



KONGSBERG

To the shareholders in Kongsberg Gruppen ASA

NOTICE OF THE ANNUAL GENERAL MEETING 2023

The Board of Directors notice of Annual General Meeting of Kongsberg Gruppen ASA.

Time: Thursday, 11 May 2023 at 10:00 a.m. - held digitally

IMPORTANT MESSAGE:

The General Meeting is held as a digital meeting, without shareholder's physical attendance.

The General Meeting online can be found here:

www.kongsberg.com/investor-relations/general-meeting/

Once you have accessed this website, you identify yourself with the Reference Number and PIN code formed in the VPS for this General Meeting.

Further information is provided by the attached proxy form and at the last page of this notice, as well as the attached Online Guide.

The General Meeting will be opened and chaired by the Chairman of the Board in accordance with § 5-12, first paragraph of the Public Limited Liability Companies Act and § 8 of the Company's Articles of Association.

The following items are on the agenda:

1. Approval of the notification and agenda

The Board of Directors proposes that the Annual General Meeting adopts the following resolution:

"The Notice and agenda are approved."

2. Election of a co-signer for the minutes

According to KONGSBERG's Articles of Association the Chair of the Board of Directors will lead the Annual General Meeting. At the General Meeting, the Chair will propose a co-signer of the minutes.

3. CEO's briefing

4. Processing of Corporate Governance report

The Board's statement for Corporate Governance is available on the company's internet page www.kongsberg.com.

5. Approval of the Financial Statements and Directors' Report for the parent company and the Group for fiscal year 2022

The Board's proposal to the financial statements, the Director's Report for the parent company and the Group for fiscal year 2022, as well as the auditor's report, is available on the company's internet page www.kongsberg.com.

The Board of Directors proposes that the Annual General Meeting adopts the following resolution:

"The financial statements for the parent company and the Group for the fiscal year 2022 are approved. The Directors' Report is also approved. The Auditor's Report is taken into account."

6. Payment of dividends

The parent company, Kongsberg Gruppen ASA, reported a net profit of MNOK 257 for 2022. The Group reported a net profit of MNOK 2 809 in 2022, corresponding to earnings per share of NOK 15.64. Financial strength is considered satisfactory.

The Board proposes to the General Meeting that the total dividend for the financial year 2022 is set at NOK 12 per share, of which NOK 8.40 is beyond the company's ordinary dividend.

The dividends will be applicable to the company's shareholders as of 11 May 2023 (as listed in the VPS Registry per 15 May 2023). The company's shares will be traded on Oslo Børs exclusive dividends as from 12 May 2023. Dividends are expected to be paid on 30 May 2023 (NOK 3.60 per share) and 31 May 2023 (NOK 8.40 per share).

The Board of Directors proposes that the Annual General Meeting adopts the following resolution:

"The Board's proposal of a total dividend of NOK 12 per share for fiscal year 2022 is approved. The dividend will be applicable to the company's shareholders per the end of 11 May 2023 (as listed in the VPS Registry per 15 May 2023). The company's shares will be traded on Oslo Stock Exchange excl. dividends as from 12 May 2023.

*Dividend payments are expected to take place in two transactions:
NOK 3.60 per share on 30 May 2023 and NOK 8.40 per share on 31 May 2023.*

Of the total dividend of NOK 12 per share, NOK 3.60 per share is taxable to be deemed as a repayment of previously paid capital, cf. Tax Act § 10-11, second paragraph. The remaining NOK 8.40 per share is taxable to be deemed as an ordinary dividend payout."

7. Remuneration to the members of the Board, the Board Committees, and the Nominating Committee

The Nominating Committee has proposed that the collective compensation to the Directors, applicable from 11 May 2023 until next Annual General Meeting, be stipulated at NOK 2 794 650. The Chair of the Board will receive NOK 651 000, the Deputy Chair NOK 323 850 and the other Directors NOK 303 300. Deputy Directors will receive NOK 13 700 per meeting.

The members of the Audit & Sustainability Committee will receive NOK 116 950 per year, Chair NOK 156 600 per year.

The members of the Compensation Committee will receive NOK 52 350 per year, Chair NOK 77 750 per year.

The members of the Nominating Committee will receive NOK 6 250 per meeting, up to NOK 43 200 per year, and the Chair NOK 8 850 per meeting, up to NOK 54 000 per year.

The Nominating Committee has held ten meetings during the previous period.

The proposal of the Nominating Committee is available in its entirety on the company's internet page www.kongsberg.com.

The Board proposes that the Annual General Meeting adopts the following resolution in accordance with the Nominating Committee's recommendation:

"The Board's members receive the following remuneration from 11 May 2023 to the next Annual General Meeting:

The Board of Directors:

Chair of the Board: NOK 651 000 per year (up NOK 56 000)

Deputy Chair: NOK 323 850 per year (up NOK 13 650)

Directors: NOK 303 300 per year (up NOK 12 800)

Deputy Directors: NOK 13 700 per meeting (up NOK 570)

The Audit & Sustainability Committee:

Chair: NOK 156 600 per year (up NOK 6 600)

Member: NOK 116 950 per year (up NOK 4 950)

The Compensation Committee:

Chair: NOK 77 750 per year (up NOK 3 300)

Member: NOK 52 350 per year (up NOK 2 200)

The Nominating Committee:

*Chair: NOK 8 850 per meeting (up NOK 370),
maximum NOK 54 000 per year (up NOK 2 300 per year)*

*Member: NOK 6 250 per meeting (up NOK 250),
maximum NOK 43 200 per year (up NOK 1 840 per year)"*

8. Remuneration to the Auditor

In 2022, NOK 2 055 000 has been accrued for audit-related services for the parent company Kongsberg Gruppen ASA from the company's auditor Ernst & Young AS. For the Group a total of NOK 24 699 000 has been accrued for audit-related services and NOK 2 532 000 for other services.

The Board proposes the remuneration to the company's auditor for 2022 of NOK 2 055 000 for the ordinary audit of the parent company to be approved.

The Board of Directors proposes that the Annual General Meeting adopts the following resolution:

"The remuneration for 2022 of NOK 2 055 000 to the company's Auditor for ordinary audit of the parent company is approved."

9. Processing of the Executive Management Remuneration Report 2022

A report on salary and other remuneration to the Executive Management is presented in a separate document published on the company's website. The report shall be considered by the General Meeting and an advisory vote on the report shall be held.

The Board of Directors proposes that the Annual General Meeting makes the following resolution:

"The General Meeting endorses the Executive Management Remuneration Report."

10. Election of shareholder-elected Board members (Directors)

All shareholder-elected Board members are up for election.

The Nominating Committee of Kongsberg Gruppen ASA has made reasoned nominations for election of the Board members. The recommendation from the Nominating Committee is available in its entirety on the company's internet page www.kongsberg.com.

In accordance with the Nominating Committee's recommendation, the Board of Directors proposes that the Annual General Meeting makes the following resolution:

"The following nominees are elected as shareholder-elected Board Members (Directors) of Kongsberg Gruppen ASA:

- 1. Eivind Reiten (Chair, re-election),*
- 2. Morten Henriksen (re-election),*
- 3. Per A. Sørli (re-election),*
- 4. Merete Hverven (re-election) and*
- 5. Kristin Færøvik (new)."*

11. Authorization for the acquisition of own shares - incentive program etc.

The Annual General Meeting 11 May 2022 gave the Board the authorization to buy own shares up to a total nominal value of NOK 8 750 000, with a duration until the Annual General Meeting 2023, and concerned the acquisition of own shares for use in connection with the share programme for the Group's employees, for the incentive programme (for leading persons), and as full or partial payment in connection with the acquisition of business – or disposed of.

The Board of Directors therefore proposes that the Annual General Meeting 2023 adopts the following resolution for authorization for the acquisition of own shares:

- "(a) Pursuant to § 9-4 of the Norwegian Companies Act, the Board is authorized to acquire up to 7 000 000 treasury shares for a total maximum nominal value amount of NOK 8 750 000.*
- (b) The authorization may be used several times.*
- (c) The Board's acquisition of shares pursuant to this authorization can only take place between a minimum price of NOK 50 per share and a maximum price of NOK 700 per share.*
- (d) Shares acquired under the authorization can be used in relation to the share program for the Group's employees, to the incentive program (for leading persons), as full or partial payment upon acquisition of business, or disposed of.*
- (e) The authorization shall apply until the next Annual General Meeting, but no later than 30 June 2024.*
- (f) The acquisition of shares pursuant to the authorization shall take place in the market. The disposal of the shares acquired will take place on the Oslo Stock Exchange, unless the shares are used in connection with employee share program, as part of the Management's fixed-wage, or as full or partial payment upon acquisition of Business."*

12. Reduction of capital when cancelling own shares and redemption and deletion of shares belonging to the Norwegian State, as well as reduction of other equity

The Board of Directors of Kongsberg Gruppen ASA was authorized by the General Meeting on 11 May 2022 to buy back own shares for cancellation purposes. The Board chose to use this authorization, and the purchase of shares has been made at market prices. The authority has been supported by the company's largest owner, the Norwegian state, and formalized through a separate agreement, in which the state participates in a buyback on a proportionate basis by redeeming a part of its own shares so that the State's shareholding in the company remains unchanged.

The compensation to the state for the redeemed shares corresponds to:

- the average volume-weighted price of the company's buyback of own shares made at market prices.
- an addendum for interest compensation based on NIBOR + 1 percent p.a. calculated from the time of each share purchase until the payment takes place.
- a deduction related to the dividend paid and the associated interest expense.

The Company has acquired 695 555 own shares in the market and shall, on the basis of the agreement with the state, redeem additional 695 668 own shares in exchange for NOK 250 025 152. The total number of shares proposed cancelled and redeemed is 1 391 223.

Based on this, the Board proposes a reduction in the share capital by deleting repurchased shares and redeem and deleting shares belonging to the state, as well as a reducing other equity. The auditor's confirmation that after the reduction of the share capital and reduction of other equity, coverage for the company's remaining share capital and tied equity will be made available on www.kongsberg.com.

The Board of Directors proposes that the Annual General Meeting adopts the following resolution:

"The company's share capital is reduced by NOK 1 739 028,75 by (i) the deleting 695 555 own shares, and (ii) redemption of 695 668 shares owned by the Norwegian State by the Ministry of Industry and Fisheries for the payment of an amount of NOK 250 025 152. An amount of NOK 498 179 436, which is the amount paid out that exceeds the nominal value of the shares, is charged other equity.

With effect from the entry into force of the capital reduction, section 4 of the Company's Articles of Association changes to:

«The Company's share capital is NOK 219 902 311,25 divided among 175 921 849 shares, each with a nominal value of NOK 1.25.»"

13. Change of § 8 of the company's Articles of Association - registration for the General Meeting

1 July 2023 a change in Asal. § 5-3 will enter into force. The amendment relates to the deadline for prior notification to the company to attend the general meeting. The amendment means that the deadline cannot expire earlier than two working days before the general meeting.

The company's Articles of Association currently state: "The deadline may not expire earlier than five days before the general meeting". It is suggested that this text is changed to be in line with the new Asal regulation.

The Board of Director proposes that the General Meeting adopt the following resolutions:

"With effect from the Annual General Meeting's holding on Thursday 11 May 2023, § 8 of the company's Articles of Association, last paragraph, second sentence, is amended to read as follows:

«The deadline cannot expire earlier than two working days before the General Meeting.»"

14. Change of the company's Articles of Association §8 – cast prior votes to the General Meeting

The Norwegian Public Limited Companies Act allows for that shareholders may give their votes in advance of a general meeting. A condition for such advance voting is that the Articles of Association include regulation for such voting. New rules that enter into force on 1 July 2023 entail that such advance voting may be more convenient. The board of directors therefore recommends that the company's Articles of Association includes regulation for advance voting.

On this basis, the Board of Directors proposes that the General Meeting approves the following resolution:

"In § 8 of the Articles of Association the following regulation shall be included as the new last paragraph:

«The Board can decide that the shareholders shall be able to cast votes in writing, including by electronic communication, in a period prior to the General Meeting.»"

15. Proposal from shareholder: change of § 7 of the company's Articles of Association

Pursuant to Section 5-11 of the Public Limited Liability Companies Act, shareholder Håvard Noraberg has submitted a proposal to change § 7 of the company's Articles of Association.

The Board remarks that the proposal, if adopted, would limit the freedom the Board has under the Act to choose how general meetings are to be conducted. In the Board's view, this would be negative for the company, and the Board therefore encourages shareholders to vote against the proposal.

Shareholder Noraberg's proposal reads as follows:

"The wording of § 7 of the company's Articles of Association is amended by adding the text "as physical meetings or hybrid meetings" so that § 7 reads:

*«General Meetings will be held **as physical or hybrid meetings** in Kongsberg or in Oslo and shall be convened in writing with at least 21 days' notice. Documents that apply to items on the agenda for the General Meeting need not be sent to the shareholders if the documents are made available to the shareholders on the Company's website. This also applies to documents which are required by law to be included in or attached to the notification of the General Meeting. A shareholder can nevertheless ask to receive documents that apply to items on the agenda at the General Meeting.»"*

* * *

The financial statements, the Director's Report and Auditor's Report, the Board's statement on corporate governance, the guidelines on salaries and other compensation to leading persons, as well as the recommendation from the Nominating Committee and Auditor's statement for Item 12, is available on the Company's internet page www.kongsberg.com. You may also contact the company on telephone +47 468 27 499 and require to by post get the Annual Report and other documents concerning matters to be dealt with at the General Meeting.

On the date of notification, Kongsberg Gruppen ASA had 177 313 072 shares issued. Each share gives right to one vote at the General Meeting. On the date of this notification, the company owned 871 834 own shares, which cannot be voted. All shareholders are entitled to attend the General Meeting and to be heard, either personally or by proxy. Shareholders are entitled to be accompanied by an adviser and may grant the right to speak to one adviser. Shareholders have on certain conditions, also the right to make alternative proposals to the decision in the Items the General Meeting shall process. Shareholders may require that Board members and the Managing Director at the General Meeting gives available information about conditions that may influence the assessment of Items that are referred to the shareholders for decision. The same applies to information about the company's financial position and other issues that the General Meeting shall process unless the information required cannot be given without disproportionately damaging to the company.

Information relating to the Annual General Meeting, including this notification with attachments and the Company's Articles of Association, are available on the Company's web page www.kongsberg.com.

Deadline for registration of authorizations and instructions: 9 May 2023 at 15:00

Registration

Shareholders are only allowed to participate online, and registration is not required.

Shareholders must be signed in before the meeting starts.

If you are not logged in before the general meeting starts, you will not be counted as represented and cannot vote, only be a listener.

Login starts an hour before the annual general meeting starts.

Shareholders who do not wish to participate online have the opportunity to give a bounded authorization to another person by using the enclosed proxy-form and fill this out as explained. Proxy with voting instructions to the Chair of the Board cannot be registered electronically and must be sent to genf@dnb.no (scan the form) or by mail to *DNB Bank ASA, Securities Service, P.O. Box 1600 Sentrum, NO-0021 OSLO*.

The Proxy must be received within 9 May 2023 at 15.00. The company's representatives will ONLY accept authorizations that are bounded, so that is stated how the proxy shall vote in each individual Item, and which has been received within the said time deadline.

Proxy may **only** be granted as described above (not via the Investor Services or the company's website). **A proxy issued electronically (and thus without voting instructions) will be rejected/deleted.**

It is of Kongsberg Gruppen ASA's point of view that neither the real shareholder nor the Manager has the right to vote for shares that are registered on a Manage account in VPS, cf. Public Limited Companies Act § 4-10. Shareholders who hold their shares in a fund manager account in the VPS and who would like to cast votes for such shares, must as to the company's assessment transfer the shares to a **VPS account in their own name no later than 10 May 2023** to be assured of being able to cast votes for such shares. If the shareholders prove that necessary steps to such transfer are taken, and the shareholder has real shareholder-interest in Kongsberg Gruppen ASA, the shareholder may, after the company's opinion, vote for the shares, even if the shares are not yet registered on a separate VPS account.

Kongsberg, 20 April 2023
For the Board of Directors of Kongsberg Gruppen ASA



Eivind K. Reiten
Chair of the Board