



**Corporate Social
Responsibility**
Annual Report

KSAT
KONGSBERG
KONGSBERG SATELLITE SERVICES

2021

KSAT's core values

- Quality
- Pride
- Responsibility
- Thriving

Introduction

Kongsberg Satellite Services AS (KSAT) is a company group, owned equally by Kongsberg Defence & Aerospace AS and Space Norway AS. KSAT was established in 2002. It is a successor of the Tromsø Telemetry Station established in 1967.

The business concept is to provide services related to polar orbiting satellites and utilization of data from such satellites for near real time monitoring services. This includes communication with and utilization of data from satellites. Our customers include public and commercial users having timely operational requirements, as well as satellite owners and operators. KSAT's head office is in Tromsø, Norway. In addition, we have branch offices in Longyearbyen in Svalbard, and in Oslo, Stockholm, Sweden and Colorado, USA. Furthermore, KSAT has remotely controlled antennas in various locations around the world.

This annual report regarding Corporate Social Responsibility (CSR) activities in KSAT covers the period from 1 January 2021 to 31 December 2021. The report is a supplement to The Sustainability Report from KONGSBERG Gruppen ASA (KONGSBERG), which may be downloaded at www.kongsberg.com.

Vision

- To be at the forefront for connecting Space and Earth for exploration, communication and increased understanding of our planet while enabling decision support.

Mission

- To provide the most reliable end-to-end services for actionable space derived information.

CSR goals

Corporate Social Responsibility is important for KSAT. The entire organization focuses on CSR in our everyday life.

Compliance and business ethics are key components of KSAT operation and constitutes, together with our CSR focus, important pillars in the organization. The company's Corporate Code of Ethics and value platform's are important for KSAT's corporate governance.

It constitutes our license to operate.

KSAT will contribute to sustainable development through responsible best business practices. To KSAT, CSR is also about creating business opportunities while contributing to solving social, environmental challenges.

Rolf Skatteboe

PRESIDENT/CEO

CSR at KSAT

UN GLOBAL COMPACT

KSAT has joined the *UN Global Compact* through KONGSBERG. The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with 10 universally accepted principles in the areas of human rights, labor, environment and anti-corruption. By doing so, business, as a primary driver of globalization, can help ensure that markets, commerce, technology and finance advance in ways that benefit economies and societies everywhere.

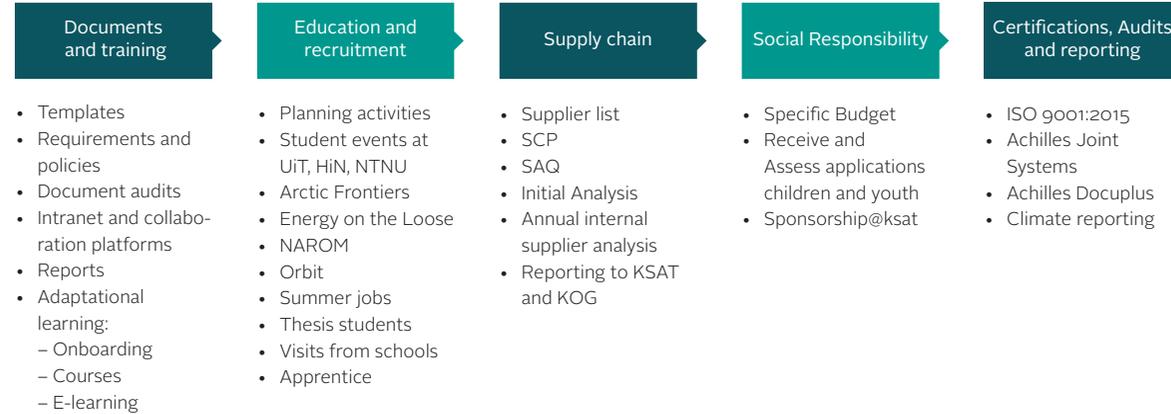
The principles in the Global Compact are the guiding principles for our CSR plans. KSAT will continue to support the important work done in association with the Global Compact.

UN SUSTAINABLE DEVELOPMENT GOALS AND PRINCIPLES

We are committed to implement the UN Sustainable Development Goals and Principles. The Goals shall reflect KSAT as a responsible company; a respectful workplace with focus on human rights, corporate social responsibility, protection of the environment and technological innovation.

KSAT provides sophisticated Earth Observation services. Through monitoring the environment KSAT contributes to securing a sustainable ecosystem for life on land and at sea. By expert analysis of satellite data, information vital for management and impact reduction, are reported to end users all over the world. In this respect KSAT is a world leading provider of oil spill monitoring and emergency support to prevent and reduce damages from oil slick pollution, vessel detection services contributing to the global fight against illegal, unreported and unregulated (IUU) fishing, and forestry and land monitoring.

CSR elements



CSR in the Supplier Chain

The customers and public expect KONGSBERG companies to work in an ethical, commercial and generally accepted manner. We have to expect the same from our suppliers.

As part of the KONGSBERG Group, KSAT works with a range of suppliers in numerous countries who help make an important contribution to our value creation. KONGSBERG has established “Suppliers’ Conduct Principles” that apply specifically to our suppliers. These principles have been established to ensure safe working conditions throughout KONGSBERG’s supply chain, ensuring that workers are treated with respect and dignity, that business operations are environmentally sound, and that business is conducted in accordance with internationally recognized principles for business ethics. Our policy

is to work together with the supplier to find opportunities for improvements, not to terminate the business relationship.

KSAT has established a process for risk evaluation of our main suppliers. Typical compliance measures are anti-corruption, HSE, human rights, labor practices, fair operating practices, environmental issues and consumer issues. This evaluation is also a subject in our Procurement Handbook. KSAT has analyzed and documented more than 100 of our suppliers.

CSR commitment

As well as the focus on supplier evaluations, KSAT has decided that our special CSR commitment is to use our resources and competence to make a positive difference for the environment and the community we live in.

Through various activities, we will increase interest in science and earth observation and satellite technology among children, youth and students. In the short and long term, we will influence them in their choice of education and later workplace. We will achieve this by:

- Participating in Career days and business-related activities at universities in Norway
- KSAT is a member in ODV-days, an annual conference for more than 900 lower secondary school pupils in the Tromsø area. Together with UiT the Arctic University of Norway and other companies, we work to make year 9 pupils more aware and curious of the many exciting jobs available by studying science
- Arranging visits from different schools with guided tours and lectures.
- Being mentors for Master's degree students.

- Cooperate with universities and university colleges so students can write their theses with us.
- Summer jobs for pupils.
- One apprentice at the IT Department.
- Activities for pupils during Operasjon Dagsverk and similar Events.
- Planning a Trainee program.
- Cooperation with Northern Norwegian Science Center (Vitensenteret) through their program, where we have an event for High School students within science that eager to learn and develop more knowledge.

SPONSORSHIP@KSAT is a sponsorship program for sport and cultural activities aimed at children and youth in the Tromsø and Longyearbyen. This sponsorship program is very popular and attracts many applications when announced twice a year.





Our employees

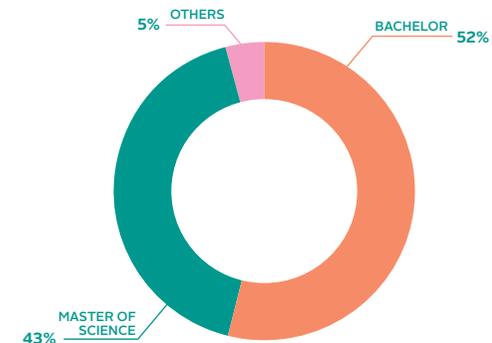
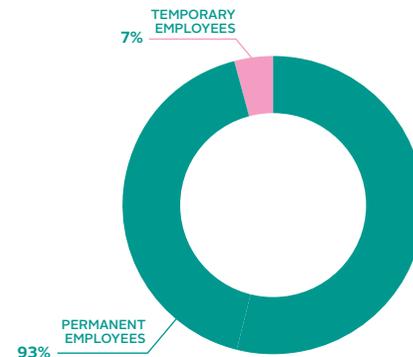
KSAT shall be a challenging, interesting and attractive workplace.

KSAT shall have a working environment in which everyone assumes responsibility, exhibits commitment and contributes to interaction between management, employees and customers. KSAT has great focus on the wellbeing of our employees. Our systematic HSE activities ensure a working environment that is health promoting and which provide a meaningful job situation. Employees shall be

protected from adverse physical and psychological effects, and KSAT facilities working conditions to suit the individual employees.

As of end December 2021 KSAT has 295 employees. This included 275 permanent employees, 7 temporary employees and 20 temporary employees on hourly bases.

KEY FIGURES



Of the total number of employees, 72 (24%) are women. In addition we have 9 in part time. KSAT works actively to promote gender equality and works on the principle of equal pay for equal work. Personnel policy shall ensure equal opportunities and rights and prevent discrimination on the grounds of, among other things, gender.

Even if the proportion of women has increased in the company, it is still challenging to recruit women to this industry. This is therefore an important part of the recruitment strategy.

KSAT is an international company as we by 31 December 2021 had employees from Norway, Sweden, USA, Canada, France, Iceland, Mexico, Spain, Great Britain, Argentina, Brazil, Hungary, Denmark and Germany.

Personnel turnover rate for 2021 was 5,9 %. KSAT had 61 new permanent employees and 15 terminated employments.

	GENDER DISTRIBUTION		SALARY Women's share of men's salary in percentage			
	Women	Men	Women (percentage)	Agreed salary / Base salary	Salary Supplement	Benefits in kind
Total	63 **	203 **	24 %	94 %	61 %	92 %
Group 1		1	0 %	*	*	*
Group 2	1	5	17 %	*	*	*
Group 3	28	74	27 %	93 %	71 %	94 %
Group 4	34	123	22 %	92 %	59 %	89 %

* Too few participants in the group to post a percentage

** Do not include employees in international subsidiaries

KSAT has divided the salary survey into 4 groups:

Group 1: CEO

Group 2: Management group

Group 3: Managers, project managers and specialist

Group 4: Other employees

The main difference between women's and men salary in KSAT is on the basis of seniority in the company. 45% of the part time positions are women. These are mainly students who do not have the opportunity to work 100%. Furthermore, these are often recruited into permanent positions after completing their studies.



Staff involvement in CSR

Our staff has good knowledge of our CSR activities. CSR is always on the agenda at the annual Internal Seminar, which all the employees attend.

- All KSAT CSR related activities, guidelines and procedures are found on our intranet.
- KSAT education and recruitment engages many employees when representing KSAT at various university campuses.
- Our Sponsorship@ksat program for children and youth is well known among employees and their families. Over the past 10 years, KSAT has donated more than NOK 3 million to the many sports and youth teams in our community.
- Purchasers are involved in the annual supplier evaluation. The participation increases involvement and understanding of the CSR process.

Environmental projects

KSAT continues to focus on the energy consumption for all our installations, especially for our stations in the Arctic (Svalsat) and Antarctic (Troll). We are looking for alternative power sources, as we are too dependent on local power production based on fossil-fuel power plants.

- Central heating system on SvalSat and Tromsø is monitoring the temperature and CO₂ in the air to regulate ventilation for the most efficient heating in the buildings. Excess heat from data-centers and buildings is reused for heating and water-borne heat.
- Monitor the amount of paper, cardboard and residual waste that is recycled. Reporting quarterly and annually on waste, use of electricity and calculated CO₂ to KONGSBERG. KSAT does not use any chemicals.
- Installed video conference equipment on all locations to minimize travelling between offices.
- Focusing on minimizing energy consumption as part of our activities.
- Store Norske and Kverneland collaborating on solar cell project. 25 solar panels is set up in different directions - providing a basis for considering a larger development.
- More than 90% of our buildings are according to the TEK17 standard. Meaning that the buildings have less needs for heating, energy, lights and the ventilation is regulated according to the personnel present in the rooms.
- New office 4000m² building in Tromsø has the most sustainable building techniques of today. Including a design to make the best use of cooling and heating processes.
- A sustainability team takes this work to the next level. The focus will be on internal processes, the UN SDG and how to contribute to the green shift and a circular economy.
- Provides together with partners Planet and Airbus universal access to high-resolution satellite monitoring of the tropics through the NICFI Satellite Data Program. The goal is to support efforts to stop the loss of tropical rainforests.

Ethics and compliance

Our stakeholders expect KSAT to work in an ethical, sustainable and socially responsible manner and comply with applicable laws and regulations.

Anti-corruption

KSAT has a clear anti-corruption policy with zero tolerance for bribery and corruption in any form. We will not request, receive or accept any improper advantage in order to obtain or retain business. KSAT believe in the social benefits of competition, its importance for our reputation and that our systematic approach to anti-corruption reduces our overall business ethical risk.

- KSAT has mandatory training program for International Sales Managers on anti-corruption.
- Our staff has completed KONGSBERG's mandatory electronic training program on ethical issues.
- All our staff has received KONGSBERG's Code of ethics & business conduct.

Harassment

KSAT have had for many years a focus on maintaining a healthy work environment both physically, mentally and socially. KSAT does not tolerate any verbal or physical conduct that harasses others, disrupts others work performance or creates a hostile work environment.

- KSAT has initiated the establishment of a system for raising concerns. The system handles all kinds of concerns.
- KSAT has initiated distribution of specific information for raising concern about sexual harassment.
- KSAT is cooperating with KONGSBERG's Ethics Consul.



Focus area for 2022

- Continue the strong focus on Compliance, business ethics and CSR through dedicated onboarding of new employees.
- Ensure that our suppliers meet standards and requirements for sound business.
- KSAT has a broad range of smaller and larger suppliers serving our global activities. All KSAT suppliers shall follow KSAT's standards and guidelines for CSR. KSAT shall therefore ensure that our global suppliers and cooperation partners operate according to these standards.
- KSAT will continue the growth and requiring the best people to join KSAT is a top priority. KSAT shall therefore be proactive and meet potential new KSAT'ers at their premises at regional and national universities.
- Further strengthen sustainability work through the dedicated team.



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