

GRI INDEX

This report has been prepared in accordance with the GRI Standards' Core option. 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. Disclosures refer to the GRI Standard and Nammo response refer to Nammo Sustainability Report 2019, unless stated otherwise. 'NDI' refers to 'Nammo defined indicator'.

General disclosures		Nammo response
Organizational profile		
102-1	Name of the organisation	Nammo AS
102-2	Activities, brands, products, and services	Page 4
102-3	Location of hq.s	Raufoss, Norway
102-3	Location of operations	Page 17
102-5	Ownership and legal form	The Norwegian State, represented by the Ministry of Trade, Industry and Fisheries: Number of shares: 500 000 Ownership/vote: 50% Patria Oyj, Finland: Number of shares: 500 000 Ownership/vote: 50%
102-6	Markets served	Page 17
102-7	Scale of the organization	Total number of employees: page 24 Total number of operations: page 17 Net sales/revenues: NOK 5 073 million Total equity: NOK 2 776 million Total debt: NOK 3 452 million Quantity of products and services provided: https://www.nammo.com/what-we-do/
102-8	Employees and other workers	(a) Page 27
		(b) Page 24
		(c) Page 27
		(d) Not applicable.
		(e) Not applicable.
		(f) Not applicable.
102-9	Supply chain	Page 22
102-10	Significant changes	Annual report pages 8-9
102-11	Precautionary Principle	Nammo AS is a signatory of the UN Global Compact and is therefore committed to complying with the precautionary principle.
102-12	External initiatives	Pages 5-6
102-13	Membership of association	Nammo is a member of the National Defense Industrial Associations in Sweden (SOFF), Finland (AFDA), Norway (FSi), Spain (TEDAE), US (NDIA)

Strategy		
102-14	Statement from senior decision-maker	Page 2
Ethics and integrity		
102-16	Values, principles, standards, and norms	Page 4
Governance		
102-18	Governance	Pages 12-13
Stakeholder engagement		
102-40	Stakeholder groups	Pages 8-9
102-41	Collective bargaining agreements	Pages 18-19
102-42	Identifying stakeholders	Pages 8-9
102-43	Stakeholder engagement	Pages 8-9
102-44	Topics and concerns raised	Pages 8-9
Reporting practice		
102-45	Entities included	Annual Report page 20
102-46	Boundaries	Page 5
102-47	Material topics	Page 10
102-48	Restatements	Not applicable.
102-49	Changes in reporting	No changes. First materiality analysis in reporting for 2019. Boundaries related to materiality analysis are defined for the first time in 2019 reporting.
102-50	Reporting period	1/1/2019-31/12/2019
102-51	Most recent report	September 2019
102-52	Reporting cycle	Annually
102-53	Contact point	info@nammo.com
102-54	Claims of reporting	This report has been prepared in accordance with the GRI Standards: Core option.
102-55	GRI index	https://www.nammo.com/downloads/annual-reports/
102-56	External assurance	External assurance is not practiced for the sustainability report.
Economic performance		
201-1	Economic value	<p>Value generated:</p> <ul style="list-style-type: none"> - Revenues: NOK 5 073 million <p>Value distributed:</p> <ul style="list-style-type: none"> - Payroll expenses: NOK 1 684 million - Other operating costs: NOK 3 037 million - Net interest cost: NOK 39 million - Other financial income(-cost): NOK -8 million - Income taxes: NOK 115 million - Paid dividends: NOK 120 million*

	<p>Value retained: NOK 150 million *Dividends paid to shareholders as proposed by the Board of Directors. All numbers refer to the Nammo Group and the 2019 financial year (1/1/2019 – 31/12/2019).</p>
--	---

Specific standard disclosures: Business integrity		Nammo response
Management approach for business integrity is addressed on pages 16-20		
Material topic: Anti-bribery and corruption controls		
205-2	Communication and training	(a) Page 16
		(b) Page 16
		(d) Page 17
		(e) Page 17
205-3	Incidents of corruption	Page 18
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Page 18
Material topic: Corporate governance efficiency		
NDI	Nammo defined indicator: Number of group wide: 1) procedures (i.e. code of conduct, procurement policy), 2) trainings (i.e. share of employees receiving training on code of conduct),	(1) Page 12
		(2) Page 16-17
Material topic: Human rights		
412-2	Employee training on human rights policies or procedures	(a) 0 hours. Nammo will implement training on human rights in 2020. See page 19
		(b) 0%.
Material topic: Cyber security & proprietary information		
NDI	Nammo defined indicator: (a) Description of approach to identifying and addressing data security risks. (b) Number of reports of major cybersecurity violations	(a) Page 20
		(b) Page 20

Specific standard disclosures: Value chain integrity		Nammo response
Management approach for value chain integrity is addressed on pages 22-23		
Material topic: Business partner due diligence		
205-2	Communication and training	(c) Page 23
NDI1	Nammo defined indicator: (a) Discuss processes and due diligence procedures for assessing and managing risks relating to business ethics that it faces associated with business partners. (b) Discuss areas of that are at the highest risk for corruption and bribery occurrences, such as those operations in countries with low rankings in Transparency International's Government Defence Anti-Corruption Index.	(a) Pages 22-23
		(b) Pages 22-23
Material topic: Supply chain: social practices and Supply chain: good governance and anti-corruption standards		
308-1	Suppliers screened using environmental criteria	Partially addressed on pages 22-23.
414-1	Suppliers screened using social criteria	Partially addressed on pages 22-23.
414-2	Negative social impacts	Partially addressed on pages 22-23.
Material topic: Illicit arms transfers		
SASB: RT- AE- 510a.1	Business ethics	Page 15

Specific standard disclosures: Employee safety and wellbeing		Nammo response
Management approach for employee safety and wellbeing is addressed on pages 24-27		
Material topic: Occupational health and safety		
403-1	Occupational health and safety management system	(a) Page 24
		(b) Page 25
403-2	Hazard identification, risk assessment, and incident investigation	(a) Page 25
		(b) Pages 25-26
		(c) Page 26
		(d) Pages 25-26
403-3	Occupational health services	Pages 25-26
403-4	Worker participation	(a) Page 25
		(b) Page 25

403-5	Worker training	Page 26
403-6	Worker health	(a) Page 24-25
		(b) Page 24-25
403-7	Prevention and mitigation	Pages 25-26
403-8	Workers covered by an occupational health and safety management system	(a) Pages 24-25
		(b) Not applicable.
		(c) Not applicable.
403-9	Work-related injuries	(a) Page 26
		(b) Not applicable.
		(c) Page 25-26
		(d) Page 25-26
		(e) The Nammo Group calculates injury rates based on 1x10 ⁶ hours worked.
		(f) Not applicable.
		(g) Not applicable.

Specific standard disclosures: Environmental stewardship		Nammo response
Management approach for environmental stewardship is addressed on pages 28-31		
Material topic: Waste & hazardous materials management		
306-3	Significant spills	Page 31
306-4	Transport of hazardous waste	(a) and (b) Partially addressed on page 29. Nammo will report disposal method broken down by waste type for the 2020 sustainability report.
		(c) Information not available. Nammo will report in full on this indicator for next year's reporting.
Material topic: Climate risk		
201-2	Financial implications due to climate change	Partially addressed on page 28
Material topic: Emissions		
305-1	Direct (Scope 1) GHG emissions	(a) Page 29
		(b) CO ₂ -equivalents are calculated using the UK Government GHG Conversion Factors for Company Reporting 2019.
		(c) Not applicable
		(d) Not applicable

	<p>(e) UK Government GHG Conversion Factors for Company Reporting 2019.</p> <p>The GWPs used in the calculation of CO2e are based on the Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report (AR4) over a 100-year period.</p>
	<p>(f) Financial control</p>
	<p>(g) Greenhouse Gas Protocol Corporate Standard was used when calculating scope 2.</p> <p>Scope 1 is calculated based on emissions data from all production sites, with the exception of Saab Nammo Technologies (SNT), Nammo UK (Westcott site and Cheltenham site), Nammo Ireland and MAC LLC in Bay St. Louis, MS, USA. Nammo will aim to report emissions from all production sites in next year's reporting.</p>
<p>305-2 Energy indirect (Scope 2) GHG emissions</p>	<p>(a) Page 29</p> <p>(b) Not applicable</p> <p>(c) CO2-equivalents are calculated using the UK Government GHG Conversion Factors for Company Reporting 2019.</p> <p>(d) Not applicable</p> <p>(e) UK Government GHG Conversion Factors for Company Reporting 2019.</p> <p>The GWPs used in the calculation of CO2e are based on the Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report (AR4) over a 100-year period.</p> <p>(f) Financial control</p> <p>(g) Greenhouse Gas Protocol Corporate Standard was used when calculating scope 2.</p> <p>Scope 2 is calculated based on emissions data from all production sites, with the exception of Saab Nammo Technologies (SNT), Nammo UK (Westcott site and Cheltenham site), Nammo Ireland and MAC LLC in Bay St. Louis, MS, USA. Nammo will aim to report emissions from all production sites in next year's reporting.</p> <p>Emission factors for purchased district heating are calculated based on an average of country level publicly available emissions factors. For Spain, the emission factor for purchased electricity are used for calculating district heating emissions as well.</p> <p>Calculation of emission from waste is based on best estimate given available information and established emission factors. For hazardous waste, the emission factor used is based on the average emission factor for similar waste types.</p>
<p>305-3 Other indirect (Scope 3) GHG emissions</p>	<p>(a) Page 29</p> <p>(b) CO2-equivalents are calculated using the UK Government GHG Conversion Factors for Company Reporting 2019.</p>

	<p>(c) Not applicable</p> <p>(d) Activities included in the calculation of scope 3 includes water consumption, waste consumption and air travel.</p> <p>(e) Not applicable</p> <p>(f) UK Government GHG Conversion Factors for Company Reporting 2019.</p> <p>The GWPs used in the calculation of CO2e are based on the Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report (AR4) over a 100-year period.</p> <p>(g) Greenhouse Gas Protocol Corporate Standard was used when calculating scope 3.</p> <p>For 'hazardous waste', the emission factor used represents an average and was determined based on best estimate given available information and established emission factors.</p> <p>Scope 3 is calculated based on emissions from air travel and emissions from all production sites, with the exception of Saab Nammo Technologies (SNT), Nammo UK (Westcott site and Cheltenham site), Nammo Ireland and MAC LLC in Bay St. Louis, MS, USA. Nammo will aim to report emissions from all production sites in next year's reporting.</p>	
305-4	GHG emissions intensity	<p>(a) Page 29</p> <p>(b) Page 29</p> <p>(c) Scope 1, 2 and 3 CO2-equivalent. Page 29</p> <p>(d) CO2-equivalents are calculated using the UK Government GHG Conversion Factors for Company Reporting 2019.</p>
Material topic: Energy use		
302-1	Energy consumption within the organization	<p>(a) Total fuel consumption from non-renewable sources: 7254452.98 kWh.</p> <p>(b) Not applicable.</p> <p>(c) Purchased electricity: 66673653.36 kWh. Purchased district heating: 28201882.56 kWh.</p> <p>(d) Not applicable.</p> <p>(e) Page 30</p> <p>(f) Not applicable.</p> <p>(g) Not applicable.</p>
Material topic: Water management		
303-1	Interactions with water	<p>(a) Page 31</p> <p>(b) Page 31</p> <p>(c) Page 31</p> <p>(d) Page 31</p>

303-2 Management of water discharge-related impacts	Page 31. No sector-specific standards are currently considered. The profile of receiving waterbody is considered where required by national or local regulation.
303-5 Water consumption	(a) Page 31
	(b) Not applicable.
	(c) Not applicable.
	(d) Not applicable.

Specific standard disclosures: Product stewardship	Nammo response
Management approach for product stewardship is addressed on pages 32-33	
Material topic: Product safety	
416-2 Incidents of non-compliance	Page 33