWH/MNOK)**





ENVIRONMENTAL STEWARDSHIP

Reduction of carbon emissions through a sustainable heating solution

In 2024, Nammo Vingåker made a strategic decision to invest in pellet-based heating systems and steering thermostats, marking a significant shift from traditional fuel oil heating. This initiative was driven by the dual objectives of reducing CO₂ emissions and decreasing the site's dependency on oil resources. By adopting this sustainable approach and implementing thermostatic controls across 18 buildings, the site has demonstrated a strong commitment to environmental stewardship and energy efficiency. Forty-five percent of this project was funded by the Swedish component of the European Union's 'Klimatklivet' initiative*.

The new pellet heating system, combined with thermostat controls efficiently adjusting temperature and ventilation during nighttime and weekends, reduces energy use and carbon emissions. Following its launch in November 2024

and immediate impact was observed. It's a 90 percent drop in CO₂ emissions and a 25 percent reduction in energy use for November and December 2024, compared to previous years.

Looking ahead

Nammo is dedicated to continuously monitoring CO₂ emission savings to support its goal of reducing Green House Gas emissions. Nammo aims to use this initiative as a benchmark, inspiring other sites to adopt similar practices. By sharing its success story, Nammo Vingåker is helping to promote investment in sustainable energy solutions within the Nammo Group.

* Klimatklivet is an EU funding that can be applied for to reduce CO₂ emissions.

ENVIRONMENTAL STEWARDSHIP

Water management

Management approach

At Nammo, responsible water management is a key part of the sustainability efforts. In 2024, the Group prioritized improving the accuracy of water usage reporting, with a particular focus on identifying water sources at each site. The reporting system, collected and analyzed data across all locations, ensuring transparency and a deeper understanding of consumption patterns.

Performance

Nammo sites have implemented various strategies to minimize water usage across operations. Key actions include the purification and reuse of flushing water, replacing old cooling systems with sealed installations to reduce water replenishment needs, and using mine water for dust reduction. Additionally, water recovery systems have been introduced, such as for treatment baths and wastewater cleaning, while leak detection and consumption control campaigns are regularly conducted.

Looking ahead

The Group is continuing to improve its water management, by including further improvements in water recycling and continued focus on reducing consumption in both production and non-production areas.





ENVIRONMENTAL STEWARDSHIP

Water treatment system introduction

Water consumption reduction

39 % 

39 percent of total factory consumption
29,300 m³/year

Drought is a common characteristic of Mediterranean climates in regions such as Castilla y Leon, the region in which Nammo Palencia is located. Based upon climate change scenarios and models, temperature increases will likely cause more extensive and intense droughts at a greater frequency. A water consumption reduction project was established in early 2024 to help

minimize the site's impact on the local water resources and ensure operational continuity in the face of potential water stress in the future.

Surface treatment and cleaning operations were identified to be a major consumer of water resources at the site and became the focus of the project. Analysis revealed that a small fraction of the process water was being recycled

and with current product demands driving three-shift operations, a large quantity of water would be saved if processed water could be reused.

A system for recirculation was designed and implemented in which water from the surface treatment and cleaning operations is pumped to a large holding tank. In the holding tank, contaminants settle out of solution and the clean water is returned to the process for reuse. With this system, water is used for a week of three-shift operations before being sent off the site as wastewater.

Implementation of this water treatment system will mitigate future production interruptions due to water shortages through the significant reduction in overall water consumption. Initial results based upon analysis of wastewater treatment system operations, which began in July 2024, have shown a 39 percent reduction in water consumption that leads to savings of over EUR 35,000 in water costs.

ENVIRONMENTAL STEWARDSHIP

Waste and hazardous materials

Management approach

Nammo is dedicated to minimizing waste generation and enhancing recycling efforts across all operations. The Group prioritize proper waste sorting in alignment with waste management guidelines and focus on reusing materials whenever possible, including recycling plastic from scrapped products. Efforts to improve recycling processes include the introduction of recycling bins and better collection methods for materials like metal and plastic. Nammo also aim to use recycled materials in the packaging and production processes, such as utilizing recycled paper and sourcing sustainable materials.

Performance

Several key actions have been taken to reduce overall waste and boost recycling rates. Recycling of metals, particularly from demilitarization processes, has been a focal point, with a significant amount being successfully diverted from landfills. The collection and recycling of packaging materials, as well as the use of multi-use packaging, have

contributed to reducing waste generation. Additionally, the implementation of new waste management strategies, such as improved recycling systems and the adoption of reusable materials, has helped reduce the amount of waste sent to landfills.

Looking ahead

In the future, Nammo will continue to focus on reducing waste and further increasing recycling efforts across its operations. The Group plan to enhance its waste management systems, expand the use of reusable materials, and improve waste sorting processes. New technologies and updated production methods are expected to help further minimize waste generation. Moving forward, Nammo will keep refining the approach and explore new opportunities to reduce waste and ensure more materials are recycled effectively.



OUR COMMITMENT

We will ensure effective and efficient use of resources and materials.

We will responsibly manage waste and disposal, and make sure that we do not include “at risk” materials in new development projects.

PRODUCT STEWARDSHIP

Life cycle management

Management approach

Nammo is integrating Life Cycle Analysis (LCA) into product development, embarking on an extensive review of existing products and processes. LCA's will serve as a compass, guiding material selection and supplier partnerships toward reduced environmental impact and paving the way for a circular product lifecycle, a journey already existing for decades at the Groups demilitarization facilities.

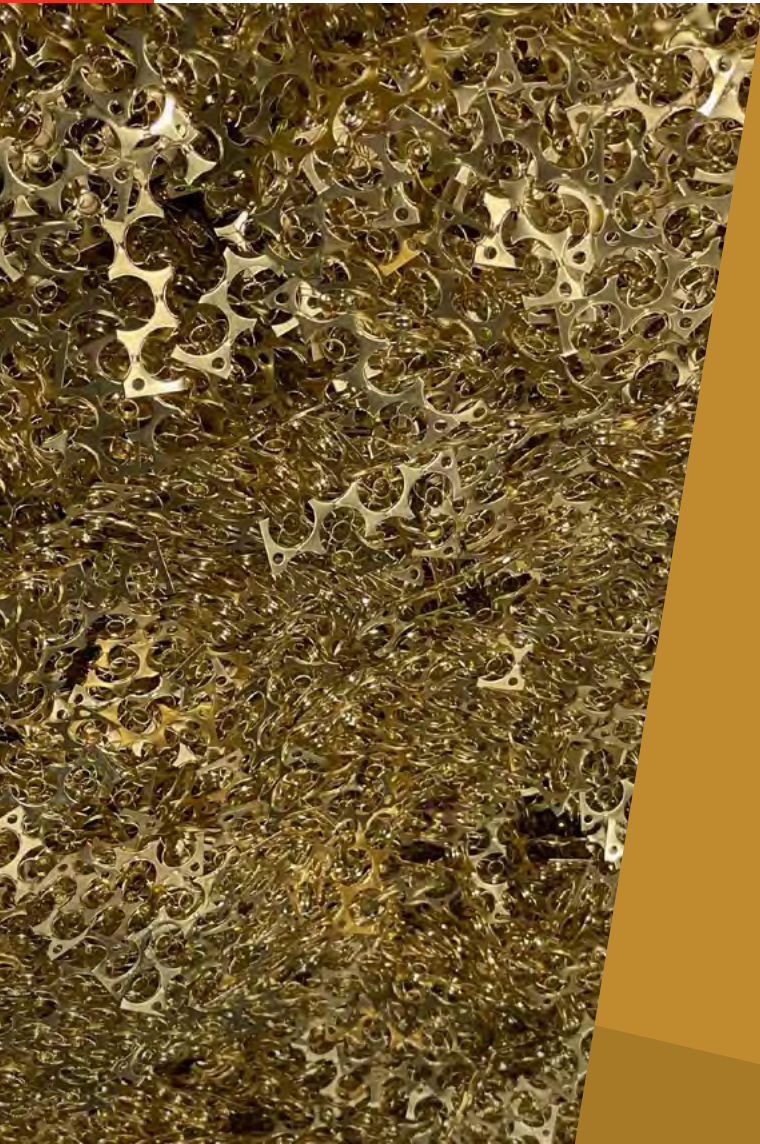
Performance

In 2024, the Group enhanced its resources to continue to perform Life Cycle Analysis (LCAs) for existing products. LCA software is now accessible, and a comprehensive Life Cycle Analysis strategy is in development. Additionally,

multiple sites have partnered with customers on a major lifecycle extension program for artillery ammunition. Moving forward, Nammo will continue exploring ways to integrate eco-design into its R&D program to support future product LCAs.

Looking ahead

With the largest engineering department at the Raufoss Site spearheading LCA methodology integration, the Group is committed to scaling this initiative across all business units. The aim is to weave life cycle thinking into the very fabric of the design philosophy, ensuring that environmental considerations are in lockstep with innovation.



ENVIRONMENTAL AND PRODUCT STEWARDSHIP

A circular waste management approach

Nammo's approach to waste management is evolving as it strives to reduce total waste and boost recycling rates across its operations. Most sites have solutions to divert waste from landfills through recycling and reuse. Key initiatives include improving waste segregation, expanding recycling programs, and capturing manufacturing by-products for recycling. Notable examples include replacing single-use packaging with multi-use options, repairing and reusing wooden pallets, and donating usable materials to local schools.

Production sites are looking at process improvements to reduce scrap, optimizing equipment and implementing efficient manufacturing techniques.

These efforts reflect Nammo's broader commitment to environmental sustainability and continuous improvement in waste management practices.

In 2024, the total reported waste amounted to approximately 12,000 tons, with around 91 percent of this waste being sent for recycling. Notably, 57 percent of the recycled waste comes from a site in Germany, where the metal cup pressing process generates significant scrap. While this scrap is considered waste, it is part of the standard operating procedure, and the metal is sent back to the manufacturer for reuse, contributing to a circular waste management approach.

In 2024, the total amount of hazardous waste reported was 1,194 tons, a significant portion of which consists of contaminated water. This polluted water is sent to treatment plants for proper processing and disposal, ensuring compliance with environmental regulations and minimizing its impact.



OUR COMMITMENT

We will ensure that the safety levels in systems and products meet all relevant laws, regulations, international standards and best practices.

PRODUCT STEWARDSHIP

Product safety

Management approach

At the core of Nammo's ethos is the delivery of products with safety as an integrated element of their design. Both design and production processes are based upon well established methodologies, including advanced Failure Mode Effects Analysis (FMEA) and Process Hazard Analysis (PHA) to evaluate both the products and the processes utilized in their production. When combined with rigorous Lot Acceptance Testing (LAT), this approach ensures the products and processes meet and often exceed technical safety and quality benchmarks.

Performance

Nammo's commitment to product safety is vital to maintaining the Group's reputation as a supplier of high-quality, niche products to meet the demanding needs of its customers. During 2024, the Group encountered one safety-related concern with two products from Hansson Pyrotech utilized for sea safety. The German Federal Maritime and Hydrographic Agency identified non-

conformities with several IKAROS Hand Flares and IKAROS Parachute Rockets that Hansson Pyrotech is addressing. A formal response has been sent and Nammo is awaiting a reply from the authorities in Q1/Q2 2025.

Collaborative engagement with authorities and customers, especially during LAT and post-deployment, illustrates the Group's dedication correcting any product safety deficiencies in a timely manner.

Looking ahead

Nammo's focus on integrating safety into its products has always been and will continue to be firmly integrated into the Group's design philosophy. The Group will continue to actively listen and engage with customers and other stakeholders to continue fostering a culture of excellence to develop and deliver superior quality products that contribute to its collective success.



PRODUCT STEWARDSHIP

Continued collaboration with NTNU: Supporting Revolve and Propulse projects

Since 2022, Nammo has collaborated with students from the Norwegian University of Science and Technology (NTNU) on their Revolve and Propulse projects, providing machining and surface treatment for key components. This year, NTNU students once again reached out for sponsorship, specifically for machining parts for the 2024 Revolve car. Some of these parts were also surface-treated at Nammo.

The Revolve car is a result of the hard work of over 70 NTNU students, weighing only 162 kg and delivering 80 kW to the wheels. While the core concept builds on previous models, this year's car features significant modifications and innovations.

Nammo's primary machining work has been carried out at the Nammo Training Center, with additional support from the prototype department. Apprentices have been involved

early in the process, working closely with NTNU students and developing critical thinking skills regarding design tolerances and technical drawings.

Beyond the Revolve car, Nammo have also contributed to NTNU's Propulse project, machining components for their student-designed rocket engine with input from Nammo's design department. The surface treatment team has also provided finishing for selected components.

So far in 2024, Nammo has delivered parts for both the Revolve car and the rocket engine, with additional deliveries planned for the coming months.

In both 2023 and 2024, Nammo sent apprentices, TAF students, and instructors to the official unveiling of the Revolve car, where they attended the launch event and toured NTNU's facilities.



Social

Employee safety and well-being

Occupational health and safety

Diversity and gender equality

Competence development





OUR COMMITMENT

We shall ensure that our employees are working in a safe and healthy environment with the opportunity to develop their skills and build competence.

EMPLOYEE SAFETY AND WELL-BEING

Occupational health and safety

Management approach

Occupational health and safety at Nammo mean more than simply avoiding injuries. The goal is to ensure that safety is integrated into all aspects of operations, including design, production, and testing. Nammo is building upon the Group's traditional safety focus by ensuring that employees work in an environment that empowers them to raise concerns without fear of retaliation. Learning from normal operations, identifying challenges and making systematic improvements will continue to provide a safe and healthy working environment. In 2024, Nammo conducted workshops at several sites with operational level leaders to provide them with more competence regarding psychological safety and Human and Organizational Performance (HOP). This effort was built upon the time spent with Nammo Group leadership in 2022/2023. Operational level leaders face time and resource pressures daily and are best positioned to actively listen to those production operators. Through listening to the subject matter experts, the Group gains valuable insights that drive improvements and help build a robust

organization that can safely produce the record order backlog that Nammo has committed to deliver to its customers. A case study from Nammo MAC in which operators were given ownership in updating Standard Operating Procedures (SOPs) and training for their processes demonstrates how Nammo is committed to empowering its employees and recognizing their expertise.

Employee health

Well-being of Nammo Group employees, particularly those who handle hazardous materials, is paramount. Nammo strictly adheres to employee screening safety protocols outlined in Material Safety Data Sheets and complies with national regulations across all nine countries of operation. As production pressure continues to mount due to the turbulent geopolitical situation, psychosocial stressors in the working environment are constantly monitored to ensure that all employees can utilize their unique skills and abilities to deliver on Nammo's customer promises.

EMPLOYEE SAFETY AND WELL-BEING

Performance

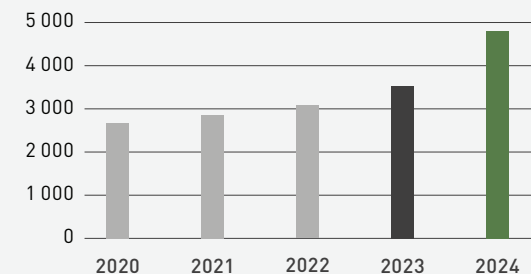
The efforts at raising awareness regarding psychological safety and empowering staff to identify and correct hazards helped lead to a marked increase in reporting of accidents, near-misses and hazardous conditions in 2024. Total safety reporting jumped from 3524 reports in 2023 to 4812 in 2024, an increase of 37 percent year-over-year while its total number of employees rose from 3100 at year end 2023 to over 3 600 at year end 2024. No serious injuries or fatalities were recorded in 2024 and the corrective actions at both Mesa and Karlsborg are now complete following the accidents at those sites in 2023. Lost Time Injury (LTI) Value (number of Lost Time Injuries per million working hours) remained unchanged at 5.9 in 2024. Sick absence rose marginally from 4.3 percent in 2023 to 4.4 percent in 2024.

Integration of HOP principles into operations continued with an update to the Nammo Management System (NMS) directives for HESS. Key amongst the updated directives is a shift from “Accident Investigation” to “Event Learning”. The goal following any undesired event is to learn and share that learning throughout the organization to mitigate the chance for repeat or similar events. Focusing on learning aims to minimize the tendency to identify individual actions as root causes and make improvements that fail to address the system level challenges that may exist.

Looking ahead

Nammo’s journey in integrating psychological safety and HOP principles into the Group’s operations will continue. In 2025, additional HESS resources at the site, country and Group level will allow closer follow-up with individual sites to identify challenges and make improvements that make work safer for the employees. Close collaboration with AON Risk Engineering Services began Q3 2024 and an updated methodology for HESS Assessments/Risk Surveys will be utilized starting in January 2025. Through this effort with the Risk Engineering Services, Nammo will develop a Loss Prevention Standard (LPS) that will reside within NMS to provide clear guidance on minimum standards related to loss prevention, loss control and incident preparedness. Through these efforts, Nammo seeks to confirm the Group’s commitment to not just elevating the standards of occupational health and safety at Nammo, thus ensuring operational continuity and secure workplace for all employees.

TOTAL REPORTING – ACCIDENT, NEAR-MISS, HAZARDOUS CONDITIONS



The positive trend in incident reporting that Nammo Group observed in 2023 picked up momentum in 2024 with a 36.5 % increase in reporting of accidents, near-misses and hazardous conditions. Over two-thirds of reporting came from operational staff. This increase may indicate that Nammo’s efforts to promote psychological safety in the daily working environment is paying dividends as our employees feel both comfortable and empowered to provide feedback to assist in identifying error traps before an accident resulting in injury or equipment damage occurs.



EMPLOYEE SAFETY AND WELL-BEING

Reducing chemical storage and handling requirements

In 2024, Nammo MTH invested in a dispensing system for diluting concentrated cleaning chemicals. The primary goals for this initiative were safety, storage efficiency, waste reduction and transportation cost savings.

The system ensures 100 percent safe dilution, preventing employees from coming into direct contact with concentrated chemicals. Additionally, since two pouches can produce up

to 2,500 liters of ready-to-use product, the system contributes to reducing waste generated from packaging while decreasing both storage and transportation volume.

This solution aligns with Nammo's goals of enhancing employee safety and well-being while reducing its environmental footprint. Active promotion of this initiative will encourage other sites to adopt similar solutions.



OUR COMMITMENT

We are committed to building and maintaining a One Nammo culture.

We shall demonstrate a measureable improvement in gender balance year-to-year.

EMPLOYEE SAFETY AND WELL-BEING

Diversity and equality

Nammo promotes a 'One Nammo' culture to build unity while encouraging diversity. The action-oriented approach commits the Group to year-over-year measurable improvements in gender balance, advancing beyond mere compliance to truly embodying the ethos of diversity and equal opportunity as laid out in the Norwegian Equality and Discrimination Act (§ 26).

Management approach

Nammo offers equal employment opportunities to all employees and applicants, and no person shall be discriminated for any reason. The Group's commitment to maintaining a working environment free from sexual harassment is enshrined in its Code of Conduct and People Policy.

It is Nammo's policy to recruit based on merit, regardless of gender, pregnancy, trade union membership, sexual orientation, race, disability, age, or religion. Existing employees will have an opportunity to apply for vacancy or promotion opportunities. Each legal entity is responsible

for developing recruitment and selection procedures or techniques that support this policy and for training recruiters. Nammo recognizes that its people are the key to future success. Through performance management processes, we aim to ensure that all employees know what is expected of them and possess the necessary skills, knowledge, values, and experience to achieve the highest level of performance of which they are capable.

Nammo's employment policies are based on the principles of equality and diversity, with a belief that the elimination of unfair discrimination in the workplace contributes to productivity and performance as it allows people's talents to be most effectively utilized. The managing director of each legal entity is accountable for ensuring that these principles are followed and for establishing appropriate action plans for their business. Nammo is committed to dignity at work and fair treatment of all colleagues. The managing director of each legal entity is accountable for ensuring that procedures are in place for resolving any grievance or harassment issue, which colleagues may have in connection with their

EMPLOYEE SAFETY AND WELL-BEING

employment.

Nammo aims to be an "Employer of choice" for all sectors of the working community. As a responsible employer, we have policies in place to support a reasonable work-life balance. In addition, at a legal entity level, there are numerous policies, systems, and guidelines to support well-being and a healthy work-life balance, including many family-friendly arrangements.

Performance

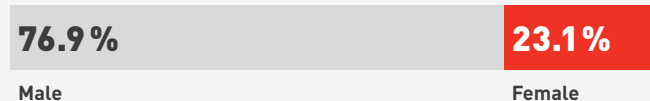
In 2024, an analysis was carried out of the actual situation in Nammo AS with regard to gender equality and what is done to fulfill the activity obligation pursuant to the Norwegian Equality and Discrimination Act. 26. The analysis can be found in the Annex of this Annual and Sustainability Report 2024.

At the end of 2024, women accounted for 26.8 percent of all Nammo employees.

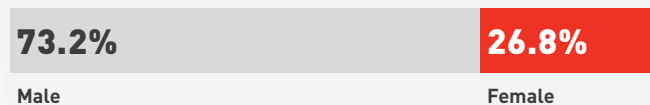
Looking ahead

Nammo's dedication to diversity extends to a commitment to attracting women across all backgrounds and educational levels and advancing them into leadership roles. With a 2030 vision of a 30 percent female workforce, we have instituted KPI's across group entities to benchmark and fuel its progress. Reporting will be transparent and iterative, supported by global and local initiatives focusing on employer branding, robust recruitment, and comprehensive talent management. Further, Nammo's community contribution strategy reinforces our commitment to societal development, particularly in supporting youth-oriented programs.

Group management



Nammo group



Nammo board



EMPLOYEE SAFETY AND WELL-BEING

Competence development

Management approach

At Nammo, the Group's strength comes from its employees' expertise. Developing "excellent competencies" is a key factor in the company's success. The performance management framework is carefully designed to support this goal. The performance management system is carefully created to find and develop needed skills. It does this through a set of well-planned activities: the Nammo Academy enriches knowledge, targeted on-the-job training hones skills, while the talent and succession planning ensure future readiness. Supporting this ecosystem are specialized forums for HR, Health, Environment, Safety & Security (HESS), Finance, ICT, Legal & Compliance and Procurement, fostering a collaborative approach to continuous learning.

Performance

In 2024, Nammo strengthened its commitment to nurturing talent across the group. With continued growth, the Group made significant strides in enhancing the onboarding experience for new employees company-wide.

The onboarding module in the HRM system has now been successfully implemented in several countries. Additionally, we introduced new mandatory courses essential to its business needs, including Export Control and Cybersecurity Maturity Model Certification (CMMC).

Looking ahead

As the Group moves into 2025, the aim is to further enhance the Human Capital Management system in the US. Nammo's Learning & Development team will also focus on customized career development pathways and specialized training programs. As part of the Knowledge Transfer of Competence initiative, Nammo is exploring immersive XR technology to enhance learning experiences. Additionally, the Group is developing a Global Onboarding Program, ensuring that all new employees receive a consistent welcome and comprehensive introduction to the group – no matter where they are.



EMPLOYEE SAFETY AND WELL-BEING

People and competence in focus at Nammo MAC

Historically, Nammo MAC standard operating procedures (SOPs) and associated training were built by members of the management group with a varying degree of involvement by operational staff throughout the process. This often led to inconsistency in how work was performed versus what was stated in the procedures (work as imagined versus work as done) as well as a disconnect between SOPs and training.



To improve the relevance of SOPs and training, the management group decided that SOP revision and work instruction creation should be a high-level priority. The only question was, who was going to be tasked with this important role? Various ideas were considered, but it was agreed to train members of the production operation staff in how to perform this task to give employees an opportunity to learn more about their own processes and share their expert insight regarding “work as done” on the production floor.

Involving the people who perform the task daily would result in more accurate and usable SOPs and training. Lastly, it would create an environment in which the operators hold themselves accountable for keeping the SOPs and training up to date rather than that task falling solely on member of the management group. This process

empowered the operators and gave them a deeper sense of ownership in site operations.

Nammo MAC is proud of the team’s accomplishments and the quality of their completed work. To date, this team has updated and rewritten seven operational document sets. They now have a team of production operators that are subject matter experts in their respective areas.

Each team member has been given the opportunity to lead operational training presentations with a supporting member of the management group as well as being the hands-on trainer at the workstation for new hires and annual refresher training. This method has led to a more effective training program. Interacting with their peers, employees are more engaged and less intimidated to ask questions and give feedback.

Awards

Nammo's THOR-ER (Tactical High-speed Offensive Ramjet for Extended Range) Team received the Aviation Week Laureate Award for its solid-fuel ramjet missile, and having demonstrated significant increases in effective range.

Since its inception in 1957, Aviation Week Network's Laureate Awards have honored extraordinary achievements in aerospace. Innovators that represent the values and vision of the global aerospace community have changed the way people work, and move through the world.

Internal awards

The Nammo Group Awards honors annual achievements from the various entities and departments in the Group. Nammo has three awards within these categories: Team, HESS, and Sustainability. The purpose of the awards is to motivate and inspire employees to continue their good work and share knowledge and experience across the Group.



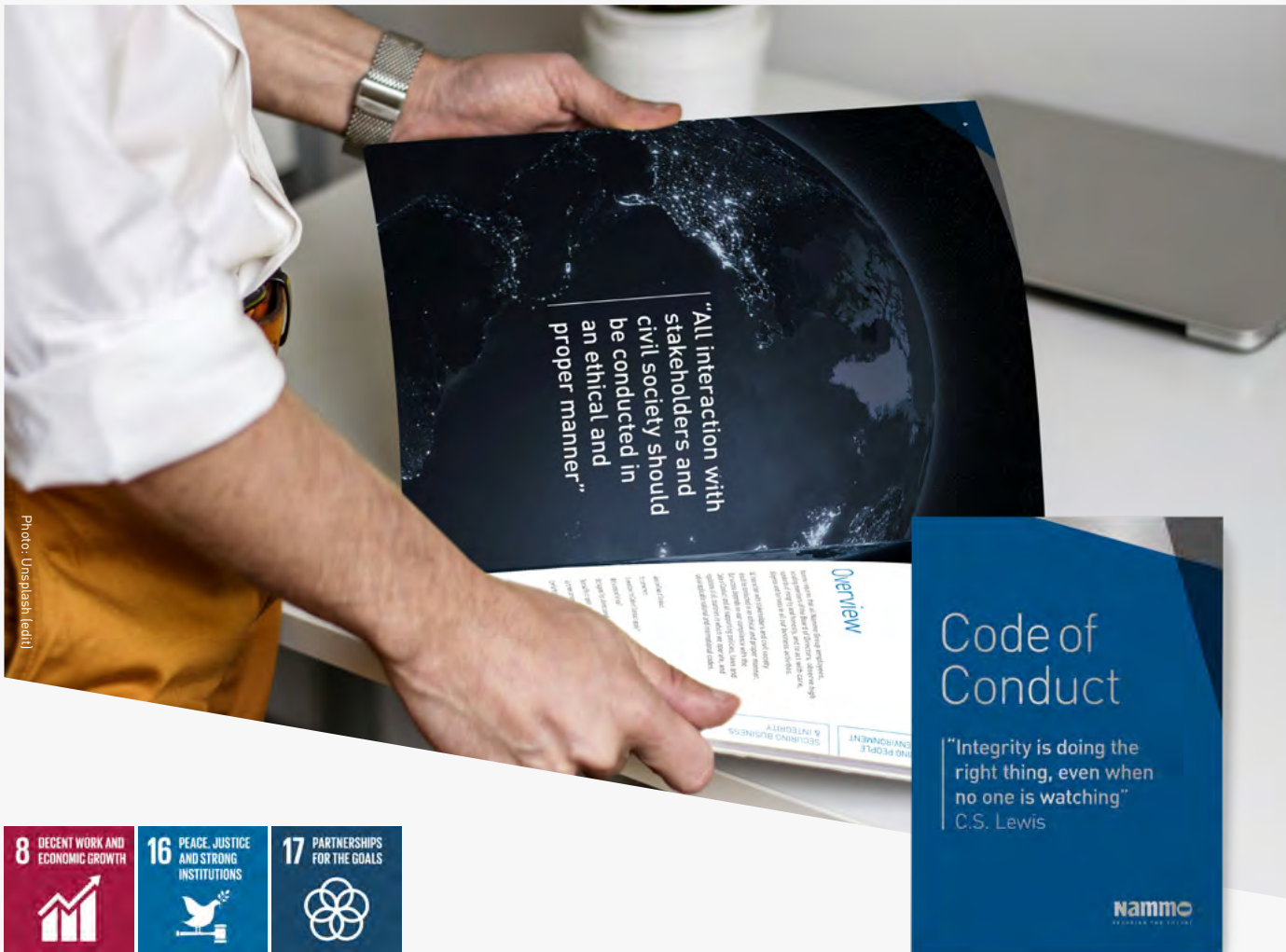


Photo: Unsplash (edit)

Governance

Value chain integrity

Business integrity

Internal control, risk and compliance

Corporate governance





OUR COMMITMENT

We shall hold suppliers and business partners to the highest standards on responsible business conduct.

We shall be a collaborative partner in reducing sustainability risk and promoting understanding of and respect for ESG issues.

VALUE CHAIN INTEGRITY

Third party due diligence

Management approach

Nammo holds its suppliers and business partners to the highest standards, aiming to facilitate responsible business conduct and reducing sustainability risk. The due diligence process includes screening and background checks, with a varying level of due diligence depending on the relevant country or countries involved, the role of the business partner, size and nature of the transaction, end-user, currency situation, sanction risks, fraud, and corruption risk, and previous experience with the business partner.

Nammo's "know your customer/know your supplier" policy is stringent. The Group engages in exhaustive due diligence before integrating business partners into the operations, holding them to an ethical benchmark and entering into agreements that minimize risk. Should a partner present significant risk, they face scrutiny by a compliance approval board, which makes the critical decision on partnership viability. When high-risk yet

indispensable suppliers emerge the Group pragmatically devises risk mitigation strategies in collaboration between the Nammo entity and the supplier.

The onboarding of local country representatives adheres to a comprehensive "Manage Representative" framework, seamlessly integrated into the Nammo Management System. The onboarding and offboarding processes are managed by Legal and Regulatory Affairs, with International Sales and Marketing serving as the primary contact throughout the partnership. Regular ethical and business reports from representatives inform the renewal decisions, as well as the authority to conduct audits. For distributors in commercial sales, an intensified focus is applied due to the less regulated nature of the business compared to military sales, necessitating stringent risk assessments and close monitoring.

VALUE CHAIN INTEGRITY

Performance

During the year, Nammo continued to strengthen its screening processes and background controls, reinforcing measures to prevent sanctioned entities from entering its business network. Local representative agreements underwent rigorous risk assessments through audits before renewal, leading to the renewal of 3 out of 7 agreements that expired in 2024.

The newly implemented internal audit program – comprising both desktop reviews and third-party physical audits – was actively utilized. As part of this initiative, 2 representatives underwent desktop audits, while 1 was designated for third-party physical audits, further strengthening compliance and risk management efforts.

There has been a surge in engagement from external stakeholders – including financial institutions, insurers, and NGOs – who are keenly interested in Nammo's adherence to responsible business conduct across the supply chain.

These engagements focus particularly on human rights, decent working conditions, sanctions and export control.

The situation in the Middle East has prompted additional information requests regarding the internal processes for due diligence and third-party risk management. Internal communications have been fortified, emphasizing the importance of being vigilant against the risks associated with sanctioned and embargoed entities. The Group has also followed closely any risk of sudden adjustments or changes in export control regulations by national authorities.

The distribution agreements for commercial sales are closely monitored and regularly reviewed.

Nammo Academy learning platform distributed training modules focused on conducting comprehensive due diligence, understanding human rights obligations and export control.

Looking ahead

In 2025, Nammo will further strengthen its risk-based due diligence framework, continue its enhanced screenings and controls to mitigate sanction-related risks. As part of its commitment to responsible business practices and continuous learning, the Nammo Academy learning platform will provide interactive digital training modules, ensuring employees remain well-informed and compliant with evolving regulations.

VALUE CHAIN INTEGRITY

Supply chain governance

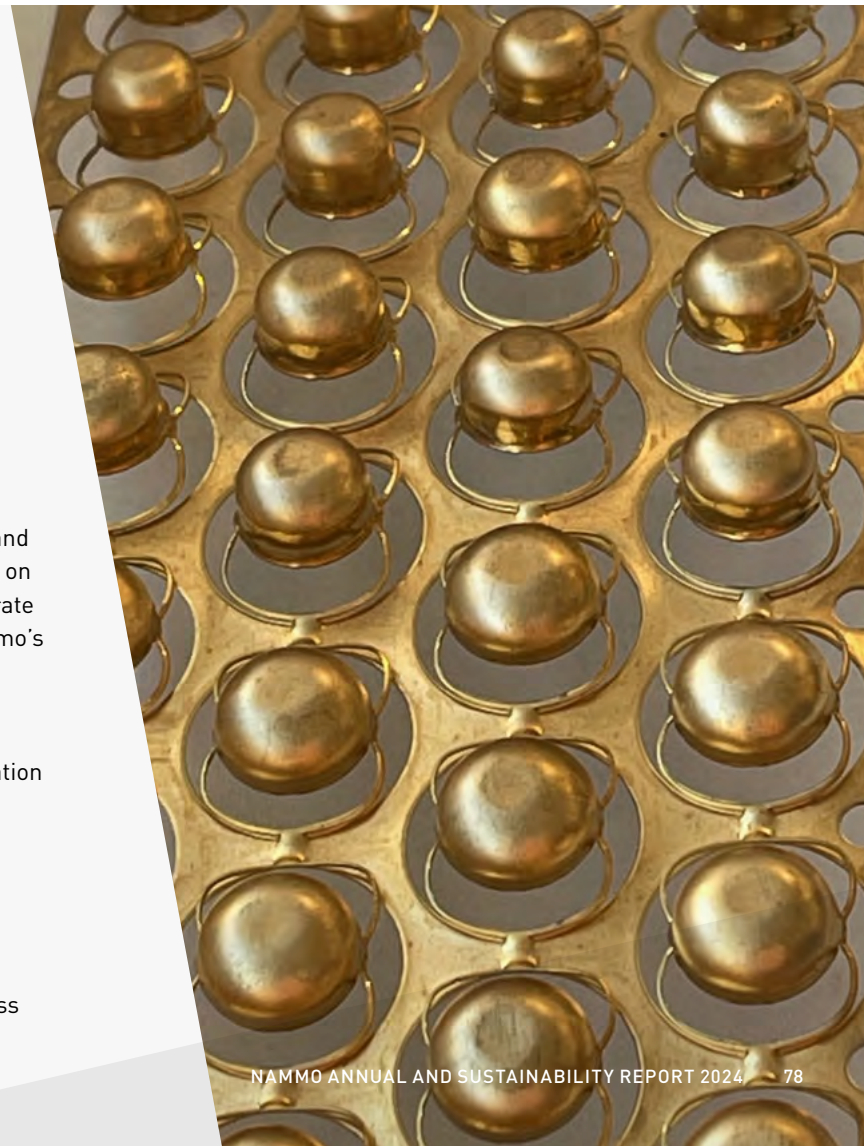
In 2024, defense industry supply chains faced significant capacity challenges due to a combination of geopolitical instability, increased demand, and ongoing disruptions in global logistics. With higher defense spending, suppliers struggled to scale up production fast enough to meet rising demands for critical components. Global supply chain disruptions, exacerbated by raw material shortages and shipping constraints, led to extended lead times for essential defense equipment and parts. Many defense companies rely on a small number of specialized suppliers for critical components. Capacity limitations within these key suppliers strained overall production timelines.

Nammo operates a global and complex supply chain, involving a diverse array of partners, including raw material providers, component manufacturers, sub-contractors,

and service providers across maintenance, transport, and consultancy sectors. The supply chain strategy centers on competitive sourcing, favoring suppliers who demonstrate technological innovation and competitive pricing. Nammo's network spans across Europe, North America, Central and South America, Asia, and South Africa, consisting of over 7,000 suppliers. Among these, approximately 700 are identified as strategic due to their pre-qualification by end-customers or their delivery of high-quality, technologically advanced goods at competitive prices.

Management approach

Nammo's commitment to sustainability extends to the highest standards for suppliers and business partners. The Group is working to encourage responsible business



VALUE CHAIN INTEGRITY

conduct to lessen sustainability risks, while making sure our stakeholders do this properly. All suppliers are required to adhere to the Supplier Conduct Principles, which demand compliance with legislation against modern slavery and human trafficking, environmental impact reduction, continuous environmental performance improvement, and the prevention and mitigation of environmental and health risks. The due diligence process of the suppliers is mandated by the Nammo Management System's procurement and third-party risk management protocols, ensuring that each legal entity and business unit within Nammo is accountable for the integrity of its supply chain.

Performance

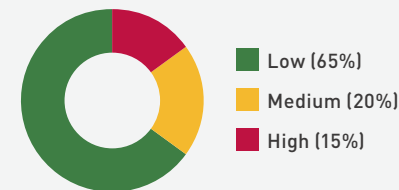
In 2024, the Group conducted a thorough assessment of its supply chain, screening over 700 new suppliers and continuously monitoring 1,300 third parties, including all strategic suppliers, using publicly available data. These evaluations covered multiple risk factors, including political climate, country-specific issues, legal considerations, sanctions, watchlists, politically

exposed persons, and ownership structures. The results indicated that 85 percent of third parties were classified as low to medium risk, while 15 percent were identified as high risk.

Despite not encountering any negative social impacts within its supply chain, the Group identified several suppliers at risk due to quality concerns. No suppliers were terminated in 2024 for failing to meet contractual obligations. To uphold high standards, nearly 60 supplier audits were planned, with close to 50 successfully completed by year-end, incorporating both on-site and remote evaluations.

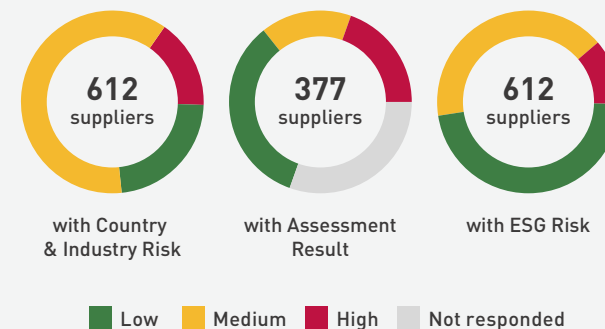
During the year, the Group introduced a new supplier assessment portal to standardize the distribution of questionnaires across the supply chain. This platform streamlines the collection of essential risk management data, covering environmental, social, and governance (ESG) factors to enhance supply chain transparency and compliance. Nearly 600 of the company's direct suppliers and distributors were invited to onboard the portal in 2024.

RISK EXPOSURE OF SCREENED THIRD PARTIES



Source: Compliance Catalyst by Moody's.

SUPPLIERS ONBOARDED TO SELF-ASSESSMENT PORTAL



Source: Supplier self-assessment portal by Integrity Next.

VALUE CHAIN INTEGRITY

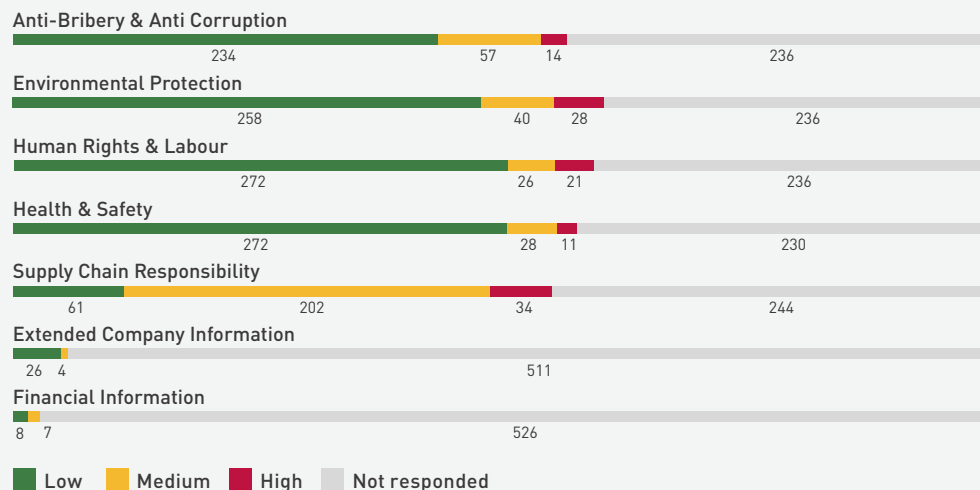
Looking ahead

The growing complexity of ESG reporting requirements, coupled with an increasingly volatile geopolitical landscape, presents significant challenges that demand enhanced capabilities and more efficient systems within procurement and contracting. To address these evolving demands, Nammo's future strategy includes:

- Full integration of the supplier assessment portal: Ensuring seamless implementation and utilization to standardize risk evaluations across the supply chain.
- Strengthening supplier audits: Expanding audit scope to reinforce quality control measures while intensifying assessments of human rights and working conditions.
- Advancing digital human rights training: Developing an enhanced interactive training platform to foster greater awareness and compliance.

Nammo remains committed to maintaining a supply chain that is not only sustainable but also upholds human rights and enforces strict anti-corruption measures. Continuous ESG performance monitoring of suppliers remains a cornerstone of its proactive approach to risk management and sustainability leadership.

SUPPLIER SELF-ASSESSMENT RESULT BY TOPIC



Source: Supplier self-assessment portal by Integrity Next.

VALUE CHAIN INTEGRITY

Nammo's approach to human rights

Nammo remains strongly committed to upholding human rights across all aspects of its operations. This dedication is demonstrated through a comprehensive mapping to identify the most critical human rights challenges the Company faces. The findings have highlighted several key areas of potential risk:

- **Transactions in high-risk territories**
- **Supply chain oversight**
- **Diversity**
- **Logistics**
- **Corruption**

The following sections will outline the Company's proactive measures to mitigate these risks, reinforcing its steadfast dedication to human rights protection and ethical business practices.

Transactions in high-risk territories

Assessment of risk

In 2024, a significant portion of Nammo's sales – exceeding 96 percent – were made to European and North American markets. These territories are acknowledged as lower-risk regions concerning human rights and fair labor practices. The customers in these areas, predominantly national defense agencies and key members in the Western European defense sector, are subject to stringent regulatory oversight.

Strategies for risk mitigation

Nammo has continued to strengthen its due diligence measures for commercial sector clients and distributors, recognizing the inherently higher risk due to the broader geographical reach and less stringent regulation. Rigorous adherence to the Nammo Sales Process and thorough vetting of third parties, as outlined in the Nammo Management System, is crucial. The Group has implemented terms and conditions that govern the

partnerships, ensuring ongoing compliance and risk management throughout the contract lifecycle.

Supply chain oversight

Assessment of risk

The supplier selection protocol is multifaceted, incorporating considerations of quality, cost, location, availability, client specifications, adherence to established standards, and alignment with internal procurement guidelines. Supplier due diligence is a cornerstone of the onboarding process, entailing comprehensive screenings and self-assessment questionnaires that integrate internal risk evaluations. These protocols, steeped in the principles of the OECD guidelines for responsible business conduct, have been a longstanding element of Nammos operations.

Given that the majority of the suppliers operate within Europe and North America, with limited engagement in South America, Southeast Asia and South Africa, the majority of supply chain risk is classified as medium to low concerning human rights and fair labor.

VALUE CHAIN INTEGRITY

Strategies for risk mitigation

Adherence to the Group Procurement Policy is mandated across all Nammo entities, encompassing local procurement and third-party risk management procedures as delineated in the Nammo Management System. Supplier screening and self-assessment is a critical component of the risk mitigation strategy. In 2024 alone, Nammo conducted extensive screenings of over 700 hundred key suppliers, subjecting them to continuous monitoring for compliance breaches as well as inviting close to 600 suppliers on the established self-assessment portal. The escalation of sanctions in recent times has posed significant challenges, prompting the Group to vigilantly adapt procedures to align with evolving legal and regulatory frameworks.

Diversity

Assessment of risk

While Nammo has recognized and addressed the challenge of diversity within its ranks, the extent of the disparity marks it as an ongoing concern. It is noteworthy that within the Nammo Group, the collection of ethnic diversity data is constrained by European legislation. Moreover, security protocols for certain roles necessitate hiring nationals from the host country of Nammo's facilities.

Strategies for risk mitigation

Nammo is actively pursuing gender balance by setting and striving to meet KPI targets for each group entity by the year 2030. Looking forward, methodologies is being explored to gauge equality more comprehensively across the Nammo Group, which will enable further enhancements in the organizational diversity.

Logistics

Assessment of risk

The demanding nature of the transport sector, particularly for drivers facing long hours, minimal rest, and substandard facilities, is well-documented. In Norway, Nammo's close collaboration with a local transportation provider assures the satisfactory working conditions afforded to their drivers.

Strategies for risk mitigation

Approximately 30 percent of the product shipments are managed by suppliers or customers, presenting additional oversight challenges. Although direct control over these aspects is not feasible, Nammo can exert indirect influence through the enforcement of its Supplier Conduct Principles. The strategy includes consolidating transportation partnerships, strengthening contractual terms, and instituting robust protocols to proactively identify and mitigate adverse

impacts, thereby minimizing the Group's risk of complicity in human rights abuses.

Corruption

Assessment of risk

Nammo's history reflects a robust resistance to large-scale corruption; nonetheless, the risk persists. The infrequency of large contract negotiations in the past may lead to a lapse in anti-corruption vigilance. Additionally, the prospect of smaller-scale corruption cannot be discounted. In the context of increased contract volumes due to the geopolitical situation, such as the war in Ukraine, the awareness to corruption risks is raised accordingly.

Strategies for risk mitigation

Nammo has enacted a set of stringent sales and procurement procedures that must be adhered to by all legal entities. These include comprehensive instructions and due diligence protocols, with high-value contracts requiring approval by an internal review board. Financial transactions are managed through a well-established authorization matrix and are subject to rigorous internal controls.

The Group's grievance mechanism, Speak Up, enables employees to report any breaches of the Code of Conduct or national laws confidentially and anonymously, in their

VALUE CHAIN INTEGRITY

preferred language. Nammo's business partners can also use the same SpeakUp system to raise concerns, which is available at www.nammo.com. This procedure is communicated through multiple channels, including the Group's website, Supplier Conduct Principles, and contractual terms and conditions.

Looking ahead

Recognizing the relatively low risk of human rights violations within its legal entities, due to their geographic locations and stringent national regulations, the Group remains vigilant. Nammo's proactive engagement with the European Works Council (EWC) program adds an extra layer of safeguard. As consultative bodies representing employees across European multinationals, EWCs meet biannually with the Group's management to discuss issues related to upholding fair working conditions.

Nonetheless, Nammo acknowledges the need to strengthen its due diligence processes to identify and address potential human rights challenges within the supply chain. In response, the supplier audit efforts have been intensified and will continue to focus on this area moving forward.

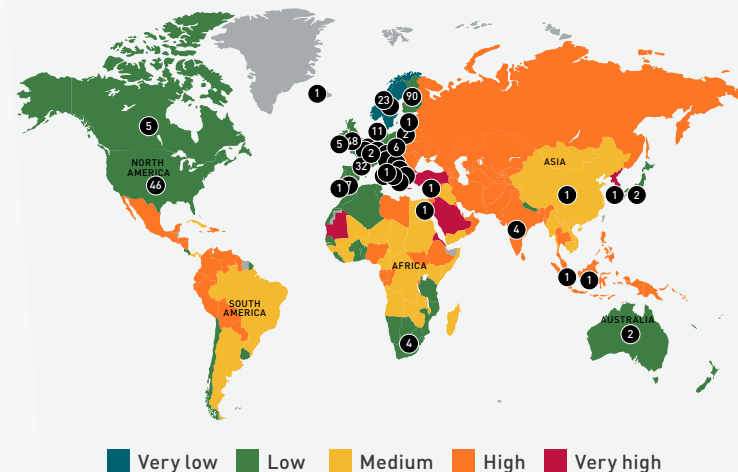
To ensure that the workforce is well-informed on human rights issues and equipped to identify potential

concerns, the annual human rights training module will be enhanced and made more interactive in 2025. This training has become an annual requirement to maintain employee awareness and engagement.

Norwegian Transparency Act

In alignment with Nammo's commitment to transparency, July 2024 saw the publication of the Group's second report in accordance with the Norwegian Transparency Act. Although Nammo AS, as the ultimate parent entity, does not engage in direct sales or service provision and is therefore not obligated under the Act, its subsidiary, Nammo Raufoss AS, is. As a result, the Group is committed to continuing to provide comprehensive disclosures on the obligations set forth by the Act, including those applicable to Nammo Raufoss AS. Additionally, a dedicated statement will be included in the annual report of Nammo Raufoss. For further details, the statement by Nammo AS regarding the Norwegian Transparency Act can be found in the Annex of this Annual and Sustainability Report.

COUNTRY RISK – MODERN SLAVERY PREVALENCE



The country risk map presents an overview of Nammo's strategic and direct suppliers. The colors represent the level of risk for breach of modern slavery.

Source: Supplier self-assessment portal by Integrity Next.



OUR COMMITMENT

Nammo is committed to conducting business with efficiency, integrity and the highest ethical standards.

Nammo is committed to ensuring that our IT infrastructure utilizes the latest technological standards to protect our operations against external risks.

BUSINESS INTEGRITY

Anti-bribery and corruption

Management approach

Nammo acknowledges and embraces its legal responsibilities in the active prevention of corruption, recognizing that adherence to local laws may not always suffice in the complex landscape of international trade.

All entities are subject to stringent anti-corruption laws, including but not limited to national penal codes, the UK Bribery Act 2010, and the US Foreign Corrupt Practices Act (FCPA). In alignment with global standards, the Group also commit to the United Nations Global Compact's ten principles and the OECD guidelines for multinational enterprises.

Nammo's ethical roadmap, the Code of Conduct, outlines the principles guiding the actions and decisions of the employees and third-party representatives. The Code of Conduct represents the aforementioned regulations and is integral to Nammo's corporate mindset.

Performance

Nammo's Sustainability and Compliance department is responsible for the the Code of Conduct, and ensuring it remains current and comprehensive. The most recent iteration was distributed globally in 2021 and is available in all seven languages spoken across Nammo. Compliance is not optional; every employee confirms receipt as part of their induction, with board members and high-risk business partners not covered by the Supplier Code of Conduct also providing their acknowledgement. An annual training module underpins this commitment, requiring global participation. Nammo revises its policies annually and they are publicly available.

In 2024, the Group launched a Fraud and Corruption Performance Management program to monitor and review the effectiveness of Nammo's anti-fraud and corruption practices. The Program shall assess the level of maturity of Nammo's existing strategy and measures in place to mitigate fraud and corruption as understood and perceived across the business unit matrix organization. This initiative

BUSINESS INTEGRITY

will continue until all business units have been evaluated. The findings from the assessment will serve as the foundation for shaping the Group’s future anti-corruption strategy.

The Group’s approach to anti-corruption is proactive, integrating risk mitigation into daily routines and processes. This strategy is further reinforced through regular meetings, reviews, and training sessions, particularly within high-risk functions such as contracts, procurement and sales.

The corporate training suite for 2024 included a wide range of initiatives: monthly e-learning modules accessible to all connected employees, specialized workshops focused on business ethics for site administrations, and the annual Legal & Compliance forum. This forum fosters cross-departmental dialogue, encouraging the exchange of best practices and regulatory updates.

Additionally, targeted presentations provide new management personnel with essential insights into the ethical, compliance, and sustainability frameworks.

The “Tone from the Top” message in 2024, delivered by business unit leaders, centered on human rights, conflict of interest, and gifts & hospitality guidelines, all supported by relevant e-learning modules on the Group’s learning platform.

The Group’s commitment to these high standards is evident in its performance: in 2024, no legal consequences

related to corruption, anti-competitive practices, illicit trade, or ethical violations were reported. The Group submitted two reports to national authorities regarding potential investigations of third parties.

Looking ahead

In 2025, training modules will remain a key pillar of the Group’s risk mitigation strategy. The Group will undertake a comprehensive review of its compliance and anti-

corruption program to strengthen internal controls and enhance the management of anti-bribery, corruption, and export control risks across all operations. Additionally, the Fraud and Corruption Performance Management program will continue to play a crucial role in setting the foundation for the Group’s future anti-corruption strategy. New digital interactive training program are under development and will be added to the Nammo Academy learning platform in 2025.

COMPLIANCE TRAINING

Type of training	2024	2023	2022	2021	Unit of measure	Method	Frequency
Employees completion of monthly e-learning	97	94	93	89	%	E-learning	Monthly, 70 % of total employees
Ethics dilemma training	4	3	14	1	No. of sites	Workshop	Every second year
Tailormade fraud and anti-corruption	0	4	2	1	No. of sites	Workshop	Based on risk assessment
Contract, procurement and compliance forum (now the Legal & Compliance forum)	50	91	95	160	Headcount	Workshop/Digital	Twice a year (digital and physical)
Export control	50	135	130	209	Headcount	Seminar	Minimum once a year for key personnel
Export control	91	74.5	–	–	%	Digital	Annually from 2023
Human rights	40	76.5	–	–	%	Digital	Annually from 2023
Due dilligence	60	66.7	–	–	Headcount	Digital/Seminar	Annually from 2023 / Seminar 2024
Cybersecurity Maturity Model Certification [CMMC]	64	–	–	–	%	Digital	New started 2024
Nammo Management System	90	–	–	–	%	Digital	New started 2024

BUSINESS INTEGRITY

Grievance mechanisms

Managing Nammo's impacts

Nammo is committed to maintaining open and transparent communication across all levels of its organization, with its stakeholders, and within the communities served.

A variety of platforms for dialog have been established, and specific channels for reporting grievances. These mechanisms are crucial for identifying and addressing any adverse impacts that the operations might inadvertently cause or contribute to.

Fostering open dialogue among colleagues

Nammo firmly believes that open dialogue is the foundation for building and maintaining strong, positive relationships between management and employees. To cultivate a workplace where individuals feel confident expressing concerns without fear of retaliation, the Group actively promotes direct, transparent discussions with immediate supervisors.

Leaders and managers play a pivotal role in reinforcing this culture of openness, ensuring that issues are addressed proactively before they escalate into formal grievances. Strengthening trust between managers and their teams remains a top priority, and Nammo is committed to advancing these efforts in 2025 and beyond.

Raising concerns

In instances where concerns cannot be amicably resolved with a direct supervisor, employees are encouraged to escalate the matter to a higher management level, Human Resources, or the Compliance department. All issues must be dealt with in a fair and just manner, enforcing a strict non-retaliation policy that applies across all levels and reporting channels.



BUSINESS INTEGRITY

Confidential reporting channels

Nammo offers a secure and confidential reporting system, SpeakUp, operated by an independent third party to ensure anonymity and protection for employees. Available 24/7, this platform allows individuals to report concerns in their preferred language. In 2024, SpeakUp was enhanced with a new mobile app, providing even greater accessibility.

In the United States, the EthicsPoint channel offers equivalent features and complies with the requirements of Nammo's Special Security Agreement (SSA) entities.

With this upgrade, business partners can now also use SpeakUp to report any concerns related to the Nammo's operations, using the same system as European employees. Contact details for the platform are readily available on the official website (www.nammo.com), integrated into the terms and conditions, and outlined in the Supplier Conduct Principles.



BUSINESS INTEGRITY

Reported concerns

Total cases 2024

9



9 cases in 2024
versus 24 in 2023

In 2024, Nammo recorded a significant decrease in reported concerns, with a total of nine cases – less than half of the 24 cases reported in the previous year. The Group continues to maintain a notably lower-than-average number of reported concerns compared to companies of similar size.

All reports, whether submitted via SpeakUp or Ethics-point, are directed to the Chief Compliance Officer (CCO) or the U.S. Ethics and Compliance Director. These officials, in collaboration with the Ethics and Integrity Council (Europe) or the Ethics Incident Investigation Group (U.S.), conduct a comprehensive risk assessment for each case.

The nine concerns reported in 2024 primarily related to human resources issues, security breaches, conflicts of interest, and sexual harassment – a slight shift from previous years, which saw more cases involving organizational matters and leadership concerns. Notably, only two of the nine cases were reported through the SpeakUp channel,

while the remaining concerns were raised through the line organization. Cases reported via the line organization were handled internally by Compliance and Human Resources within the respective legal entities, following established company protocols. Several of these cases required additional support from Corporate Legal & Compliance.

Outcomes of Reported Cases

- Two cases resulted in employee dismissals.
- Two cases were escalated and reported to authorities.
- External legal support was required in several of the cases.

Concerns reported in 2024 originated from the United States, Norway, Sweden, Germany, and Finland.

Environmental performance grievances

In Nammo's commitment to environmental stewardship, grievances pertaining to its environmental performance are compiled and reviewed monthly by its Corporate HESS function, ensuring timely and responsive measures are in place.

Mitigating negative impacts

Nammo is resolutely committed to minimizing activities that can cause negative impacts. Environmental considerations are integrated across all operations and utilize findings from the Due Diligence process to anticipate and mitigate potential environmental harms. The rigorous procedures for examining hazardous situations, near misses, and environmental liabilities underscore a proactive stance on environmental responsibility.

Accessible and effective grievance channels

Recognizing that rapid growth can bring challenges, the Group initially planned to assess the accessibility and effectiveness of its grievance mechanisms in 2023/24. However, this review was deferred to align with the 2024 upgrade of the reporting systems. The goal of this initiative is to strengthen employee awareness and trust in the grievance process.

BUSINESS INTEGRITY

All legal entities using the European SpeakUp channel were tasked with implementing the upgraded system and distributing the necessary documentation to all employees by the end of the year. In 2025, a follow-up assessment and targeted training will be conducted to ensure that local compliance and human resources teams are equipped to manage and report concerns correctly and efficiently within the system.

Responsibility to report

At Nammo, there is a collective expectation that any suspected misconduct or breach of the Code of Conduct, policies, or legal standards is reported. While employees are initially encouraged to approach their line managers, the SpeakUp/EthicsPoint channel, accessible 24/7 in multiple languages, and direct contact with a Compliance Officer are also available avenues. Nammo assures confidentiality and a structured, impartial approach to all investigations as part of its Internal Investigation Response Plan. Nammo's commitment to a non-retaliatory environment is unwavering, ensuring a safe space for reporting concerns.

Performance and development discussions

In alignment with its dedication to employee development, Nammo conducts regular performance appraisals. These

sessions serve as platforms for transparent discussions between staff and their direct supervisors, covering performance, development trajectories, and other relevant concerns. Through such dialog, employees benefit from direct feedback and collaborative goal-setting, fostering their continuous professional advancement.

All hands meetings

Nammo's CEO routinely convenes all-hands meetings, which can be either in-person or digital, to maintain a direct communication channel with all employees. These forums are open to all staff, providing an opportunity to voice questions or concerns, anonymously if preferred. This inclusive practice ensures that leadership is attuned to employee sentiments, thereby reinforcing a culture of open communication.

Workplace network

Understanding the value of employee engagement, Nammo employs Workplace by Meta, except for certain employees under the Special Security Agreement in the US. This digital platform enables its workforce to engage in discussions, join communities, and share insights, thereby cultivating a vibrant and interconnected global company culture.

The Nammo HUB

The Nammo HUB, the corporate intranet, serves as a hub for approximately 70 percent of its workforce. It is a vital resource for accessing company updates, policies, and procedures, ensuring that all employees have access to consistent and current company information.

www.nammo.com

Nammo's corporate website includes dedicated contact forms, such as info@nammo.com, for general inquiries, sustainability@nammo.com for any sustainability inquiries and the Reporting Concern "Speak Up" page for ethical concerns, facilitating transparent and open communication with business partners and the public.

Internal control, risk and compliance

Nammo has established governance and internal control guidelines to mitigate risks and promote efficient and sustainable use of resources. Nammo's internal control, compliance, and risk management system is grounded in its leadership culture, vision, and values, as well as its Code of Conduct, risk management, reporting, and control mechanisms.

At the corporate staff level, relevant corporate functions prepare and maintain governance documents in the form of policies, directives, and guiding principles for specific areas. This approach ensures that Nammo operates with consistency and transparency across all departments, promoting accountability and responsible decisionmaking throughout the Group.

INTERNAL CONTROL, RISK AND COMPLIANCE

The Nammo Management System

Management approach

Nammo's governance and management document outlines the Nammo Management System (NMS), which sets the standard for governance and internal control for the entire organization. The NMS shall support all Nammo legal entities to comply with relevant certification standards. Compliance with NMS ensures that Nammo adopts commercial best practices to its operational context in line with the demands and expectations of its stakeholders.

NMS is based on relevant international certification standards (ISO 9001:2015, AS9100D) and is supported by statutory requirements, Nammo Board of Directors directives, and other guidelines for the Group to sustain its competitive advantage in key markets. Internal control mechanisms, including guiding principles, processes, and tasks, are performed by Nammo employees at all levels, ensuring quality reporting to both internal and external stakeholders in accordance with legal and regulatory frameworks.

Performance

The revised NMS was implemented four years ago. A key activity in 2024 has been to continue to ensure that the processes in the Customer Relationship Management (CRM) system are compliant with NMS for the entities in scope.

Other activities during the year include continuous improvements of NMS processes based on input from the various Group entities as well as insight gained from internal reviews and internal audits. This work ensures compliance with Nammo's governing documents and relevant laws and regulations. During 2024 site-reviews were performed at selected sites to verify compliance with NMS and a digital interactive training module was implemented.

Looking ahead

NMS undergoes continuous development which focuses particularly on the technical and digital user friendliness of the system as well as to ensure compliance with relevant requirements.

INTERNAL CONTROL, RISK AND COMPLIANCE

Risk management

Management approach

Risk management is crucial to Nammo's success and the company strives to identify, assess, and control risks that may impede Group objectives or harm its values, employees, brands, or reputation. A sound risk management process and culture improve strategic decision-making, reduce financial uncertainty, and protect Nammo's brands and reputation, while empowering the Group to recognize the opportunities in uncertainty.

During the annual strategy process, risks and opportunities related to Nammo's business operations are identified and operational risks and opportunities are addressed by the responsible corporate function, business unit, or legal entity as appropriate. Corporate functions are responsible for creating and maintaining requirements through policies and directives and ensuring their effectiveness. Regulatory changes requiring amendments to Nammo Group policies and directives are communicated by responsible corporate functions to the Board of Directors, the Risk, Audit, and Compliance Committee (RACC), and the Group Management Team.

Performance

Nammo continued its work with risk management during 2024 and as part of this also performed a comprehensive risk assessment with focus on a detailed analysis of key risks for the Group. Key risks were elaborated with risk descriptions, likelihood, consequence, risk mitigation measures as well as an assessment of the residual risk. The results of the risk assessment were communicated to key stakeholders, such as the management and Board.

Independently, the internal auditors conducted their risk assessment as basis for the selection of the internal audit projects as approved by the Board. Key internal audit projects conducted during the year, included an audit of the Nammo Management system (NMS), a Cybersecurity audit and a HESS phase 1 audit. Internal audit findings, improvement recommendations including management comments are reported to the RACC and Board on a regular basis.

A Business Interruption Analysis (BIA) was conducted for 10 critical sites within the Nammo Group to identify internal dependencies and develop high-level plans for Business Continuity Planning (BCP).

Looking ahead

The status of management's selected improvement actions will be presented to the RACC quarterly throughout 2025. The main areas for improvement include, strengthening of the risk management process for the Group, further improving NMS and follow-up to improve prioritized areas identified through the internal audit projects. The internal audit function will continue its work during 2025. Based on a risk assessment, subjects to the internal audit project portfolio include, but are not limited to, the following:

- HESS phase 2 audit
- CSRD readiness assessment
- Cybersecurity

INTERNAL CONTROL, RISK AND COMPLIANCE

Compliance

Management approach

Compliance is an integral part of Nammo's management system directives, processes, procedures, and support tools. The Group has a robust compliance program covering areas such as ethics and anti-corruption, export control, and responsible business conduct. The Sustainability & Compliance department manages the compliance program in cooperation with the Legal & Regulatory Affairs. The established group of compliance champions with representatives from each Nammo legal entity meet regularly and assist in implementing and monitoring local compliance processes. The Sustainability & Compliance department regularly reports status of its work to various stakeholders, such as the Board of Directors, RACC and the Group Management Team. The corporate finance department handles financial compliance, determining accounting and reporting principles and monitoring of business activities to ensure reliable, relevant, and adequate financial information and control. The finance function also handles risk reporting for the Group.

Performance

The compliance program undergoes evaluation and assessment by a third party every 3rd year, and the results are reported to the Group Management Team, the RACC and the Board of Directors.

In the pursuit of excellence, a periodic review plan for the internal compliance program is under development.

In the beginning of the year, a thorough evaluation was conducted, leading to the selection of a vendor for a new supplier assessment portal. The portal was implemented in 2024, with all critical and strategic suppliers onboarded for the execution of their self-assessments.

During the year the Nammo Academy learning platform has been used for publishing of several new compliance training modules.

Looking ahead

Nammo's dedication to continuous improvement remains steadfast. Several initiatives will be undertaken to further fortify the compliance program:

- Review of the Group compliance and anti-corruption program
- Conducting comprehensive site compliance reviews
- Implementing the new supplier self-assessment portal as part of the supplier onboarding program at site level, accompanied by a thorough training program for its deployment across the Group
- Continue to amplify the 'tone from the top' by reinforcing the importance of adherence to policies and guidelines.
- Leveraging the Nammo Academy to elevate the quality and effectiveness of the compliance training

The Group will maintain the highest level of diligence in the compliance program, with the RACC receiving quarterly updates, ensuring that internal practices meet the expectations.

INTERNAL CONTROL, RISK AND COMPLIANCE

Export control

Management approach

Export control regulations prohibit the export and transfer of dual-use and defense-related products, technologies and services without the approval of the relevant governmental authorities. These regulations protect international security, uphold foreign policy interests and adherence to sanctions and govern how Nammo conducts business.

Sanctions expanded in 2024 address challenges in the geopolitical landscape, including the growing technological capabilities that threaten security and defense policy stability. These trade controls continue to target the proliferation of weapons of mass destruction and their means of delivery. Each country where Nammo operates has its own national export control regime, and some countries cooperate to standardize trade and exports. These trade controls promote compliance as companies navigate the requirements for trade and export control. The baseline requirement for an export authorization is approval by the requisite national authorities to export defense or dual-use products, technologies, or services.

In 2024, export controls to ensure compliance

with re-exports remained at the frontline to prohibit unauthorized re-exports. Throughout Nammo, experts conduct due diligence on the value chain before seeking export authorizations. Nammo's export strategy is rooted in the basic principles of Know your Customer, Know your Supplier, and Know your Third Parties, including End-Users in each business transaction.

Performance

The preceding year was marked by rigorous internal audits aimed at evaluating the efficacy of Nammo's export control framework. Recognizing existing expertise and pinpointing areas of improvement, these audits facilitated the adoption of best practices within its export controls.

A critical outcome was the recommendation to standardize tools, applications, and procedures, thereby reducing redundancy and enhancing accuracy in export control and licensing operations. For sustainable compliance, Nammo has integrated the new export control tools into the NMS. Specifically, these tools have included export



INTERNAL CONTROL, RISK AND COMPLIANCE

guides, brochures, templates and standardized documents for flow-down to strengthen the integrity of compliance throughout the supply chain.

Training remains a cornerstone of our export compliance strategy, with each legal entity within Nammo ensuring that their teams are well-versed in national export and trade control regulations. A comprehensive internal export control training program, utilizing both digital and in-person modules has been implemented including specialized instruction in the complexities of the US ITAR and EAR. In addition, Nammo export control specialists also provide regular export control training to a selected number of business partners.

Nammo believes in strictly following export and trade regulations. This is a key part of our overall goal to ensure regulatory adherence and reduce export-related risks. During 2024, Nammo reported one incident of regulatory deviation in export and trade compliance, which, upon disclosure to the relevant authorities, did not incur penalties but rather spurred enhancements to our compliance routines.

Looking ahead

As geopolitical shifts continue to influence governmental policies and reshape trade controls, Nammo is ready to adjust quickly. Nammo's ongoing efforts to weave compliance requirements into the fabric of the global Nammo Management Systems have laid a robust foundation for an effective export compliance program. Looking ahead to 2025 Nammo's focus remains on mitigating risks and fortifying transactional compliance ensuring that Nammo remains at the vanguard of responsible international trade and export.



INTERNAL CONTROL, RISK AND COMPLIANCE

Cybersecurity

Management approach

Nammo has intensified its focus on cybersecurity and digital resilience. As a key player in the defense and aerospace industry, Nammo operates in a highly strategic sector, making the Group a prime target for cyberattacks. Nammo faces an increasing number of cyber threats, including sabotage, fraud, extortion, and attempts to access proprietary information.

Protecting proprietary information is critical for Nammo. Knowledge, expertise, and intellectual property form the foundation of the group and are equally vital to its customers and partners. To safeguard these assets, Nammo employs a comprehensive security strategy that integrates personnel, physical, information, and IT security controls.

Performance

Nammo complies with all relevant security and privacy regulations in the countries where we are located. The Group benchmark its cybersecurity measures against internationally recognized standards, including ISO 27001 and UK Cyber Essentials. In 2024, Nammo continued to

enhance its cybersecurity systems, effectively reducing both the likelihood and impact of major security incidents.

Digital innovation increasingly blurs the line between virtual and physical infrastructure. Protecting real-world assets – such as personnel, equipment and operational environments – remains a top priority. Nammo continues to invest in security training to improve awareness and prevent fraud, theft, sabotage, and extortion. No data breaches of customer or sensitive information were identified in 2024.

Looking ahead

As the cybersecurity landscape evolves, Nammo remains committed to proactive risk mitigation. In 2025, the company will continue strengthening its defense by enhancing security measures, refining threat detection tools, and improving event logging and automated monitoring capabilities.

Employee training and awareness will remain a key focus, ensuring staff can recognize and respond to potential

threats. Nammo will also continuously review and update its cybersecurity policies to align with industry best practices and regulatory requirements, including compliance with the U.S. Cybersecurity Maturity Model Certification (CMMC). Furthermore, Nammo will collaborate closely with suppliers and partners to uphold rigorous cybersecurity standards.

The company is committed to maintaining its existing certifications and adherence to established frameworks, such as ISO 27001 and UK Cyber Essentials. As cyber threats grow more sophisticated, Nammo recognizes the importance of agility and adaptability. The company will continue monitoring emerging risks and adjusting its cybersecurity strategy accordingly to protect its systems, data, and intellectual property.

Corporate governance

Nammo AS is a limited liability company established under Norwegian law, with a governance structure based on the Norwegian Companies Act. Nammo's Board directs and guides the company in accordance with global and national statutory requirements applicable in the countries where Nammo operates.

CORPORATE GOVERNANCE

Nammo is committed to corporate governance that creates both short- and long-term value for Nammo Group's operations. To achieve this, the Group actively monitors, measures, and seeks to improve its governance processes. Areas of corporate governance include leadership culture, vision and values, code of conduct, risk management, reporting, and control mechanisms.

Nammo believes that responsible interaction between owners, the Board of Directors, and the Group Management Team is essential for good corporate governance. Nammo strive to promote effective cooperation, well-defined allocation of roles and responsibilities between the shareholders, the Board and management at every level within the Group, respect for the Group's other stakeholders, and open, reliable communication with the world around us. Nammo is subject to reporting requirements for corporate governance in accordance with the Norwegian Accounting Act. As a 50 percent state-owned company, it is also expected that Nammo adheres to the main principles of "The Norwegian Code of Practice for Corporate Governance." The Board of Directors evaluates and discusses corporate governance periodically and actively pursues good management principles for corporate governance.

Nammo Management System

The foundation for corporate governance in Nammo is the Nammo Management System (NMS). NMS describes how Nammo is organized and governed in order to meet its strategic ambitions while ensuring efficiency, effectiveness, continuous improvement and organizational learning in all its key processes. NMS outlines how to manage and carry out activities, and address requirements through policies, directives and processes that support the performance of tasks required to achieve strategic goals. NMS aims to minimize operational risk while supporting long-term profitability. NMS directives and process descriptions with support tools are applicable to all parts of the Nammo organization. NMS is instrumental in ensuring that all Nammo legal entities fulfill the total set of requirements from the relevant certification standards.

Governing documents

Governance documents are important elements of the NMS to ensure everyone has a clear understanding of roles and responsibilities and key principles for leadership, organization and culture. At the Corporate level, governance documents are prepared and maintained by the relevant

corporate functions as policies, directives and guiding principles for the respective areas. These constitute the specification of the mandatory requirements for the legal entities' management systems to ensure that the requirements are implemented. Governing documents are made available to all our employees via the Nammo HUB.

Board of Directors appointments

The Nammo AS Board of Directors (BoD) is composed of eight members, in accordance with the shareholders' agreement. Three directors are nominated by each owner, the Norwegian Ministry of Trade, Industry and Fisheries and the Finnish company Patria Oyj, while two directors represent the employees. The positions of Chair and Vice Chair alternate annually between the two owners and are elected by the Annual General Meeting. The two employee representatives are elected by the employees in each country, following local procedures. The employees may also nominate one additional observer.

The BoD convenes a minimum eight times a year, seven Board meetings and one strategy meeting. The BoD appoints the Group CEO, who is responsible for the daily management of Nammo AS and supervises the Group

CORPORATE GOVERNANCE

CEO's performance and ensures that management is carried out in compliance with legal and ethical standards.

The President and CEO

The President and CEO constitute a formal corporate body in accordance with the Norwegian Limited Liability Companies Act (Aksjeloven). The CEO is responsible for the day-to-day management of the Nammo Group and is governed by the responsibilities outlined in the shareholders' agreement. The CEO directs operations through the internally established corporate policies, directives, management meetings and business reviews.

The Group Management Team

The Nammo Group Management Team, as of January 2025, consists of the President & CEO, the SVP Finance & CFO, and Senior Vice Presidents (SVP's) for Business Development, Legal & Regulatory Affairs, Sustainability & Compliance, Corporate Communication, Human Resources, VP Information Technology and the President of Nammo Inc. Additionally, the four Executive Vice Presidents (EVP's) of the business units Commercial Ammunition (CA), Large Caliber Systems (LCS), Small and Medium Caliber Ammunition (SMCA), and Aerospace Propulsion (AP) are also members of the management team.

The Group Management Team (MT) is responsible for ensuring that Group-level functions are in place to safeguard central control and leadership within Nammo. The MT meets approximately eight times a year, called by the CEO, or more often as needed. The focus of these meetings is to monitor the status of operations and key performance indicators, address the market situation, health, environment, safety and security indicators, compliance, human resource issues, and sustainability.

Business reviews

The CEO conducts individual business review meetings with the business units five times a year, in conjunction with relevant corporate functions. These meetings are means to scrutinize the business units' performance relative to business targets, financial as well various operational objectives. Other specific key subjects covered in these reviews are the status and progress within people, organization, compliance, risk management, operational issues, strategic issues, and sustainability.

Board of Directors

In accordance with the Norwegian Limited Liability Companies Act (Aksjeloven), Nammo's Board of Directors (BoD) is responsible for overseeing the company's overall

governance and ensuring that appropriate management and control systems are in place. This includes approving the annual budget, Group-wide directives and policies, Group strategy, and investments or divestments above a certain financial threshold, as well as material organizational changes. In addition, the BoD appoints the CEO and supervises daily management activities.

To support its work, the BoD has established two committees: the Risk, Audit and Compliance Committee (RACC) and the Human Resources and Compensation Committee (HRCC). The RACC assists and makes recommendations to the BoD in reviewing financial reporting, internal controls, compliance and risk management systems, sustainability, external/internal auditing and business ethics matters. The HRCC supports the BoD in reviewing matters concerning human resources and compensation in the Nammo Group, such as succession planning, talent development and the remuneration policy for executive management.

Annual general meeting of shareholders

The ultimate authority in Nammo AS lies with its shareholders, represented by the Ministry of Trade, Industry and Fisheries of the Norwegian State and Patria Oyj. The Annual General Meeting, held in the second quarter of each year,

CORPORATE GOVERNANCE

is where the shareholders exercise their authority. The shareholders' agreement outlines the number of BoD representatives for each owner, as well as guidelines for the election of the Chairman of the Board. During the meeting, the BoD Report and financial statements, prepared in accordance with Norwegian requirements, are approved together with the executive remuneration policy and annual executive remuneration report. The proposed dividend by the BoD is also subject to approval. The Annual General Meeting appoints the BoD and the external auditors, and determines the auditor's remuneration. Additionally, all other matters listed in the notice convening the meeting are addressed during the Annual General Meeting.



4 | Nammo Group

Income statement

(NOK 1 000)

Notes

2024

2023

Revenue

1, 2

10 873 374

9 190 501

Operating expenses

Changes in stock of work in progress and finished goods

978 648

655 302

Changes in self-manufactured fixed assets

–

1 599

Cost of goods sold

(4 992 086)

(4 149 064)

Payroll expenses

3, 4

(3 087 633)

(2 606 709)

Depreciation of tangible and intangible non-current assets

5, 6

(370 641)

(322 783)

Write down of non-current assets

5, 6

(435)

499

Other operating expenses

(2 089 145)

(1 715 745)

Total operating expenses

(9 561 292)

(8 136 901)

Operating result

1 312 082

1 053 600

Financial income and expenses

Income from associates and joint ventures – equity method

7

–

2 979

Interest income

202 070

144 648

Other financial income

8

9 418

5 577

Interest expenses

(252 463)

(239 575)

Other financial expenses

8

(41 627)

(86 984)

Net financial income (expense)

(82 602)

(173 355)

Profit before tax

1 229 480

880 245

Income taxes

9

(332 735)

(271 203)

Profit (loss) for the year

896 745

609 042

Balance sheet

(NOK 1 000)

Notes

As of 31.12.24

As of 31.12.23

ASSETS

Non-current assets

Intangible assets

Deferred tax asset	9	87 544	52 918
Licenses, trademarks and other intangible assets	5	226 324	247 104
Research and development	5	175 384	183 562
Goodwill	5	44 062	61 949
Total intangible assets		533 314	545 533

Tangible assets

Buildings	6	863 759	572 115
Land	6	113 538	53 745
Machines and equipment	6	1 330 596	1 026 809
Fixtures and fittings, tools, office machinery, etc.	6	159 407	149 094
Plant under construction	6	1 698 949	896 882
Total tangible assets		4 166 249	2 698 645

Financial fixed assets

Other shares and participations	7	17 855	17 516
Pension assets	4	197 136	172 030
Other receivables	10	12 708	14 006
Total financial fixed assets		227 699	203 552

Total non-current assets

4 927 262 3 447 730

Current assets

Inventory

Raw materials		2 978 744	2 129 099
Work in progress		2 696 477	1 803 144
Finished goods		623 006	537 692
Total inventory		6 298 227	4 469 935

Receivables

Accounts receivable	11	1 906 801	1 431 844
Other receivables	10	224 552	942 580
Advance payments to suppliers		1 146 147	464 844
Total receivables		3 277 500	2 839 268

Cash and cash equivalents

12 1 960 379 1 658 855

Total current assets

11 536 106 8 968 058

Total assets

16 463 368 12 415 788

Balance sheet

(NOK 1 000)

Notes

As of 31.12.24

As of 31.12.23

EQUITY AND LIABILITIES

Equity

Share capital	13	100 000	100 000
Other paid in capital	13	258 670	258 670
Other equity	13	4 408 831	3 655 046
Total equity		4 767 501	4 013 716

Liabilities

Non-current liabilities

Pension liabilities	4	199 921	196 785
Deferred tax liabilities	9	104 772	111 014
Other provisions		1 628	21 514
Total non-current liabilities		306 321	329 313

Other non-current liabilities

Liabilities to financial institutions	14	2 374 433	2 332 167
Other non-current liabilities		165 754	148 675
Total other non-current liabilities		2 540 187	2 480 842

Current liabilities

Warranty provisions	15	193 503	158 018
Accounts payables		1 076 047	592 048
Current tax payables	9	211 361	69 963
Public duties		291 318	311 562
Dividend payable		448 400	304 600
Prepayments from customers		5 938 228	3 548 269
Other short-term liabilities		690 502	607 457
Total current liabilities		8 849 359	5 591 917

Total liabilities

11 695 867

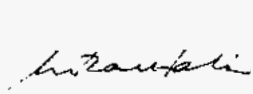
8 402 072

Total equity and liabilities

16 463 368

12 415 788

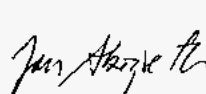
Raufoss, 24 March 2025



Esa Rautalinko
CHAIR



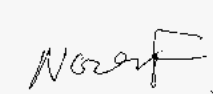
Dag Schjerven
VICE CHAIR



Jan Skogseth
BOARD MEMBER



Cathrine Bjaarstad
BOARD MEMBER



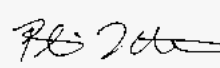
Nora Steiner-Forsberg
BOARD MEMBER



Marjut Prokka
BOARD MEMBER



Marianne Stensrud
BOARD MEMBER



Petri Kontola
BOARD MEMBER



Morten Brandtzæg
PRESIDENT & CEO

Cash flow

(NOK 1 000)

2024

2023

Cash flow from operational activities

Result before tax	1 229 480	880 247
Tax payments	[277 632]	[217 286]
Gain and loss on sale of fixed assets	1 646	[856]
Ordinary depreciations	370 641	322 783
Write-down fixed assets	435	[499]
Net interest cost	50 393	94 927
Changes in inventory	[1 591 051]	[1 176 782]
Changes regarding accounts receivables	[409 372]	[193 785]
Changes regarding accounts payables	438 363	22 415
Difference pension costs and paid pension premiums	[25 382]	[29 241]
Changes in other dispositions	2 380 752	1 684 352
Net cash flow from operational activities (a)	2 168 273	1 386 275

Cash flow from investment activities

Sale of fixed assets	25 053	11 028
Purchase of fixed assets	[1 668 019]	[779 418]
Proceeds from discontinued operations	–	11 019
Purchase of other long-term investments	[400]	–
Net cash flow from investment activities (b)	[1 643 366]	[757 371]

Cash flow from financing activities

Payments received regarding new long-term loans	775 430	1 138 799
Installments on long-term loans	[796 520]	[23 478]
Net interest payments	[50 393]	[94 927]
Payments received from dividend	400	200
Paid dividend	[152 300]	[253 900]
Net cash flow from financing activities (c)	[223 383]	766 694

Net changes in cash and bank accounts (a+b+c)	301 524	1 395 598
Cash and bank accounts as of 01.01.	1 658 855	263 257
Cash and bank accounts as of 31.12.	1 960 379	1 658 855

Total unused cash credits as of 31 December 2024 is NOK 1 900 million. See note 14.

NAMMO GROUP

Consolidated financial statements 2024

Content Notes

Accounting policies Nammo Group	107
Notes to the financial statements	
NOTE 1 Revenue	110
NOTE 2 Financial market risk	111
NOTE 3 Employee and management remuneration and auditor's fees	112
NOTE 4 Pension liability and pension cost	113
NOTE 5 Intangible assets	114
NOTE 6 Fixed assets	115
NOTE 7 Shares in other companies	115
NOTE 8 Financial items	116
NOTE 9 Income taxes	116
NOTE 10 Other receivables (non-current and current)	118
NOTE 11 Receivables and losses on bad debts	118
NOTE 12 Cash reserve	119
NOTE 13 Equity and shareholders	119
NOTE 14 Interest bearing loans and guarantees	120
NOTE 15 Warranty provision	120

Accounting policies Nammo Group

General

The Nammo Group consists of Nammo AS and its subsidiaries. Nammo AS is a public limited liability company (Aksjeselskap). Nammo AS headquarters are located in Raufoss, Norway.

The consolidated financial statements consist of the Group and its interests in associated companies and joint ventures.

The consolidated financial statements have been prepared in accordance with the Norwegian Accounting Act and the Norwegian General Accepted Accounting Principles.

Basis of consolidation

the consolidated financial statements include Nammo AS and subsidiaries where Nammo AS, directly or indirectly have a controlling interest. Controlling interest is usually achieved when Nammo has more than 50 percent of voting rights. In some situations, de facto control of an entity may be achieved through contractual agreements. Subsidiaries that are acquired or sold during the year are included or excluded from consolidation when the Group achieves control or ceases to have control. All inter-company transactions and balances between Group companies are eliminated.

Minority interests of consolidated subsidiaries are identified separately from equity attributable to equity holders of Nammo AS. Minority interests consist of the amount of those interests at the acquisition date (see below) and the minority's share of changes in equity since the acquisition date.

Foreign currencies

the individual financial statements of a subsidiary are prepared in the company's functional currency, normally the currency of the country where the company is located. Nammo AS uses NOK as its functional currency, which is also used as the presentation currency for the consolidated financial statements.

In preparing the consolidated financial statements, the financial statements of foreign subsidiaries are translated to NOK using the exchange rates at year-end for balance sheet items and

yearly average exchange rates for income statement items. Translation gains and losses, including effects of exchange rate changes on transactions designated as hedges of net foreign investments, are included in shareholder's equity.

In individual subsidiaries, transactions in currencies other than the entity's functional currency are recorded at the exchange rate at the date of the transaction. Gains and losses arising on transactions, assets and liabilities other than the translation gains/losses, are recognized in the income statement, except for gains and losses on transactions designated and effective as hedge accounting.

To hedge the Group's currency exposure the Group enters into currency-based derivative financial instruments. The Group's accounting policies for such hedge contracts are explained in these accounting policies.

Business combinations

Acquisitions of subsidiaries are accounted for using the acquisition method. The cost of the business combination is measured as the aggregate of the fair values (at the date of exchange) of assets given and liabilities incurred or assumed, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under NRS 17, are recognized at their fair values at the acquisition date. If acquiring less than 100 percent of a company, the interest of minority shareholders in the acquiree is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognized.

Goodwill arising on the acquisition of a subsidiary represents the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary recognized at the date of acquisition. Goodwill is initially recognized at cost and then amortized according to the assessed economic lifetime.

Negative goodwill arising as part of a business combination is amortized periodically over 5 years.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for products provided in the normal course of business, net of discounts and sales related taxes. Revenue from the sale of products is recognized when all of the following conditions are satisfied:

- The Group has transferred to the buyer the significant risks and rewards of ownership of the goods
- The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold
- The amount of revenue can be measured reliably
- It is probable that the economic benefits associated with the transaction will flow to the Group
- The costs incurred or to be incurred in respect of the transaction can be measured reliably

Dividends received

dividends from investments are recognized in the income statement when the Group has a right to receive the dividends.

Interest income

Interest income is recognized in the income statement as it is accrued.

Government grants

Government grants are recognized in the consolidated financial statement when the Group has reasonable assurance that it will receive them and comply with conditions attached to them.

Government grants that compensate the Group for expenses are recognized in the income statement as the expenses are incurred. Government grants that compensate the Group for the cost of an asset are recognized as a reduction to the total investment and thus also to the future depreciations of the asset.

Income taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year.

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable income. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill that is not deductible for tax purposes.

Current and deferred taxes are recognized as expense or income in the income statement, except when they relate to items recognized directly in equity, in which case the tax is also recognized directly in equity.

In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of Nammo's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

Intangible assets

separately acquired intangible assets are recognized at cost at the time of acquisition. Intangible assets acquired as a result of contracts or legal rights or rights that can be separated from the acquired entity, are recognized at fair value.

Cost relating to significant development projects for new technologies, products, tooling etc., which is estimated to give future positive cash flow, is recognized as research and development costs in the balance sheet. All other research and development costs are expensed when incurred.

Intangible assets are amortized on a straight-line basis over their expected useful life. Capitalized R&D is amortized over future deliveries of the applicable product/technology, classified as cost of goods sold in the profit and loss.

Property, plant and equipment

Property, plant and equipment are measured at historic cost less accumulated depreciation and any impairment loss.

Expenses in connection with ordinary maintenance and repairs are recognized in the income statement as they incur. Expenses incurred in connection with major replacements and renewals are capitalized and depreciated on a systematic basis.

Property, plant and equipment are depreciated on a straight-line basis over their expected useful life.

Gain or loss due to sale or retirement of property, plant and equipment is calculated as the difference between sales proceeds and carrying value and is recognized in the income statement.

Interest is capitalized as part of the historical cost of major assets constructed.

Associated companies

Associated companies are investments in companies where the Group has significant influence, but not control. Significant influence normally exists when the Group controls between 20 percent and 50 percent of the voting rights. The share of net income, assets and liabilities of associated companies are incorporated into the consolidated financial statements using the equity method of accounting.

Joint ventures

A joint venture is a contractual arrangement whereby the Group and one or more parties undertake an economic activity that is subject to joint control, which is when the strategic and financial and operating policy decisions relating to the activities of the joint venture require the unanimous consent of the parties sharing control. Accounting for participation in joint ventures is based on the equity method as described under the accounting principles for associated companies.

Inventory

Inventories comprise of finished goods, work in progress and raw materials. Finished goods refer to own produced products and goods purchased for resale. Work in progress are partly processed, unfinished products. Raw materials include materials purchased

from external parties such as metals, chemicals, ammunition powder, explosives, acquired components etc.

Inventories are recorded at the lower of cost, using the first-in, first-out method (FIFO) and net realizable value. Net realizable value is estimated sales price reduced by costs of completion and other sales costs.

The cost of inventories comprises all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. This include direct materials, direct labor, and an appropriate portion of production overhead, or the purchase price of the inventory.

Impairment of non-current assets

The Group assesses the carrying amount of tangible assets and identifiable intangible assets annually, or more frequently if events or changes in circumstances indicate that such carrying amounts may not be recoverable. Factors considered material by the Group trigger an impairment test.

These include:

- Significant underperformance relative to historical or projected future results, or
- significant changes in the manner of the Group's use of the assets or the strategy for the overall business, or
- Significant negative industry or economic trends

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less cost to sell and value in use. When it is determined that the carrying amount of tangible assets and identifiable intangible assets may not be recoverable based upon the existence of one or more of the above indicators of impairment, an impairment charge is measured based on discounted projected cash flows. An impairment loss is recognized to the extent that the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. Previously recognized impairment losses are reversed if the assumptions for impairment are no longer present.

Dividend liability

A dividend liability is recognized based on the Board of Directors proposal to be approved by the annual General Meeting.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans are calculated separately for each plan, based on the legislation in the respective countries where Group companies have defined benefit plans. The amount is an estimation of future benefits that the employees have earned in return for their service in current and prior periods. The benefit is discounted to determine its present value, and the fair value of the plan assets and unvested past service cost is deducted. The discount rate is based on the risk free rate (interest rate on long term government bonds) and the recommendation from The Norwegian Accounting Standards Board (Norsk Regnskapsstiftelse), plus a risk premium. Qualified actuaries perform the calculations.

The actuarial gains or losses are recognized using a corridor. The corridor is defined as 10 percent of the highest of the defined benefit obligation (DBO) and total plan assets. The net actuarial gain or loss exceeding the corridor is amortized in the income statement over the estimated remaining period of service from the members in the plan.

Defined contribution plans

Contributions to defined contribution pension plans are recognized as an expense in the income statement when employees have rendered services entitling them to the contributions.

Onerous contracts

Present obligations arising under onerous contracts are recognized and measured as a provision. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceeds the economic benefits expected to be received from it.

Warranties

Provisions for warranties are recognized when the products or services are sold. This is done to meet future claims on already sold products and services. The provision is based on an assessment of the business Nammo operates in, historical information on actual warranty payments incurred, and the probability that claims will be made.

Cash and cash equivalents

Cash and cash equivalents include cash and bank deposits.

Trade receivables and other short-term receivables

Trade receivables and other short-term receivables are recognized at the lower of the transaction amount (historic cost) and the fair value at the time of reporting.

Trade payables and other short-term liabilities

Trade payables are recognized at the higher of the transaction amount (historic cost) and the fair value at the time of reporting.

Impairment of financial assets

Financial assets, other than those recognized at fair value through the income statement, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted. For financial assets carried at historic cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows.

Interest-bearing borrowings

Interest-bearing borrowings are recognized initially at historic costs including transaction costs.

Financial instruments

The Group uses financial instruments to hedge exposure against foreign exchange risk in operating, financing and investment activities. The financial instruments are entered into based on a 'back-to-back' process, meaning that we usually make a hedge based on a specific underlying sale or purchase contract.

Hedge accounting

The Group designates certain financial instruments as either hedges of foreign currency risk of future cash flows (cash flow hedges), or hedges of net investments in foreign operations.

Cash flow hedges

The effect of the financial instruments used as hedging instrument in a cash flow hedge are recognized in the profit and loss in the same period as the underlying hedged transaction is recognized.

Hedge of net investment

Changes in book value of financial instruments used as hedges of net investment in foreign operations are recognized directly in equity.

Leasing

Property, plant and equipment which is leased on conditions which substantially transfer all the economic risks and rewards to Nammo (finance lease) are accounted for as property, plant and equipment at the present value of minimum lease payments or fair value if this is lower. The corresponding finance lease liabilities are included in other non-current liabilities. Property, plant and equipment is depreciated over the estimated useful lives of the assets.

The related liabilities are reduced by the amount of lease payments less the effective interest expense. Other leases are accounted for as operating leases, with lease payments recognized as an expense over the lease terms.

Notes to the financial statements

NOTE 1: Revenue

The Nammo Group consists of subsidiaries in Norway, Sweden, Finland, Germany, Switzerland, Spain, USA, England, Ireland, Poland, India, Canada and Denmark.

Revenue from Nammo subsidiaries per country

(NOK 1 000)	2024	2023
England	215 585	198 131
Finland	1 436 682	1 002 812
Germany	1 361 884	1 326 237
Ireland	28 597	20 130
Norway	3 499 153	2 630 602
Spain	760 106	508 267
Sweden	1 623 219	1 494 399
USA	1 948 148	2 009 925
Total	10 873 374	9 190 501

Revenue per geographical location of customers

(NOK 1 000)	2024	2023
Norway, Sweden and Finland	2 797 818	2 519 950
Other Europe	4 451 071	3 323 872
North America	3 001 451	2 928 727
Asia	379 978	245 560
Other countries	243 055	172 393
Total	10 873 374	9 190 501

NOTE 2: Financial market risk

The Nammo Group has both sales and purchases in foreign currencies. To reduce the financial risk of currency changes, secured exchange rate instruments (forwards contracts) is used to hedge contracts in foreign currency with both the customers and suppliers.

Transactions are recorded at the hedged rates of exchange.

Cash flow hedges as of December 2024

(Amounts in currency 1 000)

Transaction type	Buy/Sell(–)	CHF	EUR	GBP	SEK	DKK	USD
FX Forward	Buy	53 328	177 635	10 917	428 139	7 118	132 322
	Sell (–)	–	(11 515)	–	(555 408)	–	–
FX SWAP	Buy	1 715	22 887	2 723	92 635	–	37 047
	Sell (–)	–	(13 092)	–	(122 619)	–	–

Maturity FX Forward's and FX SWAP's – percentage allocation based on nominal value in NOK

Transaction type	Buy/Sell(–)	Year 2025	Year 2026	Year 2027	Year 2028
FX Forward	Buy	59.2 %	26.1 %	13.1 %	1.6 %
	Sell (–)	50.2 %	39.7 %	10.1 %	–
FX SWAP	Buy	99 %	1 %	–	–
	Sell (–)	99 %	1 %	–	–

According to the Norwegian accounting legislation the hedging instrument is recognized in the profit and loss in the same period as the underlying transaction.

In some cases the underlying transaction does not happen at the maturity date of the hedging instrument. In these cases FX SWAPs are placed with a maturity date matching the new estimated time of the underlying transaction. The profit and loss effect of both the FX Forward and FX SWAP is matched with the underlying transaction.

NOTE 3: Employee/management remuneration and auditor's fees

(NOK 1 000)	2024	2023
Salaries	2 325 330	1 995 095
Employment taxes	309 021	234 959
Pension costs	223 216	194 679
Other personnel costs	230 066	181 976
Total	3 087 633	2 606 709

Average number of man-years	3 280	2 925
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Remuneration CEO, Board of Directors and corporate management

(NOK)										
2024	Function	Salary	Extra pension element	Earned bonus for 2024	Other comp	Pension cost	Total	Fixed	Variable	
Morten Brandtzæg	President and CEO	5 100 635	2 530 980	3 317 809	505 176	244 039	11 698 638	72 %	28 %	
Kjell Kringsjå	President Nammo Inc.	4 610 656	256 218	430 373	63 966	243 120	5 604 333	92 %	8 %	
Lars Furuseth	CFO	2 289 942	161 802	663 244	121 669	230 737	3 467 393	81 %	19 %	
Stein Erik Nodeland	EVP AP	2 235 683	127 158	860 317	162 060	85 224	3 470 441	75 %	25 %	
Vegard Sande	EVP LCS	2 692 373	220 786	617 960	337 425	182 364	4 050 908	85 %	15 %	
Reijo Bragberg	EVP SMCA	2 284 735	–	812 534	308 673	958 918	4 364 860	81 %	19 %	
Raimo Helasmäki	EVP CA	3 989 270	–	1 481 232	199 321	726 813	6 396 636	77 %	23 %	
Tomas Ramse Andersen	SVP Business Development	2 029 339	68 820	564 965	291 892	256 695	3 211 711	82 %	18 %	
Anne Haugen-Flermoe	SVP Legal & Regulatory Affairs	2 055 454	101 556	621 931	244 012	250 878	3 273 831	81 %	19 %	
Sissel Solum	SVP Sustainability & Compliance	1 957 951	72 624	534 647	135 656	242 014	2 942 891	82 %	18 %	
Fredrik Tangeraas	SVP Communications	2 104 222	84 426	592 522	270 372	280 705	3 332 246	82 %	18 %	

Board of Directors

Remuneration

Esa Rautalinko	Chair	535 799
Dag Schjerven	Vice Chair	500 099
Cathrine Bjaarstad	Board Member	291 233
Sirpa-Helena Sormunen	Board Member	96 200
Ville Jaakonsalo	Board Member	315 467
Marianne Stensrud	Board Member	291 233
Petri Kontola	Board Member	299 867
Jan Steffen Skogseth	Board Member	299 867
Nora Steiner-Forsberg	Board Member	203 667
Marjut Porrka	Board Member	–

All Norwegian corporate management members are included in a collective defined benefit pension plan in Norway.

For further information see the separate management remuneration report.

Auditor's fee

All numbers are presented exclusive VAT.

(NOK 1 000)	2024	2023
Group auditors fees	8 894	8 531
Fees for other assurance work	182	348
Tax advisory services	35	134
Other services	411	198
Total	9 522	9 211

NOTE 4: Pension liability – pension cost

The companies with pension arrangements, which provide the employees with the right to defined future pension payments, are included in the calculations of the pension liability (defined benefit plans). The pension liability at 31 December 2024 was NOK 199.1 million and is derived from the companies in Sweden, Germany and Finland. Pension assets in Norway were 197.1 million at 31 December 2024. The defined benefit plan in Norway has 367 (317 (NARA) and 50 (NAAS) (379) active members, whereas in Sweden there are 101 (99) active members. In addition, contribution pension plans exist in the other countries where we operate.

The total periodic pension costs for both defined benefit plans and defined contribution plans are included in personnel costs in the profit and loss statement. The different pension plans are structured and based upon the laws and regulation in the respective countries. The assumptions used for the actuary calculations are as follows:

Assumptions	Norway	Sweden
Discount rate	3.30 %	3.00 %
Yield from pension funds	4.90 %	–
Annual salary increase	3.50 %	2.30 %
Annual increase in G	3.25 %	–
Annual expected adjustment of pensions under payment	1.90 %	–
Annual increase Income Base amount	–	2.30 %
Inflation	–	1.80 %

Pension costs

(NOK 1 000)	2024	2023
Service costs	32 470	20 450
Amortization of net actuarial losses (gains)	17 743	16 830
Interest costs (income)	(3 103)	(764)
Pension cost related to defined contribution plans	176 106	158 163
Settlement pension plans	–	–
Net periodic pension costs	223 216	194 679

Pension liabilities/assets

(NOK 1 000)	2024	2023
Defined benefit obligation incl. social security tax	847 641	789 148
– Fair value of plan assets	(594 495)	(533 637)
Net pension obligation	253 146	255 511
Items not recorded in the profit and loss:		
Unrecognized net actuarial loss (gain)	(250 361)	(230 756)
Net pension liability	2 785	24 755
Classified as pension asset in the balance sheet	197 136	172 030
Classified as pension liabilities in the balance sheet	199 921	196 785

NOTE 5: Intangible assets

(NOK 1 000)	Patents, trademark and other intangible assets	Goodwill	Research and Development	Total assets
Acquisition cost as of 01.01.24	947 435	502 220	324 876	1 774 531
Additions during the year	2 304	–	16 087	18 391
Exchange difference acq. cost	91 218	56 601	–	147 819
Acquisition cost 31.12.24	1 040 957	558 821	340 963	1 940 741
Accumulated amortizations 31.12.24	(796 010)	(514 759)	(100 575)	(1 411 344)
Accumulated write-down 31.12.24	(18 623)	–	(65 004)	(83 627)
Book value as of 31.12.24	226 324	44 062	175 384	445 770
Amortization this year	41 594	23 733	24 265	89 592
Write-down this year	–	–	–	–
Economic lifetime (years)	1–10	5–10	1–10	
Depreciation plan	Linear	Linear	Linear	

Goodwill amortized over more than five years is goodwill originating from companies with products strongly rooted with the customers and a strong market position, which is expected to last materially longer than five years.

Amortizations and write-downs related to research and development is classified as cost of goods sold in the P&L.

NOTE 6: Tangible fixed assets

(NOK 1 000)	Buildings	Land	Machinery and equipment	Fixtures, fittings, tools, office machinery, etc	Plants under construction	Total assets
Acquisition cost as of 01.01.24	1 335 568	84 570	3 289 363	628 933	956 186	6 294 621
Additions during the year	326 764	58 425	452 573	49 210	762 656	1 649 628
Disposals during the year	(704)	–	(8 611)	(7 449)	(39 252)	(56 016)
Exchange difference acq. cost	70 922	5 386	165 144	33 230	36 264	310 945
Acquisition cost 31.12.24	1 732 550	148 381	3 898 469	703 924	1 715 854	8 199 178
Accumulated depreciations 31.12.24	(805 557)	(34 843)	(2 515 624)	(533 078)	–	(3 889 102)
Accumulated write-down 31.12.24	(63 234)	–	(52 249)	(11 439)	(16 905)	(143 827)
Book value as of 31.12.24	863 759	113 538	1 330 596	159 407	1 698 949	4 166 249
Depreciations this year	67 443	1 913	190 910	45 048	–	305 314
Write-down this year	–	–	–	435	–	435
Annual leasing cost of assets not recognized in balance sheet	66 246	76 308	38 865	9 032	–	190 451
Economic life time (years)	10–50	–	5–20	3–10	–	–
Depreciation plan	Linear	Linear	Linear	Linear	–	–

Included in machinery and equipment there are two financial lease contracts in Finland capitalized with NOK 56.1 million. The lease expires in 2029 and 2032 respectively. Yearly lease cost is NOK 12.1 million.

NOTE 7: Shares in other companies

Shares and participations

(NOK 1 000)	Booked value NOK	Ownership
Komm-In AS, Norway	4 500	8 %
Sintef Raufoss Manufacturing AS, Raufoss, Norway	1 302	14 %
Raufoss Industripark Holding AS, Raufoss, Norway	10 880	2 %
Nordic Additive Manufacturing AS	1 150	12 %
Others	23	–
Total	17 855	

For information about the Nammo AS subsidiaries, reference is made to Nammo AS' financial statement note 8.

NOTE 8: Financial items

(NOK 1 000)	2024	2023
Gain on exchange	8 642	4 808
Other financial income	776	770
Total other financial income	9 418	5 577
Loss on exchange	(29 339)	(76 805)
Other financial expenses	(12 288)	(10 179)
Total other financial expenses	(41 627)	(86 984)

NOTE 9: Income taxes

Deferred tax liability/deferred tax asset (-)

The deferred tax liabilities/tax asset has been calculated on the basis of the temporary differences existing at the end of the accounting year between accounting values and taxation values. The specification below shows the temporary differences and the calculation of the deferred tax liabilities/tax advantages as at the end of the accounting year.

Temporary differences

(NOK 1 000)	2024	2023	Change
Intangible assets	22 996	35 069	12 073
Fixed assets	36 049	639	(35 410)
Accounts receivables	(4 279)	(3 214)	1 065
Inventory	(990 902)	(705 264)	285 638
Pension liabilities	187 494	151 939	(35 555)
Warranty liabilities	(178 295)	(164 618)	13 677
Other non-current temporary differences	1 035 737	963 232	(72 505)
Other current temporary differences	(537 179)	(276 731)	260 448
Temporary differences	(428 379)	1 052	429 431
Carried forward losses for tax purposes	(748 925)	(733 956)	
Total temporary differences	(1 177 304)	(732 904)	
Gross deferred tax/deferred tax assets (-)	(324 770)	(208 035)	
Deferred tax assets not recognized in the balance sheet	342 000	266 131	
Net deferred tax liability/deferred tax asset (-)	17 230	58 096	
Classified as deferred tax asset	87 544	52 918	
Deferred tax liability in the balance sheet	104 772	111 014	

Payable income taxes

(NOK 1 000)	2024
Net income before tax	1 229 480
Changes in temporary differences	429 431
Exchange differences temporary differences	(168 305)
Permanent differences	(98 100)
Use of carried forward losses	(89 883)
Taxable income	1 302 623
Payable income tax	400 144

Tax expense in profit and loss

(NOK 1 000)	2024
Payable tax on this year's result	400 144
Adjustments prior years	(1 294)
Payable tax in this year's tax cost	398 850
Change in deferred tax/deferred tax asset	(47 772)
Other items	(18 343)
Tax expense in the P&L	332 735

Payable tax in the balance sheet

(NOK 1 000)	2024
Payable taxes	403 411
Prepaid taxes	(218 416)
Other items	26 366
Payable tax in balance sheet	211 361

NOTE 10: Other receivables (non-current and current)

These items include accrued revenue, receivables from employees, VAT receivables and other receivables.

Non-current

(NOK 1 000)	2024	2023
Other receivables	12 708	14 006
Other non-current receivables	12 708	14 006

Current

(NOK 1 000)	2024	2023
VAT receivables	35 045	76 819
Accrued revenue	80 440	740 981
Other receivables and prepaid expenses	109 067	134 780
Other current receivables	224 552	952 580

NOTE 11: Accounts receivables and losses on bad debts

(NOK 1 000)	2024	2023
Accounts receivables	1 910 457	1 468 928
Provision for bad debt	(3 656)	(37 084)
Book value of accounts receivables	1 906 801	1 431 844

No receivables fall due later than five years from 31 December 2024.

NOTE 12: Cash reserve

(NOK 1 000)

	2024	2023
Total available cash and cash credits 31 December	3 860 379	2 795 925

Nammo AS has established an international cash pool together with the following group companies:

Finland	Nammo Lapua Oy and Nammo Vihtavuori Oy.
Germany	Nammo Schönebeck GmbH, Nammo Germany Defence GmbH and Nammo Germany GmbH.
Norway	Nammo AS, Nammo Raufoss AS and Nammo NAD AS.
Sweden	Nammo Sweden AB and Hansson Pyrotech AB.
USA	Nammo Inc., Nammo Defense Systems Inc., Nammo Composite Solutions LLC., Nammo Tactical Ammunition LLC., Nammo Pocal Inc., Nammo Technologies Inc., Capstone Precision Group LLC., Nammo Energetics Inc. and Nammo Perry Inc.
Spain	Nammo Palencia S.L.
Ireland	Nammo Ireland Ltd.
Switzerland	Nammo MTH SA.
UK	Nammo (U.K.) Ltd.

All parties participating in the cash pool are mutually liable.

NOTE 13: Equity and shareholders

(NOK 1 000)

	Share capital	Other paid in capital	Other equity	Minority interest	Total
Equity as of 31.12.23	100 000	258 670	3 655 046	–	4 013 716
Profit for the year	–	–	896 745	–	896 745
Dividend on prior year's profit as proposed by the board, not approved by the general meeting	–	–	152 300	–	152 300
Proposed dividend to shareholders ¹⁾	–	–	(448 400)	–	(448 400)
Other items	–	–	76 946	–	76 946
Exchange differences	–	–	76 194	–	76 194
Equity as of 31.12.24	100 000	258 670	4 408 831	–	4 767 501

¹⁾ Board of director's proposal to the general meeting of shareholders.

Nammo AS shareholders are disclosed in Nammo AS' financial statement, note 11.

NOTE 14: Interest bearing loans, available cash credits and guarantees

(NOK 1 000)	2024	2023
Total interest bearing loans/bonds	2 374 433	2 332 167

Nammo AS long-term loans and bond as of December 31, 2024 consist of:

(NOK 1 000)	Final maturity date	Facility total	Utilized	Available
Term loan facility, NOK 600 millions	December 22, 2026	600 000	600 000	–
Bond Issuance, NOK 600 millions	October 13, 2028	600 000	600 000	–
Bond Issuance, NOK 650 millions	July 3, 2030	650 000	650 000	–
Bond Issuance, NOK 425 millions	November 27, 2034	425 000	425 000	–
Revolving credit facility, NOK 500 millions	July 6, 2025*	500 000	–	500 000
Revolving credit facility, NOK 1 000 millions	December 22, 2026	1 000 000	–	1 000 000

* Option for a one-year extension.

Available unused cash credits at 31 December 2024:

(NOK 1 000)	Cash credits
Revolving credit facility	1 000 000
Revolving credit facility	500 000
Additional cash credits available	400 000
Total unused cash credits at year-end	1 900 000

The financial covenants related to the long-term loans from credit institution is:

- Net Debt to EBITDA maximum 3.0

At December 31, 2024 there are no default related to the financial covenants.

Group companies have provided guarantees for prepayments and completion related to customer contracts. The guarantees are issued by banks and insurance companies and by Nammo AS. In addition there are some guarantees related to tax withholdings.

(NOK 1 000)	2024
Guarantees issued by banks and insurance companies	1 892 216
Guarantees issued by Nammo AS	8 770 750
Guarantees not recognized in the balance sheet as of 31 December 2024	10 662 966

NOTE 15: Warranty provision

(NOK 1 000)	2024	2023
Warranty provision 01.01.24	158 018	129 686
Exchange differences	4 251	6 436
Change in provision during the year	31 233	21 896
Warranty provision 31.12.24	193 503	158 018

5 | Nammo AS

Income statement

(NOK 1 000)

Notes

2024

2023

Revenue

1

211 833

169 932

Operating expenses

Payroll expenses

2, 3

(103 158)

(100 145)

Depreciation

4

(6 242)

(4 362)

Other operating expenses

5, 6

(180 912)

(105 932)

Total operating expenses

(290 312)

(210 439)

Operating profit

(78 479)

(40 507)

Financial income and expenses

Received group contribution

250 000

250 000

Interest income

5

202 703

178 378

Other financial income

5

407 368

217 406

Interest expenses

5

(117 103)

(110 423)

Other financial expenses

5, 6

(86 059)

(104 974)

Net financial income (expense)

656 909

430 387

Profit before tax

578 430

389 880

Income taxes

7

(74 302)

(49 727)

Profit (loss) for the year

504 128

340 153

The Board's proposal for allocation of the profit

Dividend

448 400

304 600

Other equity

55 728

35 553

Total

504 128

340 153

Balance sheet

(NOK 1 000)

Notes

As of 31.12.24
As of 31.12.23

ASSETS

Non-current assets

Intangible assets

Licenses and other intangible assets	4	17 930	23 620
Total intangible assets		17 930	23 620

Tangible assets

Buildings	4	6 893	6 400
Machines and equipment	4	–	–
Fixtures and fittings, office machines etc.	4	–	25
Fixed assets under construction	4	–	–
Total tangible assets		6 893	6 425

Financial fixed assets

Investments in subsidiaries	8	588 267	609 365
Investments in other shares and participations		10 880	10 942
Loans to group companies		1 244 364	1 114 530
Pension assets	3	15 661	11 670
Other receivables		1 888	1 857
Total financial fixed assets		1 861 060	1 748 364

Total non-current assets		1 885 883	1 778 409
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Current assets

Receivables

Accounts receivables		–	798
Receivables from group companies	9	431 324	209 401
Receivable group contributions		250 000	250 000
Prepayments to vendors		8 636	9 274
Other receivables		3 911	9 067
Total receivables		693 871	478 540

Cash and cash equivalents	9, 10	1 386 152	2 319 455
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Total current assets		2 080 023	2 797 995
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Total assets		3 965 906	4 576 404
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Balance sheet

(NOK 1 000)

Notes

As of 31.12.24

As of 31.12.23

EQUITY AND LIABILITIES

Equity

Share capital	11, 12	100 000	100 000
Premium fund	12	258 670	258 670
Total paid in capital		358 670	358 670
Other equity	12	558 467	350 441
Total earned equity		558 467	350 441
Total equity		917 137	709 111

Liabilities

Non-current liabilities

Deferred tax	7	74 869	70 046
Total non-current liabilities		74 869	70 046

Other non-current liabilities

Liabilities to financial institutions	13	2 370 906	2 326 120
Total other non-current liabilities		2 370 906	2 326 120

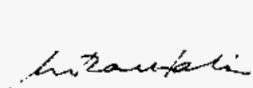
Current liabilities

Accounts payable		12 858	10 402
Payables to group companies		7 612	1 073 552
Income tax payable	7	69 254	34 070
Public duties payable		8 915	8 645
Dividend payable to shareholders	12	448 400	304 600
Other current liabilities		55 954	39 857
Total current liabilities		602 993	1 471 126

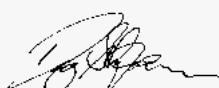
Total liabilities

		3 048 768	3 867 292
Total equity and liabilities		3 965 906	4 576 404

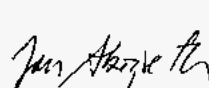
Raufoss, 24 March 2025



Esa Rautalinko
CHAIR



Dag Schjerven
VICE CHAIR



Jan Skogseth
BOARD MEMBER



Cathrine Bjaarstad
BOARD MEMBER



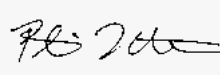
Nora Steiner-Forsberg
BOARD MEMBER



Marjut Prokka
BOARD MEMBER



Marianne Stensrud
BOARD MEMBER



Petri Kontola
BOARD MEMBER



Morten Brandtzæg
PRESIDENT & CEO

Cash flow

(NOK 1 000)

2024

2023

Cash flow from operational activities

Result before tax	578 430	389 880
Tax payments	(34 296)	(34 330)
Ordinary depreciation	6 242	4 362
Changes in accounts receivable	(32 766)	(38 661)
Changes in accounts payable	(15 458)	10 599
Pension cost less paid pension premium	(3 992)	(3 044)
Changes in loans to group companies	(129 834)	(19 427)
Changes in other dispositions	(1 657 592)	589 401
Net cash flow from operational activities (a)	(1 289 266)	898 780

Cash flow from investment activities

Investments in fixed assets	(1 020)	(22 676)
Net cash flow from investment activities (b)	(1 020)	(22 676)

Cash flow from financing activities

Payments from new long-term loans	775 000	1 111 665
Installments long term loans	(793 310)	–
Received dividend	277 593	180 833
Received group contribution	250 000	200 000
Paid dividend	(152 300)	(253 900)
Net cash flow from financing activities (c)	356 983	1 238 598

Net changes in cash and bank accounts (a+b+c)	(933 303)	2 114 702
Cash and bank accounts as of 01.01.24	2 319 455	204 753
Cash and bank accounts as of 31.12.24	1 386 152	2 319 455

Unused credit facilities is NOK 1 900 million. See note 13.

NAMMO AS

Financial Statements 2024

Content Notes

Accounting policies Nammo AS	127
Notes to the financial statements	
NOTE 1 Related party transactions and revenue	129
NOTE 2 Salaries and social cost	129
NOTE 3 Pension liability and pension costs	130
NOTE 4 Fixed and intangible assets	131
NOTE 5 Financial items	131
NOTE 6 Impairment investment in subsidiary	132
NOTE 7 Income taxes	132
NOTE 8 Shares in subsidiaries	133
NOTE 9 Cash reserve	133
NOTE 10 Cash pool	134
NOTE 11 Share capital	134
NOTE 12 Equity	134
NOTE 13 Interest bearing loans and guarantees	135

Accounting policies Nammo AS

General

Nammo AS is a public limited company (Aksjeselskap). The Nammo AS headquarters are located in Raufoss, Norway.

The financial statements for Nammo AS have been prepared in accordance with the Norwegian Accounting Act and the Norwegian General Accepted Accounting Principles.

Nammo AS provides financing to most of the subsidiary companies in the Nammo Group.

Foreign currencies

Realized and unrealized gains and losses on transactions, assets and liabilities denominated in a currency other than the functional currency (NOK) of Nammo AS and that do not qualify for hedge accounting, are included in net income.

Revenue recognition

Revenues are mainly sale of Group services to other Group companies. Revenue from services is recognized as the services are rendered.

Dividends received

Dividends from investments are recognized in the income statement when Nammo AS has a right to receive the dividends.

Interest income

Interest income is recognized in the income statement as it is accrued.

Government grants

Government grants are recognized in the consolidated financial statement when Nammo AS has reasonable assurance that it will receive them and comply with conditions attached to them.

Government grants that compensate Nammo AS for expenses are recognized in the income statement as the expenses are incurred. Government grants that compensate Nammo AS for the cost of an asset are recognized as a reduction to the total investment, and thus also to the future depreciations of the asset.

Income taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year.

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements, and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences, to the extent of probability that taxable profits will be available against which those deductible temporary differences can be utilized.

Current and deferred taxes are recognized as expense or income in the income statement, except when they relate to items recognized directly in equity, in which case the tax is also recognized directly in equity.

Intangible assets

Intangible assets include capitalized software licenses and software development costs measured at historic cost, less accumulated amortization. Intangible assets are amortized on a straight-line basis over their expected useful life.

Property, plant and equipment

Property, plant and equipment are measured at historic cost, less accumulated depreciation and any impairment loss.

Expenses in connection with ordinary maintenance and repairs are recognized in the income statement as they are incurred.

Expenses incurred in connection with major replacements and renewals are capitalized and depreciated on a systematic basis.

Property, plant and equipment are depreciated on a straight-line basis over their expected useful life.

Gain or loss due to sale or retirement of property, plant and equipment is calculated as the difference between sales proceeds and carrying value, and is recognized in the income statement.

Subsidiaries

Shares in subsidiaries are recognized according to the historic cost method.

Impairment of non-current assets

Nammo AS assesses the carrying amount of tangible assets and identifiable intangible assets annually, or more frequently if events or changes in circumstances indicate that such carrying amounts may not be recoverable. Factors considered to be material which trigger an impairment test include:

- Significant underperformance relative to historical or projected future results, or
- Significant changes in the manner of the company's use of the assets or the strategy for the overall business, or
- Significant negative industry or economic trends

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less cost to sell and value in use. When it is determined that the carrying amount of tangible assets and identifiable intangible assets may not be recoverable based upon the existence of one or more of the above indicators of impairment, an impairment charge is measured based on discounted projected cash flows. An impairment loss is recognized to the extent that the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. Previously recognized impairment losses are reversed if the assumptions for impairment are no longer present.

Dividend liability

A dividend liability is recognized based on the board of directors proposal to be approved by the annual general meeting.

Defined benefit plans

The net obligation in respect to defined benefit plans are calculated separately for each plan. The amount is an estimation of future benefits that the employees have earned in return for their service in current and prior periods. The benefit is discounted to determine its present value, and the fair value of the plan assets, and then unvested past service cost is deducted. The discount rate is based on the risk free rate (interest rate on long-term government bonds) and the recommendation from The Norwegian Accounting Standards Board (Norsk Regnskapsstiftelse), plus a risk premium. Qualified actuaries perform the calculations.

The actuarial gains or losses are recognized using a corridor. The corridor is defined as 10 percent of the highest of the Defined Benefit Obligation (DBO) and total plan assets. The net actuarial gain or loss exceeding the corridor is amortized in the income statement over the estimated remaining period of service from the members in the plan.

Cash and cash equivalents

Cash and cash equivalents include cash and bank deposits.

Trade receivables and other short-term receivables

Trade receivables and other short-term receivables are recognized at the lower of the transaction amount (historic cost) and the fair value at the time of reporting.

Trade payables and other short-term liabilities

Trade payables are recognized at the higher of the transaction amount (historic cost) and the fair value at the time of reporting.

Impairment of financial assets

Financial assets, other than those recognized at fair value through the income statement, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted. For financial assets carried at historic cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows.

Interest-bearing borrowings

Interest-bearing borrowings are recognized initially at historic cost including transaction costs.

Financial instruments

Nammo AS uses financial instruments to hedge exposure against foreign exchange risk in operating, financing and investment activities. These are mainly forward currency contracts to hedge risk of currency fluctuations (cash flow hedges). The effect of the financial instruments used as hedging instruments in a cash flow hedge, are recognized in the income statement in the same period as the hedged transaction is recognized (hedge accounting).

Notes to the accounts Nammo AS

NOTE 1: Related party transactions and revenue

Sales and purchase transactions with group companies are conducted in compliance with normal commercial terms and the arm's length principle. Agreements with related parties are concluded in writing.

Revenue

(NOK 1 000)	2024	2023
Management service fee group companies	211 397	160 585
Other	436	9 347
Total	211 833	169 932

NOTE 2: Salaries and social cost

(NOK 1 000)	2024	2023
Salaries	78 881	68 439
Employment taxes	13 598	12 730
Pension costs	8 971	8 575
Other social costs	1 708	10 401
Total	103 158	100 145
Average number of man-years	31	30

For details about the remuneration to the CEO and the Board of Directors, refer to note 3 in the Group financial statements.

Auditor's fee

(NOK 1 000) All numbers are presented exclusive VAT	2024	2023
Auditor's fee	1 485	1 236
Other services	–	6
Total	1 485	1 242

NOTE 3: Pension liability and pension costs

The pension liabilities are calculated based on the Norwegian accounting standard. Nammo AS has established a collective pension plan according to Norwegian tax law and the law for pensions for all employees (Lov om foretakspensjon). The plan includes 31 (29) active members. Nammo AS is a member of the LO/NHO AFP-plan. The old plan is closed and the corresponding pension liability deriving from the plan is de-recognized in the balance sheet. The pension liability in the new AFP-plan is not possible to estimate reliably at year-end; therefore, this pension liability is not recognized in the balance sheet.

The net periodic pension cost is based on this year's actuarial calculations of earning of pension rights, and is included in payroll expenses in the profit and loss.

The actuarial calculation was performed in December 2024 with the following assumptions:

Discount rate	3.30 %
Yield from pension funds	4.90 %
Annual salary increase	3.50 %
Annual expected adjustment of pensions under payment	1.90 %
Annual increase in G	3.25 %

Pension cost

(NOK 1 000)	2024	2023
Service costs	10 651	9 444
Amortization of net actuarial losses (gains)	1 113	937
Interest costs	(203)	14
Pension cost related to defined contribution plans	12	9
Expected return on plan assets	(2 602)	(1 829)
Net pension costs	8 971	8 575

Pension liabilities

(NOK 1 000)	2024	2023
Defined benefit obligation incl. payroll tax	79 766	69 323
– Fair value of plan assets	(67 920)	(57 528)
Gross pension liability	11 846	11 795

Items not recognized in the profit and loss:

Unrecognized net actuarial loss (gain)	(27 507)	(23 465)
Net amount recognized in the balance sheet	(15 661)	(11 670)

NOTE 4: Fixed and intangible assets

(NOK 1 000)	Licenses and other intangible assets	Buildings	Machines and equipment	Fixtures, fittings and office equipment	Assets under construction	Total assets
Acquisition cost as of 01.01.24	27 682	8 210	694	11 051	–	47 637
Additions during the year	–	1 020	–	–	–	1 020
Acquisition cost as of 31.12.24	27 682	9 230	694	11 051	–	48 657
Accumulated depreciations 31.12.24	(9 752)	(2 337)	(694)	(11 051)	–	(23 834)
Book value as of 31.12.24	17 930	6 893	–	–	–	24 823
Ordinary depreciations for the year	(5 690)	(527)	–	(25)	–	(6 242)
Annual leasing cost on assets not in the balance sheet	–	(2 133)	–	(44)	–	(2 177)
Economic lifetime (years)	5 years	5 years	3–5 years	3–10 years		
Depreciation plan	Linear	Linear	Linear	Linear		

NOTE 5: Financial items

(NOK 1 000)	2024	2023
Interest income from group companies	87 597	86 152
Other interest income	115 106	92 226
Total interest income	202 703	178 378
Gain on exchange	129 775	36 573
Dividend from subsidiaries	277 193	180 633
Other financial income	400	200
Total other financial income	407 368	217 406
Other interest cost	(117 103)	(110 423)
Total interest cost	(117 103)	(110 423)
Loss on exchange	(44 458)	(82 175)
Write-down receivable Nammo Defence Germany GmbH, see note 6	(14 428)	(15 473)
Other financial expenses	(27 173)	(7 326)
Total other financial expenses	(86 059)	(104 974)

NOTE 6: Impairment investment in subsidiary

At 31 December, 2024 Nammo AS had a cash credit receivable towards our subsidiary Nammo Defence Germany GmbH at a total of NOK 165.6 million. At year-end we performed an impairment test and concluded that this asset is impaired, hence the amount is written down in full at year-end (of which NOK 151.1 million was written off as of December 31, 2023). The write-down is related to a cash credit receivable, and therefore the write-down is classified as other financial expenses in the profit and loss.

At year-end, we conducted an impairment test on the investment in Nammo Ireland Ltd and determined that the book value of the shares should be fully written down. This conclusion was based on an assessment of Nammo Ireland Ltd's financial position and future prospects, indicating that the investment no longer holds recoverable value. The write-down has been recognized accordingly in our financial statements at the value of NOK 21.2 million.

NOTE 7: Income taxes

7.1. This year's tax cost

The difference between the net income before tax and the basis for the tax calculation is specified below.

(NOK 1 000)	2024	2023
Profit before tax	578 430	389 880
Permanent differences	36 937	16 980
Changes in temporary differences	(22 983)	(71 169)
Non-taxable income	(277 593)	(180 827)
Taxable income	314 791	154 862

Specification of the tax cost in the profit and loss:

(NOK 1 000)	2024	2023
Tax payable	69 254	34 070
Changes in deferred tax	4 822	15 657
Adjustment previous period	226	–
This year's tax cost	74 302	49 727

Explanation to why the tax cost is not 22 % of profit before tax:

(NOK 1 000)	2024
Profit before tax	578 430
22 % of profit before tax	127 255
22 % of permanent differences	(52 944)
Calculated tax cost	74 310
Effective tax rate	12.8 %

7.2. Deferred taxes

The deferred tax liabilities/tax assets have been calculated based on the temporary differences existing at the end of the accounting year between accounting values and taxation values. The specification below shows the temporary differences and the calculation of the deferred tax liabilities/tax assets at the end of the accounting year.

Deferred tax calculation

(NOK 1 000)	31.12.2024	31.12.2023
Tangible fixed assets	(1 263)	(486)
Other receivables	325 915	307 210
Pension liability/asset	15 661	11 670
Net temporary differences as basis for deferred tax /tax asset (-) calculation	340 313	318 394
Deferred tax/deferred tax asset (-)	74 869	70 047

NOTE 8: Shares in subsidiaries

Name of the company	Company's share capital	Number of shares owned	Nominal value	Booked value	Ownership
(NOK 1 000)					
Nammo Raufoss AS, Raufoss	NOK 150 000 000	150 000	150 000	175 000	100 %
Nammo Sweden AB, Karlsborg	SEK 10 000 000	100 000	10 000	59 961	100 %
Nammo Lapua Oy, Lapua	EUR 4 793 000	285 000	–	105 006	100 %
Nammo Defence Germany GmbH, Storkow	EUR 26 000	1	26	–	100 %
Nammo Incorporated, Virginia	USD 38 380 000	–	–	239 981	100 %
Nammo NAD AS, Løkken Verk	NOK 4 782 000	23 910	2 391	8 136	100 %
Nammo Polska SP. Z. O. O, Warsaw	PLN 50 000	1 000	50	108	100 %
Nammo India Ltd, New Delhi	INR 100 000	10 000	100	13	100 %
Nammo UK Holding Ltd., Westcott	–	–	–	–	100 %
Nammo Ireland Ltd., Dublin	EUR 476 250	375 000	476 250	–	100 %
Nammo Technologies Inc., Virginia	–	–	–	–	100 %
Nammo Denmark ApS, Ballerup	DKK 40 000	40 000	1	62	100 %
Total				588 267	

NOTE 9: Cash reserve

Cash is reduced with the deposit that the group companies has in the international cash pool of NOK 353.9 million. NOK 353.9 million of this is classified as receivables to group companies. Refer to note 6 and 10.

The company has no restricted bank deposits.

NOTE 10: Cash pool

Nammo AS has established an international cash pool together with the following group companies:

Finland	Nammo Lapua Oy and Nammo Vihtavuori Oy
Germany	Nammo Schönebeck GmbH, Nammo Defence Germany GmbH and Nammo Germany GmbH.
Norway	Nammo AS, Nammo Raufoss AS and Nammo NAD AS
Sweden	Nammo Sweden AB and Hansson Pyrotech AB.
USA	Nammo Inc., Nammo Defense Systems Inc., Nammo Composite Solutions LLC., Nammo Tactical Ammunition LLC., Nammo Pocal Inc., Nammo Technologies Inc., Capstone Precision Group LLC., Nammo Energetics Inc. and Nammo Perry Inc.
Spain	Nammo Palencia S.L.
Switzerland	Nammo MTH SA
Ireland	Nammo Ireland Ltd.
UK	Nammo (U.K.) Ltd.

Nammo AS subsidiaries' balance on the cash pool is included in receivables from group companies. This amounts to NOK 353.9 million. See note 9.

NOTE 11: Share capital

As of 31 December 2024, Nammo AS's share capital is NOK 100 million, split on 1 000 000 shares of NOK 100 each.

Nammo AS shareholders as of 31 December 2024

(NOK 1 000)	Number of shareholders	Number of shares	Ownership/vote
The Norwegian State, represented by the Ministry of Trade, Industry and Fisheries		500 000	50 %
Patria Oyj, Finland		500 000	50 %
Total	2	1 000 000	100 %

NOTE 12: Equity

(NOK 1 000)	Share capital	Other paid in capital	Other equity	Total
Equity as of 31.12.23	100 000	258 670	350 441	709 111
Net income	–	–	504 128	504 128
Dividend on prior year's profit as proposed by the board, not approved by the general meeting	–	–	152 300	152 300
Dividend *)	–	–	(448 400)	(448 400)
Other items	–	–	(2)	(2)
Equity as of 31.12.24	100 000	258 670	558 467	917 137

*) Board of directors proposal for the annual general meeting.

NOTE 13: Interest bearing loans and guarantees

(NOK 1 000)

Total interest bearing loans/bonds
2024
2 370 906
2023

2 326 120

Nammo AS long-term loans and bond as of December 31, 2024 consist of:

(NOK 1 000)

	Final maturity date	Facility total	Utilized	Available
Term loan facility, NOK 600 millions	December 22, 2026	600 000	600 000	–
Bond Issuance, NOK 600 millions	October 13, 2028	600 000	600 000	–
Bond Issuance, NOK 650 millions	July 3, 2030	650 000	650 000	–
Bond Issuance, NOK 425 millions	November 27, 2034	425 000	425 000	–
Revolving credit facility, NOK 500 millions	July 6, 2025*	500 000	–	500 000
Revolving credit facility, NOK 1 000 millions	December 22, 2026	1 000 000	–	1 000 000

*) Option for a one-year extension, plus one additional year.

Available unused cash credits at 31 December 2024:

(NOK 1 000)

Cash credits

Revolving credit facility	1 000 000
Revolving credit facility	500 000
Additional cash credits available	400 000
Total unused cash credits at year-end	1 900 000

The financial covenants related to the long-term loans from credit institution are:

- Net Debt to EBITDA maximum 3.0

At December 31, 2024 there are no default related to the financial covenants.

Group companies have provided guarantees for prepayments and completion related to customer contracts.

The guarantees are issued by banks and insurance companies and by Nammo AS. In addition there are some guarantees related to tax withholdings.

(NOK 1 000)

Guarantees issued by banks and insurance companies

2024

57 969

Guarantees issued by Nammo AS

8 770 750

Guarantees not recognized in the balance sheet as of 31 December 2024
8 828 719

6 | Report and Index

Independent Auditor's Report



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Medlemmer av Den norske Revisorforening

To the General Meeting in Nammo AS

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of Nammo AS (the Company) which comprise:

- The financial statements of the company, which comprise the balance sheet as at 31 December 2024, the income statement and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies, and
- The financial statements of the group, which comprise the balance sheet as at 31 December 2024, the income statement and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the company as at 31 December 2024 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the group as at 31 December 2024 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company and the Group in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors and the president & CEO (management) are responsible for the information in the Board of Directors' report and the other information presented with the financial statements. Other information includes information in the company's annual report, except for the financial statements and the related audit opinion. Our opinion on the financial statements does not cover the information in the Board of Directors' report and the other information presented with the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the information in the Board of Directors' report. The purpose is to consider if there is material inconsistency between the information in the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or otherwise the information in the Board of Directors' report otherwise appears to be materially misstated. We are required to report that fact if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

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

Independent Auditor's Report



2

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

Responsibilities of management for the financial statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group, or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial

Independent Auditor's Report



3

statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Oslo, 24 March 2025
ERNST & YOUNG AS

Anders Gøbel
State Authorised Public Accountant (Norway)

(This translation from Norwegian has been prepared for information purposes only.)

The Norwegian Transparency Act

Nammo AS is a limited liability company established under Norwegian law with a governance structure based on the Norwegian Companies Act. Nammo is subject to reporting requirements for corporate governance in accordance with the Norwegian Accounting Act. As a 50 percent state-owned company, we are also expected to adhere to the main principles of "The Norwegian Code of Practice for Corporate Governance," which its Board of Directors evaluates and discusses periodically to ensure good management principles for corporate governance.

The Nammo Group is present in 11 countries, with production facilities in nine of them. As of the end of 2024, Nammo had 3623 employees, with 1215 located in Norway.

Nammo's commitment to responsible business conduct includes conducting due diligence, applying the precautionary principle, and respecting human rights, all of which align with the OECD guidelines for multinational enterprises. The Group apply its commitment to respecting human rights to all activities and business relationships, with particular attention given to at-risk or vulnerable groups such as workers in the supply chain. The policy commitments have been approved at the most senior level of the organization and apply to all activities and business relationships.

On July 1, 2022, the Norwegian Transparency Act came into effect. While Nammo AS, as a parent company that does not sell products or services, is not directly subject to the Act, the Norwegian subsidiary Nammo Raufoss AS falls within its scope. Consequently, Nammo AS will report on the overall obligations related to the Act, including those applicable to Nammo Raufoss AS. Additionally, a separate statement will be included in Nammo Raufoss AS annual report.

The Norwegian Consumer Authority (Forbrukertilsynet) monitors compliance with the provisions of the Act. The Consumer Authority is an independent administrative body under the Ministry of Children and Family Affairs.

Products

The Nammo Group develop, produce, and sell commercial and military ammunition, rocket motors for missiles and space industries, and commercial sea safety products.

Market

Nammo's military market is primarily located in Europe and North America, with national armed forces material commands and the western defense and aerospace industry as its core customer base. Sales of military products are highly regulated and strictly controlled by national export control authorities. Commercial market products are sold through distributors, retailers, and national sport shooting and biathlon associations. Nammos customers are primarily located in Europe and North America, markets that represented more than 96 percent of the Group's revenue in 2024.

Organization

Nammo's Human Resources department is responsible for following up on human rights and decent working conditions for the employees in accordance with the national working environment act and Nammo's People Policy and People Guiding Principles. We strongly support freedom of association and collective bargaining as per the ILO standard, and approximately 77 percent of Nammo's workforce is covered by collective bargaining agreements. The figure is impacted by the number of employees in the US where such collective bargaining agreements are not as common as they are in Europe. All employees are covered by such agreements where they exist, regardless of whether or not an employee is a union member (with the exception of the executive management team). The Group consider there to be a low risk of violation when it comes to Nammo's own operations. However, it is considered to be a higher risk in the supply chain. The Health Environment Safety & Security (HESS) department regularly reviews operations' adherence to the HESS policy on safety and security and employees' occupational well-being. As a multinational enterprise, Nammo places a high value on ensuring the well-being of its employees and adhering to ethical standards in its supply chain. To achieve this, Nammo has established an Employee Works Council (EWC) that meets twice a year with union representatives. The EWC serves as an additional control function to corporate management, providing insight into employees' well-being in local entities. (Note: EWCs are standing bodies that facilitate the information and consultation of employees in European companies and groups of companies, as required by the 1994 European Works Council Directive, updated by Directive 2009/38/EC as amended).

Nammo's procurement departments in each legal entity are responsible for the onboarding and due diligence of suppliers. The procurement process is defined in the Nammo Management System, and the due diligence of the supply chain is performed based on a risk-based approach, where different elements are evaluated, such as product categories, quality and environmental standards, country, human rights risk, and decent work conditions. Direct suppliers such as suppliers of critical components, conflict minerals, textile and construction services represent high risks. To mitigate these risks, suppliers respond to a self-assessment questionnaire and commit to complying with Nammo's Supplier Conduct Principles and the Code of Conduct, if they do not have equivalent policies. All direct and

strategic suppliers undergo a screening process that covers risks such as sanctions, watch lists, adverse media, finance and country risks. When there is a high-risk alert, defined corporate functions within Legal and Compliance is responsible for the final approval or declining the onboarding of the supplier.

In 2024, Nammo had 1300 third parties under monitoring, whereas 15 percent were categorized as high-risk suppliers.

During 2024 several training modules were released to the entire Group addressing topics relevant to increasing all employees knowledge on the topic of human rights as well as providing detailed guidance on how to conduct due diligence on third parties.

To further digitalize the internal processes for supplier onboarding and monitoring—ensuring compliance with current and upcoming Environmental, Social, and Governance (ESG) requirements—Nammo launched a supplier assessment portal. As part of this initiative, nearly 600 strategic and direct suppliers were invited to complete self-assessment questionnaires. The rollout of the portal will continue across the entire Group in 2025.

Grievance mechanisms for detecting negative impacts

Nammo has a well-established, digitalized SpeakUp channel that enables employees to report concerns anonymously and in their native language. To ensure awareness, the Group provide annual training and share information through the internal communication network and learning platforms. In 2024, the system was upgraded to extend access to suppliers and other business partners, allowing them to report concerns through the dedicated "Raise Concern" page on www.nammo.com. Additionally, the Group collaborates with industry peers to exchange information on concerns related to specific categories of third parties.

How Nammo mitigates negative impacts

Nammo is committed to mitigating any negative impacts on human rights and decent work conditions that may arise from its operations, whether internally or externally. In 2024, the Group did not discover any such negative impacts. However, other negative impacts such as; suppliers that posed a high risk due to lack of product quality and delay and capacity issues were identified. Other risks as geopolitics or ownership situation resulted in that some were not onboarded or existing agreements were terminated. In cases where a supplier represents a higher risk, Nammo conducts thorough due diligence. All stakeholders in the relevant value chain participate in the evaluation process. The risk classification of suppliers can be found in the Nammo Raufoss disclosure to the Norwegian Transparency Act, which is available at www.nammo.com.

Duty to provide information

The Transparency Act aims to promote openness and transparency regarding how companies address supply chain risks. Under the Act, companies are required to respond to information requests in writing. To ensure compliance, Nammo has established clear procedures for handling such requests. In 2024, the Group received two information requests – one from an NGO and one from a newspaper. Requests can be submitted through a dedicated email address (sustainability@nammo.com), which is available on the company's website. The annual transparency statement is also published at the same webpage by Nammo Raufoss.

Risk mitigation measures

Nammo is concerned about the increasing number of reporting requirements related to ESG in the supply chain, which, coupled with the unstable geopolitical situation in Europe, puts a lot of pressure on the procurement and contracting organization. The increasing requirements for control demands more capacity and efficient systems. As the Group move forward, the plan is to:

- Enhance the background control and screenings of direct and strategic business partners
- Continue the implementation of the supplier assessment portal at site level
- Further strengthen the Group supplier audits for all ESG aspects
- Continue annual human rights training for all connected employees

Nammo is committed to ensuring that the supply chain operates sustainably, respects human rights, and adheres to sanctions and anti-corruption standards.

The Group will continuously monitor the ESG performance of the suppliers and look forward to collaborating with them on risk management and sustainability.

Report by Nammo AS pursuant to the Norwegian Equality and Discrimination Act. 26

This equality statement is prepared for the company Nammo AS (the Nammo Group ultimate parent entity), reporting as an employer in Norway.

Part 1: The factual status of gender equality

In 2024, an analysis was carried out of the situation in Nammo AS with regard to gender equality and what is done to fulfill the activity obligation pursuant to the Norwegian Equality and Discrimination Act, section 26.

1.1 Gender distribution

At the end of 2024, women account for 26.8 percent of all employees in Nammo Group. Of all employees organized in Nammo AS, 46 percent are women. This represents an increase compared to last year.

1.2 Temporary employees, parental leave and actual part-time

The gender distribution has been mapped in terms of temporary employment, parental leave, and actual part-time work. This is described in more detail in the following sections.

Gender equality – Temporary and part-time employees and parental leave

Diversity		Temporary employees		Norwegian statutory parental leave (average weeks)		Part-time employees	
Women	Men	Women	Men	Women	Men	Women	Men
13	28	0	1	13	14	0	0

Temporary employees

The main principle in Nammo AS is to employ permanent employees. One employee was engaged on a temporary contract in Q1-Q3 in 2024.

Parental leave

In 2024, two employees took statutory parental leave (according to the Working Environment Act, section 12-5). Half of those on leave were men, who took an average of 14 weeks. The other half were women, who took an average of 13 weeks. Please note, this may reflect only part of the total leave period, as the average is based on the parental leave taken during the calendar year of 2024.

As the regulation provides flexibility and choice regarding the division of the parental leave period between the parents, Nammo AS is focused on ensuring that men have equal opportunity, and acceptance, for taking parental leave.

Part-time work

Nammo AS has no part-time positions. The company has the opportunity to offer employees to work part-time, considered on a case-by-case basis. This is seen as a benefit. Nammo AS employees normally work on a full-time basis.

1.3 Salary

For the calculation of salary differences between men and women, we included fixed salary and various supplements, bonuses and benefits for the financial year 2024. We also assessed equal work and work of equal value in the design of the job levels, based on existing job categories in the company and an assessment of which positions are included in the

various levels. Salary analysis for 2024, below the CEO-level showed an average female total benefits of 67 percent at level 2 and 87 percent at level 3 compared to average total benefits for male employees. This analysis excludes the CEO as no other employee has comparable responsibilities.

Gender equality – Salary

Gender ratio,
different job levels

Salary
(NOK 1 000)

Description	Gender ratio, different job levels				Total benefits				Base salary				Incentives				Taxable benefits			
	Women	Men	Women %	Total	Women average	Men average	Women vs. men %	Average all	Women average	Men average	Women vs. men %	Average all	Women average	Men average	Women vs. men %	Average all	Women average	Men average	Women vs. men %	Average all
Total	13	28	46 %	41	1 288	1 898	68 %	1 704	1 103	1 556	71 %	1 412	112	250	45 %	206	73	92	79 %	86
Level 1	–	1	0 %	1	–	11 110	0 %	11 110	–	7 632	0 %	7 632	–	2 973	0 %	2 973	–	505	0 %	505
Level 2	3	5	60 %	8	2 021	3 019	67 %	2 645	1 558	2 391	65 %	2 079	326	473	69 %	418	137	155	89 %	148
Level 3	10	22	45 %	32	1 068	1 224	87 %	1 175	966	1 090	89 %	1 051	48	75	64 %	67	54	59	91 %	58

Part 2: How we work to ensure equality and non-discrimination in practice

Principles, procedures, and standards to promote diversity and inclusion and to prevent discrimination

Nammo is committed to creating a working environment that values diversity, is free from unlawful discrimination and harassment, and is based on the principle of equal opportunity and affirmative action. Our equality and anti-discrimination principles, procedures, and standards comply with the robust requirements of the Norwegian Equality and Discrimination Act § 26 and further our goal to build and maintain a culture that creates an effective operational structure with a positive work environment characterized by empowerment, involvement, and teamwork. Our Code of Conduct and People Policy supports our values of Dedication, Precision, and Care, which together guide our daily interactions with our internal and external stakeholders.

This is how we work to identify risks of discrimination and barriers to diversity and inclusion

Nammo offers equal employment opportunities to all employees and applicants, and no person shall be discriminated against because of race, color, marital status, parental status, ancestry, source of income, religion, gender, age, national origin, disabil-

ities, sexual orientation, or veteran status. Our commitment to maintaining a working environment free from sexual harassment is enshrined in our Code of Conduct and People Policy.

It is Nammo's policy to recruit based on merit, regardless of gender, pregnancy, trade union membership, sexual orientation, race, disability, age, or religion. Existing employees will have an opportunity to apply for vacancy or promotion opportunities. Each legal entity in Nammo Group is responsible for developing recruitment and selection procedures or techniques that support this policy and for training recruiters. Nammo recognizes that its people are the key to future success. Through performance management processes, Nammo aim to ensure that all employees know what is expected of them and possess the necessary skills, knowledge, values, and experience to achieve the highest level of performance of which they are capable.

The basis for recruitment, hiring, placement, development, training, compensation and advancement are qualifications, performance, skills and experience.

Nammo's employment policies are based on the principles of equality and diversity, with a belief that the elimination of unfair discrimination in the workplace contributes to productivity and performance as it allows people's talents to be most effectively utilized. The managing director of each legal entity in Nammo Group is accountable for ensuring that these principles are followed and for establishing appropriate action plans for their business. Nammo is committed to the dignity at work and fair treatment of all colleagues. The managing director of each subsidiary company is accountable for ensuring that procedures are in place for resolving any grievance or harassment issue, which colleagues may have in connection with their employment.

In Nammo AS the employment policies has been adapted through mandatory participation from HR through the recruitment process, participation and quality control of criteria for remuneration, and adaptation of the workplace to suit the needs.

Nammo AS strives to be a diverse and inclusive workplace. In our recruitment processes, as far as possible the final rounds should have candidates of both genders. We also strive to ensure female leaders are present in interviews. When external recruitment partners are used, we ensure that they have the same focus on gender balance and diversity.

Nammo aims to be an "Employer of Choice" for all sectors of the working community. As a responsible employer, we have policies in place to support a reasonable work-life balance. In addition, at a legal entity level, there are numerous processes, systems, and guidelines to support well-being and a healthy work-life balance, including many family-friendly arrangements.

Nammo is dedicated to being a positive contributor to the development of the local communities where our facilities are located. To achieve this, Nammo is engaged in local sponsorships in areas such as sports, science, and culture, with a special focus on children and youth.

All Nammo employees are to sign-off on the Codes of Conduct. Violations of the Code of Conduct and other guidelines shall be reported.

We have mechanisms in place through which employees may raise matters of concern and workplace related grievances, including anonymously if needed (SpeakUp and Ethicspoint).

Planned measures for the coming years

Nammo is committed to continuing its efforts to encourage women from diverse backgrounds and educational levels to join our workforce. We will also continue to prioritize increasing the number of women in leadership positions, as well as enhancing overall diversity within our organization. Nammo's strategic goal is to achieve a 30 percent female workforce by 2030, and we have established key performance indicators (KPIs) for all Group legal entities to help us track our progress. Nammo will regularly report on progress and support its efforts with both global and local initiatives related to employer branding, recruitment, talent management and succession planning.

Nammo TCFD Reporting 2024

In 2024, Nammo continued its focus on the company's climate-related financial risks following the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD). The original climate risk assessment of 13 sites was expanded by 3 more, and the Group also completed a physical risk assessment of 13 of its most critical sub-suppliers. The new review covered Nammo sites in Finland, the UK, and Utah, USA, along with 13 suppliers across Europe and USA.

The review covered a physical climate risk assessment of the exposure to climate-related hazards in the present and future. A hazard screening was conducted to eliminate obviously irrelevant hazards and to ensure all possible hazards was being considered.

A short summary of the review is presented below:

Governance		
1	Describe the Board's oversight of climate-related risks and opportunities	The Board regularly reviews climate-related risks and opportunities as part of its overall responsibility for risk governance. The Risk, Audit and Compliance Committee is responsible for this oversight.
2	Describe management's role in assessing and managing climate-related risks and opportunities	Management regularly reviews climate-related risks and opportunities as part of its responsibility for enterprise risk management. Since 2022, Nammo has conducted a comprehensive physical climate risk assessment of 16 of its own sites together with 13 sub-suppliers. Details are described in the Climate risk section of this report. Climate risks are assessed and prioritized. These risks will continue to be reviewed and updated on an ongoing basis.
Strategy		
3	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	See separate table below.
4	Describe the impact of climate-related risks and opportunities on the organization's business, strategy, and financial planning	See separate table below.
5	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2 degree C or lower scenario	Strategy is constantly evolving in response to a wide range of issues and ability to adapt to predicted future scenarios. Specific strategic issues related to future climate scenarios will be disclosed in future reporting as part of its business interruption reports.
Risk management		
6	Describe the organization's processes for identifying and assessing climate-related risks	Evaluation of climate-related risks is an integrated part of sustainability risks and opportunities in all capital expenditures projects and daily operations.
7	Describe the organization's processes for managing climate-related risks	A range of approaches are used for managing climate-related risks, including monitoring, mitigation and adaptation. Climate-related risks are being implemented into general business interruption risk reporting.
8	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	The risk management approach to climate-related risks has been updated and incorporated into the Board's and Management's systems and processes.
Metrics and targets		
9	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk process	GHG emissions are measured in carbon dioxide equivalents. Other metrics are being developed for risk measurement such as reduction of water use, waste and several others.
10	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3, greenhouse gas (GHG) emissions, and the related risks	See climate and emission reporting in the Environmental section of the sustainability report.
11	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	GHG emission reduction targets have been set. See all goals in the Sustainability part of this report.

Nammo TCFD Reporting 2024 (continues)

PHYSICAL RISKS

- Increasing frequency and severity of extreme weather events, leading to business disruptions and supply chain vulnerabilities
- Rising costs for infrastructure adaptations and climate resilience investments, including new requirements for hardened facilities

REGULATORY RISKS

- Increased complexity in global compliance due to rapid regulatory shifts and evolving sustainability disclosure standards (e.g., CSRD)
- Impacts of speed of regulatory shift on business planning, strategy, and cost structures to comply with new and additional regulation

MARKET RISKS

- Growing pressure from customers and government procurement programs to meet higher sustainability requirements, including Scope 3 emissions accountability
- Contract risks due to sustainability-linked performance criteria and evolving national security regulations

TECHNOLOGY RISKS

- Sunset of emission intensive materials replaced with new material with lower quality and durability
- Capital expenditures impacts and linking to customer commitments, with new operating models required

REPUTATION RISKS

- Increased scrutiny on ESG commitments from investors, stakeholders, and the public, particularly in defense-related industries Follow-on effects of recruiting and retaining employees
- Growing competition from companies branding themselves as sustainability leaders, making differentiation more challenging
- Higher expectations from employees and recruits regarding ESG performance and corporate responsibility

OPPORTUNITIES

- Increased operational resilience through climate adaptation strategies, leading to cost efficiencies and enhanced mission readiness
- Attracting and retaining top talent by fostering a strong ESG-aligned corporate culture
- Leading the transition to a circular economy in defense, including reuse/refurbishment of critical materials
- Expanded access to green financing and government incentives for decarbonization initiatives and sustainable technology development
- Strengthening market position as a leader in low-/zero-carbon defense solutions, enhancing competitiveness in procurement processes

GRI INDEX

This report has been prepared in accordance with the GRI Standards (2021). The consolidation approach used for calculating emissions is financial control. The content provided in the report is to the best of our knowledge the most correct information available.

Statement of use: Nammo Group has reported in accordance with the GRI Standards for the period of January 1 to December 31, 2024.

GRI 1 used: GRI 1 Foundation 2021

Applicable GRI Sector Standard(s): None

Disclosure	Location	Omission																																																																																																																																																																																													
GRI 2: GENERAL DISCLOSURES 2024																																																																																																																																																																																															
2-1	Organizational Details	Annual and Sustainability Report (ASR) pages 2–14 and www.nammo.com/about-us																																																																																																																																																																																													
2-2	Entities included in the organization’s sustainability reporting	ASR page 34, 107																																																																																																																																																																																													
2-3	Reporting period, frequency, and contact point	ASR page 34																																																																																																																																																																																													
2-4	Restatements of information	None																																																																																																																																																																																													
2-5	External assurance	This report has not been externally assured																																																																																																																																																																																													
2-6	Activities, value chain, and other business relationships	ASR pages 2–14, 41–42, 76–83, and www.nammo.com/about-us																																																																																																																																																																																													
2-7	Employees	ASR pages 70–71																																																																																																																																																																																													
		<table><tr><th colspan="2"></th><th colspan="2">Employees</th><th colspan="2">Temporary</th><th>Total</th></tr><tr><th>Country</th><th>Site location</th><th>Female</th><th>Male</th><th>Female</th><th>Male</th><th>F/M</th></tr><tr><td rowspan="4">Germany</td><td>Nammo Defence Germany GmbH</td><td>1</td><td>4</td><td>0</td><td>0</td><td>5</td></tr><tr><td>Nammo Schönebeck GmbH</td><td>18</td><td>61</td><td>3</td><td>24</td><td>106</td></tr><tr><td>ND PressTec GmbH</td><td>15</td><td>80</td><td>5</td><td>6</td><td>106</td></tr><tr><td>Germany</td><td>34</td><td>145</td><td>8</td><td>30</td><td>217</td></tr><tr><td rowspan="2">Spain</td><td>Nammo Palencia S.L.</td><td>44</td><td>141</td><td>0</td><td>0</td><td>185</td></tr><tr><td>Spain</td><td>44</td><td>141</td><td>0</td><td>0</td><td>185</td></tr><tr><td rowspan="2">Switzerland</td><td>Nammo MTH SA</td><td>12</td><td>14</td><td>0</td><td>0</td><td>26</td></tr><tr><td>Switzerland</td><td>12</td><td>14</td><td>0</td><td>0</td><td>26</td></tr><tr><td rowspan="4">Finland</td><td>Nammo Lapua Oy</td><td>105</td><td>242</td><td>2</td><td>7</td><td>356</td></tr><tr><td>Nammo Vihtavuori Oy</td><td>34</td><td>106</td><td>1</td><td>0</td><td>141</td></tr><tr><td>NorDis OY</td><td>1</td><td>6</td><td>0</td><td>1</td><td>8</td></tr><tr><td>Finland</td><td>140</td><td>354</td><td>3</td><td>8</td><td>505</td></tr><tr><td rowspan="4">Norway</td><td>Nammo AS</td><td>12</td><td>22</td><td>0</td><td>0</td><td>34</td></tr><tr><td>Nammo NAD AS</td><td>5</td><td>16</td><td>0</td><td>0</td><td>21</td></tr><tr><td>Nammo Raufoss AS</td><td>262</td><td>893</td><td>16</td><td>41</td><td>1 212</td></tr><tr><td>Norway</td><td>279</td><td>931</td><td>16</td><td>41</td><td>1 267</td></tr><tr><td rowspan="3">Sweden</td><td>Hansson Pyrotech</td><td>17</td><td>22</td><td>1</td><td>2</td><td>42</td></tr><tr><td>Nammo Sweden AB</td><td>155</td><td>273</td><td>3</td><td>3</td><td>434</td></tr><tr><td>Sweden</td><td>172</td><td>295</td><td>4</td><td>5</td><td>476</td></tr><tr><td rowspan="9">USA</td><td>Capstone Precision Group LLC</td><td>38</td><td>95</td><td>1</td><td>0</td><td>134</td></tr><tr><td>MAC LLC</td><td>12</td><td>19</td><td>0</td><td>0</td><td>31</td></tr><tr><td>Nammo Composite Solutions LLC</td><td>25</td><td>65</td><td>0</td><td>0</td><td>90</td></tr><tr><td>Nammo Defense System Inc</td><td>78</td><td>282</td><td>0</td><td>4</td><td>364</td></tr><tr><td>Nammo Energetics Indian Head Inc</td><td>0</td><td>3</td><td>0</td><td>0</td><td>3</td></tr><tr><td>Nammo Inc</td><td>3</td><td>2</td><td>0</td><td>0</td><td>5</td></tr><tr><td>Nammo Perry Inc</td><td>64</td><td>87</td><td>0</td><td>0</td><td>151</td></tr><tr><td>Nammo Pocal Inc.</td><td>19</td><td>27</td><td>0</td><td>0</td><td>46</td></tr><tr><td>USA</td><td>239</td><td>580</td><td>1</td><td>4</td><td>824</td></tr></table>			Employees		Temporary		Total	Country	Site location	Female	Male	Female	Male	F/M	Germany	Nammo Defence Germany GmbH	1	4	0	0	5	Nammo Schönebeck GmbH	18	61	3	24	106	ND PressTec GmbH	15	80	5	6	106	Germany	34	145	8	30	217	Spain	Nammo Palencia S.L.	44	141	0	0	185	Spain	44	141	0	0	185	Switzerland	Nammo MTH SA	12	14	0	0	26	Switzerland	12	14	0	0	26	Finland	Nammo Lapua Oy	105	242	2	7	356	Nammo Vihtavuori Oy	34	106	1	0	141	NorDis OY	1	6	0	1	8	Finland	140	354	3	8	505	Norway	Nammo AS	12	22	0	0	34	Nammo NAD AS	5	16	0	0	21	Nammo Raufoss AS	262	893	16	41	1 212	Norway	279	931	16	41	1 267	Sweden	Hansson Pyrotech	17	22	1	2	42	Nammo Sweden AB	155	273	3	3	434	Sweden	172	295	4	5	476	USA	Capstone Precision Group LLC	38	95	1	0	134	MAC LLC	12	19	0	0	31	Nammo Composite Solutions LLC	25	65	0	0	90	Nammo Defense System Inc	78	282	0	4	364	Nammo Energetics Indian Head Inc	0	3	0	0	3	Nammo Inc	3	2	0	0	5	Nammo Perry Inc	64	87	0	0	151	Nammo Pocal Inc.	19	27	0	0	46	USA	239	580	1	4	824
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Disclosure		Location	Omission					
2-7	Employees (continuations)		Employees		Temporary		Total	
		Country	Site location	Female	Male	Female	Male	F/M
		Ireland	Nammo Ireland Ltd	3	24	0	0	27
			Ireland	3	24	0	0	27
		UK	Nammo UK Ltd	16	80	0	0	96
			UK	16	80	0	0	96
		Total		939	2 564	32	88	3 623
2-8	Workers who are not employees	None						
2-9	Governance and structure composition	ASR pages 75–100 and www.nammo.com/about-us/board-of-directors						
2-10	Nominating and selecting the highest governance body	ASR pages 75–100 and www.nammo.com/about-us/board-of-directors						
2-11	Chair of the highest governance body	ASR pages 75–100 and www.nammo.com/about-us/board-of-directors						
2-12	Role of the highest governance body in overseeing the management of impacts	ASR pages 97–100						
2-13	Delegation of responsibility for managing impacts	ASR pages 97–100						
2-14	Role of the highest governance body in sustainability reporting	ASR pages 97–100						
2-15	Conflicts of interest	ASR pages 84–89 Anti-Bribery & Corruption Policy Nammo Group Code of Conduct www.nammo.com/about-us/our-responsibility						
2-16	Communicating critical concerns	ASR pages 86–89						
2-17	Collective knowledge of highest governance body	www.nammo.com/about-us/board-of-directors						
2-18	Evaluating the highest governance body's performance	ASR pages 97–100						
2-19	Remuneration policies	ASR pages 100 Nammo Executive Remuneration Report 2024 (www.nammo.com/publications)						
2-20	Process for determining remuneration	ASR page 100 Nammo Executive Remuneration Report 2024 (www.nammo.com/publications)						
2-21	Annual total compensation ratio	Nammo Executive Remuneration Report 2024 (www.nammo.com/publications)						
2-22	Statement on sustainable development strategy	ASR pages 32–39 and pages 45–46						
2-23	Policy commitments	ASR page 34						
2-24	Embedding policy commitments	ASR pages 47–96						
2-25	Processes to remediate negative impacts	ASR pages 47–96						
2-26	Mechanisms for seeking advice and raising concerns	ASR pages 86–89						
2-27	Compliance with laws and regulations	ASR pages 90–97						
2-28	Membership associations	ASR page 42						
2-29	Approach to stakeholder engagement	ASR pages 40–42						
2-30	Collective bargaining agreements	ASR page 31, 140						

Disclosure		Location	Omission
GRI 3: MATERIAL TOPICS 2021			
3-1	Process to determine material topics	ASR Page 34	
3-2	List of material topics	ASR page 35	
ENVIRONMENT: Environmental Stewardship			
Climate risk resilience			
GRI 3	Material Topics 2021		
3-3	Management of material topics	ASR pages 48–51	
GRI 201	Economic Performance 2016		
201-2	Financial implications and other risks and opportunities due to climate change	ASR pages 145–146	
GHG emissions			
GRI 3	Material Topics 2021		
3-3	Management of material topics	ASR page 54–55	
GRI 305	Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	ASR page 55	
		a. Gross direct (Scope 1) GHG emissions	
		Total Scope 1 GHG emissions (tCO2e)	11340.20
		b. Gases included in the calculation of Scope 1 emissions	
		Gases	All
		c. Biogenic CO2 emissions	
		Biogenic Scope 1 CO2 emissions (tCO2)	8561.8
		d-ii. Emissions in the base year	Base year: 2021
		Total Scope 1 GHG emissions (tCO2e)	12569.04
		Consolidated approach for emissions: financial approach Emission factors: DEFRA Conversion Factors 2021 GWPs: based on the IPCC Fourth Assessment Report (AR4) over a 100-year period	
305-2	Energy indirect (Scope 2) GHG emissions	ASR page 55	
		a. Gross location-based energy indirect (Scope 2) GHG emissions	
		Total location-based Scope 2 GHG emissions (tCO2e)	18 133.09
		b. Gross market-based energy indirect (Scope 2) GHG emissions	
		Total market-based Scope 2 GHG emissions (tCO2e)	53 905.95
		c. Base year: 2021	
		d-ii. Emissions in the base year – location-based	
		Location-based Scope 2 GHG emissions (tCO2e)	12 013.46
		d-ii. Emissions in the base year – market-based	
		Market-based Scope 2 GHG emissions (tCO2e)	28 061.7
		Grid mix emissions factors from GHG Protocol Calculation Tool 2021, AIB Residual Mix and AIB Production Mix. For district heating emissions factors national factors have been applied, or where not available, European average has been applied for European countries.	
		Consolidated approach for emissions: financial approach GWPs: based on the IPCC Fourth Assessment Report (AR4) over a 100-year period	

Disclosure		Location	Omission																														
305-3	Other indirect (Scope 3) GHG emissions	ASR page 55																															
		<table><tr><th>Sources of Scope 3 emissions</th><th>Emissions (tCO2e)</th></tr><tr><td>01 Purchased goods and services</td><td>35.74</td></tr><tr><td>03 Fuel- and energy-related activities</td><td>8 521.20</td></tr><tr><td>05 Waste generated in operations</td><td>398.25</td></tr><tr><td>06 Business travel</td><td>3 711.25</td></tr><tr><td>07 Employee commuting</td><td>4 681.72</td></tr><tr><td>Total</td><td>17 438.16</td></tr></table>	Sources of Scope 3 emissions	Emissions (tCO2e)	01 Purchased goods and services	35.74	03 Fuel- and energy-related activities	8 521.20	05 Waste generated in operations	398.25	06 Business travel	3 711.25	07 Employee commuting	4 681.72	Total	17 438.16																	
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305-4	GHG emissions intensity	ASR page 54																															
305-5	Reduction of GHG emissions	ASR page 55																															
Energy use																																	
GRI 3	Material Topics 2021																																
3-3	Management of material topics	ASR page 57																															
GRI 302	Energy 2016																																
302-1	Energy consumption within the organization	ASR pages 57–58																															
		<table><tr><th>Fuel types (non-renewable)</th><th>Amount (GJ)</th></tr><tr><td>Diesel (average biofuel blend)</td><td>5 495.9</td></tr><tr><td>Fuel oil</td><td>30 280.1</td></tr><tr><td>Gasoline/petrol</td><td>2 880.3</td></tr><tr><td>LPG (Propane)</td><td>276.1</td></tr><tr><td>Natural gas</td><td>17 389.8</td></tr><tr><th>Fuel types (renewable)</th><th></th></tr><tr><td>Biodiesel HVO</td><td>0</td></tr><tr><td>Biofuel</td><td>1 278.6</td></tr><tr><td>Wood pellets</td><td>86 819.6</td></tr><tr><th>Energy consumption</th><th></th></tr><tr><td>District heating</td><td>139 202.7</td></tr><tr><td>Electricity with Guarantee of origin</td><td>320.4</td></tr><tr><td>Electricity without Guarantee of origin</td><td>348 712.4</td></tr><tr><td>Total Energy Consumption within the Organisation (GJ)</td><td>632 656.0</td></tr></table>	Fuel types (non-renewable)	Amount (GJ)	Diesel (average biofuel blend)	5 495.9	Fuel oil	30 280.1	Gasoline/petrol	2 880.3	LPG (Propane)	276.1	Natural gas	17 389.8	Fuel types (renewable)		Biodiesel HVO	0	Biofuel	1 278.6	Wood pellets	86 819.6	Energy consumption		District heating	139 202.7	Electricity with Guarantee of origin	320.4	Electricity without Guarantee of origin	348 712.4	Total Energy Consumption within the Organisation (GJ)	632 656.0	Requirement Omitted: 302-1 d) Reason: Not applicable
Fuel types (non-renewable)	Amount (GJ)																																
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		Standards, methodologies, assumptions, and/or calculation tools used																															
		The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition).																															
		Source of the conversion factors used																															
		UK Department for Business, Energy & Industrial Strategy (DEFRA).																															

Disclosure		Location	Omission										
Water management													
GRI 3	Material Topics 2021												
3-3	Management of material topics	ASR pages 59–60											
GRI 303	Water and Effluents 2018												
303-1	Interactions with water as a shared resource	ASR page 59											
303-2	Management of water discharge-related impacts	ASR page 59 The Nammo Group does not have internally developed water quality standards or guidelines; we adhere to national and local requirements at each of our sites. No sector-specific standards are currently considered. The profile of the receiving waterbody is considered when and where required by national or local regulation.											
303-5	Water consumption	Total water consumption: 1 488 090 m³	Requirement Omitted: 305-5 b)-d) Reason: Not applicable										
Waste and hazardous materials													
GRI 3	Material Topics 2021												
3-3	Management of material topics	ASR page 61											
GRI 306	Waste 2020												
306-1	Waste generation and significant waste-related impacts	ASR page 61											
306-2	Management of significant waste-related impacts	ASR page 61 Scrap metal from manufacturing processes is the largest source of waste generation. Wherever possible, scrap is returned upstream to the original manufacturer to recycle it into new raw materials.											
306-3	Waste generated	<table><tr><th colspan="2">Non-hazardous waste</th></tr><tr><td>Incineration</td><td>533 t</td></tr><tr><td>Landfill</td><td>545 t</td></tr></table>	Non-hazardous waste		Incineration	533 t	Landfill	545 t					
Non-hazardous waste													
Incineration	533 t												
Landfill	545 t												
306-5	Waste directed to disposal	<table><tr><td>Recycling</td><td>10 897 t</td></tr><tr><td>Composting</td><td>23 t</td></tr><tr><th colspan="2">Hazardous waste</th></tr><tr><td>Incineration</td><td>489 t</td></tr><tr><td>Landfill</td><td>705 t</td></tr></table>	Recycling	10 897 t	Composting	23 t	Hazardous waste		Incineration	489 t	Landfill	705 t	
Recycling	10 897 t												
Composting	23 t												
Hazardous waste													
Incineration	489 t												
Landfill	705 t												

Disclosure	Location		Omission
ENVIRONMENT: Product stewardship			
Life cycle management			
GRI 3	Material Topics 2021		
3-3	Management of material topics	ASR pages 62–63	
Product safety			
GRI 3	Material Topics 2021		
3-3	Management of material topics	ASR page 64	
GRI 416	Customer Health and Safety 2016		
416-1	Assessment of the health and safety impacts of products and service categories	There were no reported incidents of non-compliance concerning the health and safety impacts of our products and services. Health and safety requirements are specified in product contracts.	
SOCIAL: Employee safety and well-being			
Occupational health and safety			
GRI 3	Material Topics 2024		
3-3	Management of material topics	ASR pages 67–68	
GRI 403	Occupational Health and Safety 2018		
403-1	Occupational health and safety management system	The Health Environment Safety and Security (HESS) management is based upon the principles of ISO 45001 and ISO 31000. All operating locations meet national and local occupational health and safety requirements per the HESS Policy. All permanent and temporary employees in the Nammo Group are covered by this system.	
403-2	Hazard identification, risk assessment, and incident investigation	The HESS management system identifies and evaluates hazards, determining risks and mitigating actions. Monthly reports are collected, and hazard analyses are reviewed when changes occur or every five years at a minimum. Quality and competence are ensured through annual assessments and continuous training. Workers report hazards through various methods, including automated systems or paper-based tracking. Anonymous reporting is available via SpeakUp in Europe and Ethicspoint in the US. We have a non-retaliation policy against whistleblowers defined in our guideline “How to report concerns”. Each site follows national regulations for reporting hazards, self-removal from hazardous situations, and access to non-occupational medical services. Lost Time Injuries (LTI) are reported monthly to HESS at Group level with information regarding contributing factors and improvement actions taken. High-potential near misses and accidents are shared company-wide via to promote organizational learning.	
403-3	Occupational health services	ASR pages 67–68	
403-4	Worker participation, consultation, and communication on occupational health and safety	ASR pages 67–68, 73 New employees receive occupational health and safety training during onboarding. Sites also have annual training plans covering work-related hazards, delivered through web-based and face-to-face methods in native languages. Attendance is recorded, feedback is sought, and site training plans are reviewed during the annual Group HESS site assessment.	
403-5	Worker training on occupational health and safety	ASR pages 67–68, 73	

Disclosure	Location	Omission
403-6 Promotion of worker health	Non-occupational medical and healthcare services are provided for full-time Nammo employees, with scope varying based on national laws in the nine countries where they operate. Non-Nammo employees receive services per their employer. Employee Assistance Programs (EAPs), including wellness programs, smoking cessation, mental health screening, and physical exercise, also differ by country. Nammo employees are informed of available EAPs during onboarding and through annual communication.	
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Nammo's employees are exposed to health and safety risks related to handling energetic materials, mechanical manufacturing, heat treatment, chemical surface treatment, and assembly operations. Health, Environment, Safety, and Security (HESS) matters always have the highest priority, even if there is a conflict with other business objectives in accordance with the HESS Policy within the Nammo Management System (NMS).	
403-8 Workers covered by an occupational health and safety management system	All workers, including permanent and temporary, are in Nammo Group's HESS Reporting System. National authorities regularly audit all sites, like OSHA in the US and Arbeidstilsynet in Norway.	
403-9 Work-related injuries	ASR page 68 Main type of work-related injury: Ergonomic related injuries that resulted in minor finger, hand or back injuries. Total number of hours worked: 5 895 631 The Nammo Group calculates injury rates based on lost time injuries per 1 000 000 hours worked. Lost Time Injury (LTI) Value for 2024 was 5.9 LTIs per 1 000 000 working hours; unchanged from 2023	
403-10 Work-related ill health	a. Zero fatalities as a result of work-related ill health. b. Zero fatalities, recordable cases, or types of work-related ill-health for workers who are not employees. c. Our organization conducts regular risk analyses to identify work-related hazards that pose a risk of ill health. During the reporting period, ergonomic risks such as lifting and turning while under load were determined to be contributing factors to the cases of ill health. To address these hazards, we have implemented various measures, following the hierarchy of controls. Affected sites are conducting ergonomic surveys to eliminate unnecessary lifting and turning wherever possible. Time and motion studies are also being used to further minimize these risks. d. No workers have been excluded. e. N/A	

Diversity and gender equality

GRI 3 Material Topics 2021

3-3	Management of material topics	ASR pages 70–71
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Nammo own disclosure

	Female employees at year end (share of total)	ASR page 71
	Women in group management (percentage of total)	ASR page 71
	Women on the board of directors (share of total)	ASR page 71

Competence development

GRI 3 Material Topics 2021

3-3	Management of material topics	ASR pages 72–73
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Disclosure	Location		Omission
GOVERNANCE: Value chain integrity			
Business partner due diligence			
GRI 3	Material Topics 2021		
3-3	Management of material topics	ASR pages 76–77	
Nammo own disclosure			
	Number of local representative agreements terminated after being subjected to updated due diligence and risk evaluations	ASR page 77	
Supply chain governance, human rights, and anti-corruption standards			
GRI 3	Material Topics 2021		
3-3	Management of material topics	ASR pages 78–80	
GRI 308	Supplier Environmental Assessment 2016		
308-1	New suppliers that were screened using environmental criteria	Strategic new suppliers are screened using reputational risk criteria, incorporating environmental performance reputation.	
GRI 414	Supplier Social Assessment 2016		
414-1	New suppliers that were screened using social criteria	Strategic new suppliers are screened using reputational risk criteria, incorporating social performance reputation.	
414-2	Negative social impacts in the supply chain and actions taken	ASR pages 79–80	
Nammo own disclosure			
	Discussion of processes and due diligence procedures for assessing and managing risks related to business ethics resulting from business partners	ASR pages 78–83	
	Description of salient human rights issues and approach to managing associated risks	ASR pages 81–83	
GOVERNANCE: Business Integrity			
Anti-bribery and corruption			
GRI 3	Material Topics 2021		
3-3	Management of material topics	ASR pages 84–85	
GRI 205	Anti-corruption 2016		
205-2	Communication and training about anti-corruption policies and procedures	ASR pages 84–85	
205-3	Confirmed incidents of corruption and actions taken	ASR page 88	
GRI 206	Anti-competitive behavior 2016		
206-1	Legal action for anti-competitive behavior, anti-trust, and monopoly practices	There were no reported legal actions for anti-competitive behavior, anti-trust, and monopoly practices in 2024.	
SASB	RT-AE-510a.1		
	Total amount of monetary losses as a result of legal proceedings associated with incidents of corruption, bribery, and/or illicit international trade	ASR page 25	

Disclosure	Location		Omission
Internal control, risk, and compliance			
GRI 3	Material Topics 2021		
3-3	Management of material topics	ASR pages 90–96	
	Nammo own disclosure		
	Description of approach to identifying and addressing data security risks	ASR page 96	
	Nammo own disclosure		
	Description of approach to identifying and addressing export control risks	ASR pages 94–95	
Corporate governance			
GRI 3	Material Topics 2021		
3-3	Management of material topics	ASR pages 97–100	
	Nammo own disclosure		
	Number of group-wide procedures (e.g., code of conduct, procurement policy)	ASR pages 34, 98	
	Nammo own disclosure		
	Number of group-wide trainings (e.g., share of employees receiving training on code of conduct)	ASR page 85	

A full-page photograph of a missile launch. In the center, a mobile launcher with a green and black camouflage pattern is tilted upwards, firing a missile. A large plume of white smoke and dust billows from the base of the launcher. The missile is in mid-air, angled upwards towards the top right, with a bright white trail behind it. The background features steep, rocky mountains with patches of snow under a clear blue sky. The foreground is a field of dry, golden-brown grass.

Nammo

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