Nammo

Annual and sustainability report 2025

Securing the Future

This year's highlights

Sales
14.41
Billion NOK

Order reserve
54.98
Billion NOK

Profit
1 213
Million NOK

ROCE
41.9 %
Return on capital employed

Employees
4 200
Number of employees

Gender equality
26.9 %
Percentage of female employees

Employee well-being
4.3 %
Sick leave

Key developments in 2025

- Nammo's order backlog reached record levels ensuring sustained production and delivery well into the next decade.
- Sweden, Denmark, Finland and Norway signed an agreement with Nammo for deliveries, production and services of ammunition in times of peace, crises and war.
- Nammo secured orders for 25 mm APEX ammunition for the F-35 fighter jet from Germany, Poland, Belgium, Denmark, Switzerland and Australia.
- Framework agreement signed with Sweden's FMV for the supply of artillery shells and propellants for the Archer artillery system.
- Nammo opened its Brussels office.
- Signed agreement with the Danish Ministry of Defense in June to re-establish ammunition production at Denmark's historic Elling plant, and broke ground on the facility in November.
- Expanded partnership with Ukrainian defense industry partner to strengthen cooperation on ammunition production.
- Norway's government committed NOK 500 million grants to contribute to Nammo building a new rocket motor production line at Raufoss.
- Entered MoU with Lithuania and Northrop Grumman to support co-production of medium-caliber ammunition.
- Significant export orders from several NATO customers, including new contracts to supply 155 mm artillery and 30 mm ammunition, supporting increased stockpiling and operational readiness across Europe.
- Groundbreaking on a new rocket motor production facility in Perry, Florida, to enhance transatlantic propulsion capacity and strengthen supply security for the U.S. and allied markets. Nammo also opened an engineering office in Tallahassee.

SECURING THE FUTURE

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.

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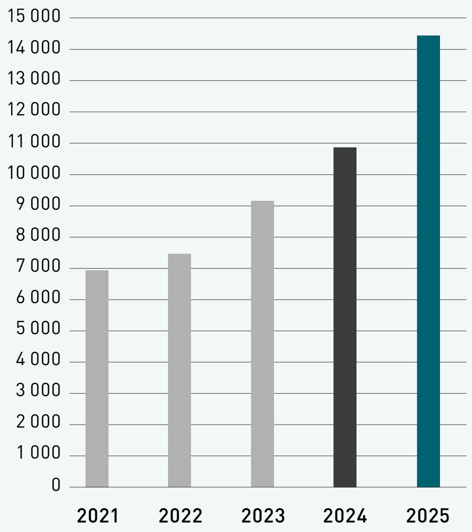
Key figures

(NOK million)	2021	2022	2023	2024	2025
Order reserve	10 307	14 829	25 390	39 797	**54 979**
Revenue	6 978	7 452	9 191	10 873	**14 408**
Earnings Before Interest and Tax (EBIT)	675	736	1 054	1 312	**1 830**
Total Assets	7 024	8 233	12 416	16 463	**24 766**
Total Equity	3 187	3 564	4 014	4 768	**6 493**
Average Man-years	2 648	2 679	2 925	3 280	**3 862**
Pre-tax Return on Sales (ROS)	9.2 %	9.0 %	9.6 %	11.3 %	**12.1 %**

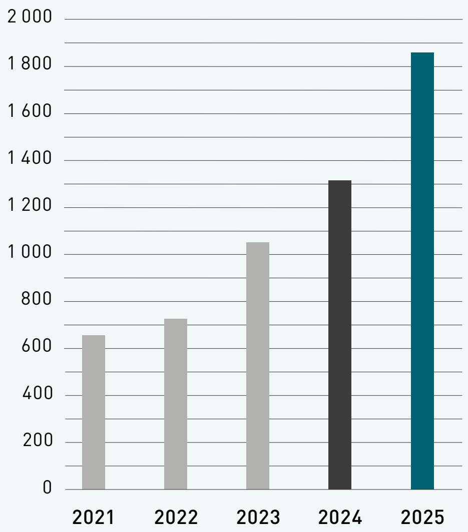
REVENUE



32.5 %

Revenue increased by 32.5 percent compared to 2024

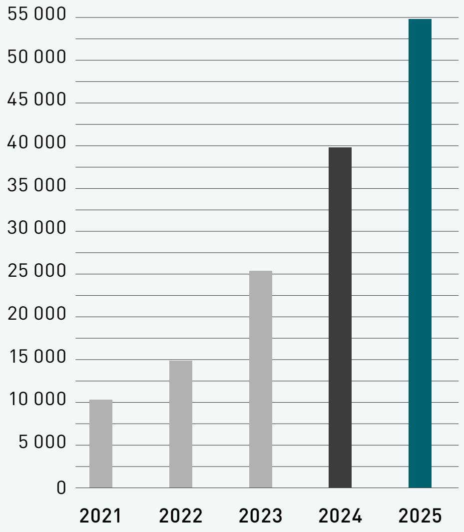
EBIT



39.5 %

EBIT increased by 39.5 percent compared to 2024

ORDER RESERVE



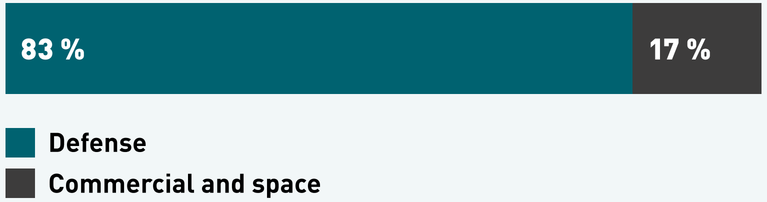
38.1 %

Order reserve increased by 38.1 percent compared to 2024

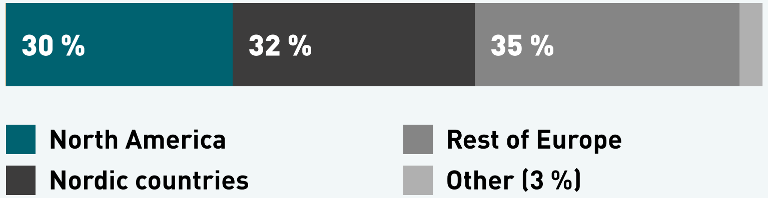
Nammo sales

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



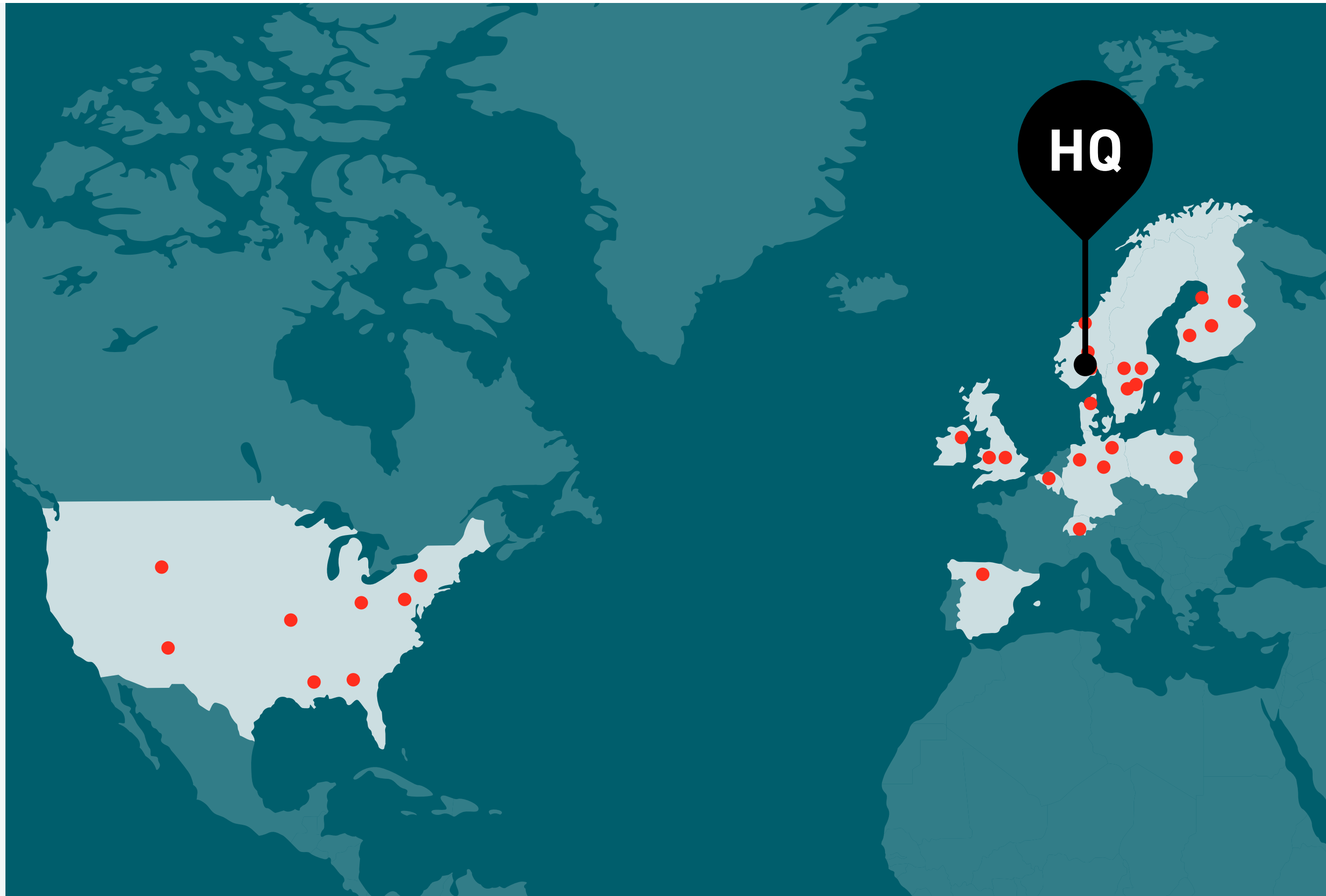
Sales to NATO, Europe and allied countries vs. other

About Nammo

Nammo is an international aerospace and defense company headquartered in Norway. With 4 200 employees across 27 production sites and a presence in 12 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 95 percent of the Group's revenue. Defense represents 83 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 17 percent, with the majority of production in Europe, marketed under brands including Lapua, SK, Vihtavuori, Berger and Ikaros.

Countries	Production sites	Total employees
12	**27**	**4 200**



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

NORWAY
- Raufoss (HQ)
- Aurskog
- Løkken Verk

BELGIUM
- Brussels

DENMARK
- Elling

GERMANY
- Schönebeck
- Schwerte

POLAND
- Warsaw

IRELAND
- Dublin

UK
- Westcott
- Cheltenham

SPAIN
- Palencia

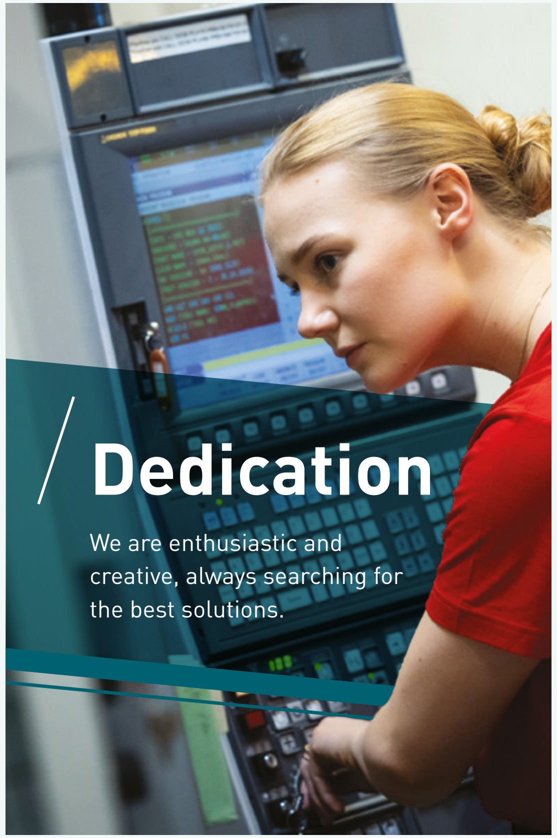
SWITZERLAND
- Hérémence

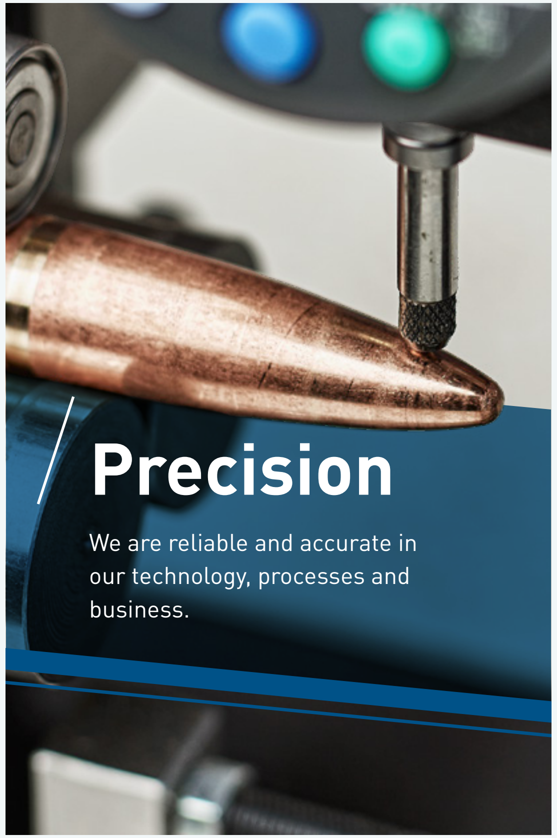
SWEDEN
- Lindesberg
- Karlsborg
- Vingåker
- Karlskoga

FINLAND
- Lapua
- Vihtavuori
- Sastamala
- Tampere
- Vantaa

Our values

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





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.

SECURING THE FUTURE

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 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.

Nammo delivers profitable growth to support continued expansion and technology leadership

Dear Nammo stakeholders

As 2025 comes to a close, Nammo reflects on one of the busiest and most demanding years in its history. Our sales rose to NOK 14.41 billion in 2025, up 32.5 percent from the previous year, thanks to the dedication and professionalism of employees across our sites. This growth brings both opportunity and responsibility: to strengthen our ability to deliver, to recruit and train more people, and to expand our capacity to meet the needs of our customers and partners.

MESSAGE FROM PRESIDENT & CEO
MORTEN BRANDTZÆG

Over the past year, Nammo has made several major investment decisions to expand production capacity, supported by a combination of significant internal financing and local nation and supranational grants. Nammo's own investments have reached unprecedented levels – exceeding our total investments over the past three decades. Given the scale and urgency of the expansion, neither Nammo nor the wider defense industry can sustain such growth through private financing alone, making risk-sharing through public investment support essential.

Much effort has gone into ensuring that our partner nations view these investments as part of a shared European effort to strengthen defense readiness. In this regard, Nammo's footprint and experience remain key strengths – few companies operate at our scale and we continue to demonstrate that we can deliver under pressure. We have broken ground on a new facility for ammunition production in Denmark, finalized EU ASAP investments for capacity expansion in Sweden and advanced key expansion projects in Finland and Norway.

In the U.S. we broke ground on a new rocket motor factory in Perry, Florida and opened up an engineering office in nearby Tallahassee. All this to support our allied nations.

Nammo saw higher order intake and new contracts in core markets, including Swedish contracts for small-caliber ammunition as well as a major agreement for artillery ammunition and propellants, and Nordic and European contracts for F-35 and artillery ammunition that strengthen the company's order backlog.

Our customers are asking for sustainable solutions in defense manufacturing. At Nammo, we are committed to managing the entire life cycle of our products responsibly – from design to demilitarization. We follow the ten principles of the UN Global Compact on Human Rights, Labor, Environment and Anti-Corruption, which play an important part in our business processess everyday work.

Looking ahead, our main challenges are clear. We must bring thousands of new employees successfully on board. They must feel welcome, get the right training and operate within a strong health, environment, safety and security culture that enables them to thrive. Because people are our most important asset. At the same time, we are preparing to start up new factories and extensions across several sites, ensuring they are ready on schedule and capable of supporting our next leap in growth. Our growth goal for 2026 will also be ambitious and achieving this will depend on close cooperation with suppliers and partners to secure the raw materials needed for record-level deliveries. It will be demanding – but also deeply rewarding – because working for Nammo has never meant as much for as many people as it does now.

Strategically, Nammo's growth matches the pace of an expanding defense industry, where global demand for ammunition and propulsion systems continues to rise. However, fair competition remains essential and we will continue working to ensure a level playing field across all our markets. Building long-term defense capacity requires both government commitment and industrial collaboration across borders. Nammo is dedicated to both, as we believe that strong, shared capacity is the best guarantee of credible deterrence for the long term.

In parallel with expanding production, we are also strengthening our focus on technology, research and development. Our long-term investments in ramjet propulsion have delivered a major milestone this year: the largest development contract in Nammo's history, bringing this technology to operational missile systems. Ramjet propulsion represents an affordable and scalable solution to the range challenge faced by many missile platforms. We are also advancing in other key technology areas, from programmable medium-caliber ammunition to new warhead concepts for the emerging drone domain. These developments confirm that Nammo remains at the forefront of both offensive and defensive innovation.

While production is currently our most visible success factor, it would be a mistake to focus on it alone. The fast-moving pace of technology means we must continue to invest in research and development – spending 2 to 2.5 percent of our annual revenue – to remain technologically competitive and relevant over the next decade.

None of this would be possible without the strength of our culture and the values that define us. Over the past four years, Nammo has doubled its workforce and in the next four years, we expect to double again. Half of Nammo's workforce by 2030 have not started working in the company yet. Preserving our culture – focused on the customer, grounded in openness, collaboration, and genuine care for people – is therefore more important than ever. This culture is the glue that holds our multinational organization together, and it gives us the foundation to deliver on our mission of "Securing the future".

Looking back on 2025, my proudest moments come from visiting our factories and meeting the people who make Nammo what it is: engineers developing groundbreaking technologies, operators ensuring every product meets the highest standard and everyone in between who contributes to excellence every day. Their dedication, precision and spirit of teamwork continue to define Nammo, and to them I am very grateful.

Morten Brandtzæg
PRESIDENT & CEO

Board of directors' report 2025

Board of directors' report 2025

Nammo Group maintained its positive momentum in 2025, delivering significant growth in revenues, net profit, and order stock, and confirming its role as a key contributor to allied defense readiness. With 4,200 employees in 12 countries and headquarters in Raufoss, Norway, the Group continued to expand its footprint and invest at unprecedented levels to meet record demand. While the geopolitical environment remained demanding, Nammo focused on strengthening its ability to deliver, recruit and train more people, and expanding capacity in close partnership with customers and governments.

BOARD OF DIRECTORS REPORT

Dag Schjerven
CHAIR

Esa Rautalinko
VICE CHAIR

President & CEO, Patria Oyj

Nora Steiner-Forsberg
BOARD MEMBER

EVP Legal and Compliance at Wärtsilä

Jan Skogseth
BOARD MEMBER

Gyrid S. Ingerø
BOARD MEMBER

Päivi Lindqvist
BOARD MEMBER

Chief Financial Officer, Patria Oyj

Marianne Stensrud
BOARD MEMBER

Employee representative Nammo Raufoss AS

Jani Sjöman
BOARD MEMBER

Employee Representative Nammo Lapua Oy

The Group's financial performance in 2025 was strong, with revenues reaching NOK 14.4 billion, up from NOK 10.9 billion in 2024. 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 and minority rose to NOK 1 213 million, up from NOK 897 million in 2024. Notably, the Group's order stock, which reached an all-time high of NOK 55 billion at the end of 2025 (39.8 in 2024), reflects both Nammo's strong market position and the substantial demand for its products. This market trend will provide significant growth potential going forward.

GENERAL COMMENTS

Demand for Nammo's products remained at a historically high level throughout 2025, led by artillery ammunition and components, shoulder fired systems and rocket motors, with significant rise in demand also for small and medium caliber ammunition. This development is primarily driven by the ongoing war in Ukraine and NATO allies' efforts to replenish and expand stockpiles.

Strong demand is likely to persist, and therefore Nammo intends to continue to significantly increase its production and delivery volumes, while maintaining the highest possible standards for quality and workplace safety.

To meet this demand, Nammo continues its ambitious capacity expansion program, with investments in new production buildings, equipment, machinery and related infrastructure across several sites and countries. The investment portfolio has reached unprecedented levels for the Group, underscoring the importance of continued risk sharing solutions with governments and supranational institutions.

It is imperative for Nammo that partner nations see these investments as part of a shared, long-term effort to strengthen Nordic, European and transatlantic defense capacity, where Nammo's footprint and proven ability to deliver are important assets.

The Group's on-time delivery to military customers ended at 86.6 percent, at the same level as previous year. This was made possible due to targeted focus and improvements in production ramp-up and supply chain efforts to ensure timely deliveries. 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 6.5 (5.9). Employee sick-leave across the Group decreased from 4.4 percent in 2024 to 4.3 percent in 2025.

In 2025, the Group delivered notable achievements to strengthen its role as a key partner for allied nations. Sweden, Denmark, Finland and Norway signed an agreement with Nammo covering ammunition deliveries, production and services in times of peace, crisis and war. The Group advanced key capacity expansion projects across multiple sites, supported by allied nations and the EU, and broke ground on a new ammunition facility at Elling in Denmark and a new rocket motor factory in Perry, Florida.

During the year, Nammo secured significant contracts for 25mm ammunition for the F-35 fighter jet from several European countries and Australia, as well as signed a long-term framework agreement with Sweden's FMV for artillery shells and propellants for the Archer system. The Group expanded its cooperation with Ukrainian industry on ammunition production, supported by the Norwegian government. Also, the Group opened an office in Brussels to follow European defense developments and associated investment programs.

Nammo maintained its commitment to sustainable performance and global initiatives throughout 2025, further developing and benefiting from close relationships with customers and other key stakeholders.

STRATEGY FOR PROFITABLE GROWTH

During the year, Nammo maintained its position as a leading independent provider of specialty ammunition and rocket motors for military and civilian customers. The Group's strategy remains focused on sustainable and profitable growth in its core markets in the Nordics, Europe and the USA. Looking ahead, Nammo will prioritize strengthening profitability, return on capital and focus on working capital efficiency, within a solid financial framework to handle risk. Additional key priorities are to improve production efficiency and sustaining a solid level of R&D investment to reinforce the company's role as a high-end supplier to government customers, while keeping a clear focus on cost control and operational improvements to support future growth.

Geopolitical tensions continued to drive higher demand, leading to strong growth in order intake in several key product categories and an increase in Nammo's order stock of 38 percent during 2025. This elevated demand is expected to last and underpin substantial growth in the Group's business.

With the anticipated persistent high growth for many years, Nammo executed 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 improvement actions out of this program have been implemented throughout 2025 across key areas such as strategy, Health, Environment, Safety and Security (HESS), operations, supply chain, people and sustainability. The implementation of these actions will ensure Nammo's long-term resilience in execution and delivery.

OPERATIONS

The defense sector continues to experience strong demand due to the ongoing war in Ukraine and allied stock replenishment. Still, Nammo remains committed to meeting the critical demands of its customers while positioning itself for sustainable growth and innovation. The Group has launched several initiatives within operations to ensure Nammo's ability to deliver on its customer commitments and secure profitable growth.

In 2025 a particular focus has been on securing critical materials and components in a continued strained supply chain. The availability of materials has been a limiting factor, requiring strategic actions to secure supply continuity. In response, Nammo initiated a program to strengthen control of critical components and materials. This work will continue in 2026, aiming to identify significant materials and components under strain for critical products, based on simulations of several demand scenarios.

To address the high demand, Nammo has continued to invest in building new production capacity. Several projects to expand and modernize facilities are underway, ensuring the Group can meet current and future demand with enhanced operational resilience. The "Ready For Operations" program was initiated in 2025 and will continue in 2026, with the purpose of securing fast and safe ramp-up of production on new lines.

Continuous improvement of operational efficiency on existing lines is a high priority across all parts of the operational organization. The top priority for improvements has been, and will remain, increased production output and keeping lead times under control, within the boundaries of HESS and quality. While significant improvements were achieved in 2025, the pace must increase further in 2026. This applies to both quality loss and lost production time (Overall Equipment Effectiveness). Increased improvement speed is expected through establishing and communicating improved goals and KPIs within the operations area and adjusting the organization and roles to provide a clear mandate for driving improvements. Finally, training the organization in areas such as shop floor management, maintenance and continuous improvement will be essential. Part of this effort is also to develop several cross-site and cross-business unit arenas that facilitate sharing of learning and best practices.

Within operational technologies, several projects have been conducted in areas such as data collection and analytics, process simulation, and the use of AI/image recognition, yielding important learning. The introduction of new technologies, based on the competencies already built in these areas, will accelerate in the coming years, fueled by a company-wide "Operational Technology Program" to be launched in 2026.

Implementing a comprehensive, company-wide Operational Excellence framework will be an important contribution to achieving these improvements and increasing the Group's overall efficiency. By continuing to invest in Operational Excellence capabilities, Nammo is prepared 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 2025, the Group delivered an all-time high revenue of NOK 14.4 billion (10.9) and profit before tax of NOK 1 740 million (1 230). The profitability improvements achieved in 2025 are the result of increased sales and improved efficiency across all key segments. The most significant increase in profitability came across Nammo's defense related products, including small and medium caliber ammunition, large caliber ammunition, shoulder fired systems and tactical rocket motors. Combined, these enabled a 41.9 percent (23.2 percent) return on Capital Employed, reflecting the company's strong financial performance on the back of increased order stock and profitability. The results, order stock and market positions at the end of 2025 provide a solid foundation for 2026.

Cash flow and liquidity

Nammo's net cash flow from operational activities in 2025 was NOK 6 131 million (2 168). The main drivers for the increase from 2024 to 2025 are related to profits for the year, significant increase in prepayments from customers, partly offset by the increase in inventory and current receivables. Prepayments from customers increased with NOK 5 481 million in 2025. Cash outflow from investment activities was NOK 2 352 million (1 643). This is mainly driven by purchase of new fixed assets throughout the Group, with the most significant amounts in Finland, Norway and Sweden to support increased capacity, growth in new product areas, as well as general maintenance investments. Net cash outflow from financing activities in 2025 amounted to NOK 635 million (223). The main cash outflow in financing activities for 2025 is the repayment of a term loan of NOK 600 million. The Group's net cash position was NOK 5 105 million on December 31, 2025 (1 960). In addition, Nammo had unused credit facilities of NOK 2 400 million (1 900) at the end of 2025.

Based on the cash flow performance in 2025, cash available at year-end, as well as the available unused credit facilities, Nammo's current liquidity is good. Continued focus on working capital efficiency and careful prioritization of investment requirements and securing long-term funding remain key priorities going forward.

Balance sheet

Total assets of the Nammo Group amounted to NOK 24 766 million at the end of 2025 (16 463). Net working capital without cash, was NOK -2 953 million (726), while equity and minority was NOK 6 493 million (4 768). The improvement in working capital is mainly driven by increased prepayments from customers ending the year at NOK 11 419 million (5 938). Total liabilities were NOK 18 273 million (11 696) and the equity ratio ended at 26.2 percent (29.0 percent). Return on equity was 21.6 percent (20.4 percent). Total interest-bearing debt to financial institutions amounted to NOK 1 778 million on December 31, 2025 (2 374).

Risk factors

Nammo operates across multiple markets and is exposed to a range of risks and geopolitical events that may affect the business. Risks are prioritized based on materiality and risk management is crucial to reduce exposure to acceptable levels in a way that supports Nammo to achieve its ambitions and goals.

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, 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 control regulations with which Nammo is required to comply. Where export licenses are necessary to address a market, Nammo must factor in the risk that authorities might deny or revoke these at any time, for reasons beyond Nammo's control.

The market dynamics require ongoing adaptation and innovation to sustain performance and several initiatives have been launched to secure topline growth.

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 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).

Global supply chains remain under pressure as geopolitical tension rise and governments tighten export controls. The imbalance in supply and demand for certain materials, potential export control changes, import duty measures and focus on near-shoring supply chains will likely reshape how and where key components and materials are sourced in the future. This increases the risk of delays, longer lead times and higher purchase costs. Nammo has experienced supply chain disruptions and are continuously monitoring the development. 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 or through contract pricing adjustment clauses in customer contracts.

Liquidity risk: Management of liquidity risk means maintaining sufficient cash and cash equivalents and having funds available through adequate committed credit facilities. Nammo currently has a high degree of financial flexibility through both of these. Nevertheless, Nammo is working systematically to ensure robust long-term funding of the significant CAPEX program for increased capacities and future growth.

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 2024 and one with a ten year duration from 2025. As of December 31, 2025 the Group has revolving credit facilities and a cash credit facility at a total of NOK 2 400 million with floating interest terms for the duration of any utilization. None of these facilities were utilized at December 31, 2025. The interest rate risk is currently considered limited.

Reputational risk

Nammo's reputation is one of the Group's most valuable assets. Safeguarding this reputation depends on fostering a strong and responsible company culture.

Nammo continuously executes training programs designed to continuously strengthen awareness of ethics and business integrity across the Group.

To uphold its reputation and maintain the trust of the communities it serves, Nammo ensures that all products are developed, manufactured and sold in full compliance with applicable laws and conventions.

Nammo's license to operate depends on each Group entity's strict compliance with applicable national export control regulations. Any failure to comply would pose a significant risk to the Group's reputation, and consequently, its business operations. To mitigate these risks, Nammo maintains robust management systems that support compliance with relevant quality and military standards, as well as regulatory and customer requirements. Integrated procedures and control routines form a critical part of the Group's risk management framework, complemented by targeted export control training and thorough third-party due diligence.

The evolving geopolitical situation, marked by several war and conflict scenarios, has intensified the focus on due diligence related to compliance with sanctions and human rights. All Group entities are expected to maintain a high level of awareness with regard to its due diligence requirements. In addition, engagement with relevant national authorities has been strengthened to ensure close monitoring of developments and changes in national policies and regulatory requirements.

In 2025 there were no direct actions caused by Nammo or any known company practices that could be defined as major reputational risk. 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 responsibility is to ensure security of supply to national and allied forces, supporting their mission to preserve peace, stability and democracy.

The Group is committed to internationally recognized principles for responsible business conduct, including the UN Global Compact and the OECD Guidelines for Multinational Enterprises. In line with these commitments, Nammo conducts its operations in a manner that:

- minimizes environmental impact and promotes responsible resource use;
- maintains zero tolerance for corruption and unethical business practices; and
- respects human rights and promotes safe, fair and decent working conditions

Nammo requires full compliance with human and labor rights across all operational sites and ensures that its business activities uphold high operational standards that prevent adverse impacts on the local communities surrounding its facilities.

Nammo complies with the requirements of the Norwegian Transparency Act, the purpose of which is to promote companies respect for fundamental human rights and decent working conditions related to production of goods and/or rendering of services. Nammo's full response displaying compliance with the Act is published annually at www.nammo.com.

Nammo reports on sustainability in accordance with applicable legal requirements including the Norwegian Accounting Act and in line with recognized industry standards for material topics, such as the Global Reporting Initiative (GRI) standard. In 2025 the Group published its 12th Communication on Progress under the UN Global Compact.

Priorities

Nammo was among the companies that were initially expected to fall within the scope of the Corporate Sustainability Reporting Directive (CSRD) with reporting starting in 2026. However, the European Union adopted the "Stop the Clock" initiative, which amended the application dates of specific sustainability reporting requirements.

As a result, the entry into application of the CSRD for wave 2 categories of undertakings have been postponed to 2028, providing additional time for affected companies to prepare for compliance with the European Sustainability Reporting Standards (ESRS).

During 2025 Nammo followed closely the number of changes and adaptations of the ESRS which are now foreseen to come into effect mid-2026. Meanwhile, preparations are ongoing to establish an internal framework including a digital system to support data collection for 2027 and reporting in 2028.

In parallel, Nammo's focus has been on following up the organizational work on the Group Sustainability Goals aligned with the Greenhouse Gas Protocol.

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

Ethics and integrity

To maintain the Group's awareness of business integrity, Nammo's Code of Conduct is a major part of the onboarding process for all new employees and a part of the annual training distributed through the Nammo Academy learning program.

The total number of reported concerns was 22 (9), of which 16 (2) were submitted directly through the grievance mechanism. There was an increase in reported concerns in 2025 compared to 2024. The attempt by an external party to bribe a Nammo employee in 2024 was reported to the local authorities. The investigation of the case was closed in 2025 by the national authorities in the relevant country. Nammo was not subject to any lawsuit or fine related to ethics or corruption during 2025.

Nammo has a zero-tolerance policy for corruption and bribery and regards regular training of employees in high-risk functions as a best practice for enhancing risk awareness. A fraud performance management indicator program launched in 2024 continued through 2025. The program will assess and identify opportunities for enhancing training modules and strengthening the awareness of ethical standards.

During 2025, several digital training programs (human rights, anti-bribery and corruption, trade and export and cybersecurity) were developed and distributed throughout the Group from the Nammo Academy Learning Platform.

People

Nammo's employees are fundamental to the delivery of the Group's strategy and long-term success. Nammo is committed to attracting, developing, and retaining talented individuals while fostering a culture that promotes inclusion, wellbeing, and high performance. During the year, the Group's People strategy focused on enhancing our capabilities through improving the operating model, workforce planning, recruitment, enhanced onboarding program, competence development, strengthening engagement and ensuring its workforce is aligned with the Group's values and growth ambitions.

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.

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. As a responsible employer, Nammo has policies in place to support a reasonable work-life balance, safety and overall, a good working environment. 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.

As a result of the sharp growth across many parts of the Group, Learning & Development has played a key role in supporting business strategy by building critical skills and leadership capabilities across the organization. Structured learning programs and digital solutions enabled consistent competence development. A strong focus on continuous learning contributed to both performance and engagement.

Women accounted for 26.9 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 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 17 percent.

During 2025, the Group had an average of 3862 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 report "Report by Nammo AS pursuant to the Norwegian Equality and Discrimination Act".

Board and management insurance

Nammo has Directors and Officers Liability Insurance (D&O Insurance) that applies to the Group's board members and management. The insurance additionally covers any employee acting in a managerial capacity and includes companies in which Nammo holds more than 50 percent of the ownership interests. It covers financial loss resulting from a claim against the insured person from third parties. The insurance is placed with a reputable insurance company, and the coverage is considered adequate and in line with market standards for such insurance.

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 2025 and will continue for 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. The goal remains learning from normal operations to identify systemic weaknesses before an accident, resulting in injury or equipment damage occurs.

In addition, special emphasis has been placed on supporting sites requiring extra attention. This targeted support ensures that local challenges are addressed, enabling all sites, regardless of maturity or current operational pressure, to maintain safe operations while meeting the increasing demands placed upon them.

Site assessments

All Nammo Group sites were visited in 2025 by the Group HESS management and/or risk engineer advisors, using the HESS assessment/risk survey process developed in cooperation with AON Risk Engineering Services in 2025. These observations have been shared with Operational Excellence to better coordinate efforts, strengthen common standards and support targeted improvement activities across the sites.

Activities and results

Over the past year, the HESS function has continued to strengthen its strategic contribution across the organization. Key areas of progress include:

- Early involvement in strategic projects to influence design, risk management and operational readiness.
- Competency development and Human & Organizational Performance (HOP)
- Enhanced security of assets and personnel
- Improved cross-site communication enabling better learning, alignment and visibility of risks, trends and best practices
- Strengthening HESS leadership capacity across key sites
- Dedicated support to sites with recurring HESS-related issues

Reporting of accidents, incidents, near-misses and hazardous conditions increased by 7.1 percent between 2024 and 2025; from 4 812 to 5 153. 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) increased by 0.6 between 2024 and 2025; from 5.9 to 6.5. Nammo Group sites continued to share information regarding not only LTIs, but near-misses and critical hazards utilizing Event Learning reports. Sick absence decreased slightly from 4.4 percent in 2024 to 4.3 percent in 2025.

Environment

The 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 continuing. Ammonium perchlorate remains the primary contaminant of concern.

Related to new strategic projects, we aim to identify and implement solutions that reduce negative environmental impact and support long-term sustainability.

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 2025, but the Group has continued to see increased activity around several of its facilities and is addressing the challenge with the support of local/national security authorities.

Nammo continued to strengthen its cybersecurity posture and digital resilience throughout 2025. Although the number of identified software and hardware vulnerabilities declined compared with previous years, the rapidly evolving threat landscape still requires sustained vigilance and continuous monitoring of security controls. Ongoing investment in technical capabilities remains essential to defend against increasingly sophisticated adversaries targeting Nammo's digital infrastructure. The Group started the work by improving the cybersecurity incident management process and emergency response plans, which Nammo will remain focused on in 2026.

While employee awareness of cybersecurity remains strong, there is a recognized need to further enhance training programs to address risks associated with artificial intelligence and other emerging technologies. Effective cybersecurity depends not only on technical safeguards, but also on well aligned organizational, personnel and physical security measures.

Given the growing complexity and unpredictability of the threat environment, a comprehensive and integrated approach is critical. In 2025, the Group released several tailor-made training videos to enhance awareness. This will continue in 2026, along with an updated version of the IT user policy.

Nammo continues to align with recognized cybersecurity standards, including ISO/IEC 27001:2022 and UK Cyber Essentials, where formal certification is required by customers. In 2026, the Group completed an assessment of a technical approach to handling U.S. information classified as "CUI". This work continues in 2026, with the objective to reach CMMC Level 2 certification when required.

No data breaches involving customer information or other sensitive data were identified during 2025.

DISTRIBUTION OF NET PROFIT FOR THE YEAR

Nammo AS profit for the year of NOK 210.5 million will be distributed to other equity.

OUTLOOK FOR THE NAMMO GROUP

The Group's outlook remains robust. Defense will continue to grow, and Nammo is well positioned to play a critical role in meeting these demands through its expanded capacity, technology portfolio and international footprint. The Group's long-term prospects are closely linked to continued partnerships with allied governments and industry, and to maintaining its role as a reliable provider of critical capabilities to NATO and allied countries on both sides of the Atlantic.

NATO and allied countries remain the key markets for Nammo, and in line with previous years, 98 (96) percent of Nammo's 2025 revenues were generated in these countries, with the Nordics accounting for 33 (35) percent and the United States 28 (27) percent of total sales.

Nammo's strategy continues to emphasize growth in its core markets, continuous internal improvement, and investments to increase capacity and maintain its technology leadership. The Group's ability to remain a reliable partner is essential to sustaining its position as a market leader over time, and its prospects remain robust. Ongoing investments in production capacity, people, processes and technology will help ensure that Nammo can continue to secure the future for its stakeholders.

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

Raufoss, 26 March 2026

Dag Schjerven
CHAIR

Esa Rautalinko
VICE CHAIR

Nora Steiner-Forsberg
BOARD MEMBER

Jan Skogseth
BOARD MEMBER

Gyrid S. Ingerø
BOARD MEMBER

Päivi Lindqvist
BOARD MEMBER

Marianne Stensrud
BOARD MEMBER

Jani Sjöman
BOARD MEMBER

Morten Brandtzæg
PRESIDENT & CEO

Sustainability report

Sustainability highlights 2025

CO2 Intensity (KPI)

25.5 %

Reduction of intensity per MNOK revenue

Health and safety (KPI)

7 %

Increase in health & safety reporting

Gender equality (KPI)

26.9 %

Marginal increase in the proportion of women in the Group

Business integrity (KPI)

75 %

Average completion of corporate training modules (New system)

SpeakUp

Number of reported concerns

22

Screening

Number of suppliers screened and monitored

1 133

Collective bargaining

Employees covered by collective bargaining agreements

73 %

Our approach to sustainability

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

OUR APPROACH TO SUSTAINABILITY

Strategic vision

Nammo is committed to identifying, addressing and transparently reporting its Environmental, Social and Governance (ESG) impacts. As part of this responsibility, Nammo strives to minimize any negative effects of its operations while delivering high quality products, technologies and services. These efforts support national authorities and their allies in their critical mission to safeguard peace and democracy.

Embedding Nammo's strategic vision

Nammo takes its role as a global company seriously and is committed to responsible and ethical business practices. The Group's policies reflect these commitments and are grounded in internationally recognized frameworks, including the Ten Principles of the United Nations Global Compact and the Fundamental Principles and Rights at Work defined in the International Labour Organization (ILO) Declaration. Nammo's approach to responsible business conduct also incorporates due diligence, the precautionary principle, and respect for human rights, in line with the OECD Guidelines for Multinational Enterprises.

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

To ensure effective implementation, Nammo provides comprehensive training to embed these commitments into everyday operations. Responsibility for execution is distributed across the organization, ensuring that these principles are integrated throughout the value chain. Nammo believes that embedding these commitments is fundamental to operating as a responsible and sustainable company.

Material topic review

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

In 2025, 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 assessments when significant changes occur in its organization, strategy, or business environment. There were no changes to the overall material topics in 2025. Nammo conducted a double materiality assessment (DMA) in 2024/25 in accordance with the European Sustainability Reporting Standard (ESRS). An update of the DMA will be performed during 2026 aligned with the revised ESRS.

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 courtesis and sponsorship (internal)

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

Future alignment to the European CSRD and ESRS

At the beginning of 2025, the European Commission (EC) published a proposed omnibus legislation aimed at significantly reducing sustainability reporting and due diligence requirements for entities currently within the scope of the Corporate Sustainability Reporting Directive (CSRD)[1], the EU Taxonomy (EUT), and the Corporate Sustainability Due Diligence Directive (CSDDD).

Throughout 2025, the European Council and the European Parliament advanced several amendments to these proposals. Notably, the EC instructed EFRAG to develop technical advice for revised and simplified European Sustainability Reporting Standards (ESRS).[2]

In addition, Directive (EU) 2025/7942 – commonly referred to as the "Stop the Clock" Directive – postpones by two years the application of existing reporting requirements for Wave 2 companies, such as Nammo. As of January 2026, the CSRD will apply to financial years starting on or after 1 January 2027. Prior to the postponement, this group of entities was scheduled to fall under the CSRD from 1 January 2025. The Directive also delays the effective date for complying with the first phase of the CSDDD to 2028.

In the meantime, Nammo remains committed to preparing the organization with the necessary software tools and data foundations to ensure readiness for the upcoming reporting requirements and timelines.

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). This ensures that the reporting is consistent, reliable, and comparable to other organizations. Nammo believe that aligning to this standard 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 2025.

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

[1]) The CSRD is the EU directive that creates the legal obligation for companies to report on sustainability topics.
[2]) The ESRS are the detailed reporting standards that specify what companies must disclose and how to disclose it in order to comply with the CSRD. Developed by EFRAG, they ensure consistent, comparable, and comprehensive ESG reporting.

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 actions.

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 2025
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**	In 2025, Nammo further strengthened its systematic approach to competence development across the Group. Through enhanced onboarding processes, expanded mandatory compliance training, and continued investment in leadership and specialist development, the Group has reinforced its ability to build critical capabilities aligned with strategic priorities.
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**	Sites continued efforts to improve gender balance through targeted recruitment, leadership focus and monitoring of workforce composition. Several locations reported progress toward female representation targets, while others noted structural constraints affecting improvement. Overall, gender balance remains a defined and tracked objective across the group.
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 conducts supplier oversight through comprehensive compliance assessments, enhanced monitoring activities and structured evaluation programs, with close to 700 suppliers now incorporated into the Supplier Assessment Portal.
	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**	HOP initiatives in 2025 primarily focused on leadership training, integration of HOP principles into safety walks and incorporation into Lean Six Sigma and management development programs. Several sites strengthened safety culture through recurring Safety Minute sessions, structured training matrices, and management workshops.
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**	Sustainability considerations are integrated into the CAPEX approval process through the use of standardized templates to assess environmental and sustainability impacts before investment decisions. Managers review CAPEX documentation to ensure sustainability criteria are formally evaluated as part of project governance.
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**	Waste efforts concentrate on improving sorting systems, increasing recycling rates, and establishing better monitoring and data collection. Several sites report progress toward higher recovery rates.
	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**	Hazardous waste management focuses on improving segregation practices, ensuring compliant handling through approved waste contractors, and reducing landfill volumes by prioritizing recycling or specialized treatment where feasible. Reporting indicates varying levels of maturity, with some sites implementing structured improvements while others remain at a mapping and control stage.
	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**	Efforts to promote demilitarization focus on actively integrating environmental demil solutions into customer dialogue, quotations and sales processes. Several sites report stable activity levels and ongoing process improvements, demonstrating continued operational capability and commitment in this area. While demand is influenced by external market conditions, demil remains a clearly prioritized and strategically supported offering across relevant sites.
	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**	LCA activites remain under development. Nammo is working to create a stronger LCA focus in the group, learning from participation in a NATO group to look at requirements for LCA's in the defense industry. One site is using LCA as a tool for a new production facility.

APPROACH TO SUSTAINABILITY

Group sustainability goals (continued)

UN SDG	Goals	Short term goal (3 years)	Long term goals (2030)	Status 2025
13 CLIMATE ACTION	Reduce emission from energy consumption	Reduce emission from energy consumption annually with 1.5 % compared to 2019 (Scope 2)	**>1.5 % reduction per year in emission (Intensity based, per revenue in local currency)**	Energy initiatives focus on efficiency improvements through equipment upgrades, optimization of heating and recovery systems and increased use of renewable or lower-emission energy sources. Maturity varies, with some sites implementing structured energy monitoring while others report incremental technical improvements.
	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**	Water initiatives concentrate on reducing consumption through process optimization, leak detection, and improved treatment or recovery systems.
	Mitigate climate risks	Identify local risks and establish risk mitigation plans within 2025	**Secure resilient operations according to risk mitigation plan**	Climate risk efforts focus on identifying site-specific physical risks and implementing preventive measures to protect operations and employees. Most sites remain at a risk identification and mitigation stage rather than advanced scenario-based analysis.
	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**	Actions on commuting mainly involve encouraging carpooling, enabling remote work where possible, and exploring charging infrastructure for electric vehicles.
	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**	Business travel efforts primarily focus on reducing trips through increased use of digital meetings and prioritizing lower-emission transport options. Despite the growth, Nammo is seeing a reduction of emission from business travels.
	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. During 2025, Gopher tortoises in Perry were relocated and measures were taken to protect the Marsh Fritallary butterfly in Denmark.
	Reduce emission from transport of goods	Map and identify upstream and downstream emissions from transport	**Implement actions to reduce emission from transport of goods**	Actions focus on mapping upstream and downstream transport emissions and increasing use of regional or local suppliers to reduce transport distances. Implementation remains at an early stage, with limited quantified reduction measures reported.
	Reduce direct emission from Fuel consumption	7 % annual reduction compared to 2019 (Scope 1)	**>55 % reduction in emission from fuel consumption, compared to 2019 levels**	Fuel reduction efforts primarily involve replacing fossil-based heating systems with biomass solutions, increasing electrification of equipment and vehicles, and introducing electric alternatives for internal transport.

APPROACH TO SUSTAINABILITY

Group sustainability goals (continued)

UN SDG	Goals	Short term goal (3 years)	Long term goals (2030)	Status 2025
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 awarness 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. The average completion of mandatory training modules decreased to 75% from previously 97%. The change is due to implementation of new learning and development platform that needs to be more tuned.
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 2025

Nammo engages in an open and transparent dialogue with key stakeholders in all the countries where it operates. 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.

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

In 2025, stakeholder engagement activities largely continued the structure, methods and activity levels established in 2024. Nammo maintained its processes for dialogue, involvement and follow up, using feedback mechanisms where appropriate. Stakeholders reported high satisfaction, and their input continued to influence decisions, including new sustainability initiatives and improvements to health and safety.

Although the plan to set clear targets and introduce new engagement methods aligned with CSRD requirements was postponed due to the EU 'Stop the Clock' initiative, work to strengthen the long term sustainability framework continued. Nammo actively participated in the European Association for the Defence and Aerospace Industry, contributing to joint positions on sustainability, climate, export controls and regulatory matters. As part of the group's establishment of a future production facility in Denmark, a full day workshop was conducted during the year in collaboration with the customer and Nammo. In this process, a comprehensive plan was jointly developed, covering measures to be implemented before, during and after the establishment. A thorough assessment was carried out, and the plan has undergone several reviews to ensure that all relevant areas are addressed. The collaboration has been constructive and purpose oriented, and the agreed upon plan has already been initiated.

Looking ahead

In the coming year, stakeholder engagement will be continued and aligned with revised CSRD requirements. Feedback processes will be improved to ensure greater transparency in how stakeholder input informs decision making. The overall aim is to reinforce trust and maintain an open, constructive dialogue with all stakeholders, supporting long term and sustainable growth.

Nammo celebrates Elling, Denmark groundbreaking
Nammo celebrated the groundbreaking of the new Elling facility in Denmark to re-establish domestic ammunition production there. The event brought together key partners, community members, media and neighbors in a friendly atmosphere. Mayor Morgens Thomasen of Frederikshavn, Nammo's speaker Jerry Gustavsson, and about 150 guests welcomed the new facility and the promise it holds for Danish defense production. As shovels broke ground, the event reflected Nammo's strong commitment to Danish and Nordic defense cooperation, security of supply, and the local community.

APPROACH TO SUSTAINABILITY

	Why we engage	How we engage		Key issues raised in 2025	
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
INTERNAL ORGANIZATION	**Unions and union representatives** We aim to maintain a constructive relationship with the unions and build shared understanding ahead of annual negotiations. Together we work to foster a healthy working environment with opportunities for continuous 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 • Sales and Export control • Norwegian transparency act • Due diligence
LOCAL COMMUNITIES	**Non-Governmental Organizations (NGO's) and political parties** We recognize the important role of NGOs as watchdogs, reminding us to stay vigilant and critically engaged on key 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 • Transparency Acts
LOCAL COMMUNITIES	**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 2025	
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
MARKETS	**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, delivery times and availabilites • ESG (i.e. human rights and decent work conditions)
MARKETS	**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	**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

SOCIAL RESPONSIBILITY

Strengthening communities through responsible sponsorships

Nammo demonstrates its commitment to social responsibility by contributing to the economic development and social well being of the local communities in which we operate and live. We actively engage with local stakeholders – including sports teams, schools, and charitable organizations – to make a positive and lasting impact.

Dedicated sponsorship committees are responsible for selecting initiatives that align with clearly defined criteria and principles.

As part of our commercial and community activities, Nammo provides support to local and national competitive shooting associations.

Examples of teams and initiatives supported by Nammo include:

- The Norwegian national biathlon team
- The Norwegian national ski jumping team, including support to enhance performance through aerodynamic expertise
- Nammo partnered with Dennis Hauger for his 2025 INDY NXT season with Andretti Global, where he won the championship title. Following this success, the sponsorship was extended as Hauger stepped up to the IndyCar series for the 2026 season, further strengthening Nammo's visibility in the U.S.

Sustainability – a strategic imperative for the defense industry

Sustainability has become a central strategic priority in the defense industry, driven by evolving regulations, rising stakeholder expectations, and the need to ensure long term operational resilience.

Regulatory compliance and reporting

Governments and international bodies are strengthening environmental and social requirements, including the Corporate Sustainability Reporting Directive (CSRD) and the EU Taxonomy for Sustainable Activities. Defense companies must also align with recognized frameworks such as the UN Global Compact, OECD Guidelines, and GRI Standards to ensure responsible and transparent business conduct.

Climate and environmental responsibility

The defense sector is resource intensive, with significant energy use and material consumption. This has accelerated efforts to reduce environmental footprints through energy efficiency, sustainable sourcing, and the exploration of low carbon and alternative fuels.

Circular economy initiatives are gaining momentum, focusing on recycling materials, improving manufacturing sustainability, and extending the life cycle of defense systems and equipment.

Supply chain sustainability and risk management

Responsible procurement has become essential. Defense companies increasingly require suppliers to meet ethical labor standards, environmental regulations, and responsible sourcing criteria.

Increased geopolitical tensions and resource constraints have raised the importance of resilient, transparent, and well governed supply chains.

Investor and stakeholder expectations

Institutional investors and financial markets are integrating ESG factors into their decision making. This pressure is pushing the defense industry to demonstrate stronger sustainability performance and improved transparency.

Public scrutiny and political attention further reinforce the need for ethical conduct and responsible operations across the sector.

National security and operational efficiency

Climate change and resource scarcity are emerging security risks. As a result, defense organizations are investing in energy efficient systems, sustainable infrastructure, and reduced dependence on fossil fuels.

Technologies such as green energy solutions, autonomous systems, and advanced digitalization enhance both sustainability outcomes and operational efficiency.

Workforce and talent attraction

A strong sustainability profile is increasingly important for attracting and retaining skilled professionals. Younger generations, in particular, expect employers to demonstrate credible ESG commitments and responsible business practices.

Future trends and strategic direction

Sustainability in the defense sector is evolving from a compliance obligation to a core driver of innovation, competitiveness, and resilience. Companies that proactively embed sustainability throughout their operations, supply chains, and product development will be better positioned to meet regulatory demands, strengthen efficiency, and maintain societal trust.

Nammo is committed to leading these efforts. By combining environmental stewardship with a strong focus on technological innovation and high performance defense and aerospace solutions, the Group aims to remain at the forefront of sustainable defense practices.

The integration of sustainability across the defense sector reflects the industry's adaptability and long term responsibility. As Nammo advances, these principles will continue to guide strategic decisions and operational priorities, supporting a more socially, environmentally, and financially responsible future.

Environment

Environmental stewardship

Product stewardship

ENVIRONMENTAL STEWARDSHIP

Climate risk

Management approach

Nammo has continued to build on the insights gained from previous climate risk assessments. Earlier work, including the climate risk assessment completed for three additional company sites and key sub suppliers in 2024, as well as the comprehensive assessment finalized in late 2022, continues to provide a strong foundation for understanding physical climate risks across the organization. These earlier assessments together cover more than half of Nammo's global sites and have been thoroughly communicated to the relevant leadership teams.

Although no new climate risk assessments were performed in 2025, the insights from prior years remain central to ongoing decision making. They continue to strengthen the Group's ability to navigate environmental challenges and enhance resilience across operations and the supply chain.

Performance

In 2025, Nammo maintained its focus on strengthening overall risk management and operational resilience across the Group. Building on insights from earlier assessments, the organization continued to integrate risk considerations, including climate-related risks, into site-level processes and business functions. Throughout the year, all sites were monitored through Nammo's established risk survey program, ensuring systematic oversight of key operational and environmental risks.

During the reporting period, efforts were directed toward ensuring that sites and relevant functions had clear guidance, governance structures, and expectations for identifying and managing risks. Increased knowledge sharing, stronger alignment of local mitigation measures, and a continued emphasis on business-continuity planning helped reinforce resilience across operations.

These actions supported consistent risk management practices across the Group and ensured that insights from earlier climate-risk assessments remained relevant and actionable, even in a year without new site-level climate assessments.

Looking ahead

In 2026, Nammo will complete climate risk assessments for all remaining sites, ensuring full coverage across the Group. This work will provide an updated and comprehensive understanding of physical climate risks across the entire operational footprint.

The expansion of climate risk assessments to all sites supports Nammo's long term ambition to enhance resilience, safeguard operations and employees, and strengthen its contribution to sustainability and responsible business practices. By continuing this structured approach, the Group positions itself to meet evolving regulatory expectations and fortifies its ability to manage climate related risks in the years ahead.

13 CLIMATE ACTION

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.

Climate risk assessment

Nammo has performed a climate risk assessment of 16 of its legal entities, below is a summary of the evaluated risk exposure of these sites.

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 explosure, 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 explosure. 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

Climate risk mitigation progress

Nammo's approach to climate-risk mitigation is shaped by one central belief: climate challenges are global, but the solutions must be local. Across all sites, the company is taking practical steps to strengthen resilience while reducing environmental impact.

In regions like Wallis in Switzerland, where climate change has led to more intense storms, melting glaciers, and drier summers, Nammo focuses on improving energy efficiency, using more renewable energy, and raising awareness among employees. These steps respond directly to the shifting environmental conditions in the Alpine region.

In Florida, resilience means preparing for hurricanes and frequent lightning. New and refurbished buildings meet the latest storm-resistant codes, lightning protection has been expanded, and backup generators now secure essential functions such as the main water well and administrative facilities. Similar storm-related risks have led other sites to install additional lightning rods and strengthen inspection routines following recent weather events.

Norwegian operations face their own pressures, including flooding and increased wildfire risk. The Aurskog site is preparing a project to reduce flood exposure, while work with Vestre Toten municipality supports updated flood-risk maps. To address wildfire threats, Nammo maintains firebreaks, cooperates with forestry partners, and trains crisis teams specifically for wildfire events.

Some sites encounter limited climate-related threats thanks to controlled indoor environments. Sedalia manages occasional heavy snow with contingency plans, while Mesa's extreme heat is mitigated by climate-controlled facilities. At another location, a climate-risk assessment found no major threats to production but highlighted heat stress for employees, leading to an ongoing assessment of installing air-conditioning.

Reducing climate risk also means lowering environmental impact. Across the company, Nammo is modernizing equipment – upgrading HVAC systems to use lower-impact refrigerants and investing around one million dollars in compliant, efficient systems backed by extensive preventive maintenance. Several facilities have replaced older production machines with more efficient models, and at the casting facility, new equipment has reduced scrap, saved energy and improved water efficiency.

In forested areas, Nammo works with forestry companies to reduce wildfire danger by removing beetle-damaged trees and maintaining healthier forests.

Together, these actions form a clear narrative: Nammo is building a resilient, responsible future by acting where it matters most – on the ground, at each site, with solutions tailored to local realities. The result is a stronger, more sustainable company prepared for the climate challenges ahead.

ENVIRONMENTAL STEWARDSHIP

Green House Gas (GHG) emissions

Management approach

Significant growth across the Nammo Group has led to increased production activity, expanded facilities, and a larger workforce, all of which influence overall energy demand and operational emissions. At the same time, the company maintains a strong focus on energy efficiency and reducing its climate footprint, while steadily improving greenhouse gas monitoring to ensure reporting reflects actual performance and supports informed decision-making.

Building on the efforts from last year, the Group continues to prioritize improved thermal efficiency, reduced energy demand and long term improvements in operational performance. This sustained focus helps ensure that increased activity does not translate into a corresponding rise in emissions, and that responsible growth remains central to the way Nammo operates.

Performance

Due to the two-year delay in the implementation of the European Sustainability Reporting Standards through the omnibus proposal, the Group had additional time to prepare for the new requirements. This allowed Nammo to build further on the work that began with the double materiality assessment in 2024 and to continue aligning its objectives with the upcoming standards.

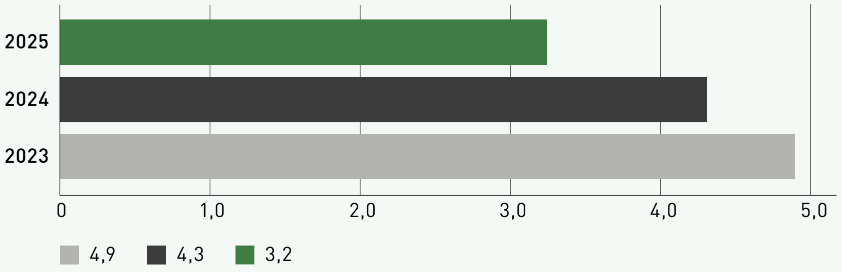
By using the extended timeline to improve data quality, governance processes and reporting structures, Nammo positioned itself to ensure greater transparency and accountability in its sustainability work and to support meaningful long term reductions in its climate footprint.

Looking ahead

For 2026, Nammo will implement a dedicated software solution to support the European Sustainability Reporting Standards. This system will enable the Group to collect, manage and report the information that will be required when formal ESRS reporting begins in 2027. The introduction of a structured digital platform will also help improve data quality, strengthen internal controls and ensure consistent reporting across all business units.

As the revised ESRS standards continue to develop, Nammo will also consider carrying out a new Double Materiality Analysis. This work will ensure that the company remains aligned with the latest requirements and that the reporting reflects both the impact of Nammo on the environment and society and the risks and opportunities that sustainability issues present for the Group.

TCO2 EMISSION PER MILLION NOK IN REVENUE

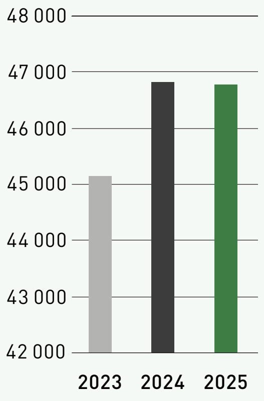


ENVIRONMENTAL STEWARDSHIP

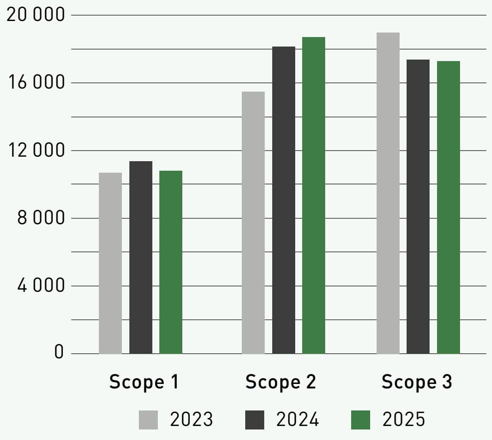
Nammo's GHG emissions

In 2025, Nammo's greenhouse gas (GHG) emissions totaled 46,783 metric tons of CO_2e, marking a slight reduction compared to 2024. While the decrease is marginal, it is particularly positive given the substantial growth in company revenues over the same period. This demonstrates that Nammo is beginning to decouple emissions from economic performance. The company continues to strengthen its climate efforts through improved efficiency, targeted mitigation initiatives, and enhanced data quality.

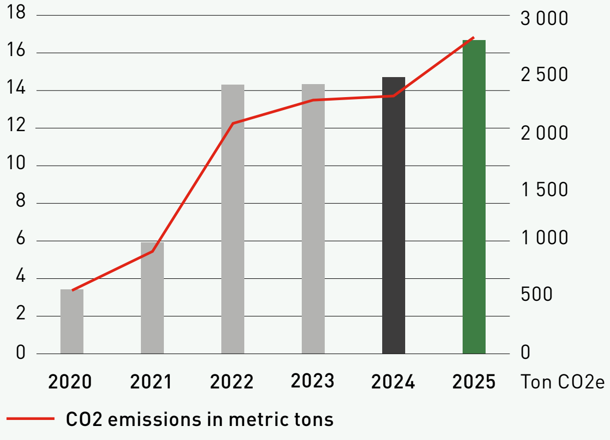
TOTAL TCO2 EMISSIONS NAMMO GROUP



SCOPE 1, 2 AND 3 EMISSIONS (TCO2)



BUSINESS TRAVEL – DISTANCE IN MILLION KM VS CO2E



Scope 1

Direct emissions (Scope 1) from fuel combustion in heating, production, and vehicles saw a slight decrease in 2025, ending up at 10,812 tons of CO2e compared to 11,340 tons in 2024. This reduction comes even though Nammo is ramping up production, and is a result of several actions taken across the Nammo group, like transitioning from fuel heating to remote heating in Spain.

Scope 2

Location-based Scope 2 emissions for 2025 increased slightly, rising from 18,133 tons in 2024 to 18,704 tons in 2025. The growing energy demand across the Nammo Group, driven by strong business expansion, continues to challenge Nammo's emissions performance. Nevertheless, despite higher production volumes, Nammo has managed to keep emissions close to last year's level, demonstrating effective energy management and sustained focus on efficiency. In 2025, several sites also purchased certificates of origin for their electricity consumption, contributing to a notable reduction in market-based Scope 2 emissions – from 53,900 tCO_2 in 2024 to 49,824 tCO_2 in 2025 – highlighting Nammo's ongoing efforts to increase the share of verified renewable energy in Group operations.

Scope 3

Scope 3 emissions, which include indirect activities such as business travel, waste generation and employee commuting, showed a marginal decline in 2025 and reached 17,267 tons of CO2e. As with Scope 1 and Scope 2, the reduction is small, but it indicates that emissions are being kept under control despite significant business growth. Nammo continues to strengthen the monitoring and reporting of Scope 3 emissions in order to better understand and manage its full value chain footprint.

Nammo remains committed to improving carbon efficiency and achieving long term emission reductions, with a strong focus on lowering CO2 intensity in relation to both revenue growth and increased production.

Commuting initiatives and progress overview

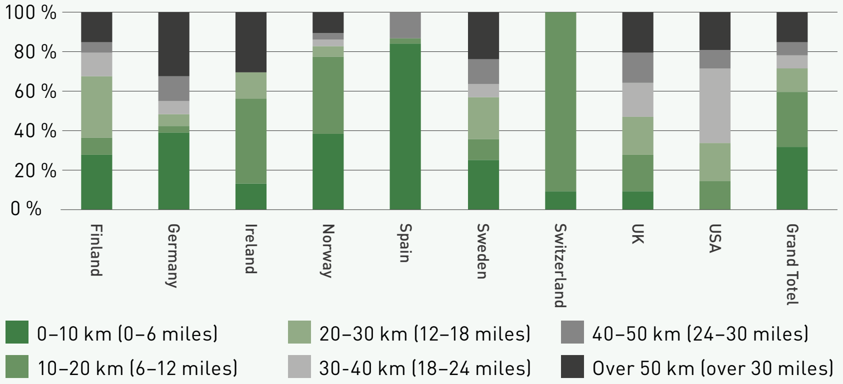
Nammo maintains an ambition to reduce the climate footprint from employee commuting by 30 percent per employee by 2030 compared to 2019 levels. In 2025, reported actions across sites were generally limited and primarily focused on awareness measures, remote work flexibility, and encouragement of voluntary carpooling rather than structured, group-wide reduction programs.

Several sites reported enabling remote or hybrid work for office employees to reduce commuting frequency. Carpooling is encouraged at some locations, and informal car-sharing arrangements exist among employees, though participation levels are typically modest. One site conducted a mobility survey to assess interest in ride-sharing initiatives and identified both potential incentives and practical barriers such as schedule coordination and emergency transport needs.

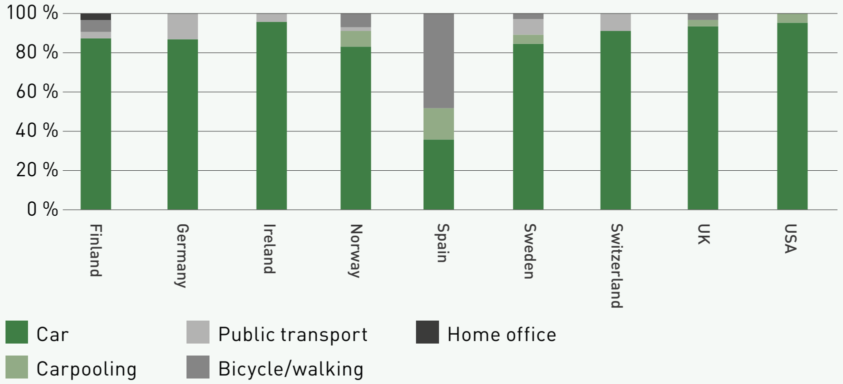
Planned infrastructure measures include the development of electric vehicle charging capacity at selected sites, with implementation expected in 2026. Overall, commuting initiatives remain largely decentralized and at an early maturity stage, with limited quantified impact reporting and no broad deployment of formal reduction frameworks across the group.

Nammo's continued growth in production capacity, headcount, and operational footprint naturally increases total commuting activity across the Group. While efficiency measures such as remote work and carpool encouragement may reduce emissions per employee in some locations, overall business expansion can offset these gains in absolute terms. As a result, reducing total commuting emissions becomes more challenging in a growth phase, particularly where new roles require on-site presence in production and technical functions.

COMMUTING DISTANCE (ONE WAY)



MODE OF TRANSPORTATION



Energy consumption

In 2025, the Group's total greenhouse gas emissions amounted to 46,783 metric tons of CO2. This shows that Nammo has managed to keep its emissions at the same level as in 2024, even as activity and production continued to grow across the organisation. Maintaining stable emissions during a period of strong business expansion demonstrates that the focus on energy efficiency and emission management is having a measurable effect.

When looking at intensity based emissions, Nammo improved compared to 2024, since total emissions remained unchanged while revenue and production increased. This confirms that the Group is continuing to separate emissions from growth and is strengthening its overall carbon efficiency.

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.

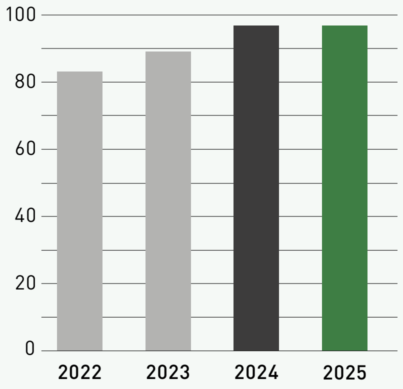
Performance

In 2025, several sites reported optimization of existing energy systems, including improved heat recovery, reduced fossil fuel use, and increased use of biomass where available. Some locations installed solar panels or entered into electricity contracts with a higher share of renewable energy, while others strengthened energy monitoring through installation of energy meters and closer consumption follow-up. Actions vary across sites and mainly consist of technical improvements and gradual efficiency gains rather than major structural transitions.

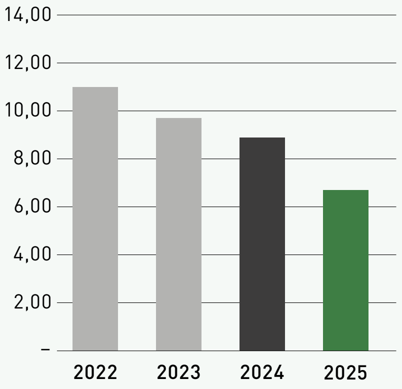
Looking ahead

Nammo will continue to prioritize emission reductions by supporting sites in further strengthening energy efficiency and systematic energy management. Emphasis will be placed on improving data quality, enhancing monitoring capabilities, and sharing best practices across locations to drive continuous improvement. Through this approach, the Group aims to manage energy demand more effectively while supporting long-term operational resilience and sustainability objectives.

TOTAL ELECTRICITY (MILLION KWH)



ENERGY INTENSITY (MWH/MNOK)



Electricity (kWh)

-0.15 %

Electricity (kWh) -0.15 percent decrease compared to 2024

Energy pr MNOK Revenue

6.72

Energy intensity 6.72 MWh pr MNOK revenue decrease compared to 2024

ENVIRONMENTAL STEWARDSHIP

Successful relocation of Gopher tortoises at Nammo Perry

Nammo Perry has reached an important environmental milestone with the successful relocation of Gopher tortoises from an area planned for future development.

Florida regulations require detailed surveys before any land can be cleared to ensure that protected species are identified. Both the initial survey and the full area survey confirmed the presence of Gopher tortoises within the planned development zone. In cooperation with the Florida Fish and Wildlife Conservation Commission and local county authorities, the site team carried out all required preparation steps. This included installing a silt fence around the area and waiting for several days of suitable temperatures to ensure that the animals would not be placed under stress during relocation.

In November 2025, certified wildlife specialists approved by the State of Florida successfully relocated five Gopher tortoises to designated habitats that provide safe and suitable conditions. This work ensures that the tortoises remain protected and are able to continue thriving away from the area where development activities will take place.

With the relocation complete, controlled site preparation is now able to move forward. The silt fence will remain in place, and monitoring will continue throughout the development process to prevent tortoises from entering the active work area until all construction is finished.

This accomplishment demonstrates Nammo's commitment to responsible development, regulatory compliance, and the protection of native wildlife.

ENVIRONMENTAL STEWARDSHIP

Water management

Management approach

Responsible water management remains an essential part of Nammo's sustainability work. In 2025, efforts continued to improve the accuracy and completeness of water usage reporting across all operations, including better identification of water sources and strengthened data quality processes. Several locations operate their own water treatment facilities, ensuring that raw water is treated and filtered before use and that all water from manufacturing and destruction processes undergoes thorough treatment before discharge. This approach supports transparent reporting, safeguards water quality, and enables more targeted reduction measures across the Group.

Performance

In 2025, significant progress was made in reducing water consumption, increasing water reuse, and improving treatment efficiency. The Group expanded the use of purification and recovery systems that allow water from production processes, including treatment baths and flushing activities, to be reused. Closed loop and sealed cooling systems were introduced or upgraded, substantially extending water replacement intervals and reducing the volume of wastewater generated. Existing recycling technologies, such as deionized water systems and closed loop bore water recirculation, continued to contribute to more efficient use of water resources.

Operational equipment was modernized to further reduce water demand, including new machinery with lower consumption profiles and the introduction of water dosing devices on various production units to optimize both intake and discharge. Non production areas also saw improvements through the installation of efficient fixtures and renewed sanitary equipment, contributing to overall consumption reductions.

Consumption monitoring, increased logging of water use at equipment level, and regular campaigns focused on leak detection and consumption control. Quality focused production processes helped reduce rework and associated water use, while improved maintenance routines and additional shutoff systems reduced unnecessary loss. Several upgrades to water treatment processes were achieved, including the introduction of technologies enabling safer discharge, better reuse potential, and more stable operational performance. Reviews of existing treatment plants resulted in optimization plans and investment proposals, some scheduled for implementation in the coming years.

Looking ahead

Looking ahead, Nammo will continue developing more efficient and resilient water management systems. The Group plans to expand water reuse capabilities by implementing new wastewater cleaning technologies and optimizing existing recycling systems. Further investments will support the completion of water recovery installations in additional production areas, and ongoing modernization of treatment plant infrastructure will help secure more consistent and uniform treatment results. Enhanced monitoring will remain a priority through broader application of equipmentlevel logging and continued use of daily consumption trending. Work will also continue to reduce nonproduction water use through efficient fixtures, automatic flushing solutions, and improved distribution and recirculation systems. Combined with ongoing maintenance and leak prevention efforts, these measures will support continuous improvement in water stewardship across the Group.

Waste and hazardous materials

Management approach

Nammo aims to minimize total waste generation and hazardous waste volumes through systematic segregation at source, improved traceability, and increased recycling and recovery rates. The Group prioritizes proper waste sorting in line with regulatory requirements and internal guidelines, strengthens documentation and contractor follow-up for hazardous waste streams, and promotes reuse of materials where technically feasible. Efforts also include reducing hazardous waste generation through process improvements and substitution of more harmful substances where possible.

Performance

Across sites, actions have focused on improving waste sorting systems, expanding recycling of metals and packaging materials, and increasing monitoring and data quality. Several locations report reduced landfill volumes through recycling, recovery, or specialized treatment solutions, including improved management of hazardous waste streams and stronger traceability via dedicated waste contractors. Process adjustments have also contributed to minimizing hazardous waste generation at source rather than relying solely on downstream disposal improvements.

Looking ahead

Nammo will continue strengthening waste reduction efforts by further improving segregation practices, increasing recycling and recovery rates, and enhancing data quality and traceability across all sites. Greater emphasis will be placed on upstream process optimization to prevent hazardous waste generation, alongside evaluation of new treatment technologies and circular solutions. The Group will also work toward more consistent reporting standards and measurable reduction targets to improve comparability and performance tracking.

PRODUCT STEWARDSHIP

Life cycle management

Management approach

The demand for reliable carbon data for Nammo's products is increasing, driven by regulatory developments and customer requirements. To establish robust and comparable emissions data, Life Cycle Analysis represents the most comprehensive and methodologically sound approach.

LCA provides a structured assessment of environmental impacts across the product life cycle and serves as an effective decision support tool during development. By identifying key emission drivers, it enables more informed choices related to materials, design solutions, and supplier selection. Over time, this approach will strengthen transparency, improve data quality, and support systematic environmental performance improvements across the portfolio.

Performance

In 2025, Nammo has prioritized gaining a clearer understanding of evolving customer requirements related to Life Cycle Analysis. The Group is actively participating in a NATO working group examining LCA as a strategic instrument for sustainable defense, in collaboration with representatives from customers, academia, and industry.

In parallel, selected sites are applying Life Cycle Assessment as a decision support tool in development projects, ensuring that relevant environmental data is established on a robust and structured basis from the outset.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Looking ahead

Nammo will continue to focus on broadening knowledge and practical application of Life Cycle Analysis across the Group. This includes further alignment with customer expectations, refinement of methodological approaches, and strengthening the availability of reliable carbon data.

Over time, LCA will serve as a structured basis for informed development decisions and transparent environmental reporting across the product portfolio.

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

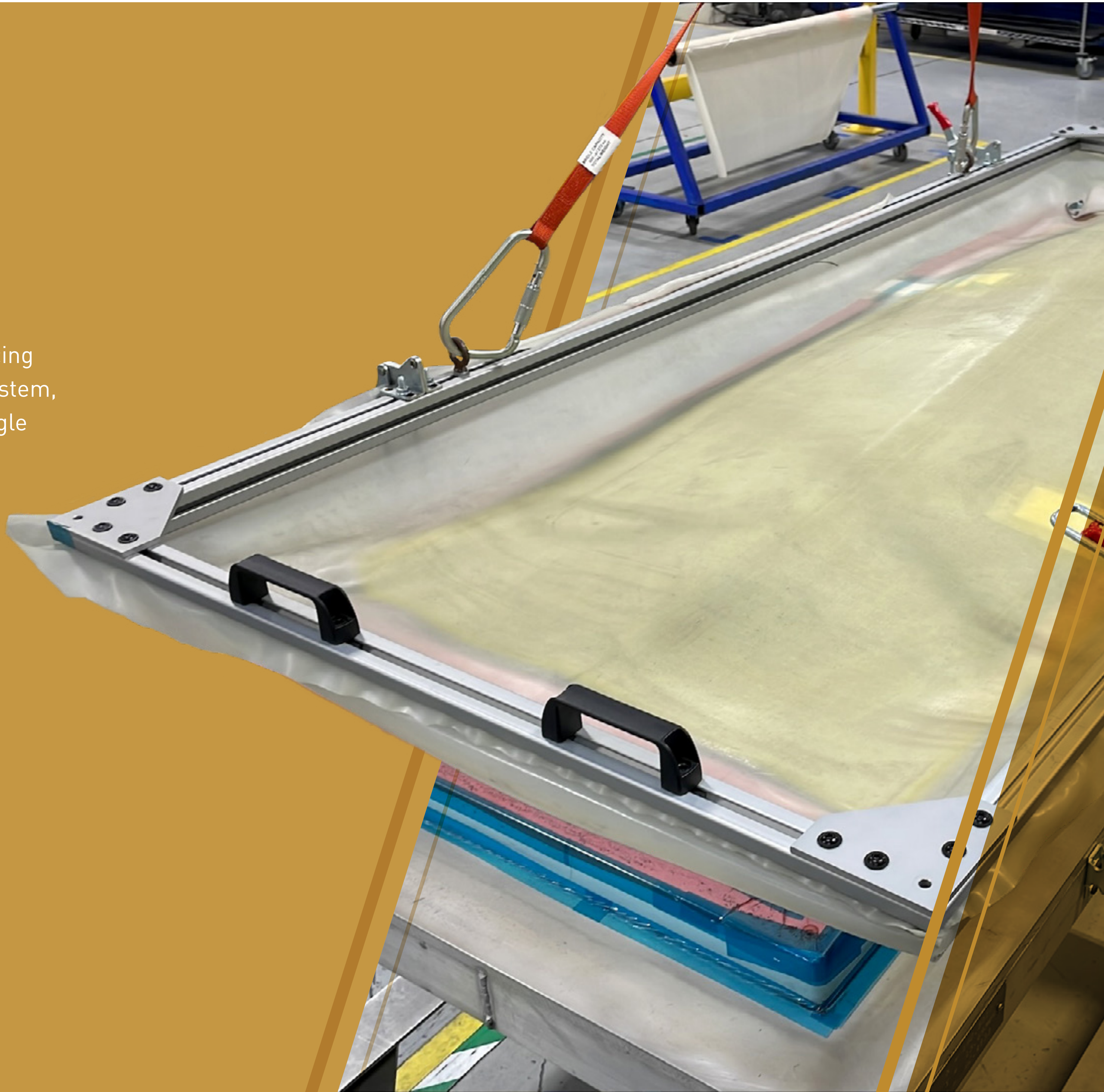
Driving sustainability through simple and smart innovations

The JASSM preforming team has delivered an important step forward in reducing waste and improving daily work. By introducing a reusable vacuum bagging system, the team replaced a long standing process that relied on large amounts of single use plastic materials.

The environmental savings are substantial. The new system removes the need for plastic bagging film and sealant tape after every cycle, saving an estimated four thousand square meters of plastic film and eight kilometers of sealant tape each year. In total, this prevents nearly one metric ton of plastic waste from entering landfills. As production grows, these savings will increase even further.

The operational benefits are equally meaningful. The reusable system reduces manual work and improves ergonomics by cutting operator touch time by an estimated seventy five percent. Training is also simpler, allowing entry level technicians to take on tasks that previously required more experience.

The strong results from this project have encouraged teams across the facility to explore similar opportunities. The JASSM preforming team has shown that practical ideas can generate real progress for both our operations and the environment.



Product safety

Management approach

Nammo designs its products with safety as a fundamental part of their development. 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

During 2025, Nammo continued its systematic focus on product safety. In this period, Hansson PyroTech (HPT) worked closely with the German Federal Maritime and Hydrographic Office (BSH) to address previously reported non-conformities related to IKAROS Hand Flares and IKAROS Parachute Rockets.

HPT implemented a verified corrective design modification to eliminate the identified two-second ignition delay. To ensure full independence and technical robustness in the validation process, HPT engaged a recognized external pyrotechnics expert, to carry out verification testing. Testing was performed in accordance with a defined plan, which has also been submitted to DNV, a leading quality assurance and risk management company, as part of the certification update process.

HPT has formally requested either an adjustment to the effective date of the BSH sales prohibition or closure of the remaining non-conformity, pending DNV's final update of the product certificate. Nammo continues to maintain transparent and constructive dialogue with the relevant authorities to bring the matter to completion.

The Group's proactive engagement and structured remediation efforts underline its commitment to managing product safety issues responsibly and in accordance with regulatory expectations.

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.

Our commitment

Nammo is committed to ensuring that all products meet the highest safety standards and fully comply with applicable laws, regulations, international standards, and recognized best practices.

PRODUCT STEWARDSHIP

Protecting the Marsh Fritillary butterfly

At Nammo's site in Denmark, industrial activity takes place alongside valuable natural habitats. One example is the Marsh Fritillary butterfly (Euphydryas aurinia), a protected species in Europe that has declined significantly as species-rich grasslands have disappeared.

During the planning of a new facility at the Denmark site, special environmental precautions were required due to the presence of this butterfly. Surveys confirmed a local population near Elling, and the area where the species occurs cannot be built on or otherwise altered without careful environmental assessment.

The Marsh Fritillary depends on open grasslands with its host plant, Devil's-bit scabious, and very specific vegetation conditions. By considering these requirements in site planning and land management, Nammo helps protect the habitat while continuing industrial development.

The project demonstrates how careful planning can allow industrial growth while safeguarding important biodiversity.

Social

Employee safety and well-being

EMPLOYEE SAFETY AND WELL-BEING

Occupational health and safety

Management approach

Nammo's approach extends beyond preventing injuries. Safety is integrated into all parts of our operations; from design and engineering to production and testing and during our ramp up projects. In 2025, the group continued strengthening a culture where employees feel comfortable raising concerns and contributing to continuous improvements in a dynamic and growing environment.

Nammo did not experience any high-potential Serious Injury or Fatality (SIF) incidents during the year, and only a few high-potential near misses were recorded. Several sites, however, saw an increase in smaller incidents. To address the underlying causes, targeted site projects were initiated to identify organizational and system-related improvements, strengthen safety awareness, and enhance our ability to detect weak signals before they escalate.

The Group's growth and the onboarding of many new employees further emphasized the importance of competence and operational readiness. Ensuring that new colleagues receive thorough training, understand the critical nature of Nammo's operations, and are adequately prepared before entering production remains a key priority.

Human and Organizational Performance (HOP) principles remain central to Nammo's culture. Training across the organization supported operational leaders in understanding work as performed, listening actively, and fostering a learning-oriented environment.

Positive trends continued in hazard reporting and safety observations, reflecting increasing engagement and a maturing safety culture. Learning from high-potential near misses remains a priority to capturing insights that prevent more serious incidents.

Together, these initiatives support Nammo's long-term commitment to building a resilient, learning-oriented organization – one that values operational expertise, invests in competence, and ensures a safe and healthy working environment while meeting the demands of its customers.

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. With rising production demands, psychosocial conditions are monitored to support a safe and healthy working environment for all employees.

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.

3 GOOD HEALTH AND WELL-BEING

Performance

The continuous efforts at raising awareness regarding psychological safety and empowering staff to identify and correct hazards supports the increasing trend in reporting of accidents, near-misses and hazardous conditions in 2025. Total safety reporting increased from 4 812 reports in 2024 to 5 153 in 2025, an increase of 7 percent year-over-year while its total number of employees rose from 3 600 at year end 2024 to over 4 200 at year end 2025, with a strong increase in the last quarter of 2025. No serious injuries or fatalities were recorded in 2025. Lost Time Injury (LTI) Value (number of Lost Time Injuries per million working hours) increased from 5.9 in 2024 to 6.5 in 2025. Sick absence decreased marginally from 4.4 percent in 2024 to 4.3 percent in 2025.

To support the continued increase in operational activity across the Group, Nammo strengthened its health, environment, safety and security (HESS) organization during 2025. Dedicated country-level HESS Directors were established in both the United States and Finland. This ensures more direct support to local sites, enhances coordination across rapidly growing sites, and reinforces a consistent approach to safety and risk management throughout the company.

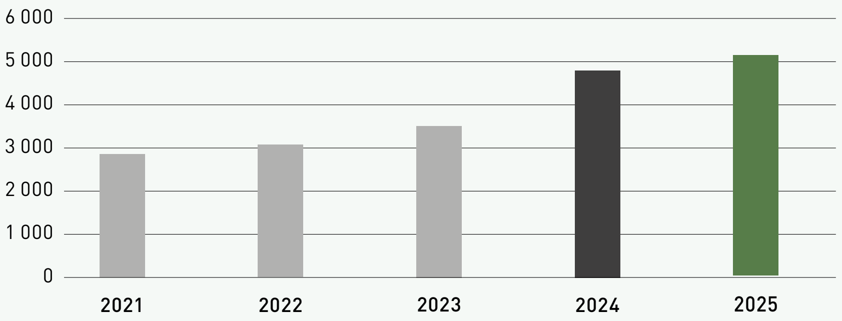
Looking ahead

In 2026, Nammo will continue strengthening its HESS organization to support increasing operational activity. A Country HESS Director will be appointed in Sweden, complementing the new roles in the United States and Finland and providing more consistent local follow-up across key markets.

The Loss Prevention Standard (LPS) program achieved a solid start in 2025 and will be further developed during 2026. Insights from Group-wide risk surveys will continue to guide improvement efforts and help identify areas with additional potential.

To enhance learning from high-potential events, clearer visual indicators will be introduced to promote consistent communication and follow-up across all sites. HOP and leadership training will be intensified, with a strong focus on visible leadership engagement. Increased training activities, more frequent HESS discussions within operational teams, and closer collaboration with Operational Excellence will further support a proactive and resilient safety culture.

TOTAL REPORTING – ACCIDENT, NEAR-MISS, HAZARDOUS CONDITIONS



The positive trend in incident reporting from 4 812 reports in 2024 to 5 153 in 2025 with a 7 percent 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 Nammo's 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

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, Nammo aims 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 employment.

Nammo aims to be an "Employer of choice" for all sectors of the working community. As a responsible employer, Nammo has 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.

Our commitment

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

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

EMPLOYEE SAFETY AND WELL-BEING

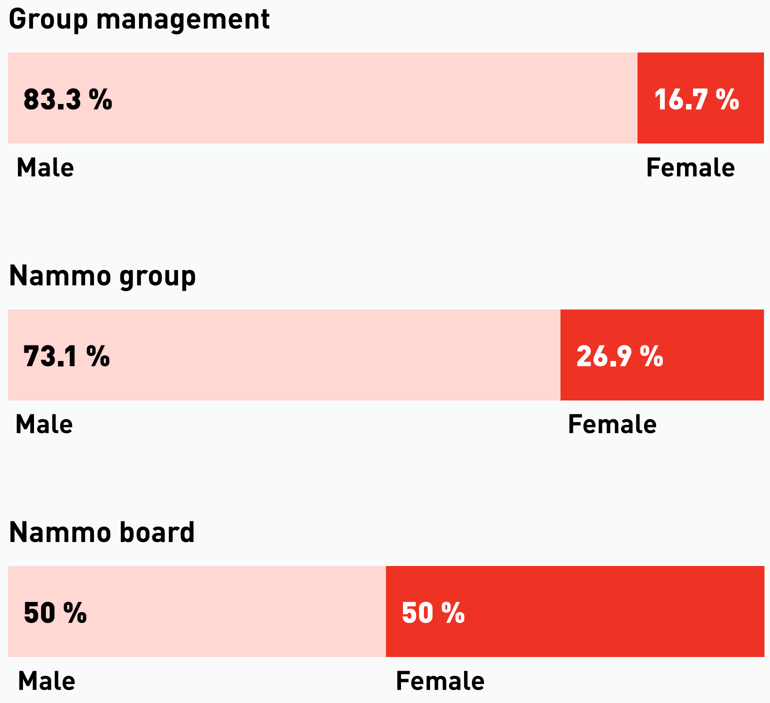
Performance

Nammo has been in a phase of high growth and many new hires in 2025. In the various recruitment processes, equality and equal opportunities have been a particular focus. Nammo's recrutiment needs will be large in the coming years. In order to reach our goal of 30 percent female representation by 2030, our employer branding strategy will seek to make Nammo an even more attractive workplace for women.

At the end of 2025, women accounted for 26.9 percent of all Nammo employees, a marginal increase from last year (26.8 percent).

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 the recruitment needs seen ahead in the coming years, Nammo will strengthen its employer branding program with initiatives aimed at becoming an even more attractive workplace for women. 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 its commitment to societal development, particularly in supporting youth-oriented programs.



Competence development

Management approach

At Nammo, the Group's competitive strength is driven by the expertise, commitment, and development of its people. Building and sustaining excellent competencies is therefore a strategic priority and a key contributor to long-term value creation.

Nammo's performance management framework is designed to systematically identify, develop, and retain critical skills across the organization. This is supported by an integrated learning ecosystem comprising structured learning through the Nammo Academy, targeted on-the-job training, and robust talent and succession planning processes to ensure future capability and leadership readiness.

Cross-functional professional forums within HR, Health, Environment, Safety & Security (HESS), Finance, ICT, Legal & Compliance, and Procurement further strengthen this ecosystem. These forums promote collaboration, knowledge sharing, and continuous learning across the Group, ensuring alignment with business needs and regulatory requirements.

Performance

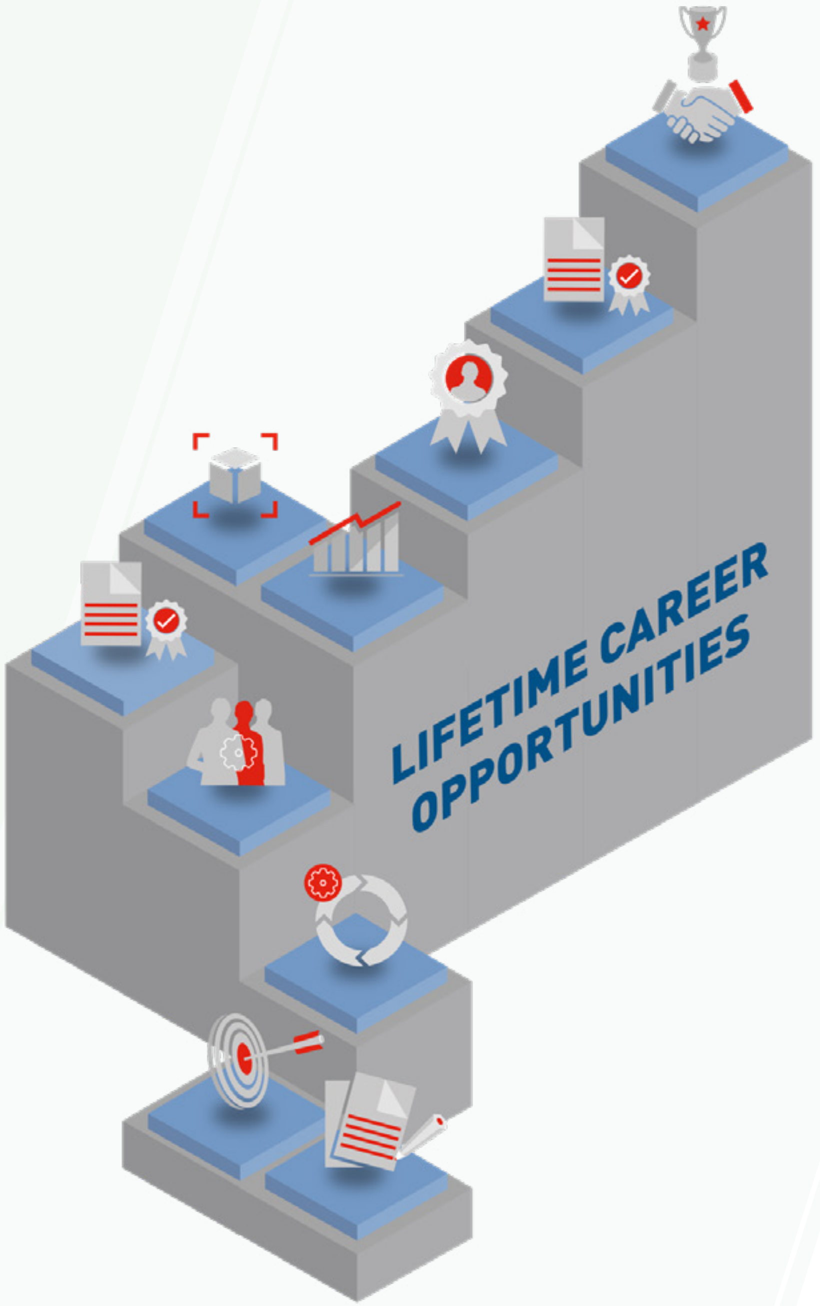
In 2025, Nammo further strengthened its commitment to talent development across the Group. Continued organizational growth led to a strong focus on improving the onboarding experience for new employees, supporting faster integration and engagement.

The onboarding module within the HRM system was successfully implemented in several countries during the year. In addition, new mandatory training programs were introduced to address critical business and compliance requirements, including Export Control and Cybersecurity Maturity Model Certification (CMMC).

Looking ahead

In 2026, Nammo will continue to enhance its Human Capital Management system, with particular focus on further development in the US. The Learning & Development function will prioritize customized career development pathways and specialized training programs aligned with strategic workforce needs.

As part of the Knowledge Transfer of Competence initiative, the Group is exploring immersive extended reality (XR) technologies to enhance learning effectiveness and knowledge retention. In parallel, Nammo is launching its Global Onboarding Program ensuring that all new employees receive a consistent, high-quality introduction to the Group, regardless of location.



Nammo's annual awards ceremony - recognizing excellence

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.


“All interaction with stakeholders and civil society should be conducted in an ethical and proper manner”
Overview
Code of Conduct
“Integrity is doing the right thing, even when no one is watching”
C.S. Lewis
Nammo

Governance


8 DECENT WORK AND ECONOMIC GROWTH
16 PEACE, JUSTICE AND STRONG INSTITUTIONS
17 PARTNERSHIPS FOR THE GOALS

Third party risk management

Management approach

Nammo holds its suppliers and business partners to high standards, promoting responsible business conduct and minimizing sustainability risks. Our due diligence process includes comprehensive screening and background checks, with a tailored scope based on factors such as the country or countries involved, the business partner's role, the size and nature of the transaction, the end-user, currency conditions, sanctions exposure, and risks related to fraud or corruption, as well as previous experience with the business partner.

Nammo's "know your customer/know your supplier" policy is rigorous. The Group conducts extensive due diligence before entering into cooperation, ensuring business partners meet strict ethical standards and that contractual arrangements minimize risk. If the initial assessment concludes with significant concerns, the case is escalated to a compliance approval board, which determines whether the partnership can proceed. In situations where high risk but critical suppliers are involved, the Group takes a pragmatic approach, developing joint risk mitigation measures in close collaboration between the relevant Nammo entity and the supplier.

The onboarding of local country representatives follows the comprehensive "Manage Representative" framework, fully integrated into the Nammo Management System. Legal and Regulatory Affairs oversees both onboarding and offboarding, while International Sales and Marketing serves as the main point of contact throughout the partnership. Regular ethical and business reports from representatives support renewal decisions and enable the authority to conduct audits when necessary. For distributors in commercial sales, an elevated level of scrutiny is applied due to the less regulated nature of commercial markets compared to military sales. This requires strengthened risk assessments and continuous monitoring.

Performance

During the year, Nammo continued to keep strong focus on screening procedures and background checks, further enhancing measures to prevent sanctioned entities from entering its business network. Local representative agreements were subject to rigorous risk assessments and audits prior to renewal.

The renewal audit program comprising both internal reviews and external audits. The internal review consisted of desktop reviews as well as digital interviews with management at the local representative. As part of the initiative two representatives were designated for third-party audits, while five underwent internal desktop review by Nammo. As a result, seven out of seven agreements expiring in 2025 were renewed.

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.

8 DECENT WORK AND ECONOMIC GROWTH

There has been a notable increase in engagement from external stakeholders – including financial institutions, insurers, media and NGOs – who are increasingly focused on Nammo's commitment to responsible business conduct across its supply chain. These interactions primarily center on human rights, decent working conditions, sanctions compliance, and export control.

The situation in the Middle East has led to an increase in information requests concerning Nammo's internal processes for due diligence and third party risk management.

Internal communication has been strengthened to secure thorough due diligence of high risk customers and extra vigilance towards countries not adhering to international sanctions. The Group has also closely monitored potential sudden shifts in export control regulations issued by national authorities.

Distribution agreements for commercial sales are monitored closely and are subject to regular review.

Through the Nammo Academy learning platform, dedicated training modules have been deployed, focusing on comprehensive due diligence, human rights responsibilities, and export control requirements.

Looking ahead

In 2026, Nammo will revise its third party risk management process and upgrade the screening tool as part of the ongoing strengthening of its risk based due diligence framework. The Group will 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 will continue to offer interactive digital training modules alongside in person dilemma workshops, ensuring employees remain well informed and compliant with evolving regulatory requirements.

Supply chain governance

In 2025, defense industry supply chains continued to face significant capacity challenges driven by geopolitical instability, rising demand, and ongoing global logistics disruptions. Increased defense spending placed additional pressure on suppliers, many of whom struggled to scale production quickly enough to meet growing needs for critical components. Raw material shortages and shipping constraints further extended lead times and elevated costs for essential materials and components. Reliance on a limited number of highly specialized suppliers intensified these pressures, with capacity constraints at key suppliers slowing overall production timelines.

Nammo operates a global and highly complex supply chain that includes a wide range of partners – from raw material suppliers and component manufacturers to subcontractors and service providers across maintenance, transport, and consultancy. The company's supply chain strategy is built on competitive sourcing, prioritizing suppliers that offer technological innovation and strong cost competitiveness. Nammo's majority of suppliers are located in Europe and North America, with a smaller number operating on other continents. In total, the network comprises more than 8 000 suppliers, of which around 700 are considered strategic due to end-customer pre-qualification or their ability to deliver high quality, technologically advanced products at competitive prices.

Management approach

Nammo is committed to upholding the highest sustainability standards across its supplier base and business partnerships. The Group works actively to promote responsible business conduct, reduce sustainability related risks, and ensure that stakeholders operate in line with these expectations. All suppliers must comply with Nammo's Supplier Conduct Principles, which require adherence to legislation on modern slavery and human trafficking, efforts to reduce environmental impact, continuous improvement of environmental performance, and the prevention and mitigation of environmental and health risks. A risk-based supplier due diligence process is fully integrated into the Procurement process within the Nammo Management System, ensuring that each legal entity and business unit remains accountable for the integrity and sustainability of its supply chain.

Performance

In 2025, the Group conducted a comprehensive review of its supply chain, screening more than 1 100 suppliers and maintaining continuous monitoring of approximately 3 000 third parties, including all strategic suppliers. Assessments were carried out using publicly available data and covered a broad set of risk indicators, including political stability, country specific issues, legal compliance, sanctions exposure, watchlists, politically exposed persons, and ownership structures. The analysis concluded that 89 percent of third parties fell within the low to medium risk range, while 11 percent percent were categorized as high risk.

VALUE CHAIN INTEGRITY

No negative social impacts were identified during the period; however, a number of suppliers were assessed as at risk due to quality related concerns. No supplier contracts were terminated in 2025 on the basis of non compliance with contractual requirements.

The Group advanced the rollout of its supplier self assessment portal, introduced to standardize ESG related data collection across the supply chain. The platform strengthens transparency and enhances risk management by consolidating key environmental, social, and governance information. By year end 2025, nearly (700) direct suppliers and distributors had been onboarded to the system.

In the fall of 2025, a new digital human rights training module, with a specific focus on supply chain risks, was launched for all employees with digital access. By year end, the completion rate had reached 76 percent.

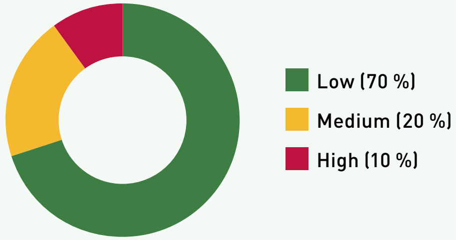
Looking ahead

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:

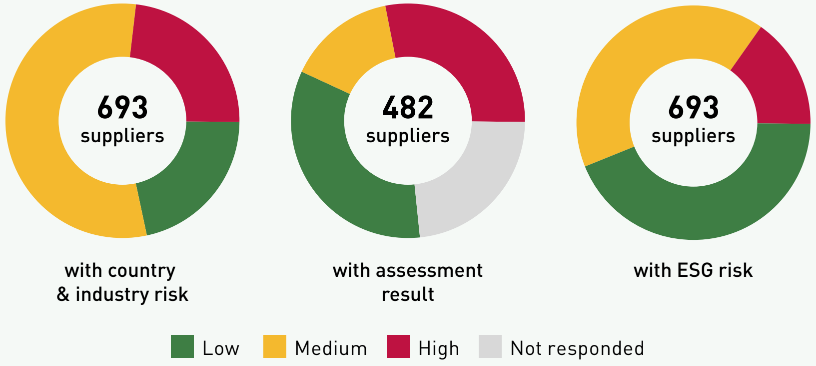
- Reorganizing and strengthening the supply chain management and its process.
- Full integration of the supplier assessment portal: Ensuring seamless implementation and utilization to standardize risk assessments across the supply chain.
- Strengthening supplier audits: Expanding audit scope to reinforce quality control measures while intensifying assessments of human rights and working conditions.
- Continuous digital human rights training complemented by workshops and dilemma training.

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.

PORTFOLIO RISK EXPOSURE

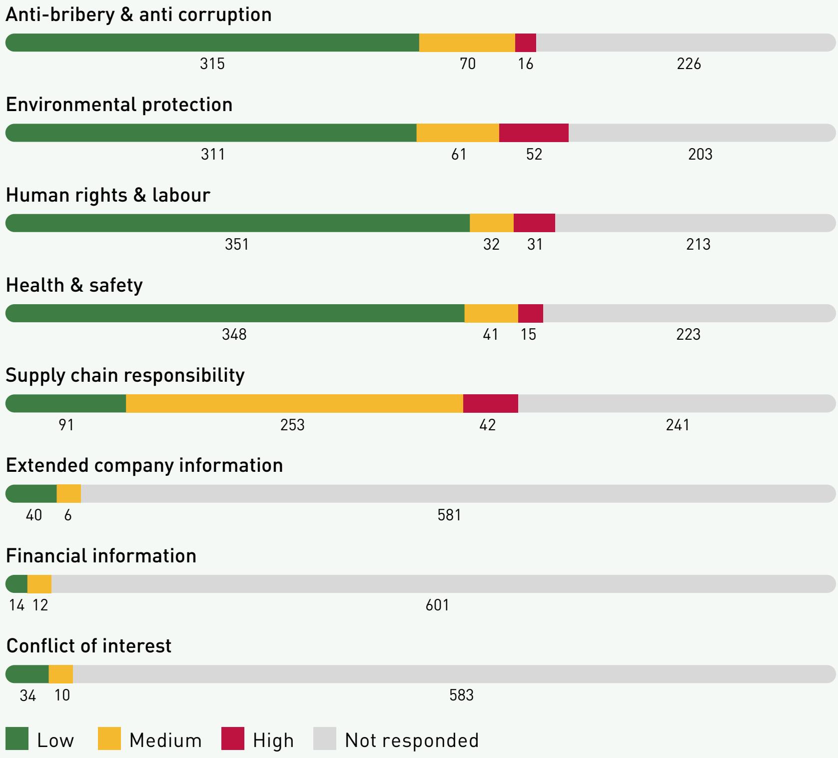


SUPPLIERS ONBOARDED TO SELF-ASSESSMENT PORTAL



Source: Supplier self-assessment portal by Integrity Next.

SUPPLIER SELF-ASSESSMENT RESULT BY TOPIC



Source: Supplier self-assessment portal by Integrity Next.

Human rights assessment

Human rights governance and risk management

Nammo remains firmly committed to respecting human rights across all areas of its operations and value chain. This commitment is embedded in the Group's governance framework, supported by structured due diligence processes and aligned with international standards for responsible business conduct. Previous mapping and assessments have highlighted potential exposure across five key areas:

- **Transactions in high risk territories**
- **Supply chain oversight**
- **Diversity and inclusion**
- **Logistics and transport**
- **Corruption and undue influence**

The following sections outline Nammo's approach to assessing and mitigating these risks, reflecting the Group's commitment to ethical conduct and responsible business practices.

Transactions in high risk territories

Risk assessment

In 2025, more than 94 percent of Nammo's sales were directed to customers in Europe and North America. These markets are widely regarded as lower risk jurisdictions with respect to human rights, supported by robust regulatory frameworks and strong governance structures. Customers in these regions – predominantly national defense institutions and government-affiliated actors – operate under strict legal and compliance requirements.

Risk mitigation measures

The Group continues to apply enhanced due diligence to transactions involving commercial clients, distributors, or markets with elevated risk profiles. Nammo's Sales Process sets clear requirements for the vetting and approval of third parties, including assessments of compliance history, ownership structure, and geopolitical risk. Contractual terms and conditions reinforce expectations throughout the relationship, ensuring that partners uphold the standards defined in the Nammo Management System.

Supply chain oversight

Risk assessment

Nammo manages a global supply chain spanning multiple categories of raw materials, components, and critical services. Supplier selection is based on a structured evaluation of quality, cost, regulatory compliance, technological capability, and adherence to internal procurement standards. Risk-based due diligence forms an integral part of the onboarding process and includes screenings, self-assessment questionnaires, and internal risk evaluations guided by OECD principles for responsible business conduct.

With the majority of suppliers located in Europe and North America – and a smaller footprint in South America, Southeast Asia, and South Africa – the overall human rights risk in the supply chain is assessed as medium to low.

Risk mitigation measures

All Group entities are required to apply the Procurement Policy and third party risk management procedures set out in the Nammo Management System. In 2025, the Group screened more than 1 110 suppliers and continued monitoring activities through automated systems. Close to 700 suppliers are onboarded on the recently implemented self assessment portal, improving transparency and ESG related data quality. Rising global sanctions present ongoing challenges; Nammo continues to adjust internal procedures to maintain compliance with evolving regulatory requirements.

Diversity and inclusion

Risk assessment

Nammo acknowledges that diversity remains an area where further progress is needed. Legislative constraints in several European jurisdictions restrict the collection of certain diversity data. In addition, national security requirements for specific roles may limit recruitment to citizens of the host country, influencing diversity outcomes across the Group.

Risk mitigation measures

Nammo has established long term gender balance ambitions and has set KPIs for each legal entity to be achieved by 2030. Work is underway to develop methodologies that enable a broader assessment of equality and inclusion across the organization. These efforts will support more targeted initiatives to promote diversity and ensure equal opportunities for all employees.

Logistics and transportation

Risk assessment

Human rights risks in the transport sector are well documented, particularly regarding driver working conditions, long hours, and limited access to adequate rest facilities. In Norway, Nammo benefits from close cooperation with a local transportation provider, ensuring satisfactory working.

Risk mitigation measures

Approximately 30 percent of shipments are arranged directly by customers or suppliers, limiting Nammo's direct oversight. However, the Group seeks to mitigate risks through contractual requirements and adherence to the Supplier Conduct Principles. Efforts include consolidating transport partners, strengthening contractual safeguards, and implementing protocols to identify and prevent adverse impacts in the logistics chain conditions aligned with national standards.

Corruption and undue influence

Risk assessment

Nammo has historically maintained a low exposure to large scale corruption risks; however, increased geopolitical tensions and higher global defense spending naturally elevate the risk landscape. A rise in contract volume, requires continued vigilance. Risks also exist at the smaller transaction level, where breaches may be harder to detect.

Risk mitigation measures

To safeguard the integrity of its operations, Nammo enforces comprehensive sales and procurement procedures across all entities. High value contracts require formal review and approval through established governance bodies. Financial transactions follow strict authorization matrices and internal controls.

The Group's grievance mechanism, Speak Up, allows employees and external stakeholders to report concerns anonymously in their preferred language. The system is accessible via the corporate website and is referenced in supplier documentation and contractual terms.

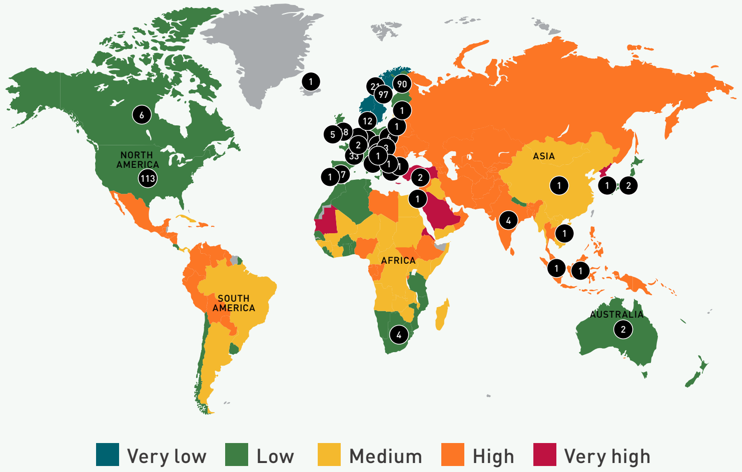
Looking ahead

While the risk of human rights violations within Nammo's own operations is considered relatively low – due to geographic presence and strong regulatory environments – the Group remains proactive in strengthening its due diligence framework. Nammo's engagement with its European Works Council provides an additional safeguard, fostering dialogue on working conditions and employee rights.

In the coming year, the Group will continue to enhance its supplier audit program, with a particular focus on identifying potential human rights risks within the supply chain. Further, Nammo will refine its annual human rights training, adding on more workshops and scenario based dilemma training to reinforce employee awareness and enable early identification of potential concerns.

Through these continued efforts, Nammo seeks to uphold the highest standards of responsible business conduct and contribute to the protection of human rights across its operations and extended value chain.

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.

BUSINESS INTEGRITY

Anti-bribery and corruption

Management approach

Nammo recognizes its statutory obligations to actively prevent corruption and acknowledges that compliance with national legislation alone is not always sufficient in the complex environment of international trade. The Group therefore upholds standards that exceed minimum legal requirements to ensure responsible conduct across all jurisdictions in which it operates.

All Nammo entities are subject to stringent anti corruption regulations, including national penal codes, the UK Bribery Act 2010, and the U.S. Foreign Corrupt Practices Act (FCPA). In addition to legal compliance, the Group aligns its practices with globally recognized frameworks, including the Ten Principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises.

Nammo's Code of Conduct serves as the foundation for ethical behaviour across the Group. It sets out clear expectations for employees and third party representatives, translating regulatory requirements and international standards into practical guidance for daily decision making. The Code is integral to Nammo's corporate culture and underpins the Group's long standing commitment to integrity and responsible business practices.

Performance

Nammo's Sustainability and Compliance department holds overarching responsibility for the Group's Code of Conduct, ensuring that it remains current, comprehensive, and aligned with regulatory developments and best practices. The most recent edition was issued globally in 2021 and is available in all seven languages used across the Group. Compliance with the Code is mandatory: all employees acknowledge receipt upon induction as well as external board members. Participation in an annual Code of Conduct training module further reinforces this commitment and ensures sustained awareness throughout the organization. All Group policies, including those supporting the Code, are reviewed annually and published openly.

In 2024, Nammo launched a Fraud and Corruption Performance Management Program to evaluate the effectiveness and maturity of the Group's anti fraud and corruption framework. The program assesses how well current measures are understood, applied, and perceived across Nammo's business units. This initiative continued throughout 2025, during which approximately 120 employees from a representative cross-section of the organization participated in in depth interviews. The insights gathered will form the basis for shaping Nammo's future anti corruption program and strategy.

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.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Nammo's approach to preventing corruption is proactive and embedded within daily routines and decision making processes. Risk mitigating controls are reinforced through regular meetings, reviews, and targeted training – particularly in high risk functions such as contracts, procurement, and sales.

The 2025 compliance training suite reflected this risk-based focus and included:

- **A new digital anti-bribery and corruption module**, incorporating scenario based learning and accessible to all employees with digital access.
- **Risk adapted ethics workshops**, delivered to site administrations and identified high risk functions.
- **The annual Legal & Compliance Forum**, which promotes cross-functional dialogue and the exchange of best practices and regulatory developments.

In addition, new manager in high risk functions receive tailored briefings on Nammo's ethics, compliance, and sustainability obligations, ensuring early alignment with Group expectations.

Nammo's commitment to high standards of integrity is reflected in its results. In 2025, the Group recorded no legal actions related to corruption, anti competitive behavior, illicit trade, or ethical violations. Two cases reported to national authorities in late 2024 concerning potential third party misconduct progressed during the year: one was formally closed by authorities in 2025 with no further action, while the other remains under review.

Looking ahead

In 2026, training initiatives will continue to serve as a central component of the Group's risk mitigation framework. Nammo will undertake a comprehensive review of its compliance and anti corruption program to further strengthen internal controls and improve the management of anti bribery, corruption, and export control risks across all operations.

The Fraud and Corruption Performance Management Program will remain an important driver in shaping the Group's future anti corruption strategy. The program's findings will help identify areas of vulnerability, informing targeted training, enhanced controls, and further development of risk mitigation measures.

CORPORATE TRAINING 2025

Type of training	Assigned	% Completed
Nammo Management System (new employees)	461	90 %
Customer Relation Management	1 271	75 %
Human rights	1 624	76 %
Anti-Bribery & Corruption	1 576	71 %
Export control	1 039	74 %
Special Security Agreement	1 586	81 %
Cybersecurity Maturity Model Certification	1 620	75 %
Federal Acquisition Regulation	1 575	74 %
Information and Communication Technology Training	1 576	74 %
KCEM – HESS Energetics	2 403	74 %

BUSINESS INTEGRITY

Grievance mechanisms

Managing Nammo's impacts

Nammo is committed to maintaining open, transparent communication throughout the organization, with its stakeholders, and within the communities it serves. Multiple platforms for dialogue are in place, including dedicated grievance reporting channels. These mechanisms play a critical role in identifying and addressing any adverse impacts that Nammo's operations may cause or contribute to.

Fostering open dialogue among colleagues

Open dialogue is considered fundamental to building and sustaining strong, constructive relationships between employees and management. Nammo strives to foster a workplace environment where individuals feel confident raising concerns without fear of retaliation. To support this, the Group encourages direct, transparent communication with immediate supervisors as the first step in addressing issues. Managers and leaders are central to reinforcing this culture of openness, ensuring that concerns are dealt with early and effectively before evolving into formal grievances. Strengthening trust between leaders and their teams remains a core focus, and Nammo is committed to advancing these efforts in 2026 and the years ahead.

Raising concerns

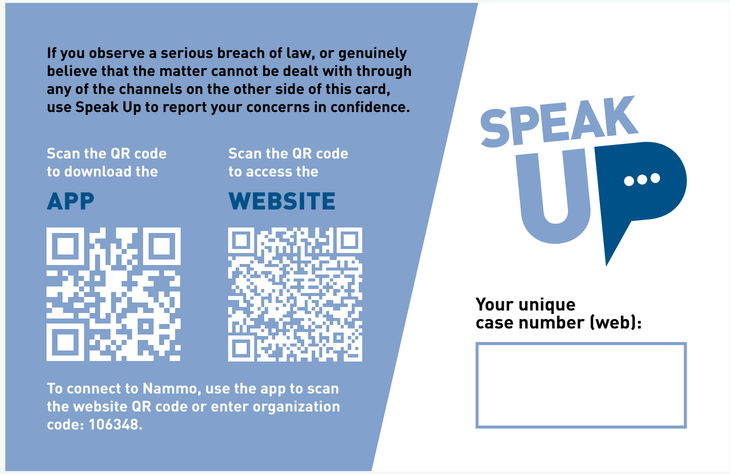
If a concern cannot be resolved through direct dialogue with a supervisor, employees are encouraged to escalate the matter to higher management, Human Resources, or local Compliance. All concerns are handled fairly and impartially, supported by a strict non retaliation principle that applies across all reporting channels and organizational levels.

Confidential reporting channels

Nammo provides a secure and confidential reporting system, SpeakUp, operated by an independent third party to ensure anonymity and protection. Available 24/7, the platform allows individuals to report concerns in their preferred language.

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

The SpeakUp system is also accessible to business partners, who may use it to report concerns related to Nammo's operations under the same protections as provided to employees. Contact details and access information are available on the corporate website (www.nammo.com), referenced in contractual terms and conditions, and included in the Supplier Conduct Principles.



BUSINESS INTEGRITY

Reported concerns

Total cases 2025

22

22 cases in 2025 versus 9 in 2024

In 2025, Nammo registered 22 concerns through its internal and external reporting channels, representing a significant increase compared with the previous reporting period. While the number of cases more than doubled year-over-year, the overall volume remains low relative to organizations of similar size and complexity. The increase is attributed to strengthened awareness of reporting mechanisms and continued efforts to support an open reporting culture.

All concerns submitted via SpeakUp or EthicsPoint were received by the Chief Compliance Officer or the U.S. Ethics and Compliance Director. In accordance with internal procedures, each case underwent an initial risk assessment carried out in collaboration with the Ethics and Integrity Council (Europe) or the Ethics Incident Investigation Group (U.S.). These assessments determine case severity, required follow up actions, and whether escalation is necessary.

For Nammo's EU based legal entities, the handling of concerns follows the requirements of the EU Whistleblower Directive (Directive (EU) 2019/1937), which mandates secure and confidential reporting channels, timely acknowledgment and follow up, and protection against retaliation. Reported concerns in the EU were managed either at the legal entity level or by designated shared services functions, depending on the nature of the case.

Of the 22 concerns raised in 2025, the majority related to human resources matters, security breaches, conflicts of interest, and incidents of sexual harassment. This represents a shift from prior years, where concerns more frequently involved organizational issues and leadership behavior. Concerncs submitted directly through the SpeakUp/Ethicspoint were 16 out of 22. The remainder were raised directly through line management. This distribution indicates increased trust in using the established grievance mechanisms both in Europe and in the USA.

All cases were handled in accordance with Nammo's non retaliation principles, and no breaches of this policy were identified during the reporting period.

OUTCOMES OF REPORTED CASES

Cases reported in the Europe		Cases reported in the US		Total nb of cases reported to SpeakUp and Ethicspoint	
Reported	**Closed**	**Reported**	**Closed**	**Reported**	**Closed**
9	8	13	12	22	20

Handling result: Two cases resulted in employee dismissals.

Concerns reported in 2025 originated from the United States, Norway, Sweden, Switzerland, Germany, and Finland.

Accessible and effective grievance channels

Given the operational growth across several locations, Nammo has continued to assess the accessibility and effectiveness of grievance mechanisms within its legal entities. Ensuring that employees understand how and where to raise concerns remains a priority. The Group will continue to strengthen awareness raising efforts throughout 2026.

To further improve local capacity, a follow up assessment and targeted training initiatives will be carried out to ensure that compliance and human resources teams are equipped to manage, document, and report concerns accurately and efficiently.

Responsibility to report

Nammo expects all employees to report suspected misconduct or breaches of the Code of Conduct, policies, or applicable laws. Employees are encouraged to raise concerns with their line managers as a first step; however, alternative channels are available. These include the SpeakUp and EthicsPoint reporting systems, which are accessible 24/7 and support multiple languages, as well as direct contact with a Compliance Officer.

All reports are handled confidentially and in accordance with the Internal Investigation Response Plan. Nammo maintains a strict non retaliation policy to ensure that employees and external stakeholders can report concerns without fear of adverse consequences.

BUSINESS INTEGRITY

Environmental performance grievances

Nammo's commitment to environmental stewardship includes maintaining robust mechanisms for identifying and responding to concerns related to environmental performance. All environmental grievances are compiled and reviewed on a monthly basis by the Corporate HESS function to ensure timely follow up and appropriate corrective actions.

Mitigating negative environmental impacts

Nammo continues to integrate environmental considerations across all operational activities. Insights from formal risk assessments guide the identification and mitigation of potential environmental impacts. Procedures for investigating hazardous situations, near misses, and environmental liabilities remain central to the Group's preventive approach, supporting continuous improvement and alignment with regulatory and internal requirements.

Performance and development discussions

Nammo conducts annual performance and development discussions between employees and their supervisors. These conversations provide a structured platform for reviewing individual performance, setting development goals, and raising any work related concerns. The process reinforces transparency and supports continuous professional growth.

All hands meetings

The CEO and members of the Executive Vice Presidents hold regular all hands meetings, delivered either in person or digitally, to maintain open communication with employees. These sessions allow staff to submit questions – including anonymously – and enable leadership to stay attuned to emerging concerns and workforce sentiment.

Workplace network

To further support internal engagement, Nammo transitioned in 2025 from Workplace by Meta to Viva Engage as its primary internal communication platform, with the exception of employees covered by the Special Security Agreement in the United States. The platform enables employees to participate in discussions, share information, and engage with communities across the organization, fostering a connected global culture.

The Nammo HUB

Approximately 70 percent of Nammo's workforce has access to the corporate intranet, the Nammo HUB. This platform serves as the central source for company news, policies, procedures, and operational updates, ensuring employees have consistent access to current information.

www.nammo.com

Nammo's corporate website provides dedicated channels for external communication, including general inquiries (info@nammo.com), sustainability-related questions (sustainability@nammo.com), and the Reporting a Concern / SpeakUp function for ethical issues. These channels support transparent communication with employees, 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 decision-making throughout the Group.

Nammo Management System

Management approach

Nammo Group Governance and Management Document outline the Nammo Management System (NMS), which sets the standard for governance and internal control for the entire organization. NMS describes how Nammo is organized and governed to improve prioritization of resources and meeting strategic ambitions while ensuring efficiency, effectiveness, continuous improvement and organizational learning. 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 and support the Nammo management structure and organization, with exception of the process descriptions which include roles and responsibilities independent of the prevailing line organization.

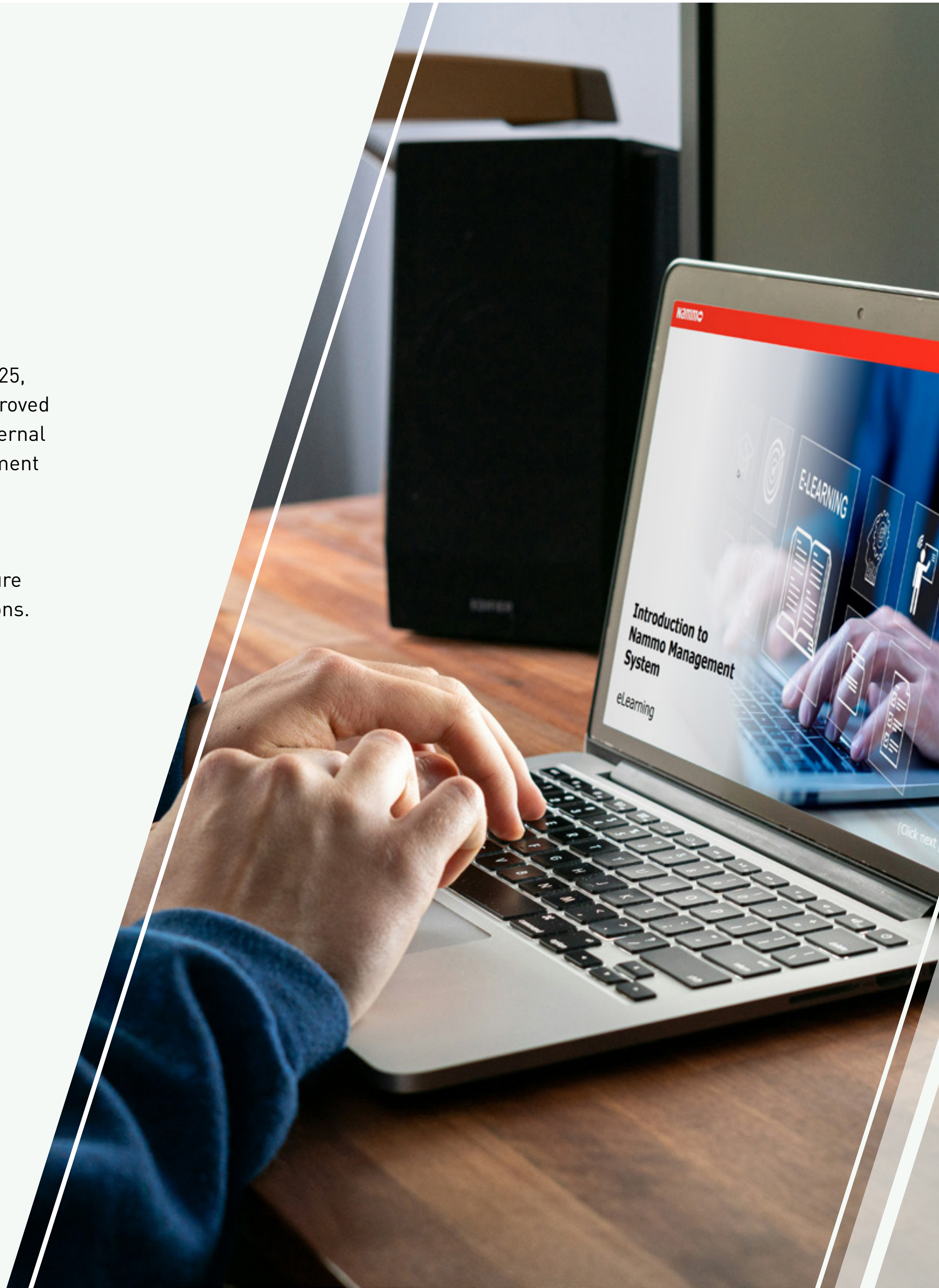
Compliance with NMS shall ensure that Nammo utilizes best practices adapted commercially to Nammo's operational context in line with the requirements, demands and expectations from its stakeholders.

Performance

NMS was launched in 2021 and is subject to annual revisions. During 2025, the system and its processes have been evaluated and continuously improved with regards to user friendliness and fit-for-purpose with input from internal reviews, process owners and users. There are several ongoing improvement initiatives, both from Nammo Corporate and Legal Units.

Looking ahead

An improvement program has been established for the Software to ensure that future requirements can be met through defined software adaptations. Key elements of the program include adding metadata to processes and documents, enhancing version control, improving the publication and communication of changes, and enabling the future implementation of AI assistants. The program is scheduled to be completed by the end of 2026.



Risk management

Management approach

Risk management is crucial to Nammo's success, and the company strives to proactively manage risks and opportunities to protect its people, assets, reputation, and performance. Effective risk management supports informed decision-making and delivery of strategic and business objectives.

Nammo's enterprise risk management (ERM) framework is aligned with ISO 31000:2018, COSO, and good corporate governance standards and is embedded in the Nammo Management System (NMS). Risk and opportunity assessments are key inputs to strategy development, business planning, major investment decisions, and performance reviews. The Group integrates risk and opportunity management into planning, operations, and governance and promotes a risk-aware culture where risks are identified early, assessed consistently, treated decisively, monitored transparently, and escalated promptly.

Nammo maintains a structurally low appetite for risks that could compromise safety, compliance, product quality, trust, or integrity, while deliberately pursuing well-governed and measured risks related to innovation and growth.

Corporate functions are responsible for establishing and maintaining requirements through policies and directives and ensuring their effectiveness. Regulatory changes requiring amendments to 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

In 2025, Nammo strengthened its Group-wide risk management capabilities through the establishment of a common ERM framework and the appointment of a new Group Risk Manager.

During the year structured stakeholder interviews were conducted across corporate functions and business units to identify and validate Nammo's key risks across strategic, financial, operational, HESS, compliance, cyber security, and emerging areas. The results form the basis for an ongoing assessment and prioritization of Group top risks in close collaboration with the four business units.

To support a consistent approach to risk and opportunity management, an Enterprise Risk Management Policy, Directive, and supporting toolbox were developed and published. The toolbox has been actively applied in selected projects and workshops to familiarize the organization with the new framework, common impact scales, and standardized risk assessment templates.

Internal audit activities continued in accordance with the Board-approved audit plan. Internal audit projects conducted during the year included HESS phase 2, audit as well as a follow-up audit on IT and cyber security. Internal audit findings and improvement recommendations, including management responses, are reported regularly to the RACC and the Board of Directors.

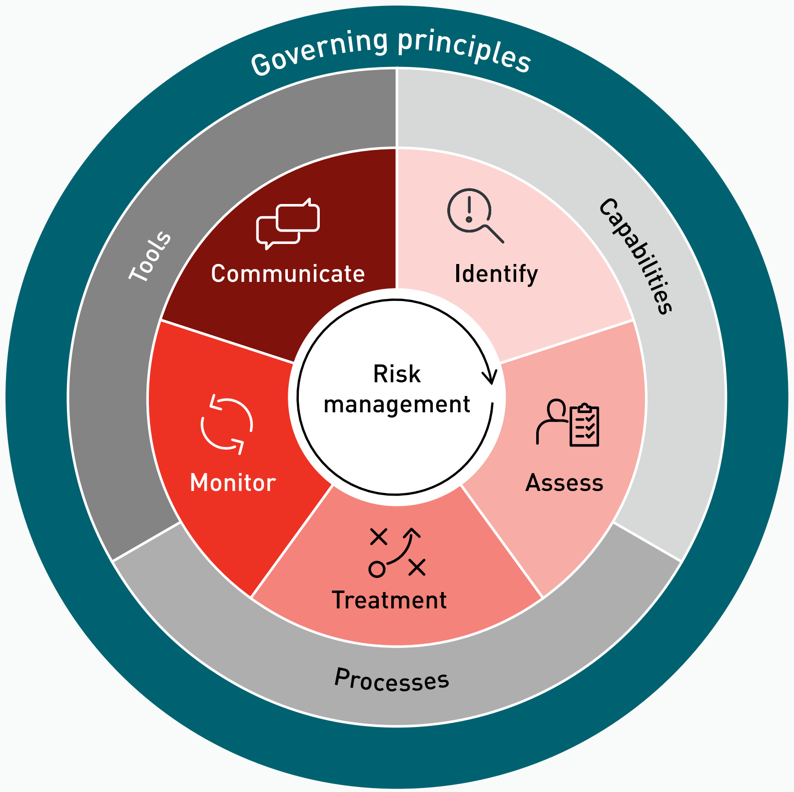
The previously conducted Business Interruption Analysis (BIA) for critical sites remains an important input to Nammo's business continuity and resilience planning.

Looking ahead

In 2026, Nammo will roll out the ERM framework, including the Policy, Directive, and toolbox, across the organization. The finalized Group Top Risk Report will be used to strengthen risk ownership, prioritize mitigation actions, and support strategic and operational decision-making.

The internal audit function will continue its work based on a risk-based audit plan. Planned audit areas include, but are not limited to:

- Third party risk management
- Strategic investment projects (CAPEX)



Nammo Enterprise Risk Management (ERM) framework

Compliance

Management approach

Compliance is embedded throughout Nammo's management system and forms an integral component of its directives, processes, procedures, and supporting tools. The Group operates a comprehensive compliance program addressing ethics and anti corruption, export control, and responsible business conduct. The program is overseen by the Sustainability & Compliance department in close cooperation with Legal & Regulatory Affairs.

The compliance governance structure includes:

- A dedicated Sustainability & Compliance department with Group level responsibility.
- Legal & Regulatory Affairs, providing legal oversight and alignment with applicable regulations.
- A network of compliance champions representing each Nammo legal entity, supporting implementation and monitoring at the local level.

The compliance champions meet quarterly to exchange updates, review compliance developments, and address implementation challenges.

Reporting to governance

Compliance and Legal reports regularly to key governance bodies, including:

- The Board of Directors
- The Risk and Compliance Committee (RACC)
- The Group Management Team

These updates provide visibility into the status of compliance activities, emerging risks, and progress on corrective and preventive measures.

Performance

During 2025, work began on a comprehensive review of the Group's compliance and anti corruption program, a process that will continue into the first half of 2026. Implementation of the newly introduced supplier self assessment portal also progressed throughout the year.

Significant effort was dedicated to preparing for alignment with the European Sustainability Reporting Standards (ESRS), including the evaluation of software solutions to support data collection and to integrate sustainability reporting more effectively with the Group's financial reporting systems.

Several new digital training modules – covering areas such as cybersecurity, export control, human rights, and anti bribery and corruption – were developed and distributed through the Nammo Academy learning platform.

Looking ahead

Nammo's commitment to continuous improvement remains central to the development of its compliance framework. Several initiatives are planned to further strengthen the Group's compliance program:

- Revision and update of the Group compliance program, ensuring alignment with regulatory requirements and evolving best practices.
- Enhancement of the anti bribery and corruption strategy, including improved planning, implementation, and monitoring mechanisms.
- Implementation of a software solution to support ESRS aligned data collection and double materiality assessment (DMA) performance reporting.
- Continued training on third party risk management, including expanded use of supporting tools, guidance, and digital portals.
- Execution of comprehensive site level compliance reviews to evaluate local adherence and identify improvement areas.
- Further rollout of the supplier self assessment portal as part of the supplier onboarding process at site level, supported by a structured training program for relevant personnel.
- Strengthening the 'tone from the top' by reinforcing leadership expectations regarding adherence to policies, guidelines, and ethical standards.
- Leveraging the Nammo Academy to enhance the quality, accessibility, and effectiveness of compliance training across the Group.

Nammo will continue to maintain a high level of diligence within its compliance program. The Risk, Audit and Compliance Committee (RACC) will receive quarterly updates, ensuring that internal practices remain aligned with Group expectations and governance requirements.

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 continued to expand in 2025, addressing challenges in the geopolitical landscape, including the growing technological capabilities that threaten security and defense policy stability. These trade controls exist to protect national and allied security by preventing sensitive technologies, weapons, and financial resources from strengthening adversaries, enabling conflict, or undermining international law and stability.

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 and sanctions compliance. The baseline requirement for an export authorization is approval by the relevant national authorities to export defense or dual-use products, technologies, or services.

In 2025, 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 Technology, Know your Customer, Know your Supplier, and Know your Third Parties, including End-Users in each business transaction.

Performance

The preceding years have been 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 continue to shape the best practices within export controls.

A critical outcome has been the steady 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 all export control tools into the NMS. Specifically, these tools have included export guides, brochures, templates and standardized documents for flow-down to strengthen the integrity of compliance throughout the supply chain and Nammo's entire value chain.

Training remains a cornerstone of Nammo's 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 and often in collaboration with trade associations.

Nammo believes in strictly following trade regulations, including exports and sanctions. This is a key part of Nammo's overall goal to ensure regulatory compliance and reduce export and sanctions-related risks. During 2025, Nammo reported seven incidents of regulatory deviation in export and trade compliance, which, upon disclosure to the relevant authorities, did not incur penalties but rather spurred enhancements to Nammo's compliance routines. The increase in number of incidents can partly be attributed to the high number of exports carried out, but the self-reporting is also a result of employees having a greater awareness of export control requirements enabling them to identify deviations within their own departments.

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 NMS have laid a robust foundation for an effective export and sanctions compliance program. Looking ahead to 2026 Nammo's focus remains on mitigating risks and fortifying transactional compliance ensuring that Nammo remains at the vanguard of responsible international trade and export.

Cybersecurity

Management approach

Nammo continued to strengthen its emphasis on cybersecurity and digital resilience in 2025. Operating within the defense and aerospace sector, the Group is part of a strategically important industry and is therefore exposed to a increased level of cyber risk. Nammo is facing a growing range of cyber threats, including attempts related to sabotage, financial crime, extortion, and unauthorized access to sensitive or proprietary information.

Safeguarding confidential and business-critical information is essential for Nammo. The Group's expertise, technological capabilities, and intellectual property constitute core assets for both Nammo and its customers and partners. To protect these assets, Nammo applies an approach encompassing security controls related to organization, personnel, physical protection and technology.

Performance

Nammo complies with applicable security and data protection regulations across all jurisdictions in which it operates. The Group continuously evaluates its cybersecurity posture against established international standards, including ISO 27001 and UK Cyber Essentials. During 2025, further improvements were made to security systems and controls, contributing to a lower risk profile and reducing the potential impact of serious cybersecurity incidents.

Ongoing digitalization has increasingly interconnected virtual systems with physical operations. As a result, protecting employees, facilities, equipment, and operational environments remains a critical priority. Nammo continues to invest in training and awareness initiatives to reduce the risk of fraud, theft, sabotage, and extortion.

No breaches involving customer data or other sensitive information were identified in 2025.

Outlook

As cyber threats continue to evolve, Nammo remains committed to a forward-looking and risk-based approach to cybersecurity. In 2026, the Group will further enhance its security capabilities by strengthening preventive measures, improving threat detection, expanding logging and monitoring, as well as automated response mechanisms.

Employee awareness and competence will remain a key focus to ensure the organization can identify and respond effectively to cyber risks. Cybersecurity policies and governance frameworks will be reviewed and updated on an ongoing basis to remain aligned with regulatory requirements and recognized industry best practices, including compliance with the U.S. Cybersecurity Maturity Model Certification (CMMC).

In addition, Nammo will continue to collaborate closely with suppliers and business partners to ensure robust cybersecurity standards throughout the value chain. Existing certifications and frameworks, such as ISO 27001 and UK Cyber Essentials, will be maintained. Recognizing the increasing sophistication of cyber threats, Nammo will continuously monitor emerging risks and adapt its cybersecurity strategy 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.

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 Nammo 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. The BoD appoints the Group CEO, who is responsible for the daily management of Nammo AS and supervises the Group 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 2026, consists of the President & CEO and Senior Vice Presidents (SVP's) for Finance, Business Development, Legal & Regulatory Affairs, Sustainability & Compliance, Corporate Communication, Human Resources, Operational Excellence, 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.

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 share-holders, 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, 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. Any 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.

Nammo Group

Income statement

(NOK 1 000)	Notes	2025	2024
Revenue	1, 2	**14 407 871**	10 873 374
Operating expenses			
Changes in stock of work in progress and finished goods		1 756 849	978 648
Cost of goods sold		(7 097 468)	(4 992 086)
Payroll expenses	3, 4	(3 888 293)	(3 087 633)
Depreciation of tangible and intangible non-current assets	5, 6	(421 136)	(370 641)
Write down of non-current assets	5, 6	(1)	(435)
Other operating expenses		(2 927 330)	(2 089 145)
Total operating expenses		**(12 577 379)**	(9 561 292)
Operating result		**1 830 492**	1 312 082
Financial income and expenses			
Income from associates and joint ventures – equity method	7	–	–
Interest income		203 221	202 070
Other financial expenses	8	3 706	9 418
Interest expenses		(239 419)	(252 463)
Other financial expenses	8	(57 838)	(41 627)
Net financial income (expense)		**(90 330)**	(82 602)
Profit before tax		**1 740 162**	1 229 480
Income taxes	9	**(524 309)**	(332 735)
Profit (loss) for the year		**1 215 853**	896 745
Minority share	13	(2 934)	–
Profit (loss) for the year		**1 212 919**	896 745

Balance sheet

(NOK 1 000)	Notes	As of 31.12.25	As of 31.12.24
ASSETS			
Non-current assets			
Intangible assets			
Deferred tax asset	9	70 181	87 544
Licenses, trademarks and other intangible assets	5	333 299	226 324
Research and development	5	230 242	175 384
Goodwill	5	21 872	44 062
Total intangible assets		**655 594**	533 314
Tangible assets			
Buildings	6	1 214 136	863 759
Land	6	93 004	113 538
Machines and equipment	6	1 512 520	1 330 596
Fixtures and fittings, tools, office machinery, etc.	6	206 701	159 407
Plant under construction	6	2 665 768	1 698 949
Total tangible assets		**5 692 129**	4 166 249
Financial fixed assets			
Other shares and participations	7	16 539	17 855
Pension assets	4	224 443	197 136
Other receivables	10	16 509	12 708
Total financial fixed assets		**257 491**	227 699
Total non-current assets		**6 605 214**	4 927 262

(NOK 1 000)	Notes	As of 31.12.25	As of 31.12.24
ASSETS			
Current assets			
Inventory			
Raw materials		4 116 702	2 978 744
Work in progress		3 296 102	2 696 477
Finished goods		801 582	623 006
Total inventory		**8 214 386**	6 298 227
Receivables			
Accounts receivable	11	2 420 544	1 906 801
Other receivables	10	686 877	224 552
Advance payments to suppliers		1 734 115	1 146 147
Total receivables		**4 841 536**	3 277 500
Cash and cash equivalents	12	**5 105 040**	1 960 379
Total current assets		**18 160 962**	11 536 106
Total assets		**24 766 176**	16 463 368

Raufoss, 26 March 2026

Dag Schjerven
CHAIR

Esa Rautalinko
VICE CHAIR

Nora Steiner-Forsberg
BOARD MEMBER

Jan Skogseth
BOARD MEMBER

Gyrid S. Ingerø
BOARD MEMBER

Päivi Lindqvist
BOARD MEMBER

Marianne Stensrud
BOARD MEMBER

Jani Sjöman
BOARD MEMBER

Morten Brandtzæg
PRESIDENT & CEO

(NOK 1 000)	Notes	As of 31.12.25	As of 31.12.24
EQUITY AND LIABILITIES			
Equity			
Share capital	13	100 000	100 000
Other paid in capital	13	258 670	258 670
Other equity	13	6 107 341	4 408 831
Total equity		**6 466 011**	4 767 501
Minority interest		26 747	–
Total equity and minority interest		**6 492 758**	4 767 501
Liabilities			
Non-current liabilities			
Pension liabilities	4	210 775	199 921
Deferred tax liabilities	9	126 032	104 772
Other provisions		1 716	1 628
Total non-current liabilities		**338 523**	306 321
Other non-current liabilities			
Liabilities to financial institutions	14	1 778 166	2 374 433
Other non-current liabilities		147 452	165 754
Total other non-current liabilities		**1 925 618**	2 540 187
Current liabilities			
Warranty provisions	15	236 091	193 503
Accounts payables		1 544 242	1 076 047
Current tax payables	9	268 674	211 361
Public duties		344 066	291 318
Dividend payable		–	448 400
Prepayments from customers		11 418 754	5 938 228
Other short-term liabilities		2 197 450	690 502
Total current liabilities		**16 009 277**	8 849 359
Total liabilities		**18 273 418**	11 695 867
Total equity and liabilities		**24 766 176**	16 463 368

Cash flow

(NOK 1 000)	2025	2024
Cash flow from operational activities		
Result before tax	1 740 162	1 229 480
Tax payments	(389 434)	(277 632)
Gain and loss on sale of fixed assets	65	1 646
Ordinary depreciations	421 136	370 641
Write-down fixed assets	–	435
Net interest cost	36 198	50 393
Changes in inventory	(2 265 065)	(1 591 051)
Changes regarding accounts receivables	(530 486)	(409 372)
Changes regarding accounts payables	509 336	438 363
Difference pension costs and paid pension premiums	(28 217)	(25 382)
Changes in other dispositions	6 637 315	2 380 752
Net cash flow from operational activities (a)	**6 131 010**	2 168 273
Cash flow from investment activities		
Sale of fixed assets	1 899	25 053
Purchase of fixed assets	(2 353 729)	(1 668 019)
Purchase of other long-term investments	–	(400)
Net cash flow from investment activities (b)	**(2 351 830)**	(1 643 366)

(NOK 1 000)	2025	2024
Cash flow from financing activities		
Payments received regarding new long-term loans	984	775 430
Installments on long-term loans	(600 105)	(796 520)
Net interest payments	(36 198)	(50 393)
Payments received from dividend	800	400
Paid dividend	–	(152 300)
Net cash flow from financing activities (c)	**(634 519)**	(223 383)
Net changes in cash and bank accounts (a+b+c)	3 144 661	301 524
Cash and bank accounts as of 01.01.	1 960 379	1 658 855
Cash and bank accounts as of 31.12.	**5 105 040**	1 960 379

Total unused cash credits as of 31 December 2025 is NOK 2 400 million. See note 14

NAMMO GROUP

Consolidated financial statements 2025

Content Notes

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 (NGAAP).

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 costs 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 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, Belgium, Canada and Denmark.

Revenue from Nammo subsidiaries per country

(NOK 1 000)	2025	2024
England	223 504	215 585
Finland	1 719 807	1 436 682
Germany	1 279 435	1 361 884
Ireland	15 200	28 597
Norway	4 936 134	3 499 153
Spain	1 016 382	760 106
Sweden	2 002 199	1 623 219
USA	3 215 210	1 948 148
Total	**14 407 871**	10 873 374

Revenue per geographical location of customers

(NOK 1 000)	2025	2024
Norway, Sweden and Finland	4 576 036	2 797 818
Other Europe	5 073 382	4 451 071
North America	4 302 425	3 001 451
Asia	265 653	379 978
Other countries	190 375	243 055
Total	**14 407 871**	**10 873 374**

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 2025

(Amounts in currency 1 000)

Transaction type	Buy/Sell (–)	CAD	CHF	EUR	GBP	SEK	DKK	USD
FX Forward	Buy	2 555	82 179	260 259	3 320	236 030	25 138	100 196
	Sell (–)	–	–	(4 811)	(17 350)	(26 105)	–	–
FX SWAP	Buy	–	639	74 039	155	69 758	–	16 998
	Sell (–)	–	–	(33 000)	–	(46 063)	–	–

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

Transaction type	Buy/Sell (–)	Year 2026	Year 2027	Year 2028	Year 2029	Year 2030
FX Forward	Buy	61.0 %	33.0 %	6.0 %	–	–
	Sell (–)	40.8 %	29.9 %	22.3 %	5.9 %	1.1 %
FX SWAP	Buy	98.1 %	1.9 %	–	–	–
	Sell (–)	82.6 %	12.9 %	4.5 %	–	–

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)	2025	2024
Salaries	2 928 154	2 325 330
Employment taxes	290 879	309 021
Pension costs	276 144	223 216
Other personnel costs	393 116	230 066
Total	**3 888 293**	3 087 633
Average number of full-time equivalents (FTEs)	**3 862**	3 280

Remuneration CEO, Board of Directors and corporate management

(NOK) 2025	Function	Salary	Extra pension element	Earned bonus for 2025	Other comp	Pension cost	Total	Fixed	Variable
Morten Brandtzæg	President and CEO	5 354 925	2 530 980	3 164 499	645 731	253 276	11 949 411	74 %	26 %
Kjell Kringsjå	President Nammo Inc.	4 819 140	260 298	695 203	51 654	253 997	6 080 292	89 %	11 %
Lars Furuseth	CFO	2 552 861	173 929	739 021	175 946	242 043	3 883 800	81 %	19 %
Stein Erik Nodeland	EVP AP	2 363 060	133 132	849 523	236 255	–	3 581 970	76 %	24 %
Vegard Sande	EVP LCS	3 038 622	244 542	1 198 610	476 565	189 590	5 147 928	77 %	23 %
Reijo Bragberg	EVP SMCA	2 479 556	–	853 106	378 292	1 049 212	4 760 166	82 %	18 %
Raimo Helasmäki	EVP CA	4 096 877	–	1 455 022	209 318	732 331	6 493 547	78 %	22 %
Tomas Ramse Andersen	SVP Business Development	2 428 756	104 903	701 356	273 952	271 380	3 780 348	81 %	19 %
Anne Haugen-Flermoe	SVP Legal & Regulatory Affairs	2 220 437	111 644	654 991	182 988	263 551	3 433 611	81 %	19 %
Sissel Solum	SVP Sustainability & Compliance	2 092 963	79 424	485 929	173 308	251 719	3 083 343	84 %	16 %
Fredrik Tangeraas	SVP Communications	2 238 338	89 853	626 971	291 233	287 603	3 533 999	82 %	18 %
Jostein Moe	SVP Operational Excellence from 1 June 2025	997 224	27 776	161 666	88 115	178 943	1 453 724	89 %	11 %

Board of Directors		Remuneration
Dag Schjerven	Chair	573 200
Esa Rautalinko	Vice Chair	528 567
Cathrine Bjaarstad	Board Member	152 834
Marianne Stensrud	Board Member	315 134
Petri Kontola	Board Member (to May 2025)	101 833
Jan Steffen Skogseth	Board Member	335 167
Nora Steiner-Forsberg	Board Member (from May 2025)	330 834
Marjut Porrka	Board Member (from February to May 2025)	101 833
Päivi Lindqvist	Board Member (from May 2025)	244 800
Jani Sjöman	Board Member (from May 2025)	229 000
Gyrid Ingerø	Board Member (from July 2025)	168 600
Ole Stastad	Deputy Board Member	40 000

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)	2025	2024
Group auditors fees	11 048	8 894
Fees for other assurance work	262	182
Tax advisory services	79	35
Other services	411	411
Total	**11 800**	9 522

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 2025 was NOK 210.8 million and is derived from the companies in Sweden, Germany and Finland. Pension assets in Norway were 224.4 million at 31 December 2025. The defined benefit plan in Norway has 377 (308 (NARA) and 69 (NAAS)) (367) active members, whereas in Sweden there are 109 (101) 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	4.00 %	3.60 %
Yield from pension funds	5.50 %	–
Annual salary increase	4.00 %	2.20 %
Annual increase in G	3.75 %	–
Annual expected adjustment of pensions under payment	2.70 %	–
Annual increase Income Base amount	–	2.20 %
Inflation	–	1.70 %

Pension costs

(NOK 1 000)	2025	2024
Service costs	43 386	32 470
Amortization of net actuarial losses (gains)	17 985	17 743
Interest costs (income)	(2 911)	(3 103)
Pension cost related to defined contribution plans	217 645	176 106
Settlement pension plans	–	–
Net periodic pension costs	**276 105**	223 216

Pension liabilities/assets

(NOK 1 000)	2025	2024
Defined benefit obligation incl. social security tax	901 761	847 641
– Fair value of plan assets	(662 535)	(594 495)
Net pension obligation	**239 226**	253 146
Items not recorded in the profit and loss:		
Unrecognized net actuarial loss (gain)	(252 894)	(250 361)
Net pension liability	**(13 668)**	2 785
Classified as pension asset in the balance sheet	**224 443**	197 136
Classified as pension liabilities in the balance sheet	**210 775**	199 921

NOTE 5: Intangible assets

(NOK 1 000)	Patents, trademark and other intangible assets	Goodwill	Research and Development	Total assets
Acquisition cost as of 01.01.25	1 040 957	558 821	340 963	1 940 741
Additions during the year	173 286	–	66 760	240 046
Disposals during the year	–	–	–	–
Exchange difference acq. cost	(87 577)	(62 964)	–	(150 541)
Acquisition cost 31.12.25	1 126 666	495 857	407 723	2 030 246
Accumulated amortizations 31.12.25	(776 507)	(473 985)	(112 477)	(1 362 969)
Accumulated write-down 31.12.25	(16 860)	–	(65 004)	(81 864)
Book value as of 31.12.25	**333 299**	**21 872**	**230 242**	**585 413**
Amortization this year	**51 786**	**17 742**	**11 901**	**81 429**
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 01.01.25	1 732 550	148 381	3 898 469	703 924	1 715 854	8 199 178
Additions during the year	499 046	–	431 048	71 393	980 366	1 981 853
Disposals during the year	(6 523)	(9 967)	(5 049)	(10 662)	–	(32 201)
Exchange difference acq. cost	(71 711)	(10 318)	(80 924)	(9 490)	(15 368)	(187 811)
Acquisition cost 31.12.25	2 153 362	128 096	4 243 544	755 165	2 680 852	9 961 019
Accumulated depreciations 31.12.25	(880 880)	(35 091)	(2 680 606)	(537 025)	–	(4 133 602)
Accumulated write-down 31.12.25	(58 346)	–	(50 418)	(11 439)	(15 084)	(135 288)
Book value as of 31.12.25	**1 214 136**	**93 004**	**1 512 520**	**206 701**	**2 665 768**	**5 692 129**
Depreciations this year	**78 696**	**1 928**	**222 762**	**48 222**	–	**351 608**
Write-down this year	–	–	–	–	–	–

Annual leasing cost of assets not recognized in balance sheet	194 294	3 827	46 804	9 010	–	253 935
Economic life time (years)	10–50	–	5–20	3–10	–	–
Depreciation plan	Linear	Linear	Linear	Linear	–	–

Included in buildings and machinery and equipment there are three financial lease contracts in Finland capitalized with NOK 181 550 million. The lease expires in 2029, 2032 and 2045 respectively. Annual lease cost is NOK 16.2 million.

NOTE 7: Shares in other companies

Shares and participations

(NOK 1 000)	Booked value NOK	Ownership
Komm-In AS, Norway	4 500	8 %
Raufoss Industripark Holding AS, Raufoss, Norway	10 880	2 %
Nordic Additive Manufacturing AS	1 150	12 %
Others	9	–
Total	**16 539**	

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

NOTE 8: Financial items

(NOK 1 000)	2025	2024
Gain on exchange	–	8 642
Other financial income	3 706	774
Total other financial income	**3 706**	9 416
Loss on exchange	(48 188)	(29 339)
Other financial expenses	(9 650)	(12 288)
Total other financial expenses	**(57 838)**	(41 627)

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)	2025	2024	Change
Intangible assets	74 938	22 996	(51 942)
Fixed assets	171 733	36 049	(135 684)
Accounts receivables	(7 606)	(4 279)	3 327
Inventory	(1 151 725)	(990 902)	160 823
Pension liabilities	218 491	187 494	(30 997)
Warranty liabilities	(240 760)	(178 295)	62 465
Other non-current temporary differences	988 296	1 035 737	47 441
Other current temporary differences	(719 737)	(537 179)	182 558
Temporary differences	**(666 370)**	(428 379)	237 991
Carried forward losses for tax purposes	(471 712)	(748 925)	
Total temporary differences	**(1 138 082)**	(1 177 304)	
Gross deferred tax/deferred tax assets (–)	(333 980)	(324 770)	
Deferred tax assets not recognized in the balance sheet	389 831	342 000	
Net deferred tax liability/deferred tax asset (–)	**55 851**	17 230	
Classified as deferred tax asset	**70 181**	87 544	
Deferred tax liability in the balance sheet	**126 032**	104 772	

Payable income taxes

(NOK 1 000)	2025
Net income before tax	1 740 162
Changes in temporary differences	237 991
Exchange differences temporary differences	(18 181)
Permanent differences	94 931
Use of carried forward losses	(161 607)
Taxable income	**1 893 296**
Payable income tax	**477 327**

Tax expense in profit and loss

(NOK 1 000)	2025
Payable tax on this year's result	477 327
Adjustments prior years	(11 211)
Payable tax in this year's tax cost	**466 116**
Change in deferred tax/deferred tax asset	27 555
Other items	30 638
Tax expense in the P&L	**524 309**

Payable tax in the balance sheet

(NOK 1 000)	2025
Payable taxes	479 291
Prepaid taxes	(225 314)
Other items	14 697
Payable tax in balance sheet	**268 674**

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)	2025	2024
Other receivables	16 509	12 708
Other non-current receivables	**16 509**	12 708

Current

(NOK 1 000)	2025	2024
VAT receivables	74 654	35 045
Accrued revenue	417 698	80 440
Other receivables and prepaid expenses	194 525	109 067
Other current receivables	**686 877**	224 552

NOTE 11: Accounts receivables and losses on bad debts

(NOK 1 000)	2025	2024
Accounts receivables	2 427 489	1 910 457
Provision for bad debt	(6 945)	(3 656)
Book value of accounts receivables	**2 420 544**	1 906 801

No receivables fall due later than five years from 31 December 2025.

NOTE 12: Cash reserve

(NOK 1 000)	2025	2024
Total available cash and cash credits 31 December	**7 505 040**	3 860 379

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.
DK	Nammo Denmark A/S

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 31.12.24	**100 000**	**258 670**	**4 408 831**	–	**4 767 501**
Profit for the year	–	–	1 212 919	–	1 212 919
Dividend on prior year's profit as proposed by the board, not approved by the general meeting	–	–	448 400	–	448 400
Minority share	–	–	–	26 747	26 747
Other items	–	–	(115 244)	–	(115 244)
Exchange differences	–	–	152 435	–	152 435
Equity as of 31.12.25	**100 000**	**258 670**	**6 107 341**	**26 747**	**6 492 758**

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)	2025	2024
Total interest bearing loans/bonds	**1 778 166**	2 374 433

Nammo AS long-term loans and bond as of December 31, 2025 consist of:

(NOK 1 000)	Final maturity date	Facility total	Utilized	Available
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 2 000 millions	December 22, 2027*	2 000 000	–	2 000 000

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

Available unused cash credits at 31 December 2025:

(NOK 1 000)	Cash credits
Revolving credit facility	2 000 000
Additional cash credits available	400 000
Total unused cash credits at year-end	**2 400 000**

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

- Net Debt to EBITDA maximum 3.0

At December 31, 2025 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)	2025
Guarantees issued by banks and insurance companies	4 871 421
Guarantees issued by Nammo AS	12 402 336
Guarantees not recognized in the balance sheet as of 31 December 2025	**17 273 757**

NOTE 15: Warranty provision

(NOK 1 000)	2025	2024
Warranty provision 01.01.25	193 503	158 018
Exchange differences	5 142	4 251
Change in provision during the year	37 446	31 233
Warranty provision 31.12.25	**236 091**	193 503

/ Nammo AS

Income statement

(NOK 1 000)	Notes	2025	2024
Revenue	1	**237 563**	211 833
Operating expenses			
Payroll expenses	2, 3	(120 635)	(103 158)
Depreciations	4	(6 268)	(6 242)
Other operating expenses	2, 4, 5, 6	(205 412)	(180 912)
Total operating expenses		**(332 315)**	(290 312)
Operating result		**(94 752)**	(78 479)
Financial income and expenses			
Received group contribution		400 000	250 000
Interest income	5	167 552	202 703
Other financial income	5	166 072	407 368
Interest expenses	5	(108 547)	(117 103)
Other financial expenses	5, 6	(276 111)	(86 059)
Net financial income (expenses)		**348 966**	656 909
Profit before tax		**254 214**	578 430
Income taxes	7	**(43 673)**	(74 302)
Profit (loss) for the year		**210 541**	504 128
The board's proposal for allocation of the profit			
Dividend		–	448 400
Other equity		210 541	55 728
Total		**210 541**	504 128

Balance sheet

(NOK 1 000)	Notes	As of 31.12.25	As of 31.12.24
ASSETS			
Non-current assets			
Intangible assets			
Licenses and other intangible assets	4	12 256	17 930
Total intangible assets		**12 256**	17 930
Tangible assets			
Buildings	4	6 298	6 893
Machines and equipment	4	–	–
Fixtures and fittings, office machines etc.	4	–	–
Fixed assets under construction	4	4 437	–
Total tangible assets		**10 735**	6 893
Financial fixed assets			
Investments in subsidiaries	8	740 129	588 267
Investments in other shares and participations		10 880	10 880
Loans to group companies		1 104 988	1 244 364
Pension assets	3	22 655	15 661
Other receivables		4 444	1 888
Total financial fixed assets		**1 883 096**	1 861 060
Total non-current assets		**1 906 087**	1 885 883

(NOK 1 000)	Notes	As of 31.12.25	As of 31.12.24
ASSETS			
Current assets			
Receivables			
Accounts receivables		655	–
Receivables from group companies	9	250 007	431 324
Receivable group contributions		400 000	250 000
Prepayments to vendors		40 915	8 636
Other receivables		2 969	3 911
Total receivables		**694 546**	693 871
Cash and cash equivalents	9, 10	**2 358 793**	1 386 152
Total current assets		**3 053 339**	2 080 023
Total assets		**4 959 426**	3 965 906

Raufoss, 26 March 2026

Dag Schjerven
CHAIR

Esa Rautalinko
VICE CHAIR

Nora Steiner-Forsberg
BOARD MEMBER

Jan Skogseth
BOARD MEMBER

Gyrid S. Ingerø
BOARD MEMBER

Päivi Lindqvist
BOARD MEMBER

Marianne Stensrud
BOARD MEMBER

Jani Sjöman
BOARD MEMBER

Morten Brandtzæg
PRESIDENT & CEO

(NOK 1 000)	Notes	As of 31.12.25	As of 31.12.24
SHAREHOLDERS' 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	1 217 407	558 467
Total earned equity		**1 217 407**	558 467
Total equity		**1 576 077**	917 137
Liabilities			
Non-current liabilities			
Deferred tax	7	45 165	74 869
Total non-current liabilities		**45 165**	74 869
Other non-current liabilities			
Liabilities to financial institutions	13	1 773 737	2 370 906
Total other non-current liabilities		**1 773 737**	2 370 906
Current liabilities			
Accounts payable		26 205	12 858
Payables to group companies	9	1 397 888	7 612
Income tax payable	7	73 377	69 254
Public duties payable		11 780	8 915
Dividend payable to shareholders	12	–	448 400
Other current liabilities		55 197	55 954
Total current liabilities		**1 564 447**	602 993
Total liabilities		**3 383 349**	3 048 768
Total shareholders' equity and liabilities		**4 959 426**	3 965 906

Cash flow

(NOK 1 000)	2025	2024
Cash flow from operational activities		
Result before tax	254 214	578 430
Tax payments	(69 255)	(34 296)
Ordinary depreciation	6 268	6 242
Changes in accounts receivable	(93 402)	(32 766)
Changes in accounts payable	39 992	(15 458)
Pension cost less paid pension premium	(6 993)	(3 992)
Changes in loans to group companies	139 376	(129 834)
Changes in other dispositions	1 043 572	(1 657 592)
Net cash flow from operational activities (a)	**1 313 771**	(1 289 266)
Cash flow from investment activities		
Investments in financial fixed assets	(151 862)	–
Investments in fixed assets	(4 437)	(1 020)
Net cash flow from investment activities (b)	**(156 299)**	(1 020)
Cash flow from financing activities		
Payments from new long-term loans	–	775 000
Installments long term loans	(600 000)	(793 310)
Received dividend	165 170	277 593
Received group contribution	250 000	250 000
Paid dividend	–	(152 300)
Net cash flow from financing activities (c)	**(184 830)**	356 983
Net changes in cash and bank accounts (a+b+c)	972 642	(933 303)
Cash and bank accounts as of 01.01.	1 386 152	2 319 455
Cash and bank accounts as of 31.12.	**2 358 794**	1 386 152

Unused credit facilities is NOK 2 400 million. See note 13.

NAMMO AS

Financial statements 2025

Content Notes

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-termliabilities

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)	2025	2024
Management service fee group companies	218 772	211 397
Other	18 791	436
Total	**237 563**	211 833

NOTE 2: Salaries and social cost

(NOK 1 000)	2025	2024
Salaries	87 377	78 881
Employment taxes	13 808	13 598
Pension costs	11 572	8 971
Other social costs	7 878	1 708
Total	**120 635**	103 158

Average number of man-years	**44**	31

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	2025	2024
Auditor's fee	2 070	1 485
Tax advisory services	–	–
Other services	–	–
Total	**2 070**	1 485

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 53 (37) 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 2025 with the following assumptions:

Discount rate	4.00 %
Yield from pension funds	5.50 %
Annual salary increase	4.00 %
Annual expected adjustment of pensions under payment	2.70 %
Annual increase in G	3.75 %

Pension cost

(NOK 1 000)	2025	2024
Service costs	13 162	10 651
Amortization of net actuarial losses (gains)	1 326	1 113
Interest costs	(226)	(203)
Pension cost related to defined contribution plans	–	12
Expected return on plan assets	(2 690)	(2 602)
Net pension costs	**11 572**	8 971

Pension liabilities

(NOK 1 000)	2025	2024
Defined benefit obligation incl. payroll tax	94 628	79 766
– Fair value of plan assets	(81 700)	(67 920)
Gross pension liability	**12 928**	11 846
Items not recognized in the profit and loss:		
Unrecognized net actuarial loss (gain)	(35 583)	(27 507)
Net amount recognized in the balance sheet	**(22 655)**	(15 661)

NOTE 4: Fixed and intangible assets

(NOK 1 000)	Licenses and other intangible assets	Buildings	Machines and equipment	Fixtures, fittings and office equipment	Plant under constructions	Total
Acquisition cost as of 01.01.25	27 682	9 230	694	11 051	–	48 657
Additions during the year	–	–	–	–	4 437	4 437
Acquisition cost as of 31.12.25	27 682	9 230	694	11 051	4 437	53 094
Accumulated depreciations 31.12.25	(15 426)	(2 932)	(694)	(11 051)	–	(30 103)
Book value as of 31.12.25	**12 256**	**6 298**	–	–	**4 437**	**22 991**
Ordinary depreciations for the year	**(5 674)**	**(594)**	–	–	–	**(6 268)**
Annual leasing cost on assets not in the balance sheet	–	(1 891)	(59)	–	–	(1 950)

Economic life time (years)	5 years	5 years	3–5 years	3–10 years
Depreciation plan	Linear	Linear	Linear	Linear

NOTE 5: Financial items

(NOK 1 000)	2025	2024
Interest income from group companies	74 304	87 597
Other interest income	93 248	115 106
Total interest income	**167 552**	202 703
Gain on exchange	902	129 775
Dividend from subsidiaries	164 370	277 193
Other financial income	800	400
Total other financial income	**166 072**	407 368
Other interest cost	(108 547)	(117 103)
Total interest cost	**(108 547)**	(117 103)
Loss on exchange	(164 090)	(44 458)
Write-down receivable Nammo Defence Germany GmbH, see note 6	(9 001)	(14 428)
Write-down receivable Nammo MAC LLC, see note 6	(99 521)	–
Other financial expenses	(3 499)	(27 173)
Total other financial expenses	**(276 111)**	(86 059)

NOTE 6: Impairment investment in subsidiary

At 31 December 2025, Nammo AS had cash credit receivables from its subsidiaries Nammo Defense Germany GmbH and Nammo Mac LLC totaling NOK 274.1 million. Accordingly, the receivable towards Nammo Defense Germany GmbH of NOK 174.1 million was written down in full (including NOK 165.6 million previously written off as of 31 December 2024 and NOK 99.5 million of the total receivable of NOK 135.5 million towards Nammo Mac LLC was written down as of 31 December 2025. The write-downs are classified as other financial expenses in the profit and loss statement.

At year end 2024, the impairment assessment of the investment in Nammo Ireland Ltd concluded that the shares had no recoverable value. The book value of the investment, NOK 21.2 million, was therefore fully written down in the 2024 financial statements.

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)	2025	2024
Profit before tax	254 214	578 430
Permanent differences	109 460	36 937
Changes in temporary differences	135 017	(22 983)
Non-taxable income	(165 158)	(277 593)
Taxable income	**333 533**	314 791

Specification of the tax cost in the profit and loss:

(NOK 1 000)	2025	2024
Tax payable	73 377	69 254
Changes in deferred tax	(29 704)	4 822
Adjustment previous period	–	226
This year's tax cost	**43 673**	74 302

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

(NOK 1 000)	2025
Profit before tax	**254 214**
22 % of profit before tax	55 927
22 % of permanent differences and non-taxable income	(12 254)
Calculated tax cost	**43 673**
Effective tax rate	**17.2 %**

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)	2025	2024
Tangible fixed assets	(1 065)	(1 263)
Other receivables	183 706	325 915
Pension liability/asset	22 655	15 661
Net temporary differences as basis for deferred tax /tax asset (-) calculation	**205 296**	340 313
Deferred tax/deferred tax asset (-)	**45 165**	74 869

NOTE 8: Shares in subsidiaries

Name of the company	Company's share capital	Number of shares owned	Nominal value	Booked value*	Ownership
Nammo Raufoss AS, Raufoss	NOK 150 000 000	150 000	1 000	175 000	100 %
Nammo Sweden AB, Karlsborg	SEK 10 000 000	100 000	100	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	26 000	–	100 %
Nammo Incorporated, Virginia	USD 38 380 000	–	–	239 981	100 %
Nammo NAD AS, Løkken Verk	NOK 4 782 000	47 820	100	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	10	13	100 %
Nammo UK Holding Ltd., Westcott	–	–	–	–	100 %
Nammo Ireland Ltd., Dublin	EUR 476 250	375 000	1,27	–	100 %
Nammo Technologies Inc., Virginia	–	–	–	–	100 %
Nammo Danmark ApS, Ballerup	DKK 40 000	40 000	1	62	100 %
Nammo Denmark A/S, Billing	DKK 100 000 000	85	1 000 000	151 745	85 %
Nammo Belgium, BV/SRL	EUR 10 000	10 000	1	117	100 %
Total				**740 129**	

* Booked value shown as NOK 1000.

NOTE 9: Cash reserve

Cash is increased with the deposit that the group companies has in the international cash pool of NOK 1 089.6 million. NOK 1 363.6 million of this is classified as payables 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.
Denmark	Nammo Denmark A/S

Nammo AS subsidiaries' balance on the cash pool is included in payables to group companies. This amounts to NOK 1 363.6 million. See note 9.

NOTE 11: Share capital

As of 31 December 2025, 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 2025

(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)	Sharecapital	Other paid incapital	Other equity	Total
Equity as of 01.01.25	**100 000**	**258 670**	**558 467**	**917 137**
Net income	–	–	210 541	210 541
Dividend on prior year's profit as proposed by the board, not approved by the general meeting	–	–	448 400	448 400
Other items	–	–	(1)	(1)
Equity as of 31.12.25	**100 000**	**258 670**	**1 217 407**	**1 576 077**

NOTE 13: Interest bearing loans and guarantees

(NOK 1 000)	2025	2024
Total interest bearing loans/bonds	**1 773 737**	2 370 906

Nammo AS long-term loans and bond as of December 31, 2025 consist of:

(NOK 1 000)	Final maturity date	Facility total	Utilized	Available
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 2 000 millions	December 22, 2027*	2 000 000	–	2 000 000

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

Available unused cash credits at 31 December 2025:

(NOK 1 000)	Cash credits
Revolving credit facility	2 000 000
Additional cash credits available	400 000
Total unused cash credits at year-end	**2 400 000**

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

- Net Debt to EBITDA maximum 3.0

At December 31, 2025 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)	2025
Guarantees issued by banks and insurance companies	57 969
Guarantees issued by Nammo AS	12 402 336
Guarantees not recognized in the balance sheet as of 31 December 2025	**12 460 305**

Report and Index

Independent Auditor's Report

EY
Shape the future with confidence

Statsautoriserte revisorer
Ernst & Young AS

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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 2025, the income statement and statement of cash flows for the year 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 2025, 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 of the company give a true and fair view of the financial position of the company as at 31 December 2025, 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 financial statements of the group give a true and fair view of the financial position of the group as at 31 December 2025, 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)* (the 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 President & CEO (management) are responsible for the information in the Board of Directors' report and the other information presented with the financial statements. The other information comprises 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 and for the other information presented with the financial statements. The purpose is to consider if there is material inconsistency between the information in the Board of Directors' report and the other information presented with the financial statements and the financial statements or our knowledge obtained in the audit, or otherwise the information in the Board of Directors' report and for the other information presented with the financial statements otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report

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and the other information presented with the financial statements. 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

- 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 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.

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- 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 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, 26 March 2026
ERNST & YOUNG AS

Anders Gøbel
State Authorised Public Accountant (Norway)

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

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 2025, 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 2025, women account for 26,9 percent of all employees in Nammo Group. Of all employees organized in Nammo AS, 34 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.

Temporary employees

The main principle in Nammo AS is to employ permanent employees. As part of talent development and providing young job seekers with relevant experience, we have hired 3 trainees in 2025. Possible permanent employment will be considered in 2027 when the trainee period is over.

Parental leave

In 2025, one male employee had his six last days of parental leave in January 2025.

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 2025. 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 2025, below the CEO-level showed an average female total benefits of 105 percent at level 2 and 96 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)															
					Total benefits				Base salary				Incentives				Taxable benefits			
Description	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	**16**	**36**	**44 %**	**52**	**1 372**	**1 678**	**82 %**	**1584**	**1 192**	**1 395**	**85 %**	**1 333**	**105**	**183**	**57 %**	**159**	**75**	**100**	**75 %**	**92**
Level 1	–	1	**0 %**	1	–	11 849	**0 %**	11 849	–	7 886	**0 %**	7 886	–	3 318	**0 %**	3 318	–	646	**0 %**	646
Level 2	2	4	**33 %**	6	3 009	2 816	**107 %**	2 880	2 252	2 153	**105 %**	2 186	578	455	**127 %**	496	178	207	**86 %**	198
Level 3	14	31	**45 %**	45	1 138	1 203	**95 %**	1 183	1 041	1 088	**96 %**	1 073	37	47	**80 %**	44	60	69	**87 %**	66

Part 2: How Nammo works 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. The Group's equality and anti-discrimination principles, procedures, and standards comply with the robust requirements of the Norwegian Equality and Discrimination Act § 26 and further Nammo's goal to build and maintain a culture that creates an effective operational structure with a positive work environment characterized by empowerment, involvement and teamwork. The Group's Code of Conduct and People Policy supports its values of Dedication, Precision and Care, which together guide its daily interactions with internal and external stakeholders.

This is how Nammo works 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, disabilities, sexual orientation, or veteran status. Nammo's 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 aims 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 have 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 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, Nammo has 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.

The Group has 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. The Group 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.

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, 2025.
GRI 1 used: GRI 1 Foundation 2021
Applicable GRI Sector Standard(s): None

Disclosure		Location	Omission
GRI 2: GENERAL DISCLOSURES 2025			
2-1	Organizational Details	Annual and Sustainability Report (ASR) pages 6–11 and www.nammo.com/about-us	
2-2	Entities included in the organization's sustainability reporting	ASR page 24–25, 82	
2-3	Reporting period, frequency, and contact point	ASR page 24	
2-4	Restatements of information	None	
2-5	External assurance	This report has not been externally assured (financial audit only page 106)	
2-6	Activities, value chain, and other business relationships	ASR pages 5–12, 31–32, 58–63, and www.nammo.com/about-us	
2-7	Information on Employees	ASR pages 53–54	

		Employees		Temporary		
Country	**Site location**	**Female**	**Male**	**Female**	**Male**	**Total F/M**
Spain	Nammo Palencia S.L.	44	148	–	–	192
UK	Nammo UK Ltd.	23	114	–	–	137
Switzerland	Nammo MTH SA	17	20	4	–	41
Ireland	Nammo Ireland Ltd.	3	22	–	–	25
Denmark	Nammo Denmark	–	2	–	–	2

Continues in the next column

Disclosure		Location	Omission
2-7	Information on Employees (continued)	ASR pages 53–54	

		Employees		Temporary		
Country	**Site location**	**Female**	**Male**	**Female**	**Male**	**Total F/M**
Germany	Nammo Defence Germany GmbH	1	4	–	–	5
	Nammo Schönebeck GmbH	19	71	4	22	116
	ND PressTec GmbH	15	94	2	3	114
	Total	**35**	**169**	**6**	**25**	**235**
Finland	Nammo Lapua Oy	119	275	2	3	399
	Nammo Vihtavuori Oy	41	122	1	–	164
	NorDis OY	1	5	–	1	7
	Total	**161**	**402**	**3**	**4**	**570**
Norway	Nammo AS	18	35	–	–	41
	Nammo NAD AS	4	16	–	1	21
	Nammo Raufoss AS	344	1 106	22	48	1 520
	Total	**366**	**1 157**	**22**	**49**	**1 594**
Sweden	Hansson Pyrotech	16	23	–	3	53
	Nammo Sweden AB	170	310	3	3	486
	Total	**186**	**333**	**3**	**6**	**528**
USA	Capstone Precision Group LLC	35	90	2	2	129
	MAC LLC	12	21	–	–	33
	Nammo Composite Solutions LLC	24	70	–	–	94
	Nammo Defense System Inc	94	292	–	–	386
	Nammo Energetics Indian Head Inc	1	3	–	–	4
	Nammo Inc	3	2	–	–	5
	Nammo Perry Inc	65	109	–	–	174
	Nammo Pocal Inc.	22	28	–	1	51
	Total	**256**	**615**	**2**	**3**	**876**
Total		**1 091**	**2 982**	**40**	**87**	**4 200**

Disclosure		Location	Omission
2-8	Workers who are not employees	None	
2-9	Governance and structure composition	ASR pages 57–76 and www.nammo.com/about-us/board-of-directors	
2-10	Nominating and selecting the highest governance body	ASR pages 75–76 and www.nammo.com/about-us/board-of-directors	
2-11	Chair of the highest governance body	ASR pages 14, 75–76 www.nammo.com/about-us/board-of-directors	
2-12	Role of the highest governance body in overseeing the management of impacts	ASR pages 75–76	
2-13	Delegation of responsibility for managing impacts	ASR pages 75–76	

Disclosure		Location	Omission
2-14	Role of the highest governance body in sustainability reporting	ASR pages 75–76	
2-15	Conflicts of interestt	ASR pages 64–68 Anti-Bribery & Corruption Policy Nammo Group Code of Conduct www.nammo.com/about-us/our-responsibility	
2-16	Communicating critical concerns	ASR pages 66–68	
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 75–76	
2-19	Remuneration policies	ASR pages 76 Nammo Executive Remuneration Report 2025 (www.nammo.com/publications)	
2-20	Process for determining remuneration	ASR page 76 Nammo Executive Remuneration Report 2025 (www.nammo.com/publications)	
2-21	Annual total compensation ratio	Nammo Executive Remuneration Report 2025 (www.nammo.com/publications)	
2-22	Statement on sustainable development strategy	ASR pages 23–29 and page 34	
2-23	Policy commitments	ASR page 24	
2-24	Embedding policy commitments	ASR pages 35–74	
2-25	Processes to remediate negative impacts	ASR pages 35–74	
2-26	Mechanisms for seeking advice and raising concerns	ASR pages 66–68	
2-27	Compliance with laws and regulations	ASR pages 69–74	
2-28	Membership associations	ASR page 32	
2-29	Approach to stakeholder engagement	ASR pages 30–32	
2-30	Collective bargaining agreements	ASR page 22	

Disclosure		Location	Omission
GRI 3: MATERIAL TOPICS 2021			
3-1	Process to determine material topics	ASR Page 24–26	
3-2	List of material topics	ASR page 26	
	ENVIRONMENT: Environmental Stewardship		
	CLIMATE RISK RESILIENCE		
GRI 3	**Material Topics 2021**		
3-3	Management of material topics	ASR pages 26–29	
GRI 201	**Economic Performance 2016**		
201-2	Financial implications and other risks and opportunities due to climate change	ASR pages 36–38	
	GHG EMISSIONS		
GRI 3	**Material Topics 2021**		
3-3	Management of material topics	ASR page 26–29	
GRI 305	**Emissions 2016**		
305-1	Direct (Scope 1) GHG emissions	ASR page 40	

a. Gross direct (Scope 1) GHG emissions	
Total Scope 1 GHG emissions (tCO2e)	10 812.46
b. Gases included in the calculation of Scope 1 emissions	
Gases	All
c. Biogenic CO2 emissions	
Biogenic Scope 1 CO2 emissions (tCO2)	8 761.02
d. ii. Emissions in the base year	**Base year: 2021**
Total Scope 1 GHG emissions (tCO2e)	12 569.04
e. Emission factors: DEFRA Conversion Factors 2021 GWPs: Based on the IPCC Fourth Assessment Report (AR4) over a 100-year period	
f. Consolidated approach for emissions: Financial approach	

Disclosure		Location		Omission
305-2	Energy indirect (Scope 2) GHG emissions	ASR page 40		
		a. Gross location-based energy indirect (Scope 2) GHG emissions		
		Total location-based Scope 2 GHG emissions (tCO2e)	18 703.61	
		b. Gross market-based energy indirect (Scope 2) GHG emissions		
		Total market-based Scope 2 GHG emissions (tCO2e)	49 823.84	
		c. N/A		
		d. Base year: 2021 **ii. Emissions in the base year – location-based**		
		Location-based Scope 2 GHG emissions (tCO2e)	12 013	
		ii. Emissions in the base year – market-based		
		Market-based Scope 2 GHG emissions (tCO2e)	28 062	
		e. Grid mix emissions factors from GHG Protocol Calculation Tool 2021, AIB Residual Mix and AIB Production Mix		
		f. Consolidated approach for emissions: financial approach GWPs: based on the IPCC Fourth Assessment Report (AR4) over a 100-year period		
		g. For district heating emissions factors national factors have been applied, or where not available, European average has been applied for European countries		
305-3	Other indirect (Scope 3) GHG emissions	ASR page 40		
		Sources of Scope 3 emissions (upstream categories)	**Emissions (tCO2e)**	
		01 Purchased goods and services	53.95	
		03 Fuel- and energy-related activities	8 877.15	
		05 Waste generated in operations	695.47	
		06 Business travel	2 807.71	
		07 Employee commuting	4 832.38	
		Total	**17 266.66**	
		Consolidated approach for emissions: financial approach GWPs: based on the IPCC Fourth Assessment Report (AR4) over a 100-year period		
305-4	GHG emissions intensity	ASR page 39		
305-5	Reduction of GHG emissions	ASR page 39–40		

Disclosure		Location		Omission
	ENERGY USE			
GRI 3	**Material Topics 2021**			
3-3	Management of material topics	ASR page 42		
GRI 302	**Energy 2016**			
302-1	Energy consumption within the organization	ASR pages 40		**Require-ment Omitted:** 302-1 d) **Reason:** Not applicable
		Fuel types (non-renewable)	**Amount (GJ)**	
		Diesel (average biofuel blend)	4 655.36	
		Fuel oil	13 933.93	
		Gasoline/petrol	2 783.54	
		LPG (Propane)	1 291.25	
		Natural gas	28 128.15	
		Fuel types (renewable)		
		Biodiesel HVO	0	
		Biofuel	992.15	
		Wood pellets	90 592.55	
		Energy consumption		
		District heating	203 856.19	
		Electricity with Guarantee of origin	23 366.78	
		Electricity without Guarantee of origin	348 207.89	
		Total Energy Consumption within the Organisation (GJ)	**718 899.79**	

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 44	
GRI 303	**Water and Effluents 2018**		
303-1	Interactions with water as a shared resource	ASR page 44	
303-2	Management of water discharge-related impacts	ASR page 44 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: 1 007 456 m^3	**Require-ment 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 45	
GRI 306	**Waste 2020**		
306-1	Waste generation and significant waste-related impacts	ASR page 45	
306-2	Management of significant waste-related impacts	ASR page 45 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		
306-5	Waste directed to disposal		

Non-hazardous waste	
Incineration	216 t
Landfill	716 t
Recycling	10 927 t
Composting	17 t
Hazardous waste	
Incineration	456 t
Landfill	1249 t

ENVIRONMENT: Product stewardship

Disclosure		Location	Omission
	LIFE CYCLE MANAGEMENT		
GRI 3	**Material Topics 2021**		
3-3	Management of material topics	ASR pages 46–47	
	PRODUCT SAFETY		
GRI 3	**Material Topics 2021**		
3-3	Management of material topics	ASR page 48	
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.	

Disclosure		Location	Omission
	SOCIAL: Employee safety and well-being		
	OCCUPATIONAL HEALTH AND SAFETY		
GRI 3	**Material Topics 2024**		
3-3	Management of material topics	ASR page 51–52	
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 raise 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 to promote organizational learning.	
403-3	Occupational health services	ASR pages 51–52	
403-4	Worker participation, consultation, and communication on occupational health and safety	ASR pages 51–52, 55 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 51–52, 55	

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 51–52 Main type of work-related injury: Ergonomic related injuries that resulted in minor finger, hand or back injuries. Total number of hours worked: 7 199 613 The Nammo Group calculates injury rates based on lost time injuries per 1 000 000 hours worked. Lost Time Injury (LTI) Value increased from 5.9 in 2024 to 6.5 in 2025.	

Disclosure		Location	Omission
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. The company implements periodic occupational health surveillance for employees whose work tasks may involve exposure to hazardous substances, including lead. Health monitoring is conducted by certified external occupational health service providers in accordance with applicable regulatory requirements. The surveillance program includes medical examinations and biomonitoring, such as blood-level testing, to assess potential exposure and identify early indicators of work-related ill health. Findings are documented and reviewed in compliance with relevant health and safety legislation. When early signs are identified, appropriate preventive and corrective measures are initiated, including individual follow-up, workplace assessments, and adjustments to work practices. No personal health data is used beyond the purposes permitted by law, and all results are managed in accordance with data protection regulations. 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 page 53–54	
	Nammo own disclosure		
	Female employees at year end (share of total)	ASR page 53–54	
	Women in group management (percentage of total)	ASR page 53–54	
	Women on the board of directors (share of total)	ASR page 53–54	
	COMPETENCE DEVELOPMENT		
GRI 3	**Material Topics 2021**		
3-3	Management of material topics	ASR page 55	

Disclosure		Location	Omission
	GOVERNANCE: Value chain integrity		
	BUSINESS PARTNER DUE DILIGENCE		
GRI 3	**Material Topics 2021**		
3-3	Management of material topics	ASR pages 58–59	
	Nammo own disclosure		
	Number of local representative agreements terminated after being subjected to updated due diligence and risk evaluations	ASR page 58	
	SUPPLY CHAIN GOVERNANCE, HUMAN RIGHTS, AND ANTI-CORRUPTION STANDARDS		
GRI 3	**Material Topics 2021**		
3-3	Management of material topics	ASR pages 60–61	
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 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 60–61	
	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 60–63	
	Description of salient human rights issues and approach to managing associated risks	ASR pages 60–63	

Disclosure		Location	Omission
	GOVERNANCE: Business Integrity		
	ANTI-BRIBERY AND CORRUPTION		
GRI 3	**Material Topics 2021**		
3-3	Management of material topics	ASR pages 64–65	
GRI 205	**Anti-corruption 2016**		
205-2	Communication and training about anti-corruption policies and procedures	ASR pages 64–65	
205-3	Confirmed incidents of corruption and actions taken	ASR page 65	
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 2025	
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 18, 65	
	INTERNAL CONTROL, RISK, AND COMPLIANCE		
GRI 3	**Material Topics 2021**		
3-3	Management of material topics	ASR pages 69–74	
	Nammo own disclosure		
	Description of approach to identifying and addressing data security risks	ASR page 74	
	Nammo own disclosure		
	Description of approach to identifying and addressing export control risks	ASR page 73	

Disclosure		Location	Omission
	CORPORATE GOVERNANCE		
GRI 3	**Material Topics 2021**		
3-3	Management of material topics	ASR pages 75–76	
	Nammo own disclosure		
	Number of group-wide procedures (e.g., code of conduct, procurement policy)	ASR pages 24, 75–76	
	Nammo own disclosure		
	Number of group-wide trainings (e.g., share of employees receiving training on code of conduct)	ASR page 65	

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