



Corporate Social Responsibility

Annual Report

KSAT
KONGSBERG
KONGSBERG SATELLITE SERVICES

2020

KSAT's four 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 2020 to 31 December 2020. The report is a supplement to The Sustainability Report from KONGSBERG, which may be downloaded at www.kongsberg.com.

Vision

- Servicing all satellites and their users

KSAT's rules of behavior

- We create satisfied customers
- We deliver the right quality at the right time
- We show courage
- We create engagement
- We are proud of working at KSAT

Business idea

Provide services to manufacturers and owners of satellites and to users of satellite 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 Corporate Code of Ethics and value platform provided by the Kongsberg Group are important for KSAT's corporate governance.

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

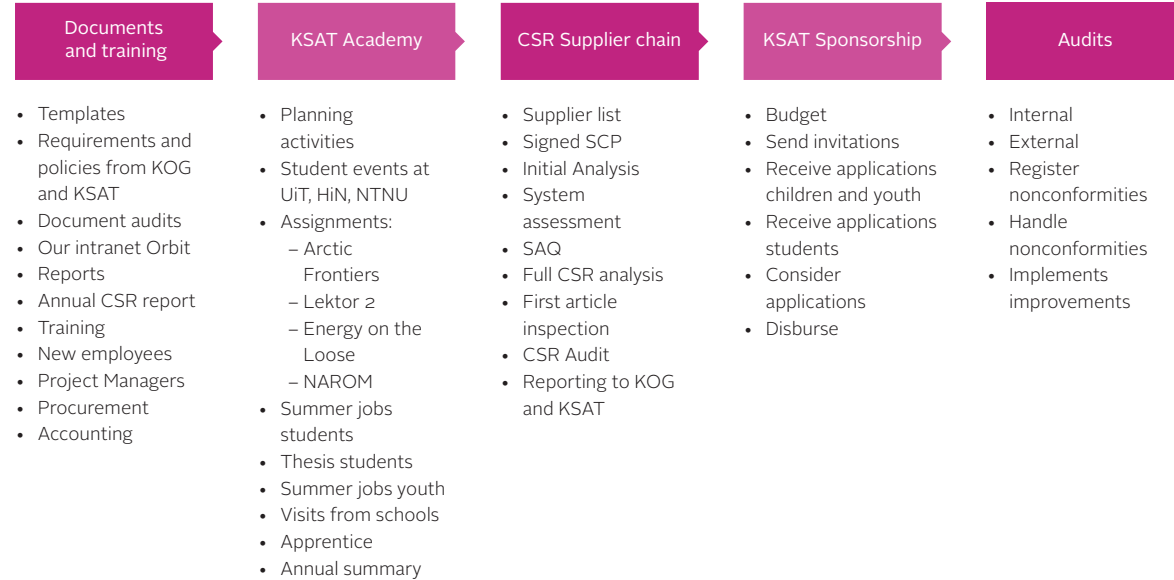
KSAT has joined the *UN Global Compact* through one of our owners, KONGSBERG. The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with 10 universally accepted principles in the areas of human rights, labor, environment and 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, as well as vessel detection services contributing to the global fight against illegal, unreported and unregulated (IUU) fishing.

CSR elements



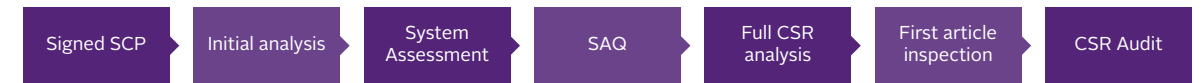
CSR in the Supplier Chain

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 has 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.



KSAT 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.

KSAT has established:

KSAT ACADEMY Through various activities, we will increase interest in science on 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 work place. We will achieve this by:

- Participating in carrier days and business-related activities at universities in Northern Norway
- KSAT is a member in the “Energy on the Loose” project, 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.
- Having summer jobs for pupils
- Having one apprentice at the IT Department
- Arranging activities for pupils during Operasjon Dagsverk and similar Events

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



FOTO: FRANK MEISNER





Our employees

KSAT shall be a challenging, interesting and attractive workplace.

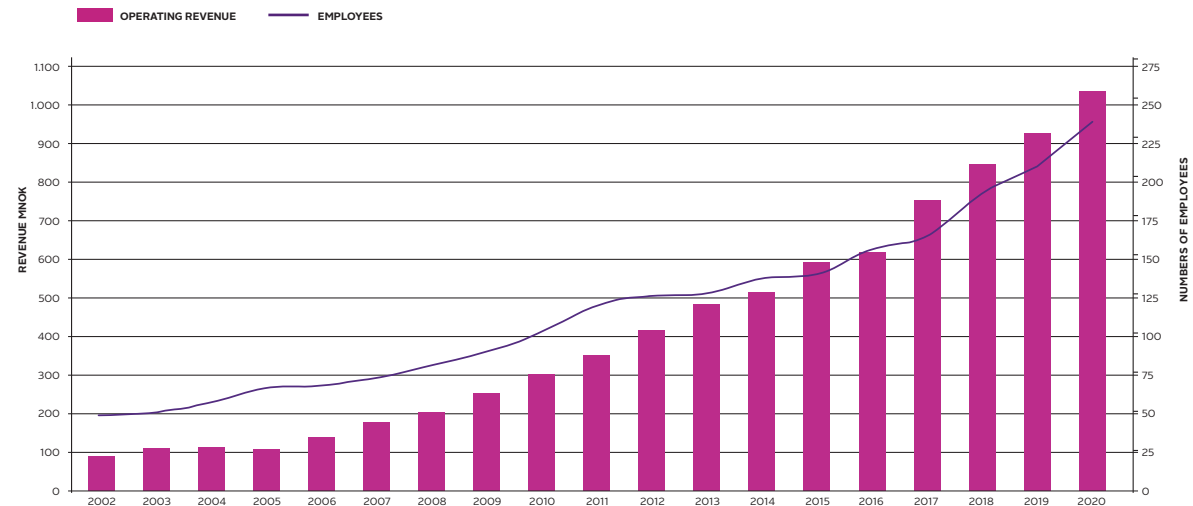
KSAT shall have a working environment in which everyone assumes responsibility, exhibits commitment and contributes to interaction between management, employees and customers. KSAT has great focus on the wellbeing of our employee's. Our systematic HSE activities ensure a working environment that is health 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 2020 KSAT has 262 employees. This included 236 permanent employees, 2 temporary employees and 24 temporary employees on hourly bases.

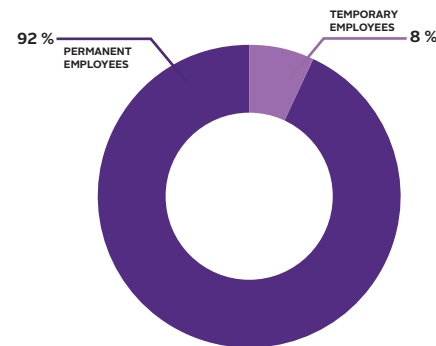
KSAT has truly become an international company as we by 31 December 2020 had employees from Norway, Canada, France, Iceland, Mexico, Spain, Sweden, Denmark, Germany and USA.

Personnel turnover rate for 2020 was 6,3 %. KSAT had 42 new employees and 14 terminated employments.

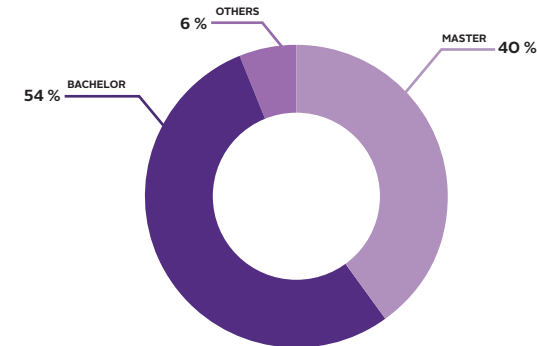
KEY FIGURES



EMPLOYEES 2020



EMPLOYEES BY LEVEL OF EDUCATION 2020





Staff involvement in CSR

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

- All KSAT CSR related policies, guidelines and procedures are found on our intranet.
- KSAT Academy engages many employees when representing KSAT at various university campuses.
- Our Sponsorship@ksat programme for children and youth is well known among employees and their families. Over the past 10 years, KSAT has donated more than NOK 1 million to the many sports teams in our community.
- Purchasers are involved in the annual supplier evaluation. The participation increases involvement and understanding of the CSR process.

Roles and responsibilities

ALF EIRIK RØKENES is overall responsible for CSR at KSAT.

FRODE BECK KRISTIANSEN is responsible for CSR in the supplier chain.

THERESE KRISTIANSEN is responsible for activities and events aimed at students.

MONIKA KORNBakk is responsible for Sponsorship@KSAT.

Environmental projects

KSAT continues to focus on the energy consumption for all our installations, especially important is our focus on our stations in the Artic (Svalsat) and Antarctic (Troll).

At these stations we are looking for alternative power sources, as we today are too dependent on local power production that is based on fossil-fuel power plants.

- The 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 our datacenters and buildings is again reused for heating and water-borne heat.
- KSAT are recycling our waste and have a pre-separation arrangement for all types of waste. We monitor the amount of paper, cardboard and residual waste that is recycled. We report quarterly and annually on waste, use of electricity and calculated CO₂ to KONGSBERG. KSAT does not use any chemicals.
- KSAT has installed video conference equipment on all our locations to minimize travelling between our offices. KSAT continues focusing on minimizing energy consumption as part of our activities. This is especially important at our station at Platåberget, Svalbard, where the whole settlement is heated by coal and at the Troll station where all power production is based on diesel generator.
- KSAT is proud to announce that more than 90% of our buildings are according to the new 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.

Ethics and compliance

Our stakeholders expect KSAT to work in an ethical, sustainable and socially responsible manner and comply with applicable laws and regulations. CFO is responsible for our compliance activities.

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 ethic's risk.

- KSAT has mandatory training programme for International Sales Managers on anti-corruption.
- Our staff has completed KONGSBERG's mandatory electronic training programme 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 2021

- Continue the strong focus on Compliance, business ethics and CRS through dedicated onboarding of new KSAT employees.
- Ensure that our suppliers meet KSAT's 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.



KONGBERG

KONGBERG SATELLITE SERVICES AS

WWW.KSAT.NO

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