Integrated annual report

2024

SAFEROAD

For every life.
On every journey.

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Part 2 and 3 constitute the Board of Directors report.

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Year in brief

Performance highlights

In 2024 Saferoad had underlying revenues of NOK 7 584 million. Revenues in Saferoad were driven by good underlying growth and strong order intake in all Business Areas, as well as general price inflation.

Underlying EBITDA was NOK 820 million. The underlying EBITDA margin was 10.8 per cent.

7 584 mNOK
Underlying revenue

820 mNOK
Underlying EBITDA

12.6 %
Revenue growth

14.3 %
EBITDA growth

625 017

GHG emissions (tCO2e)

15 426	4 254	605 336
Scope 1 (tCO2e)	Scope 2 (tCO2e)	Scope 3 (tCO2e)

Employee satisfaction (NPS)

33.4 (Great)	+7.4
NPS 2024	Development (2023)

Employee satisfaction rose to an all-time high of 33, up from 23 in 2023. This marks a significant improvement compared to last year's results. We see a tendency that satisfaction increases in line with the Group's financial results.

Green transition

In 2024, we established targets for decarbonising our own operations and value chain and prioritised and decided on the main levers to meet our near-term targets.

Reducing our direct and indirect greenhouse gas (GHG) emissions is critical. We are part of the steel value chain and have considerable emissions from heavy vehicles. We aim for our customers and other stakeholders to see us as a long-term partner with a clear and consistent performance on climate action. At the same time, we remain vigilant of the investment and operational changes necessary to sustain our leading role, and the regulatory development needed to succeed with our transition.

Health and safety

66	14
Lost time injury (LTI)	LTI frequency (H1)

LTI increased in 2024 to 66, from 60 in 2023. Most accidents happened in Germany with our restraint systems installation teams on the roads, and at our restraint systems production facility in Poland. We are concerned about the development and are stepping up our efforts to learn from incidents and near-misses and improve our training and HSE leadership.

Highlights

JANUARY

Group Strategy launch

In January a new Group strategy was introduced, moving beyond individual Business Area strategies to create a unified platform for scalable growth. The strategy sets clear ambitions and targeted initiatives across all Business Areas, focusing on operational excellence, innovation, and strategic expansion. With strong execution already underway, we are building a solid foundation for sustainable growth and long-term value creation.

MARCH

New corporate identity introduced at Intertraffic Amsterdam

In March, Saferoad introduced its new corporate identity to the global market at Intertraffic Amsterdam, a leading trade fair for mobility and road safety. The refreshed identity was showcased alongside new products, sparking strong engagement with industry leaders, customers, and partners. The launch received significant attention and positive feedback, reinforcing Saferoad's position as a forward-thinking market leader.

JULY

Saferoad part of FSN Capital's new continuation fund

During the period of ownership by FSN Capital, starting in 2018, Saferoad has experienced significant success and strategically positioned the company for sustained growth. Building on this foundation, FSN Capital established a new continuation fund, named FSN Capital Confluence. The new fund has acquired two portfolio companies from the fund FSN Capital V, including Saferoad, to support a new phase of growth and development.

AUGUST

Agreement to acquire UAB Gatas

Saferoad signed an agreement to acquire UAB GATAS. With this deal, Saferoad and GATAS will form a joint service business strengthening road safety in Scandinavia, Lithuania, Poland, and beyond based on the combined know how of both sides. At time of writing, the acquisition is pending the Lithuanian Competition Council's final approval.

OCTOBER

Emission reduction targets set

To guide long-term climate action, the Group defined its GHG emission reduction targets in 2024. We are planning to submit our emissions reduction targets to the Science Based Targets initiative in 2025, solidifying our commitment to reducing emissions in line with the Paris Agreement.

Letter from the Chair & CEO

Resilient performance in a transformative year

The year 2024 has been marked by continued geopolitical tension, causing disruptions for societies and businesses, including ours. However, our industry remains a steady sector, providing a solid foundation for our operations. Despite the global challenges, the Group has demonstrated resilience and adaptability, ensuring that we not only navigate the turbulent times but also grow.

In a volatile market shaped by challenging macro conditions, we are pleased to report that the Group has achieved record-high financial performance. In 2024, we increased our market share in key markets and experienced robust organic growth. Underlying operating revenue has surged by 12.6 per cent to NOK 7,584 million. Our underlying EBITDA has reached NOK 820 million for the year, with an underlying EBITDA margin of 10.8 per cent. Reported EBITDA stands at NOK 774 million, with a reported EBITDA margin of 10.2 per cent. Our progress in 2024 was a result of a strong focus on execution of our strategic priorities across our organisation. The financial achievements lay the groundwork for our next phase of strategic growth and long-term value creation.

Driving strategic growth and long-term value

In the beginning of 2024, we launched a new Group strategy, moving beyond our Business Area strategies that have been executed well over the past years. The Group strategy provides a platform for scalable growth, setting clear ambitions and targeted initiatives across all Business Areas in Saferoad. We are already seeing strong execution in line with the strategy, building a robust platform for sustainable expansion and long-term value creation. With a disciplined approach to operational excellence and strategic investments, we remain focused on enhancing our capabilities for sustained growth. We will continue strengthening our market position through a combination of organic initiatives, product innovation, geographical expansion, but also pursuing strategic acquisitions and partnerships, to reinforce our leadership and deliver long-term value.

Enhancing stability and unlocking new opportunities

A key development in 2024 was the establishment of FSN Capital Confluence, a new continuation fund that provides Saferoad with a solid foundation to advance our growth strategy. FSN Capital V has been a dedicated partner since acquiring Saferoad in 2018, and under their stewardship, the Group has delivered strong results and nearly doubled EBITDA. The launch of FSN Capital Confluence ensures stability and creates opportunities to further develop our platform with the backing of a committed partner. This structure reinforces our ability to drive strategic initiatives and strengthens our position in the market.

Leveraging our brand equity

In 2024, several of our companies rebranded and joined the Saferoad brand. This strategic move has brought the company together, fostering a sense of unity and collaboration across our diverse operations. By presenting a cohesive brand identity, we are better positioned to serve our customers and stakeholders with consistency and excellence.

Advancing sustainability with impact and execution

In 2024, we advanced our sustainability strategy with a sharper focus on impact and execution. Against a rapidly changing ESG landscape in Europe, staying focused where it matters continues to be critical. We refined our Double Materiality Assessment and strengthened our understanding of sustainability across our value chain to better identify and priorities the most material ESG topics. We set ambitious GHG emissions reduction targets and will submit these to the Science Based Target initiative. Additionally, we enhanced sustainability reporting by implementing a Group-wide sustainability reporting system, to meet compliance requirements while enabling a data-driven approach to track and improve our sustainability performance.

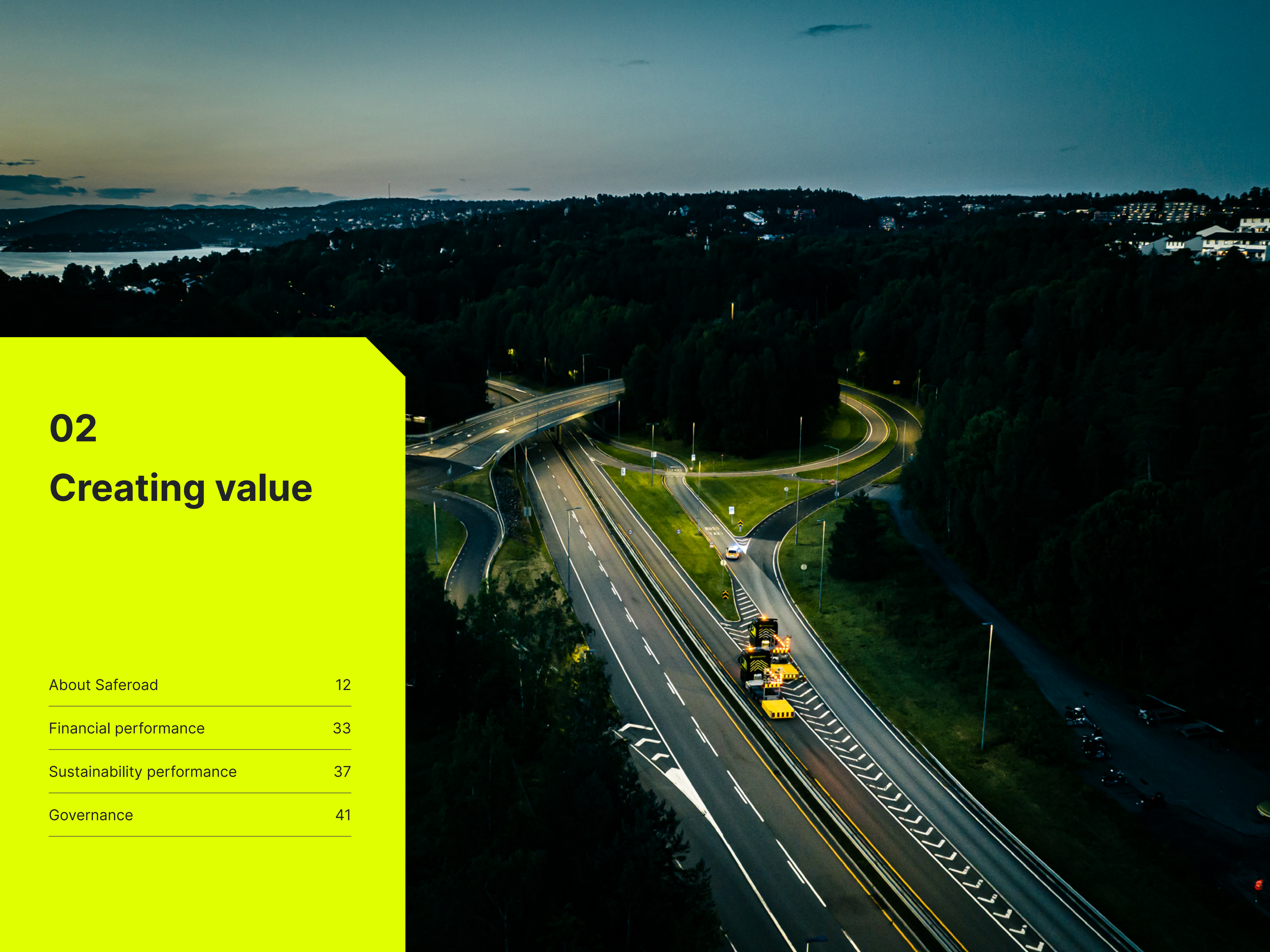
Looking ahead with confidence

As we turn the page to a new chapter, we are cognisant of the rapidly evolving landscapes and emerging challenges. However, our strategic blueprint and the collective resolve of our over 2,800 employees stand as assurances of our preparedness to meet these challenges head-on. We are strategically positioned to extend our influence and persistently provide high-quality value to our customers. Our robust order book fortified internal processes, and operational enhancements have streamlined efficiencies throughout the organisation, positioning us for consistent growth in sales and profitability margins.

Finally, we would like to thank our employees for their dedicated and engaged approach to new ways of working and servicing our customers. And we would like to thank our partners and customers for their loyalty and support. We look forward to continuing our collaboration in 2025. To our stakeholders, we thank you for your continued trust in the Saferoad Group. Together, we will continue to grow and lead the way in more sustainable infrastructure and road safety.

Bernd Frühwald
Group CEO

Patrik Nolåker
Chairman of the Board



02

Creating value

2.1 About Saferoad

Our purpose

Better quality of life through infrastructure

The Saferoad Group is a leading supplier, advancing road safety and steel solutions across Europe and beyond. With a rich history spanning 100+ years in the industry, we take pride in being at the forefront of innovation, quality, and expertise in the realm of road safety solutions. We are steadfast in our commitment to enhancing safety on the roads and contributing positively to the future of road safety and infrastructure.

2 700 employees operating in 13 countries

- 4 000 km guardrails
- 88 000 light poles
- 4 500 masts for railways and telecom
- 220 000 m^2 of noise protection
- 38 000 km of road marking
- 170 000 signs
- 711 000 hours of work zone protection

– delivered in 2024

This figure represents our average number of employees based on headcount.

Our business and how we create value

We create value by developing, producing, installing and operating infrastructure and road safety services for our customers. Our portfolio includes road and infrastructure equipment and road and traffic services.

Restraint Systems

Services

Traffic

Infrastructure

What we depend on

Purpose-driven people and our culture

Our talented and diverse team of over 2 700 employees with diverse backgrounds and expertise.

Our legacy

With more than 100 years of history, we have built enduring partnerships with customers, enhancing road safety and infrastructure across Europe and across the world.

Raw material

Our operations rely on essential natural resources such as steel for our products.

Stakeholder relationships and partnerships

We thrive on constructive relationships with customers, suppliers, employees, authorities, and other key stakeholders.

Procurement

Our procurement strategies ensure the efficient sourcing of materials and services, supporting our commitment to quality and sustainability.

Value created for

Our customers

We provide comprehensive road safety solutions, helping our customers improve safety and efficiency in their infrastructure projects.

Our people

We diverse the safety and engagement of our employees, offering equitable and rewarding career paths.

Society

By enhancing road safety and infrastructure, we contribute to the well-being and prosperity of communities across Europe and beyond.

The planet

We are dedicated to reducing our environmental impact and are committed to sustainable practices in our operations.

Shareholders

Through innovation and strategic growth, we aim to increase shareholder value and maintain our leadership in the industry.

Restraint Systems

Restraint Systems experienced strong revenue and EBITDA growth in 2024, reflecting strategic execution and market expansion.

Performance was particularly strong in Germany and Poland, driven by favourable order backlogs. The Netherlands and the Baltics also contributed positively, with the latter securing multiple large-scale contracts in Lithuania. Sweden successfully reversed its trajectory, achieving positive EBITDA, while the UK saw higher sales and successful project execution.

However, the Czech Republic and Finland faced market challenges, leading to lower sales and margins. In the noise protection segment, revenues declined compared to the record year of 2023 due to project shifts to 2025 and 2026, but still slightly exceeded expectations, supported by strong margins in mobile noise barriers.

Operationally, production sites enhanced productivity and efficiency through higher volumes, automation investments, and digitalisation initiatives. Functional teams for ESG and HR were established, strengthening coordination efforts in sustainability, people, and workforce engagement across all Business Area markets. The guardrails business has successfully completed Environmental Product Declarations (EPDs) for its entire product portfolio. Despite some delays in progress for two entities that had planned ISO certification in 2024, multiple sites have advanced in their ISO certifications, further reinforcing our high standards of compliance and sustainability.

To reach the Group's GHG emission reduction targets for 2034, Restraint Systems has prioritised the following decarbonisation levers:

- Greener steel sourcing
- Low-carbon product development
- Energy efficiency
- Greener transportation

Financial performance

NOK 1000	2024	2023
Underlying operating revenue	3 693 646	3 406 220
Reported operating revenue	3 693 646	3 406 220
Underlying EBITDA	414 887	359 108
Reported EBITDA	406 432	347 097
Underlying EBITDA margin %	11.2 %	10.5 %
Reported EBITDA margin %	11.0 %	10.2 %

Line of business

Restraint Systems offers a comprehensive and precisely engineered range of vehicle restraint systems and noise protection barriers, designed for use on roads, highways, and railways.

- Employees: ~1000
- Locations: Norway, Sweden, Germany, Poland, UK, Finland, Netherlands, Romania, Lithuania, Czech Republic, Italy
- Revenue: NOK 3 693 million

Restraint Systems highlights

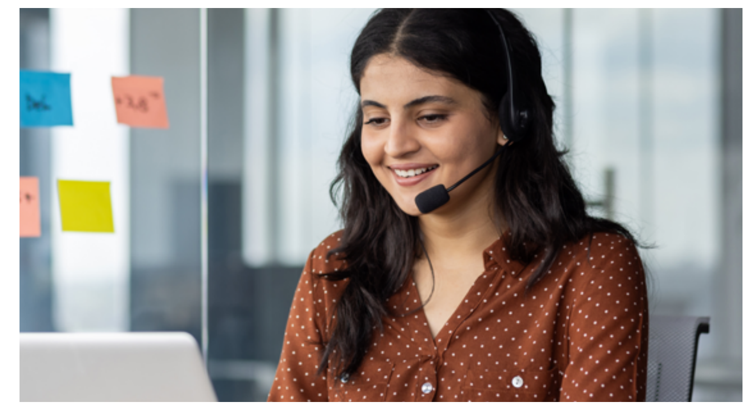
Air quality improvement Finland

To improve workplace conditions, the welding and plasma cutting areas at the Numminen production site underwent significant air quality enhancements in 2024. Previously, inadequate ventilation required fresh air intake through open doors—an impractical solution in Finnish winters. A new air filtration system was installed, effectively removing contaminants and creating a safer, healthier work environment.

Industry Day with Prime Minister visit

In October, the Norwegian business hosted an Industry Day at its Vik facilities, welcoming Prime Minister Jonas Gahr Støre and Ingrid Hovland, Director of the Norwegian Public Roads Administration. The event served as a key platform for discussing industry challenges, with the company urging decision-makers to address the competitive disadvantages caused by state investments in steel products that circumvent Russian sanctions.

Following the event, the issue gained traction in the Norwegian Parliament, prompting further discussions at a national level.



Employee Assistance Helpline in the UK

To strengthen employee well-being, the UK business introduced a 24/7 confidential Employee Assistance Helpline (EAH). The service offers professional support on mental health, financial concerns, legal issues, and personal challenges. Employees receive helpline details during onboarding, ensuring easy access to support.

Several employees have already benefited from the service, reporting significant improvements in their situation. With strong leadership backing and full confidentiality, the EAH plays a crucial role in fostering a supportive work environment.

Services

Services recorded another year of double-digit growth in their markets, increasing underlying revenue in total by 28.8 per cent. Good weather conditions throughout the year and a significant increase in horisontal road marking volumes in all markets in the Nordic region allowed for economies of scale and improved operational efficiency.

Expanding the offer to work zone protection services in Poland, in synergy with comprehensive road maintenance services, strengthened Services' offer in the local market and further reduced the seasonality effect of revenues resulting from the nature of horisontal road marking services. These factors positively impacted profitability, and as a result, the Business Area increased underlying EBITDA by 35.7 per cent.

In Sweden, the business continued its transition from fossil-fuel vehicles to hybrid and electric models. In Norway, the business has fully transitioned to electric passenger cars and expanded its fleet with low-emission vehicles, including vans and trucks. Similar steps were taken in Denmark, where new electric preheaters for thermoplastics were introduced, reducing and noise levels, improving working conditions, reducing the environmental impact.

In Poland a road marking removal machine based on water blasting technology with vacuum to collect and separate waste from water is being tested, replacing manual removal method, improving working conditions and reducing the environmental impact.

To reach the Group's GHG emission reduction targets for 2034, Services has prioritised the following decarbonisation levers:

- Energy efficiency
- Greener transportation
- Greener road-marking material

Financial performance

NOK 1000	2024	2023
Underlying operating revenue	1 140 071	885 054
Reported operating revenue	1 140 071	885 054
Underlying EBITDA	135 792	100 098
Reported EBITDA	134 764	109 704
Underlying EBITDA margin %	11.9 %	11.3 %
Reported EBITDA margin %	11.8 %	12.4 %

Line of business

Saferoad Services provides road marking and maintenance services, customised for durability, quality and year-round road safety.

- Employees: ~300
- Locations: Norway, Sweden, Denmark, Poland
- Revenue: NOK 1 140 million

Services highlights

Electric vehicles Norway

In 2024, Services acquired several large vehicles for contracts in the Oslo region, opting for electric chassis wherever possible. These vehicles will play a crucial role in meeting the growing demand for environmentally friendly services from key customers in Norway. The business plans to continue upgrading its fleet with electric vehicles in the coming years.

Bio-based thermoplastics and testing of material composition

The business tested replacing large volumes of petroleum-based thermoplastics with bio-based thermoplastics in the road marking material composition, with the aim to reduce negative environmental impact. Although measurable results were not reported in 2024, the business continues seeking solutions that reduce carbon footprint going forward.

Driving synergies across Norway and Sweden

In 2024, the Business Area strengthened its operations by leveraging synergies between Norway and Sweden, enhancing productivity and profitability. By coordinating resource allocation, the business increased operational efficiency. The approach enabled better workforce utilisation during peak season, ensuring the right skills and capacity were available where needed, while also optimising the use of equipment across regions. The synergies reinforced the company's ability to meet demand efficiently and building on their strong market position.

Traffic

Traffic revenue grew by 9.5 per cent, driven by notable contributions from the two business lines signs and work zone protection. Despite this revenue growth, overall performance did not meet expectations, prompting the implementation of measures to enhance operations and improve performance going into 2025.

The year began with challenges in the signs and equipment business due to margin pressure and reduced volumes. However, by Q4, both revenue and margins picked up pace and were improved compared to last year. The noise protection business faced several project delays and operational issues, impacting profitability. Measures were implemented to enhance future performance. Meanwhile, the work zone protection business saw significant expansion in services and rentals, maintaining stable profitability. The focus for 2025 is to leverage this growth to capture operational synergies.

Traffic's Scope 1 and Scope 2 GHG emissions increased 3 per cent compared to 2023, despite increased activity in the work zone protection area and a revenue growth of 8 per cent.

Key contributions to the development include reducing transportation between locations and customers, as well as upgrading vehicles for improved mileage. The business is actively transitioning its vehicle fleet to lower-emission models. Additionally, Traffic has initiated relocations to more energy-efficient facilities in Köping, Sweden, and Gardermoen, Norway. These relocations are expected to reduce overall energy consumption in the Business Areas.

To reach the Group's GHG emission reduction targets for 2034, Traffic has prioritised the following decarbonisation levers:

- Energy efficiency
- Greener transportation
- Greener materials sourcing

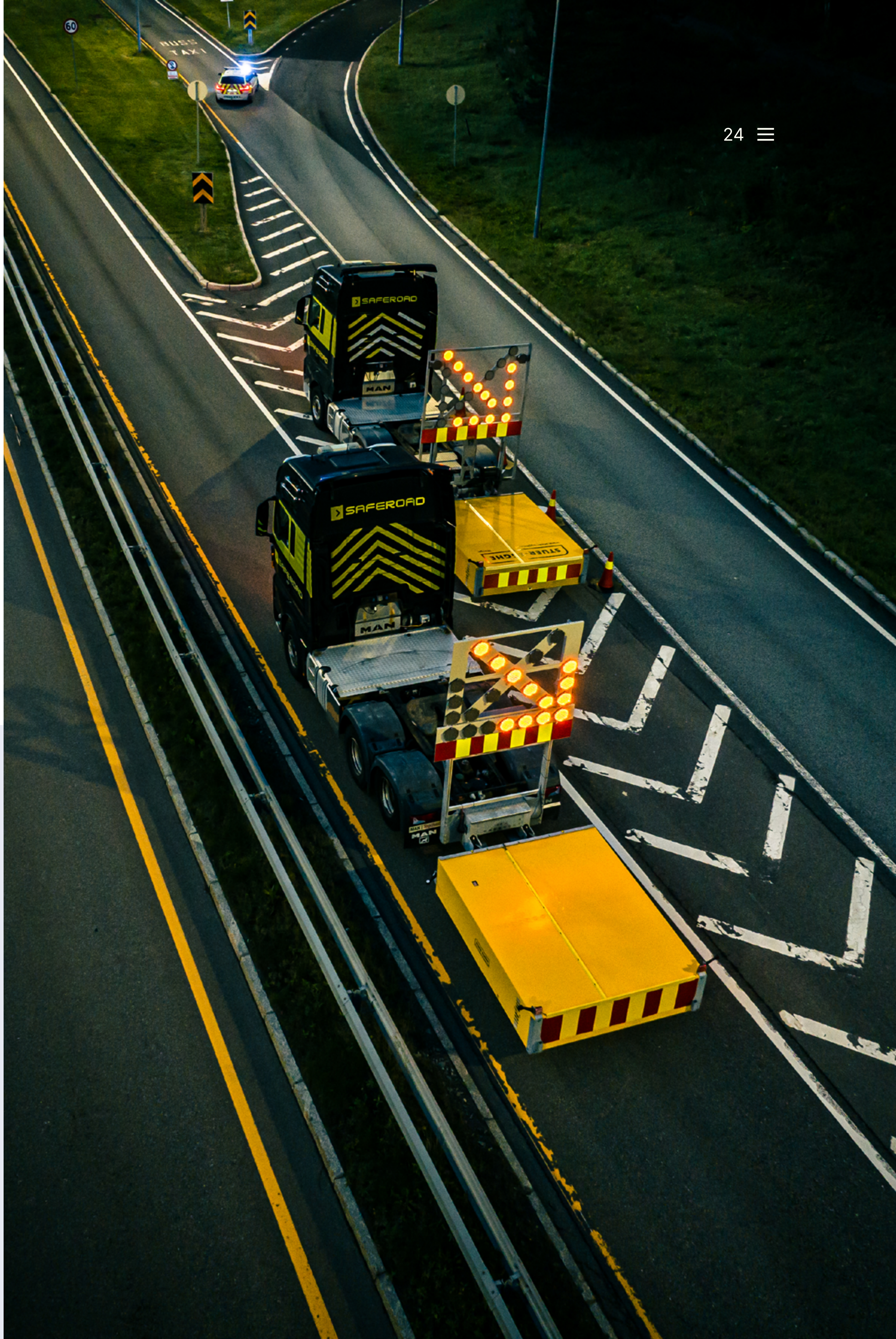
Financial performance

NOK 1000	2024	2023
Underlying operating revenue	1 719 303	1 570 815
Reported operating revenue	1 719 303	1 579 644
Underlying EBITDA	173 561	176 962
Reported EBITDA	164 006	169 061
Underlying EBITDA margin %	10.1 %	11.3 %
Reported EBITDA margin %	9.5 %	10.7 %

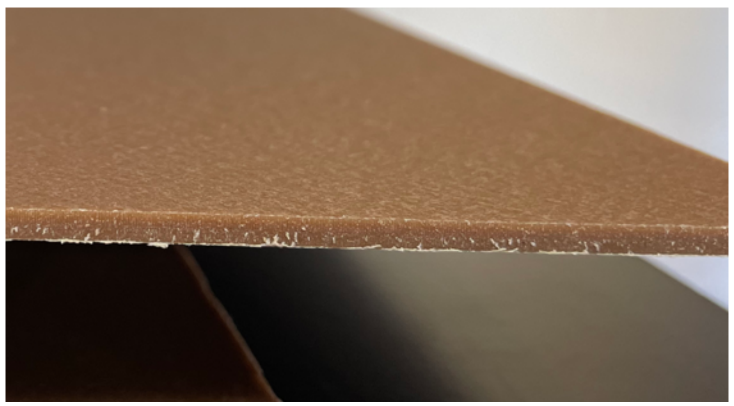
Line of business

Saferoad Traffic offers traffic and message signs, mobile noise barriers, work zone protection services, ensuring safety, guidance and reliability on roads and construction sites.

- Employees: ~700
- Locations: Norway, Sweden, Denmark, Germany
- Revenue: NOK 1 719 million



Traffic highlights



Bio based road signs

In Denmark, Traffic has successfully tested using hemp for road signs in collaboration with the Danish Road Authorities. In 2024, hemp-based signs were introduced as an alternative to traditional aluminum plates. These plates, made from non-active hemp, customised to meet various requirements and are fully compostable in nature, aligning with cradle-to-cradle principles. Although steel poles are still required for mounting to meet safety standards in road applications, the development of hemp-based signs marks a significant advancement in creating road safety equipment with less negative environmental impact. By early 2025, 7 500 bio-based signs have been sold to various projects, showcasing a growing demand for lower-emission solutions.

Consolidation and rebranding

In the beginning of the year, the Norwegian traffic management and signs business merged under the Saferoad brand. The consolidation was undertaken to streamline operations and to strengthen the offerings and customer experience. In Sweden, the signs factory is being relocated to a newly constructed factory and logistics building, with the move scheduled for Q3 2025. In Norway, operations in Hølen are being transferred to the premises in Gardermoen. Additionally, a new central warehouse is being built at Gardermoen, consolidating activities from Oslo into this new energy-efficient facility.

Upgrading the transportation fleet

The transportation fleet is being upgraded to more fuel-efficient trucks and electric vehicles. Older trucks are being replaced with models that offer significantly better mileage, while the car fleet is transitioning to electric vehicles. This transition of the transportation fleet will go over several years to ensure access to the best available alternatives, reducing environmental impact and enhancing operational efficiency.

Infrastructure

Infrastructure experienced strong growth, continuing its momentum from 2023. Revenue increased more than 11 per cent and EBITDA by 15 per cent, reflecting a robust financial health. This performance was driven by significant improvements and expansion in Romania, as well as growth in the railway mast market in Norway. These factors, along with overall positive development across the Business Area, contributed to the overall financial performance.

Strategic moves were also made into new markets, notably in solar energy, further diversifying the product portfolio. Additionally, marina projects proved to be another key growth area, experiencing substantial demand and development in 2024.

Overall, 2024 has been a year of solid financial progress, underpinned by successful market expansion and operational improvements across key segments.

In 2024, the business focused on innovation and operational efficiency. Key initiatives included increased use of recycled plastic and redesign of light poles to reduce material consumption. The business also advanced toward fossil-free production facilities.

The entity Smekab Citylife switched its production fuel from LPG to biofuel, resulting in a 68 per cent reduction in Scope 1 GHG emissions for the Business Area. The light poles facilities in Sweden and Norway aim to replace their fossil-fuel sources within 2025. A strategic move to relocate the production site in Romania supported efforts to optimise operations and improve working conditions in new facilities.

To reach the Group's GHG emission reduction targets for 2034, Infrastructure has prioritised the following decarbonisation levers:

- Greener steel sourcing
- Low-carbon product development
- Energy efficiency

Financial performance

NOK 1000	2024	2023
Underlying operating revenue	1 236 009	1 101 365
Reported operating revenue	1 236 009	1 101 365
Underlying EBITDA	198 021	172 340
Reported EBITDA	198 021	172 340
Underlying EBITDA margin %	16.0 %	15.6 %
Reported EBITDA margin %	16.0 %	15.6 %

Line of business

Infrastructure specialises in the designing and producing light poles, masts, outdoor furniture, parapets and fences.

- Employees: ~400
- Locations: Norway, Sweden, Romania
- Revenue: NOK 1 236 million

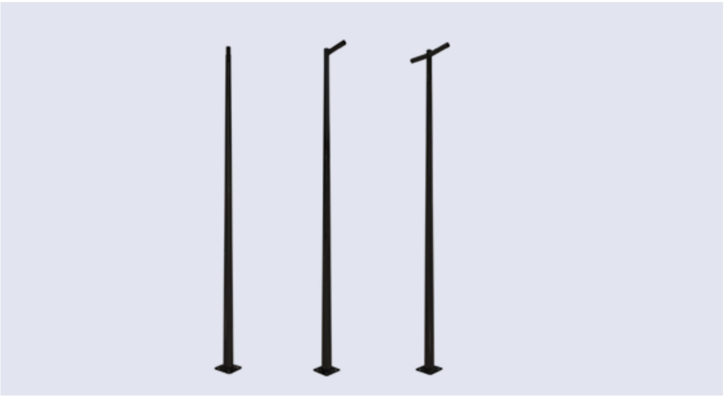
Infrastructure highlights

Swedish entity powered by renewables and transitioning to EVs

The facility successfully transitioned away from fossil fuels in its operations, significantly reducing its environmental footprint. All heating systems now run on biofuels, and the facility's electricity supply comes entirely from hydropower, saving approximately 109 tCO_2e annually. Additionally, all forklifts and internal transport vehicles have been replaced with electric alternatives. The company is also in the process of transitioning its fleet of company cars to electric vehicles.

Flat-Pack foundation for charging poles

Launched in Norway in 2024, a new foundation for charging poles and bollards is designed for efficiency and sustainability. Delivered flat-packed makes it easier to transport and store the charging poles and bollards, significantly reducing logistics-related emissions and costs. This new product supports the growing demand for practical, lower-emissions infrastructure solutions.



Light poles with reduced steel

In Sweden, a new type of light poles that use 30 per cent less steel was launched. Available in 4, 5, and 6 meters, they come in nine variants with options for top mounting and one or two short arms. Finished in black powder coating and equipped with base plates for easy installation, the new poles offer a more sustainable and efficient solution for urban lighting.

Corporate strategy

Saferoad's corporate strategy is designed to position the company at the forefront of the European road safety and steel solutions industries, aiming to achieve Vision Zero, contribute to the green transition, and enhance urban liveability. This strategy pursues profitable organic and inorganic growth enabled by people, ESG (Environmental, Social, and Governance), innovation, and performance excellence.

Our business model supports infrastructure needs with a comprehensive range of high-quality road safety equipment and steel-based solutions such as masts for power transmission and distribution, telecom, and railways as well as structures for solar and marina applications and rockbolts. We also offer services including traffic control, work zone protection, road marking, and road maintenance. Our portfolio ensures we can grow our market presence in regions with significant infrastructure potential, serving a wide array of customers across Europe and beyond.

With an extensive geographical footprint and broad offering, Saferoad is well-positioned to benefit from favorable market trends and deliver on its ambitions. Our leadership in the Nordic region and strong presence in Europe position us for further profitable growth in our core markets. This growth will be complemented by expanding into adjacent products and services as well as further geographic expansion.

Market outlook

The markets addressed by Saferoad are typically characterised by steady growth with high resilience with respect to cyclic volatility. Despite broader economic uncertainties, particularly in Europe, the market trend is expected to remain positive in most countries in the Saferoad portfolio. At the same time, addressed markets also include regions with dynamics above European average and intensive infrastructure investment activities providing attractive growth opportunities.

Sustainability and regulatory alignment

Saferoad is proactively positioning itself to meet the increasing market demand for low-carbon and more responsible products, central to our ESG strategic priorities. The EU's Green Deal and Fit for 55 package, alongside National Action Plans on Climate Change, are important drivers for low-carbon products. Other regulatory drivers include the Norwegian Transparency Act and the Corporate Sustainability Reporting Directive (CSRD). The Nordic market is leading this trend, setting requirements, and incentivising low-carbon operations and products, with other European markets expected to follow in the next 1-3 years.

Regulatory developments, particularly in sustainability and supply chain transparency, are shaping Saferoad's strategy. The CSRD will introduce stricter reporting requirements, and while its application to Saferoad may be delayed by up to two years, the company continues to strengthen data quality, reporting consistency, and sustainability impact assessments. Beyond CSRD, Saferoad is also preparing for new regulations impacting material sourcing, emissions, and supply chain due diligence. The Carbon Border Adjustment Mechanism (CBAM) will affect the cost and availability of steel and aluminium, reinforcing the need for sustainable procurement strategies. Additionally, growing public procurement requirements favoring low-emission and circular economy solutions present both challenges and opportunities, especially in Scandinavia.

By aligning operations with these evolving standards, Saferoad strengthens its competitive edge, secures long-term compliance, and positions itself as a responsible leader in the industry.

Our customers in focus

At Saferoad, our customers are central to our operations. We are committed to understanding their needs and providing tailored solutions that enhance road safety and infrastructure. By seeking customer feedback, offering customised solutions, and ensuring high-quality standards, we aim to deliver exceptional service and build strong, long-term relationships. Our network of local sales offices allows us to provide responsive service with local expertise, ensuring customer satisfaction.

Securing talent and capabilities

To achieve our growth goals, having the right talent is essential. We focus on creating an inclusive work environment that values diversity and teamwork. By investing in leadership development and our internal talent, we ensure we have the expertise needed to innovate, build our internal capabilities, and meet future infrastructure demands.

Business Areas

Through the strategy of our core Business Areas - Infrastructure, Restraint Systems, Services, and Traffic—we seek to positively impact the quality of life by advancing infrastructure.

Infrastructure

Europe’s urbanisation is expected to reach nearly 84 per cent by 2050, driving substantial infrastructure development. This growth necessitates robust and scalable road safety solutions to handle increased traffic. This presents a key opportunity for us to deploy resilient and modular safety products effectively.

With a strong market share in the Nordics, the Business Area is well-positioned for growth across the broader European market. The organic growth is achieved by ensuring timely and customer-centric deliveries of high-quality equipment that meets stringent safety standards. By leveraging our longstanding manufacturing tradition and efficient automation, we offer customised solutions that address market demands.

The market has seen steady growth despite pressure from local government finances, with opportunities for further expansion driven by favorable interest rates and improving economic conditions. The Business Area has strengthened its market position, particularly within the energy and railway sectors, which present substantial growth potential. The outlook for key product areas such as light poles, railway masts, and energy masts remains strong, with increasing demand in these segments.

With sustained efforts, the Group is optimistic about its growth prospects in both established and emerging markets within the Infrastructure Business Area.

Services

Expanding urban areas and advancing infrastructure projects are driving the rising demand for road marking and maintenance services. Stricter regulatory standards and a heightened focus on road safety are further fueling market growth. Saferoad is strategically positioned to leverage these trends.

The market outlook for the Services Business Area is positive, with a growth trend observed in 2024, driven by price inflation and favourable weather conditions in the Nordic countries, which allowed for increased horisontal marking maintenance work. Despite restrictions on road maintenance spending in Poland due to a change in government and a tight state budget, the overall market showed resilience.

Restraint Systems

Under the EU Road Safety Policy Framework 2021-2030, the European Commission has reaffirmed its ambitious target of achieving zero fatalities and serious injuries on EU roads by 2050—a vision known as Vision Zero. This commitment establishes a definitive direction for the advancement of road safety measures within the EU.

The Business Area spans 13 countries with diverging market outlooks, however all influenced by the same macro conditions. Restraint Systems is strategically positioned to navigate the market shifts and capitalise on emerging opportunities in this volatile market.

Investments in product development, production, and installation services will drive profitability and maintain our market leadership in Restraint Systems.

Traffic

The rise of emerging technologies, such as autonomous vehicles, highlights the need for smart traffic management and responsive infrastructure to enhance road safety. Saferoad's Traffic Business Area is focused on creating solutions to meet these evolving demands.

The overall Scandinavian market for Traffic is considered strong, with sustained spending on new construction and road maintenance. The business is well-positioned to compete effectively and capitalise on market opportunities in the region.

The Traffic Business Area is also faced with Norway's heightened environmental requirements in public tenders. This will drive sustainable procurement of materials and will necessitate increased capital expenditures for the replacement of vehicles.

2.2 Financial performance

Financial development Saferoad Group

Saferoad had underlying revenues of NOK 7 584 million in 2024, while underlying EBITDA was NOK 820 million. The underlying EBITDA margin was 10.8 per cent.

NOK 1000	2024	2023
Underlying operating revenue		
Restraint Systems	3 693 646	3 406 220
Traffic	1 719 303	1 570 815
Infrastructure	1 236 009	1 101 365
Services	1 140 071	885 054
Holding/Eliminations	(205 162)	(229 084)
Underlying operating revenue[1]	**7 583 867**	**6 734 369**
Underlying EBITDA		
Restraint Systems	414 887	359 108
Traffic	173 561	176 962
Infrastructure	198 021	172 340
Services	135 792	100 098
Holding/Eliminations	(101 997)	(91 003)
Underlying EBITDA[1]	**820 264**	**717 505**
Underlying EBITDA %	10.8 %	10.7 %
Items excluded from EBITDA (APMs)[1]	(46 177)	(47 772)
Reported EBITDA[1]	**774 087**	**669 733**
Reported EBITDA %	10.2 %	9.9 %
Underlying EBITA[1]	**510 285**	**447 737**
Underlying EBITA %	6.7 %	6.6 %
Reported EBITA[1]	**464 108**	**399 966**
Reported EBITA %	6.1 %	5.9 %

1. See Alternative performance measures on page 192

Revenues in Saferoad were driven by good underlying growth and strong order intake in all Business Areas, as well as general price inflation. Restraint Systems experienced strong revenue growth driven by strategic execution and market expansion. Services experienced double digit growth in their markets, where both favorable weather conditions and volume increase considered main factors. Traffic, driven by notable contributions from the two business lines signs and work zone protection, also managed to grow topline in 2024. Infrastructure continued its momentum from 2023 particularly driven by increased demand in the Romanian and Norwegian markets. Underlying EBITDA increased by NOK 103 million to NOK 820 million supported by improved operational performance from all Business Areas except Traffic.

The reported EBITDA of NOK 774 million includes non-operational costs of NOK 46 million, slight decrease from NOK 48 million last year. This reflects a portion of costs associated with ongoing M&A activities, costs related to changes in group management, group wide strategic improvement projects, and discontinued business. These costs are categorised under the principles of Alternative performance measures (APMs), which are used by Saferoad to provide a better understanding of the company's underlying financial performance. These measures are adjusted IFRS measures defined, calculated and used in a consistent and transparent manner over time and across the Group where relevant.

In 2024, operating profit (EBIT) amounted to NOK 340 million. The Group had a net currency loss of NOK (64) million, financial income of NOK 14 million and financial expenses of NOK (354) million in 2024. The financial expenses consist of interest expenses to financial institutions of NOK (267) million, interest expenses on lease liabilities of NOK (26) million and other financial expenses of NOK (61) million.

A net tax cost of NOK (101) million was reported in 2024.

The Group reported a loss of NOK (165) million.

Parent company

Saferoad Holding AS is the parent company in the Saferoad Group and supplies and performs services for the Group's other companies. Saferoad Holding AS reported a net loss of NOK (126) million in 2024, compared to a net loss of NOK (192) million in 2023, whereas the improvement in result comes from an overall decrease in financial expenses. At year-end 2024, Saferoad Holding AS had total assets of NOK 6 290 million compared to NOK 3 485 million in 2023. The significant change is a result of the Confluence transaction and the following restructuring of Saferoad Holding AS where the three holding companies SRH BridgeCo AS, SRH Holding AS and SRH Investco AS merged into Saferoad New BidCo AS as of 12 December 2024. Subsequently to this, Saferoad New BidCo AS was merged into Saferoad Holding AS in a downstream merger impacting shares in subsidiaries and equity. See more information in Note 10 on page 211.

The loss for the year for Saferoad Holding AS of NOK (126) million is transferred from other equity.

Holding costs

Holding costs consist of the unallocated costs associated with the Group's corporate administration, financial management and the elimination of inter-segment sales. The underlying EBITDA in the period was NOK (102) million, which represents an increase of 12.1 per cent. The increase from 2023 is in line with expectations due to general price increase, wage increase and scaling up central Group functions.

Financial situation and capital structure

Saferoad aims to maintain a strong financial position, with emphasis on good operational management and controlling of financial risk.

In November 2021 Saferoad renewed and extended its Term Facilities with several funds managed by Blackstone Alternative Credit as Original Lenders and the Revolving Credit Facility with DNB, all Facilities maturing in 2028, and structurally matching the currencies in the loan obligations to the Group's cash flow.

Moreover, Saferoad Group has a Revolving Credit Facility (RCF) of NOK 510 million and a EUR 7 million overdraft facility ensure sufficient financial capacity to sustain seasonal working capital fluctuations.

Saferoad has bought interest rate caps to protect against rising interest rates for the Senior Term Facilities Agreement with the GSO-funds. Protection is bought for the full exposure in NOK, EUR and SEK until the maturity of the Senior Term Facilities in 2028.

The overall financial situation of the Group is projected to remain stable with a continued acceptable level of liquidity. The situation is being monitored through structured forecast and management processes. The Group's total assets at year-end 2024 was NOK 7 682 million compared to NOK 4 773 million in 2023. The Confluence transaction is a main factor and as part of Saferoad New BidCo AS' acquisition of SRH BridgeCo AS on the 29th of July 2024, a new purchase price allocation (PPA) has been prepared and excess values including buildings and goodwill are remeasured, thus increasing both assets and equity. Total equity ended at NOK 2 810 million year-end 2024, a significant up-tick from 2023.

The Group's financial position is sound, with more than sufficient financial capacity to execute current projects and initiatives.

In accordance with §4-5 of the Norwegian Accounting Act, the Board of Directors confirms that the financial statements have been prepared on the assumption of going concern.

Cash flow

The cash flow for the Group was NOK 90 million in 2024 compared to NOK (86) million in 2023. Net cash flow from Operations for the Group was NOK 726 million 2024 compared to NOK 795 million in 2023 with the improved operational performance offset by unfavorable developments in working capital. Net cash flow from investment activities was NOK (247) million for the year compared to NOK (188) million in 2023, with the difference mainly caused by higher investments in fixed assets.

Net cash flow from financing activities was NOK (389) million in 2024 compared to NOK (693) million in 2023, with the difference explained by higher net proceeds from RCF.

Equity and dividends

Total equity was NOK 2 810 million at the end of 2024. The Group's financial position is sound, with sufficient financial capacity to execute current projects and initiatives.

Freely negotiable shares

All shares in the company are freely negotiable.

2.3 Sustainability performance

Sustainability performance

In 2024, the Group advanced its sustainability agenda with efforts centred on responsible procurement, GHG emissions reduction targets, circular resource management, and employee well-being. While progress was made in key areas, challenges remain, particularly on climate action, supply chain transparency, and workplace safety.

In the past years, we have put considerable effort into increasing transparency on our sustainability performance through the Integrated Annual Report. Aligning our reporting to the Corporate Sustainability Reporting Directive (CSRD), our goal is to build consistent reporting while preparing for the regulation. At time of writing, the entering into force for Saferoad may be delayed two years. Nevertheless, we will continue improving our reporting year-on-year.

In 2024, we refined our Double Materiality Assessment (DMA), the fundament of the CSRD, by focusing on sub-topics for more precise issue definition and aligning it with our Value Chain Mapping (VCM). This helped us better understand how ESG factors affect Saferoad and how Saferoad impacts ESG factors across the value chain. Additionally, we enhanced sustainability reporting by implementing a Group-wide sustainability reporting system to meet compliance requirements while enabling a data-driven approach to track and improve our sustainability performance.

Employee well-being and safety remain central to the Group's sustainability efforts. Lost-time injuries (LTI) increased to 66 from 60 in 2023, highlighting the need for continued focus on workplace safety measures. We are stepping up our efforts to learn from incidents and near-misses and improve our training and HSE leadership. With a new LTI reporting system implemented in 2024, we are better able to understand the causes behind the incidents and where to focus our efforts.

Employee Change to satisfaction, as measured by the employee Net Promoter Score (eNPS), improved to 33 from 26 in 2023, reflecting positive momentum in workplace satisfaction. Nevertheless, the results vary across the Group and in certain countries we continue to struggle with talent acquisition and retention.

To guide long-term climate action, the Group defined its GHG emissions reduction targets in 2024. These include reducing Scope 1 and 2 GHG emissions by 60 per cent and Scope 3 GHG emissions by 35 per cent by 2034. By 2029, we aim to ensure that 90 per cent of the steel we purchase comes from suppliers that have set Science-Based Targets. The Group also aims to achieve net-zero emissions by 2050, reducing all scopes by 90 per cent and offsetting the remaining 10 per cent. We are planning to submit our emissions reduction targets to the Science Based Targets initiative in 2025, solidifying our commitment to reducing emissions in line with the Paris Agreement. We recognise that the plan is ambitious and will require considerable efforts in the years to come against a complex and challenging operating environment.

In 2024, overall GHG emissions rose, with Scope 1 up 8 per cent and Scope 2 up 9 per cent due to higher business activity, especially for the Business Area Services. On a positive note, the entity Smekab Citylife (Business Area Infrastructure) switched its production fuel from LPG to biofuel, resulting in a 68 per cent reduction in Scope 1 GHG emissions for that Business Area. Scope 3 GHG emissions increased as expected, mainly due to increased steel production in Business Area Restraint Systems and increased business activity in Services, as well as improved reporting for GHG emissions from waste. While absolute GHG emissions increased for the Group, Scope 1 and 2 GHG emissions intensity fell, indicating that with growth, we're able to run our operations using energy more efficiently.

The Group's responsible procurement program stayed on track and human rights risk factors were successfully integrated into the 2024 supplier due diligence process. However, plans to better understand the full supply chain of high-risk materials, such as steel, have been delayed due to resource constraints. We recognise that to better identify and mitigate sustainability risks in the supply chain, we need to increase our competence and step up our dialogue and engagement with suppliers. We are currently implementing EcoVadis to establish a more structured, systematic due diligence process, helping procurement teams identify sustainability risks, and providing tools to mitigate and monitor potential breaches in the supply chain.

Circularity remains a strategic focus, with continued improvements in waste management and resource efficiency. Enhanced data tracking and reporting will support more effective waste reduction strategies. Additionally, the Group has started implementing Environmental Product Declarations (EPDs) across the organisation. EPDs are important tools to better compare the environmental impact of different materials that go into our products, for instance recycled versus virgin materials. In 2024, 33 per cent of business entities had an EPD generator system in place, marking a step toward improved transparency and product sustainability.

Our general commitment to minimising our environmental impact is underpinned by our goal of certifying all production units to ISO14001 Environmental Management System. 10 of 13 production units are now certified with further plans to certify the remaining in 2025.

As part of our focus on culture of integrity, we are stepping up efforts to provide training on compliance topics such as the Code of Conduct, anti-corruption, and competition law. We will roll out a new e-learning, as well as webinars and in-person trainings.

The Group will continue embedding sustainability into its core operations, improving data accuracy, and ensuring measurable impact. Strengthening collaboration across the value chain, enhancing supplier accountability, and leveraging innovation are essential to meeting long-term sustainability objectives and reducing environmental impact. More information about our sustainability performance is available under the Sustainability Statements on page 56.

Strategic ESG priorities

Saferoad's Sustainability Performance KPIs

			2024
Responsible procurement	We aim to set the highest sustainability expectations towards our business partners and contribute to their improvements.	Progress on supply chain overview (status)[1] Progress on responsible procurement program (status)[1]	Delayed On track
Climate action	We aim to decarbonise our own operations and our value chain based on science-aligned GHG reductions. We aim to reduce our use of resources, especially energy, by using them more efficiently.	GHG emissions (tCO2e) Scope 1, 2, 3 (location-based) Energy consumption (MWh)	625 016 101 345 [(6)]
Closing the material loop	We aim to reduce operational and product-related material waste to close to zero through recycling, reprocessing and re-use.	Material waste volume (tonnes)[2] ISO 14001 certifications of production units (%)[3]	221 373 77 %
Culture of integrity	We always follow the highest standards of responsible business practices. We always treat people with respect for their rights, dignity and needs.	Training and awareness (hours/people trained) Cases of confirmed corruption and fraud (#) Progress on human rights program (status)[1] Cases of confirmed modern slavery or child labour abuse (#)	Delayed 0 On track 0
Safe, healthy and thriving people	We aim to provide an inspiring and inclusive workplace where our people come home safe every day.	Fatalities (#) LTI eNPS	0 66 33
Products and services as a force for good	We aim to contribute to safe journeys on the road through our product innovation and road services. We aim to drive the market demand for low-carbon and responsible road and infrastructure solutions designed to last, through customer and industry collaboration.	Low-carbon products or services available by 2030 (#)[4] Taxonomy alignment (revenue-based %) Products and services with positive UN SDG contribution (%) Entities with EPD generator system (%) Collaboration initiatives (#) Data gaps in reporting (%)[5]	2 Delayed 100 % 33 % 2 36

1. Read more about the progress in the sustainability staments.
2. Waste fractions were refined for the 2024 reporting. There are therefore multiple data gaps in the data from 2023.
3. Based on 13 production units as of 31.12.2024. We changed the definition of production unit for the Integrated Annual Report 2023.
4. Products or services clearly marketed with a lower CO2 emission than the standard product or service, as reported and defined by the Business Areas.
5. Calculated as reporting met, partially met or not met across material ESRS data points. A data gap of 0 % indicates all reporting is met.
6. A more conservative market-based approach was applied from 2024.

2.4 Governance

Corporate governance at Saferoad

Saferoad Holding AS is headquartered in Oslo, Norway and is the parent company of the Saferoad Group, with subsidiaries in 13 countries. The Group has about 2 700 employees.

The way we work – our values

We aim to provide a better quality of life through infrastructure. As part of this purpose, our primary goal is to enhance road safety and urban livability, committing Saferoad to take a leading role in raising the quality standards for safer, better infrastructure.

To achieve these ambitions, it is essential for us to build strong foundations through our organisational values: Care, Drive and Integrity. Saferoad places increasing emphasis on leadership, good corporate governance and transparent sustainability governance to anchor and embed these values.

Governance structure and oversight

Governance and oversight are fundamental to our operations and strategic direction. Our governance structure exists to ensure accountability, transparency, and integrity across all levels of the organisation.

Corporate governance within Saferoad is based on external rules such as the Norwegian Transparency Act, and other applicable Norwegian laws and regulations.

The Board of Directors

The Board of Directors is responsible for the Group's organisation, management of the Group's business and ensuring that it acts in the best interest of the company and other stakeholders. The Board is required to continuously monitor the Group's financial and sustainability position, and to ensure that the organisation is designed in a way that ensures that the financial and sustainability statements, the management of assets and the Group's condition in general are controlled in a satisfactory manner. The Board also adopts the strategy for the Group and monitors its performance and compliance with relevant rules and strategic plans.

The Board annually reviews the Group's material governance policies. Our Board of Directors currently comprises seven members, five members elected by shareholders at the general meeting and two members elected by the employees.

Group Management Team

The Group Management Team oversees the implementation of Saferoad's strategies in daily operations. The Group Management Team also supports the organisational review process by addressing capability gaps and aligning operational goals with the findings of the Board's oversight.

Extended Group Management

The extended Group management oversees Group functions and ensures the integration of functional strategic initiatives across the organisation. The team leads Group IT, Sustainability, Procurement, and Communication.

Composition of the Board of Directors

Patrik Nolåker
Chairman of the Board
since 2018

Education
B.Sc. from Karlstad University; MBA from Maastricht School of Management

Experience
Over 30 years of international experience in industrial companies. Previously Group CEO of Dywidag-Systems International (DSI) and Alimak Hek. Held senior leadership positions at Atlas Copco and ABB.

Expertise
Industry and market knowledge, Corporate governance and leadership, Risk and compliance, Financial and strategic expertise, Operations and supply chain, People and organisational development

Familiar with
Sustainability and ESG, Innovation and technology

Elke Elfriede Eckstein
Board member
since 2018
Independent

Education
Siemens Academy for Electrical Engineering, Munich, Germany

Experience
Extensive background in electronics, lighting, and semiconductor industries. Former President and CEO of Enics Group. Held executive roles at Weidmueller Group, OSRAM, AMD, Altis Semiconductors, and Siemens.

Currently serves on multiple boards.

Expertise
Corporate governance and leadership, Risk and compliance, Operations and supply chain, Innovation and technology

Familiar with
Industry and market knowledge, Sustainability and ESG, Financial and strategic expertise, People and organisational development

Ulrik Smith
Board member
since 2018

Education
B.A. in Economics and Management, McGill University; MBA, Harvard Business School

Experience
Previous roles at McKinsey & Company, Venturepark Incubator and Citigroup Inc.

Currently Co-Managing Partner at FSN.

Expertise
Corporate governance and leadership, Risk and compliance, Financial and strategic expertise

Familiar with
Industry and market knowledge, Sustainability and ESG, Operations and supply chain, People and organisational development, Innovation and technology

Espen Asheim
Board member
since 2022

Education
B.A. in Finance and Marketing, University of Oregon; MBA, Mays Business School at Texas A&M University

Experience
Over 30 years of experience in executive and board roles across IT, digital, media, business services, and logistics. Former CEO of Telenor/Canal Digital, Elektroskandia, Via Travel Group/Egencia, Egmont Publishing, and Saferoad Group. Previously worked as a consultant at Accenture, eScienza, and iEnergies.

Currently a full-time board member and Executive Advisor at FSN Capital.

Expertise
Industry and market knowledge, Corporate governance and leadership, Risk and compliance, Financial and strategic expertise, Operations and supply chain, People and organisational development

Familiar with
Sustainability and ESG, Innovation and technology

Gunilla Spongh
Board member
since 2025
Independent

Education
M.Sc. in Industrial Economics and Engineering, Institute of Technology, Linköping University

Experience
Former CFO of Preem AB and International Business Director and CFO of Mekonomen Group. Currently serves as Chairman of the Board at Bluefish Pharmaceuticals and as a board member of AQ Group, Byggmax Group, Consivo Group, Lernia, Meds Apotek, Momentum Group, Optigroup, and Systemair.

Currently serves on multiple boards.

Expertise
Corporate governance and leadership, Risk and compliance, Financial and strategic expertise

Familiar with
Industry and market knowledge, Sustainability and ESG, Operations and supply chain, Innovation and technology, People and organisational development

Kristina Wirén
Board member
since 2025

Education
BSc. International Business (Copenhagen Business School); Exchange at Bocconi University

Experience
Previously worked at PAI Partners, 3i Group plc and Alantra.

Currently Investment Manager at FSN.

Expertise
Financial and strategic expertise, Corporate governance and leadership

Familiar with
Industry and market knowledge, Sustainability and ESG, Operations and supply chain, People and organisational development, Innovation and technology, Risk and compliance

Knut Brevik
Employee representative
since 2008

Experience
Employed at Euroskilt AS (now Saferoad Traffic, Norway) since 1986.

Serves as foreman for the mechanical production department.

Expertise
Industry and market knowledge

Familiar with
Corporate governance and leadership, Risk and compliance, Financial and strategic expertise Sustainability and ESG, Operations and supply chain, Innovation and technology, People and organisational development

Jan Torgeir Hovden
Employee representative
since 2008

Experience
Employed at Vik Ørsta AS since 1986.

Responsible for the outdoor furniture warehouse.

Expertise
Industry and market knowledge

Familiar with
Corporate governance and leadership, Risk and compliance, Financial and strategic expertise Sustainability and ESG, Operations and supply chain, Innovation and technology, People and organisational development

Composition of Group Mangement Team

Bernd Frühwald

Group CEO
since 2022

Education
MBA, St. Gallen Business School, Switzerland, and Alpen-Adria-Universität Klagenfurt; Mechanical Engineering degree, Technical College Ansbach

Experience
Previously President of the Global Power Tools business at Apex Tool Group. Spent 14 years at Bühler Motor in various executive management positions, including VP for Industrial and Healthcare Business Units, VP Global R&D, and VP PMO Office.

Expertise
Industry and market knowledge, Corporate governance and leadership, Risk and compliance, Financial and strategic expertise, Operations and supply chain, Innovation and technology, People and organisational development

Familiar with
Sustainability and ESG

Anders Kristensson

Group CFO
since 2023

Education
M.Sc. in Business Administration and Economics, University of Linköping, Sweden

Experience
15 years as CFO in private equity-owned industrial companies. Most recently served as CFO of IPCO AB, a global supplier of industrial process solutions. Previous CFO roles at Envirotainer AB, PIAB AB, and Gambro Healthcare.

Expertise
Corporate governance and leadership, Risk and compliance, Financial and strategic expertise

Familiar with
Industry and market knowledge, Sustainability and ESG, Operations and supply chain, Innovation and technology, People and organisational development

Oscar Sandell

Chief People and Sustainability Officer
since 2019

Education
B.A. from Stockholm University; MBA from Bond University, Australia

Experience
Background in consulting at Accenture. Held senior HR leadership positions in multinational companies, leading HR functions across Europe, Asia, and the Americas for over 15 years. Also responsible for the Group's ESG and Communication areas.

Expertise
Corporate governance and leadership, Sustainability and ESG, Risk and compliance, People and organisational development

Familiar with
Industry and market knowledge, Financial and strategic expertise, Operations and supply chain, Innovation and technology

Taek Lim

SVP Strategy and M&A
since 2023

Education
Doctor of Engineering, University of Freiburg; M.Sc. in Physics, Northeastern University, Boston

Experience
Former Director Corporate Strategy Development at Bosch. Extensive consulting experience from Kearney, Bain & Company, and Arthur D. Little.

Expertise
Industry and market knowledge, Corporate governance and leadership, Risk and compliance, Financial and strategic expertise, Operations and supply chain

Familiar with
Sustainability and ESG, Innovation and technology, People and organisational development

Artin Papanian

SVP Restraint Systems
since 2023

Education
Degree in Business Engineering, University of Kaiserslautern, Germany; M.Sc. in Electrical Engineering, Michigan State University

Experience
Joined Saferoad in 2023 as SVP Restraint Systems. Former General Manager of the Eurofins Technologies Clinical Diagnostics Business. Previously held management positions at Villeroy & Boch and Kohler, focusing on new Business Areas, expansions, and turnarounds.

Expertise
Industry and market knowledge, Corporate governance and leadership, Financial and strategic expertise, Operations and supply chain

Familiar with
Sustainability and ESG, Risk and compliance, Innovation and technology, People and organisational development

Mads Norman

SVP Traffic
since 2022

Education
M.Sc. in Industrial Management, Aalborg University

Experience
Joined Saferoad in 2019 as Managing Director of Saferoad Denmark. Held various leadership roles in operations in Denmark and China at Danfoss Group and Stok Emballage. Formerly a member of the Executive Management at Louis Poulsen as COO.

Expertise
Industry and market knowledge, Corporate governance and leadership, Operations and supply chain

Familiar with
Sustainability and ESG, Risk and compliance, Financial and strategic expertise, Innovation and technology, People and organisational development

Kjetil Nesset

SVP Infrastructure
since 2019

Education
B.A. in Construction; Degree in Finance & Management

Experience
Joined Saferoad in 2012 as Managing Director of Vik Ørsta. Previously held several senior management positions and was COO of Spenncon Group before joining Saferoad.

Expertise
Industry and market knowledge, Corporate governance and leadership, Operations and supply chain

Familiar with
Sustainability and ESG, Risk and compliance, Financial and strategic expertise, Innovation and technology, People and organisational development

Grzegorz Baginski

SVP Services
since 2022

Education
M.Sc. in Civil Engineering, Gdansk University of Technology; Executive MBA, GFKM/RSM Erasmus University

Experience
Joined Saferoad in 2008 as Business Development Manager for Poland and Central and Eastern Europe. Since 2010, has been General Manager for Saferoad companies in Poland and Central and Eastern Europe. Prior experience in sales and product management for Swiss and Nordic construction product suppliers.

Expertise
Industry and market knowledge, Corporate governance and leadership, Operations and supply chain

Familiar with
Sustainability and ESG, Risk and compliance, Financial and strategic expertise, Innovation and technology, People and organisational development

Composition of Extended Group Mangement

Åsne Burgess Øyehaug
Head of Group Sustainability

Education
B.A. in International Economics, Brown University; M.Sc. in Political Economy, London School of Economics & Political Science

Experience
Joined Saferoad in 2023 as Head of ESG. Previously served as Sustainability Strategist at Norselab, focusing on implementing sustainability strategies across portfolio companies. Prior experience includes the role of Social Responsibility Manager at Norsk Hydro, overseeing human rights and social responsibility initiatives at the corporate level and consulting at EY.

Expertise
People & organisational development. Sustainability and ESG, Operations and supply chain, Risk and compliance

Familiar with
Industry and market knowledge, Corporate governance and leadership, Financial and strategic expertise, Innovation and technology

Stig Aastrup
Head of Group IT

Education
Graduate in IT, Lyngby og Omegns Handelsskole, Denmark

Experience
Joined Saferoad in 2019. Previously served as Head of Group IT at Løgismose Meyers, leading IT strategy and infrastructure initiatives. Prior to that, he was Vice President of Innovation at Pipol A/S, focusing on digital transformation and IT-driven business innovation. He also held the role of IT Director at Kwintet, managing global IT operations and strategic IT management.

Expertise
Innovation and technology, Systems architecture, Cyber security, Risk and compliance

Familiar with
Industry and market knowledge, Corporate governance and leadership, Operations and supply chain, Financial and strategic expertise, People and organisational development

Angela Rebelo
VP Procurement

Education
M.Sc. Business Management; Economics Academy, Bucharest; B.A in Business Management, Economics Academy, Bucharest

Experience
Joined Saferoad in 2024. Previously led procurement teams across Europe and Asia. Held key roles at MSA Safety, Johnson Controls, and Accelleron, focusing on procurement strategy, project management, supplier development, and driving digitalisation and sustainability initiatives in procurement.

Expertise
Procurement, Operations and supply chain, Risk and compliance

Familiar with
Industry and market knowledge, Corporate governance and leadership, Financial and strategic expertise, People and organisational development, Innovation and technology

Sara Sørlie
Head of Group Communications

Education
Market Communications, BI Norwegian Business School; B.A Innovation and business development, Kristiania University of Applied Sciences

Experience
Joined Saferoad in 2020. Previously served as Marketing and Brand Manager at Entelios/Å Energi, leading communications, rebranding and digital platform development initiatives across the Nordics and Germany. Prior experience includes roles in marketing and customer experience at Retriever overseeing brand and communication initiatives across the Nordic region.

Expertise
Corporate communications, Branding, Marketing operations, Innovation and technology

Familiar with
Industry and market knowledge, People and organisational development, Corporate governance and leadership, Risk and compliance

People and organisation

At Saferoad, our people are the foundation of our success. Their skills, dedication, and collaboration drive our mission to create safer roads and infrastructure. We are committed to fostering an inclusive, engaging, and high-performing work environment where employees have opportunities to grow, develop, and contribute to our shared goals.

By investing in leadership, learning, and well-being, we ensure that our organisation is equipped for the future.

Developing strong leaders

Leadership is essential to Saferoad's long-term success. We invest in leadership development to equip employees with the skills, mindset, and confidence to take on greater responsibilities.

Our Leadership Development Program plays a key role in strengthening our leadership pipeline. It provides structured learning, mentorship, and hands-on experience, ensuring that we develop leaders who can drive innovation and execution.

In addition, we bring our leaders together at LEAD – our leadership conference. This annual gathering enables strategic alignment, knowledge-sharing, and cross-functional collaboration, reinforcing our culture of leadership and accountability.

Investing in growth and engagement

At Saferoad, we believe in continuous learning. We offer targeted training and professional development opportunities to support employees in building expertise and advancing their careers.

We measure workplace satisfaction through our annual Employee Net Promoter Score (eNPS) survey. In 2024, our eNPS score was 33 reflecting an increase of 7 compared to 2023. The results guide specific action plans to improve engagement and ensure that Saferoad remains a great place to work.

Talent acquisition and retention

Attracting and retaining talent is a key focus for Saferoad. In some areas, recruiting employees with the right skills can be challenging due to labour market shortages. To strengthen recruitment efforts, several entities have expanded apprenticeship programs and partnerships with technical schools, helping to develop skilled professionals for future needs.

We also focus on creating a positive and supportive work environment where employees can develop and thrive. Leadership development is an important part of this, with group-wide programs providing opportunities for employees to build their skills and take on greater responsibilities. In addition, employee well-being remains a priority, supported through policies and initiatives that promote a safe, inclusive, and engaging workplace.

By combining skills development, leadership training, and a strong focus on well-being, Saferoad aims to attract and retain a competent and motivated workforce.

Prioritising health, safety, and well-being

A safe and healthy working environment is a fundamental priority at Saferoad. Our group-wide Health & Safety programme provides employees and managers with the tools to identify risks, implement preventive measures, and continuously improve workplace safety.

In 2024, our lost time injury (LTI) rate was 66 compared to 60 in 2023. Our H1 rate (absence related to actual work hours) was 14, reflecting an increase of 1 compared to 2023.

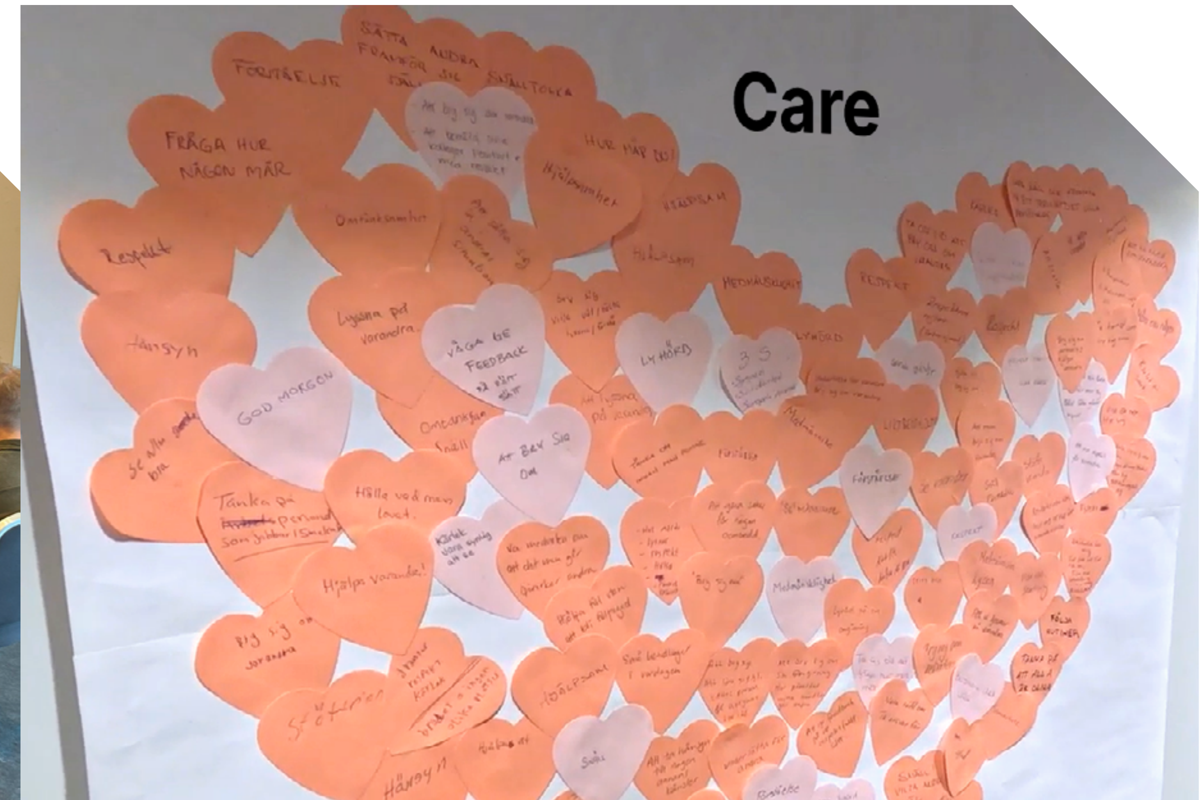
We also work actively to support employee well-being. In 2024, our sick leave rate was 5 per cent. Through structured follow-ups and workplace adjustments, we aim to create a sustainable and supportive work environment.

Supporting equal opportunities

We are committed to providing equal opportunities for all employees. The road safety industry has traditionally been male-dominated, and at the end of 2024, 18 per cent of our workforce was, or identified as women. We recognise the need to increase diversity and inclusion, and continue working to attract, retain, and develop a diverse workforce.

Building for the future

By investing in leadership, professional development, safety, and inclusion, we create an environment where employees can thrive and contribute to our long-term success. Saferoad's commitment to its people remains strong—we are building an organisation that is ready for the future, powered by engaged and capable employees.



Leadership Development Program

Saferoad's Leadership Development Program is designed to cultivate future leaders by developing talent from within. Through structured learning, networking, and professional development opportunities, participants gain the skills needed to take on future key management roles. The program strengthens internal leadership capabilities and ensures a steady pipeline of qualified candidates ready to drive Saferoad forward.

Culture ambassadors

Initiated by one of our entities in Sweden, the Culture Ambassadors programme fosters a strong and positive corporate culture. Through various activities, it has deepened the teams understanding of our core values, integrated them into daily work, and promoted social inclusion. By involving employees directly, the initiative enhances workplace wellbeing and creates a more engaged and inclusive environment—setting the stage for a thriving company culture. – As stated by one of the participating employees, "Through this programme I experience that I get to be involved and make an impact".

Risk management

How we manage risk

Saferoad has established a structured approach to risk management that enables the company to systematically assess, and mitigate risks that could impact its operations, financial position, and regulatory compliance. The company's risk management framework is integrated into regular processes to ensure that risks are monitored and addressed in alignment with strategic objectives and legal obligations.

The Board of Directors holds overall responsibility for overseeing risk management at the Group level, ensuring that risks are appropriately identified, assessed, and mitigated. Group Management is responsible for the implementation of risk controls and mitigation measures, while the leadership teams in the Business Areas manage operational risk and ensure that business activities are conducted in compliance with internal policies and external regulations.

Risk assessments are performed on a regular basis to evaluate the effectiveness of existing mitigation measures. The company considers various internal and external factors, including changes in economic conditions, regulatory developments, supply chain dependencies, and technological advancements that may introduce new risks or amplify existing ones.

In 2024, Saferoad continued to refine its risk management framework to enhance resilience across key areas. The company strengthened its cybersecurity measures by implementing additional security protocols and increasing IT system monitoring. Supply chain contingency planning was reinforced to mitigate risks related to material availability and logistics. Regulatory compliance efforts were expanded in response to evolving sustainability reporting requirements under the EU CSRD, ensuring we meet new disclosure obligations. The company also conducted targeted risk assessments at both the Group and Business Area levels to better anticipate and address emerging risks.

How we assess risk

Risk assessment is a fundamental component of Saferoad's risk management framework. The company applies a structured methodology to evaluate risks based on their potential impact and likelihood, ensuring that decisions are made with a comprehensive understanding of risk exposure. Risks are categorised into key areas, including strategic, operational, financial, and compliance risks.

The assessment process involves assessing risks that could have a material effect on the company's operations or financial performance. Each risk is evaluated based on its potential financial, consequences. Mitigation strategies are then reviewed and updated to align with the company's overall risk tolerance and external regulatory requirements.

In 2024, risk assessments highlighted the need for increased focus on economic fluctuations, regulatory changes, and cybersecurity threats. Market demand variations and public budget constraints were identified as factors influencing strategic risk. Supply chain dependencies, particularly concerning raw materials, remained a critical area of operational risk, leading to expanded supplier evaluation processes. Financial risk management efforts included adjustments to currency hedging strategies in response to exchange rate fluctuations. Compliance risk mitigation involved further integration of sustainability metrics into reporting frameworks to ensure adherence to the latest EU and Norwegian regulations.

Key risk categories

Strategic risks

Saferoad operates in a market that is heavily influenced by public sector investment in road infrastructure and traffic safety solutions. Economic fluctuations, shifts in government funding priorities, and regulatory changes affecting road safety standards can all have an impact on the company's business operations. The ability to anticipate and respond to changes in market conditions is essential to maintaining stable business performance.

The company continuously monitors economic developments and public investment trends to assess potential changes in demand for its products and services. By maintaining a strong local presence across multiple European markets, the company aims to reduce dependency on any single market and diversify its risk exposure. In addition, ongoing product development and innovation efforts help to ensure that offerings remain aligned with evolving market needs and regulatory requirements.

The competitive landscape within the industry presents an additional strategic risk. The entry of new competitors, technological advancements, and changing customer preferences may influence the company's market position. To mitigate these risks, Saferoad invests in research and development to enhance product performance and maintain a competitive edge in the market. The company also engages in close dialogue with customers to anticipate future demands and adapt its product portfolio accordingly.

Operational risks

The company's operations involve the production and delivery of road safety products and solutions, requiring efficient supply chain management, project execution capabilities, and quality assurance processes. The company is exposed to risks related to supply chain disruptions, manufacturing constraints, and project execution challenges, all of which could impact business operations.

Supply chain dependencies present a key operational risk, particularly in the sourcing of raw materials. Disruptions and price volatility in the supply of materials such as steel and zinc can affect production schedules and delivery timelines. To mitigate this risk, the company works with multiple suppliers and continuously evaluates sourcing strategies to ensure supply chain resilience.

In 2024, operational risk management efforts included an expanded supplier evaluation process to further strengthen supply chain resilience. The company also reinforced contingency planning measures to mitigate risks associated with logistics and material shortages.

Cybersecurity and IT risk management remain a priority, with continued investment in security protocols and system monitoring to protect against emerging cyber threats.

Financial risks

Saferoad is exposed to financial risks associated with currency fluctuations, interest rate changes, and liquidity management. As an international company operating in multiple markets, foreign exchange risk is a consideration due to the exposure to fluctuations in key currencies. The company monitors currency risks and applies financial instruments where necessary to mitigate potential impacts.

In response to market fluctuations, financial risk management efforts in 2024 included adjustments to currency hedging strategies to enhance financial stability. The company maintains structured financing arrangements to manage interest rate exposure and ensure liquidity.

Compliance risks

Regulatory compliance is a core component of the company's risk management framework. The company is subject to various legal and regulatory requirements, including financial reporting standards, industry-specific regulations, and evolving sustainability disclosure obligations. Compliance with these requirements is essential to maintaining the company's market position and reputation.

In 2024, compliance risk mitigation efforts focused on further integration of sustainability metrics into reporting frameworks to ensure full adherence to the latest EU and Norwegian regulatory requirements. The company also strengthened internal compliance monitoring processes to ensure continued alignment with industry standards and best practices.

The company remains committed to upholding high standards of corporate governance and regulatory compliance. Risk management processes are regularly reviewed to ensure that they align with both internal policies and external legal requirements.

Sustainability risks

Saferoad is subject to sustainability-related risks, including environmental, social, and governance (ESG) risks, which can impact business operations and regulatory compliance. Under environmental factors, there are risks related to the impact of energy shortages and energy price volatilities in our supply chain. In the upstream value chain, increasing costs and/or limited access to energy due to shortages or evolving regulations may affect the supply of critical materials and services. For Saferoad, suppliers involved in energy-intensive production processes, such as the manufacturing of steel components, could experience disruptions or increased costs. This could result in higher procurement costs for materials and potential delays in production, impacting the overall supply chain efficiency and the timely availability of essential inputs. Energy shortage is affected by geopolitical tensions, which are difficult to control. To mitigate this risk, the company works with multiple suppliers and continuously evaluates sourcing strategies to ensure supply chain resilience.

Social risks include talent acquisition and retention. For our operations, more challenging talent acquisition and retention means that we face difficulties attracting and keeping skilled employees, especially for restraint systems installations, welding and other technical skills. This can be due to factors such as increased competition for talent, changing workforce expectations, and evolving job market conditions. This risk implies potentially higher recruitment costs, longer hiring processes, and challenges in maintaining a stable and experienced workforce. To address this risk, several entities are stepping up apprenticeship efforts and our collaboration with technical high schools in Germany and Poland.

In 2024, Saferoad strengthened its approach to sustainability risk management by integrating ESG factors into its broader risk assessment framework. The company continues to monitor regulatory developments, implement sustainability initiatives, and enhance reporting processes to ensure alignment with industry standards and legal requirements.

In addition, there are risks of Saferoad's operations negatively impacting environmental, social and governance issues, including health and safety and labour rights for own workers and workers in the supply chain, local biodiversity and climate change. These could potentially turn into legal, financial, regulatory or reputational risks for Saferoad. These risks are considered limited for now. We continue monitoring these risks through the Double Materiality Assessment. You can read more about potential negative impacts from Saferoad's operations on people and on the environment, our approach to sustainability risks, and how we assess and mitigate these as part of the Double Materiality Assessment in our Sustainability Statements on page 56.

Legal

From time to time, companies in the Group may be involved in litigation, disputes and other legal proceedings arising in the normal course of their business. For more detailed information, please refer to note 29 in the 2024 financial statements. For 2024, there are no material contingencies.

03

Sustainability statements

3.1 ESRS 2

Content overview

Environmental information

Social information

Governance information

ESRS 2 General disclosures

BP-1 BP-2

Basis for preparation

Reporting frameworks

This report has been prepared with the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) in mind, as we actively work with future compliance requirements. Additionally, we comply with the requirements of the Norwegian Transparency Act. Our greenhouse gas (GHG) emissions data is prepared according to the Greenhouse Gas (GHG) Protocol.

As a signatory to the United Nations Global Compact (UNGC), Saferoad pledges to uphold and promote the UNGC's Ten Principles, encompassing human rights, labour, environment, and anti corruption. Our Sustainability statements also function as our Communication on Progress (COP to the UNGC. Read how we have worked with the Ten Principles in the Appendix p. 117.

Consolidation

The information and data presented in the sustainability statements are consolidated using the same principles as the financial statements and cover the reporting period from 1 January to 31 December, 2024. The statements cover the full operations of the parent company of the Saferoad Group and all controlled subsidiaries.

Saferoad Group also has one joint venture. The sustainability-related information for this joint venture is not consolidated into the sustainability statements, as it is accounted for using the equity method in the financial statements. However, where relevant, we provide qualitative insights on the joint venture's sustainability-related impacts, risks, and opportunities.

Our sustainability statement outlines our approach to identifying, assessing, and managing sustainability-related impacts, risks, and opportunities, as described in the double materiality assessment (DMA) process under IRO-1. This assessment covers Saferoad's own operations, as well as its upstream and downstream value chains. The application of policies, actions, targets, and metrics across the value chain is detailed within the relevant topical disclosures.

Omissions

No specific pieces of information corresponding to intellectual property, know-how, or the results of innovation have been omitted.

Changes in preparation or presentation of sustainability information

In 2023, we began aligning our integrated annual report with the requirements of the CSRD and ESRS. In this year's report, we have further aligned our disclosures and made the following key changes:

- GHG emissions data for 2023 has been updated to correct errors and omissions identified following a new review of the Group's GHG inventory.
- Our double materiality assessment (DMA) methodology has been refined, incorporating more granular sub-topics and updated risk thresholds.

Updates after the end of the reporting period

No material updates have occurred after the reporting period that affect the accuracy of this sustainability statement.

Estimations

Where data has been estimated, this is clearly indicated in the relevant disclosures. This is particularly relevant for environmental metrics where precise data collection remains a challenge. Our ambition is to transition from estimations to actual measured data over time.

Reporting errors in prior periods

Identified miscalculations in our 2023 GHG emissions data has been corrected in this report. The correction has resulted in a revised emissions figure, which is now reflected in our historical data.

Incorporation by reference

Relevant information about the business related to sustainability matters can be found in parts 2 and 4 of this report.

GOV-1 GOV-2 GOV-3 GOV-4 GOV-5

Governance

The Board of Directors holds the highest level of accountability for sustainability at Saferoad. The Board ensures that sustainability is embedded in the Group's strategic planning and management systems. This includes oversight of business conduct and material impacts, risks, and opportunities identified through the double materiality assessment (DMA). The Board is regularly informed about the progress of sustainability initiatives, including key challenges and opportunities. In addition, the Board oversees an annual review of organisational and other parts, like corporate strategy and governance competensies to ensure that the Group has the necessary expertise to meet its strategic and sustainability objectives.

The Board draws on the expertise of our owner's ESG team and external advisors as needed.

The composition and competencies of the Board of Directors in overseeing sustainability-related matters are outlined in section 2 of this report.

The Group Management Team oversees the implementation of Saferoad's sustainability strategies in daily operations. This team makes tactical and operational decisions to ensure the alignment of sustainability efforts with business objectives. The Chief People and Sustainability Officer, as part of the team, is specifically tasked with following up on sustainability matters, ensuring that these initiatives are managed effectively across the organisation. The composition and competencies of the Group Management Team in sustainability are detailed in part 2 of this report. At the Group level, the Head of Group Sustainability leads the integration of sustainability into Saferoad's strategic goals and operational practices. Reporting to the Chief People and Sustainability Officer, this role collaborates with key leaders in areas such as procurement, HR, and legal to drive sustainability across Business Areas. The Head of Group Sustainability develops and implements cross-functional sustainability annual plans for the Group incorporating findings and mitigating actions from the DMA, along with other priorities. The plan's progress is monitored by the Board.

The ESG Functional Team, comprising of representatives from all business areas, meets at least quarterly to support and coordinate sustainability improvements. Business areas are responsible for developing and implementing annual action plans, with some areas already having dedicated resources to manage operational sustainability matters. These efforts are informed by the Group annual plan, the Business Areas' decarbonisation plans, BA DMA process, and findings of the annual organisational review, ensuring the necessary skills and expertise are in place to execute sustainability strategies effectively.

Sustainability on the Board agenda in 2024

Q1	Q2	Q3	Q4
ESG annual plan, goals and targets	ESG status	ESG status	ESG status, risk assessment and material topics 2025
DMA review	CSRD update	CSRD update	CSRD update
Risk and mitigation 2024	SBTi update	Decarbonisation targets & plan	DMA review
Strategy and annual plan 2024			Annual plan 2025

Integrating sustainability in key forums

Forum	Integration
Group Management Team meetings	Deep-dives, approvals or decisions on sustainability matters on a regular basis, including setting targets for the full Group.
Monthly operating review meetings	Status on operations, financials, and strategic priorities monthly per Business Area with key members of the Group management team, including the Chief People and Sustainability Officer. Each Business Area gives a status on their ESG actions and targets.
Quarterly Group status	Status on key developments and financials in the Group for managing directors and managers across the Business Areas. KPIs on health and safety, GHG emissions, responsible procurement and more are reviewed.

Use of sustainability criteria in incentive schemes

Saferoad does not currently have sustainability-related performance measures in the incentive schemes for the Board of Directors or Group Management Team.

Internal sustainability reporting controls

Saferoad has implemented an ESRS reporting platform in addition to our GHG emissions accounting platform to improve the structure and consistency of our sustainability reporting. The platform facilitates data entry, monitoring, and consolidation, supporting compliance with ESRS requirements.

Currently, Saferoad does not have a stand-alone internal control framework for sustainability reporting. However, data provided by Business Areas is subject to spot checks at the Group level and data provided by business entities is subject to spot checks at the Business Area level. Furthermore, the reporting platform enables a more structured approach to data management.

Over time, we aim to further strengthen internal controls and explore external assurance for selected sustainability metrics, in line with regulatory developments and industry best practices. Read more about our risk management in part 2 of this report.

Sustainability due diligence

Core elements of due diligence	Pages in the sustainability statements
Embedding due diligence in governance, strategy and business model	93
Engaging with affected stakeholders in all key steps of the due diligence	67,94,95,98,103,107,114
Identifying and assessing adverse impacts	70,94
Taking actions to address those adverse impacts	95,100-101,108
Tracking the effectiveness of these efforts and communicating	95,101,108

SBM-1 SBM-2 SBM-3

Strategy

Our vision is to drive sustainable solutions in our industry – for our customers, for our planet, for people and for future generations. Saferoad's sustainability priorities set the ambitions and direction for Saferoad's sustainability journey. They're enablers for the Group's corporate strategy. Read more about the corporate strategy on p. 29. We remain vigilant of the investment and operational changes necessary to sustain our leading role.

We have six sustainability strategic priorities spanning our own operations, as well as downstream and upstream activities. The six sustainability priorities have been developed based on our material topics and are explained on p. 40.

How we create value

Saferoad's value chain consists of three main phases:

1. Upstream
Sourcing and processing of raw materials, manufacturing of components and materials, and transportation.

2. Own operations
Product development, manufacturing, distribution, installation, and services.

3. Downstream
Product usage, maintenance, and end-of-life management.

Unpacking our value chain

The details below are not exhaustive but provide an overview of Saferoad's value chain, highlighting key activities, dependencies, and critical points.

1. Upstream – sourcing of raw materials, production, and transport

Raw materials for steel, aluminium, concrete, plastics, and glass are sourced primarily from Europe and selected global markets. Suppliers extract and process these materials for further manufacturing. Dependencies include energy, supply chain stability, human resources, and regulatory compliance. Key risks involve material shortages, supply disruptions, environmental regulations, and human rights concerns in extraction.

Production in the upstream phase consists of processing these raw materials into components and materials used in Saferoad's own manufacturing, as well as finished products. This includes steel solutions, aluminium structures, concrete barriers, plastic materials, and other specialised components. Dependencies include stable energy supply, technological processes, human resources, and access to raw materials. Key risks include material shortages, geopolitical dependencies, production inefficiencies, emissions, and hazardous substances.

Transport supports the movement of raw materials and manufactured components within the supply chain and to Saferoad's business entities. It relies on fuel, logistics infrastructure, and human resources. Risks include fuel price volatility, infrastructure bottlenecks, weather-related disruptions, and carbon emissions.

2. Own operations – product development, manufacturing, and installation

Research and development (R&D) focuses on improving product durability, sustainability, and efficiency in manufacturing. This includes material innovation, prototype testing, and compliance with safety regulations. Dependencies include human expertise, technology, external research partners, and regulatory approvals. Risks include limited access to sustainable materials, regulatory constraints, and funding for innovation.

Testing and certification ensure that products meet industry and regulatory safety standards, including CE marking and national road safety requirements. This process involves material tests, durability assessments, and compliance checks. Dependencies include testing equipment, skilled personnel, and industry regulations. Risks include regulatory compliance delays, certification failures, and supplier non-compliance.

Procurement secures materials and components for production, focusing on cost, quality, and increasingly sustainability. Dependencies include supplier reliability, pricing stability, and legal compliance. Risks involve price volatility, contract risks, supply chain disruptions, and ESG compliance in the supplier network.

Production involves manufacturing steel solutions, road signs, concrete products, and other infrastructure solutions. This phase depends on machinery, skilled labour, and stable energy supply. Key risks include energy-intensive processes, workforce shortages, workplace safety hazards, and emissions.

Assembly involves integrating manufactured components into finished products. Dependencies include access to materials, skilled workers, and quality control processes. Risks include delays due to component shortages, production inefficiencies, and workplace safety.

Warehouse, sales, and rental operations involve storing, distributing, and renting products such as road signs, work zone protection equipment, and infrastructure solutions. Dependencies include inventory management, logistics coordination, and digital systems. Risks include supply chain disruptions, storage constraints, and cybersecurity vulnerabilities in digital inventory systems.

Installation involves deploying steel, aluminium, and plastic road safety products. Dependencies include skilled labour, logistics, and weather conditions. Risks include project delays due to weather, skilled labour shortages, and coordination challenges with transport and site access.

3. Downstream – product use, maintenance, and end-of-life management

Use of Saferoad products extends typically over 25–30 years, and sometimes longer, depending on maintenance and environmental factors. Some products can be repaired and reused, while others must be replaced at the end of their lifecycle. Dependencies include customer demand, compliance with evolving infrastructure standards, and material durability. Risks include shifts in regulatory requirements, long-term product emissions, and adaptation to climate resilience measures.

Maintenance involves repairs, inspections, and servicing to ensure product functionality and safety. Dependencies include skilled personnel, specialised equipment, and service agreements with customers. Risks include workforce shortages, vandalism or damage to infrastructure, and energy consumption for maintenance operations.

Recycling and waste management address the disposal of end-of-life products. Where possible, materials are recovered and reused; otherwise, they are disposed of in accordance with local regulations. Dependencies include waste management infrastructure, recycling facilities, and logistics networks. Risks include regulatory non-compliance, challenges in circular economy integration, and material traceability.

Stakeholder engagement

We believe that understanding and responding to the concerns and expectations of our stakeholders on sustainability will improve our actions, initiatives, performance, and outcomes. We therefore prioritise dialogue and involvement of our stakeholders on an ongoing basis, but critically as part of our DMA.

Integrating sustainability

Our material topics, as outlined in the table on the following page(s), reflect the most significant sustainability factors influencing our business. These topics guide our strategic decisions by focusing on areas where we can create the most value. The DMA considers the short-, medium-, and long-term impacts across our value chain, including upstream, our own operations, and downstream. For instance, climate change mitigation aligns with our goal to drive demand for low-carbon solutions, while addressing workforce health and safety ensures operational resilience and employee well-being. These material topics are linked to specific KPIs and targets, enabling us to monitor progress and ensure accountability. This integration of material topics into our strategy enables us to proactively manage risks, capitalise on opportunities, and maintain our commitment to sustainable growth.

Stakeholder	Purpose and relevance	Type of engagement
Employees	Vital to Saferoad's performance Contribute to a safe, healthy, and thriving workplace	Satisfaction surveys such as eNPS Targeted surveys for e.g., DMA Performance appraisals Safety and team meetings Employee-elected board members
Customers	Meet customer needs and requirements Build transparency and trust	Customer dialogue Surveys such as cNPS
Suppliers	Set expectations and ensure compliance with our Supplier Code of Conduct Decarbonisation efforts Build transparency and trust	Specific supplier dialogue Information gathering e.g., for scope 3 reporting
Owners	Deliver on owner expectations Collaborate on key initiatives	Dialogue meetings Board members Owner conferences
Lenders	Deliver on lender expectations Build transparency and trust	Dialogue meetings
Industry associations	Drive industry collaboration Influence market and policy-makers to set higher ESG expectations	Conferences Dialogue meetings Association board participation
Regulators and policy-makers	Influence policy-makers to set higher ESG expectations	Conferences Dialogue meetings Industry association forums
Local communities	Understanding and addressing concerns	Ad-hoc local dialogue
Civil society and NGOs	Understanding and learning about impact Build transparency and trust Collaborate on key initiatives	Integrate public reports from NGOs in our work
Nature	Understanding needs to limit our environmental impact	Integrate scientific reports on the status of nature in our work
General public	Understanding and addressing concerns Limit reputational risk	Integrate macro trends and media reports on our work

	Value chain direction			Impact materiality				Financial materiality	
	Upstream	Own operations	Downstream	Actual	Potential	Positive	Negative	Risk	Opportunity
Impacts, risks and opportunities (IROs) - E1 Climate change									
Greenhouse gas (GHG) emissions	■	■		■				■	
Energy consumption	■	■		■				■	
Energy availability	■								■
Impacts, risks and opportunities (IROs) - E2 Pollution									
Microplastic pollution from road markings		■		■			■		
Air pollution	■	■		■			■		
Substances of concern and pollution	■	■			■		■		
Soil contamination	■	■			■		■		
Impacts, risks and opportunities (IROs) - E5 Resource use and circular economy									
Resource inflows	■	■		■		■			
Resource outflows from products and waste		■		■		■			
Air pollution in upstream value chain	■	■			■	■			

	Value chain direction			Impact materiality				Financial materiality	
	Upstream	Own operations	Downstream	Actual	Potential	Positive	Negative	Risk	Opportunity
Impacts, risks and opportunities (IROs) - S1 Own workforce									
Health and safety									
Labour rights									
Training and development									
Talent acquisition and retention									
Impacts, risks and opportunities (IROs) - S2 Workers in the value chain									
Labour rights									
Improving working conditions									
Impacts, risks and opportunities (IROs) - S4 Customers and end-users									
Personal safety of consumers and end-users									
Impacts, risks and opportunities (IROs) - G1 Business conduct									
Corporate culture									
Transparency and accountability									
Corruption and bribery									
Whistleblower protection									

IRO-1

Impact, risk and opportunity management

In 2024, we refined our Double Materiality Assessment (DMA) process to better identify and prioritise the topics most material to our operations. This year, we placed a stronger emphasis on sub-topics, allowing for a more precise definition of material issues. By aligning the DMA with our Value Chain Mapping (VCM) process, we gained a deeper understanding of how environmental, social, and governance (ESG) factors impact Saferoad across our entire value chain. This ensures that we remain focused on areas where we have the most significant impact and where external factors present financial risks and opportunities.

The revised process led to the identification of 18 key material topics, selected from over 80 assessed risks, impacts, and opportunities. Compared to 2023, where 26 topics were deemed material, this year's refined approach allows us to direct our efforts more effectively. These topics, detailed in our materiality matrix on the next page, will guide our sustainability strategy, ensuring we address the most pressing impacts and risks while capturing opportunities for improvement.

The 2024 DMA process was centred on internal input, utilising insights from internal workshops. Stakeholder involvement was key, with perspectives gathered from internal teams such as ESG, finance, HR, legal, operations, and quality, as well as senior leadership.

This year's DMA was conducted with a specific focus on VCM, allowing us to better pinpoint ESG risks and opportunities across upstream, operational, and downstream activities. This foundational work strengthens our understanding of sustainability impacts at different stages, providing a more comprehensive view of our role in the broader ecosystem. While this assessment sets a strong foundation, our work does not stop here. In 2025, we plan to conduct a full DMA process involving both internal and external stakeholders. This will enable us to validate our material topics with a broader set of perspectives, refine financial materiality estimates, and enhance our ability to manage risks and opportunities.

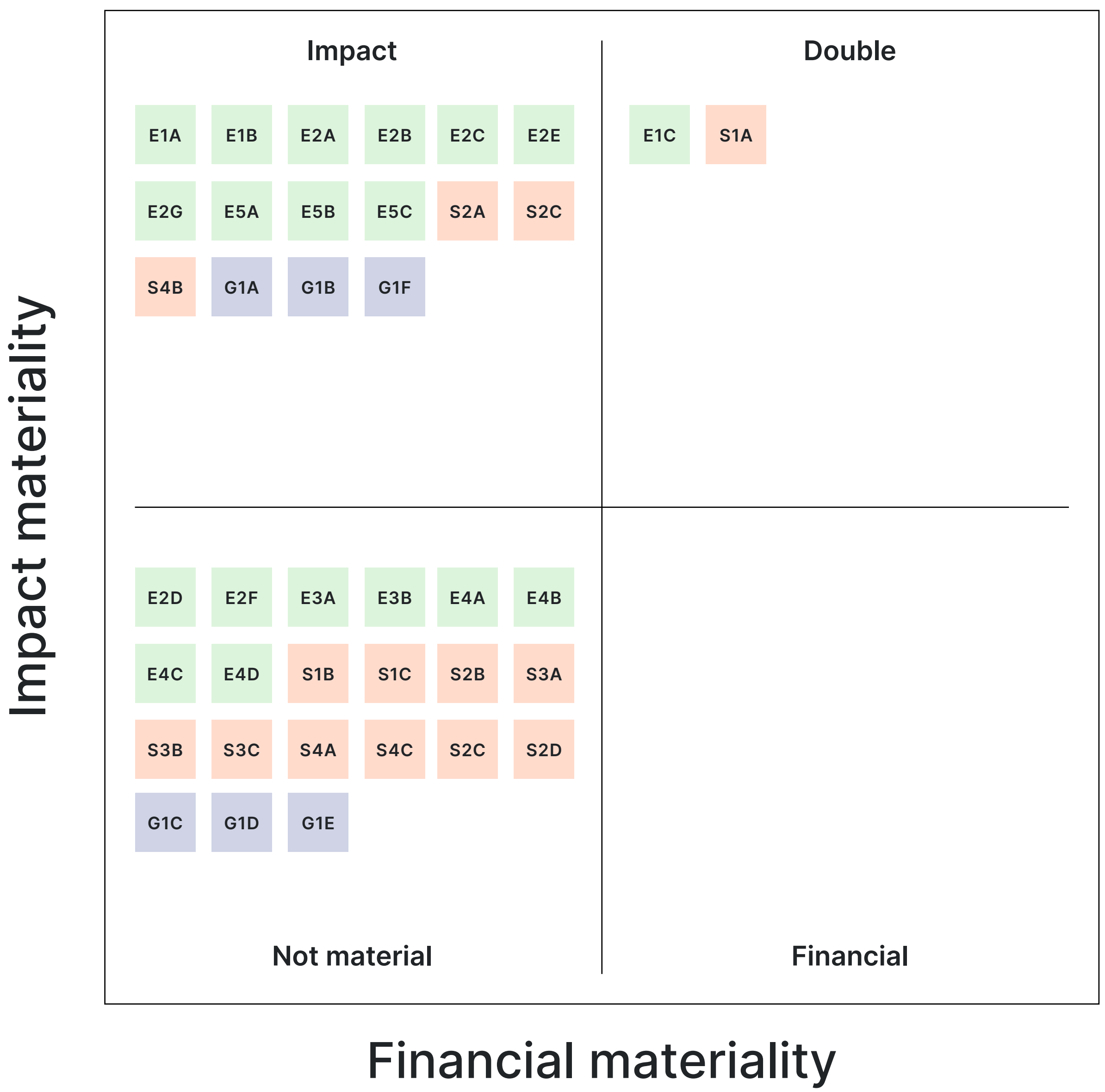
To assess the significance of each topic, we followed the ESRS-defined methodology, evaluating both impact materiality (how our activities affect people and the environment) and financial materiality (how ESG factors impact our business performance). Our impact methodology considers three dimensions—scale, scope, and irremediability—alongside financial risk and opportunity assessments, using a five-level scoring system. Looking ahead, we will continue refining our financial impact assessments and deepening our understanding of upstream and downstream risks while aligning with emerging ESRS guidance.

Scoped-out matters

As part of this year's DMA, several topics were either deemed not material or did not exceed the required thresholds for impact or financial significance. These topics were assessed for their relevance to Saferoad's operations and value chain but were determined to have limited impact or risks or were sufficiently mitigated through existing measures.

Although these topics are not included in this year's materiality matrix, we will continue to monitor developments in these areas. The 2025 full DMA process will allow for a reassessment of their relevance, particularly in response to regulatory changes, stakeholder expectations, or shifts in industry best practices.

Materiality matrix 2024



Environment	
E1A	**Climate change adaption**
E1B	**Climate change mitigation**
E1C	**Energy**
E2A	**Pollution of air**
E2B	**Pollution of water**
E2C	**Pollution of soil**
E2D	Pollution of living organisms and food resources
E2E	**Substances of concern**
E2F	Substances of very high concern
E2G	**Microplastics**
E3A	Water
E3B	Marine resources
E4A	Direct impact drivers on biodiversity
E4B	Impact on the state of species
E4C	Impact on the extent and conditions of ecosystems
E4D	Impact and dependencies on ecosystem services
E5A	**Resource inflows including use**
E5B	**Resource outflows related to products and services**
E5C	**Waste**

Social	
S1A	**Working conditions of own workers**
S1B	Equal treatment and opportunities for all own workers
S1C	Other work-related rights of own workers
S2A	**Working conditions of workers in the value chain**
S2B	Equal treatment and opportunities for all workers in the value chain
S2C	**Other work-related rights of workers in the value chain**
S3A	Communities economic, social and cultural rights
S3B	Communities civil and political rights
S3C	Particular rights of indigenous people
S4A	Information-related impacts for consumers and/or end-users
S4B	**Personal safety of consumers and/or end-users**
S4C	Social inclusion of consumers and end-users

Governance	
G1A	**Corporate culture**
G1B	**Protection of whistleblowers**
G1C	Animal welfare
G1D	Political engagement
G1E	Management of relationships with suppliers including payment practices
G1F	**Corruption and bribery**

3.2 Environment

E1 Climate change

Impact, risk and opportunity

Our approach, management and policies

Impacts, risks and opportunities (IROs) - E1 Climate change

Topics	Description	Value chain direction			Impact materiality				Financial materiality	
		Upstream	Own operations	Downstream	Actual	Potential	Positive	Negative	Risk	Opportunity
Climate Change Mitigation	**Greenhouse gas (GHG) emissions:** Extracting and processing steel, aluminium, and plastics require significant energy, increasing GHG emissions, further amplified by transport emissions. Saferoad's production processes rely on fossil fuels, generating direct and indirect GHG emissions, with transport further adding to the footprint.									
Energy	**Energy consumption**: Raw material production is energy-intensive, depending on non-renewable sources, contributing to Saferoad's environmental footprint. Manufacturing and transport within Saferoad's operations require high energy, mainly from fossil fuels, increasing overall consumption.									
Energy	**Energy availability:** Rising costs or limited energy access may disrupt suppliers, increasing procurement costs and delaying critical materials for Saferoad.									

E1-1

Transition plan

Reducing our direct and indirect greenhouse gas (GHG) emissions is paramount to our long-term success. Because we operate in the steel value chain and rely on heavy vehicles, we recognise our substantial carbon footprint. We aim to serve as a reliable, long-term partner to customers and other stakeholders by demonstrating clear, consistent climate action. At the same time, we remain vigilant of the investment and operational changes necessary to sustain our leading role, and the regulatory development needed to succeed with our transition.

Our transition plan outlines the key levers to reach our emissions reduction targets for 2034. The plan encompasses Scope 1, 2 and 3 GHG emissions from our own operations and value chain. We recognise that the plan is ambitious and will require considerable efforts in the years to come against a complex and challenging operating environment.

We are still working to ensure the transition plan meets the requirements of ESRS. We are nevertheless planning to submit our emissions reduction targets to the Science Based Targets initiative (SBTi) in 2025, solidifying our commitment to reducing emissions in line with the Paris Agreement and EU's climate goals.

The targets and key levers are approved by the Group Management Team and the Board. The Head of Group Sustainability is responsible for the transition plan, while the Business Area Leads are responsible for implementing initiatives in line with the key levers.

The key levers are further detailed with decarbonisation initiatives for each of the Business Areas. These initiatives are reviewed and updated annually. The initiatives are also integrated in the Business Areas strategic business planning, and in the budget planning process.

Saferoad Group is not a listed company and therefore is not eligible for Paris-aligned benchmarks.

We are currently quantifying the investments required to achieve our targets and anticipate considerable capital expenditures. However, if supportive government policies are enacted, we believe these costs may be gradually shared across our value chain as we approach 2034.

Currently, we do not view our core assets or products as irreversibly 'locked in' to high-emission pathways. However, if government policy does not evolve quickly to support short-term decarbonisation, there is a risk that certain leased vehicles or facilities could effectively become locked in for a five- to ten-year period.

Key enablers

To succeed with the key levers, we also need to address and overcome several challenges, which will be a priority going forward:

- Financial ability: Alignment of performance and decarbonisation targets as well as investment budgets
- Market viability: Adequate customer demand for low-carbon solutions over the next decade
- Cleaner grid: Increased share of renewable energy in the electricity grid in Central and Eastern Europe
- Available technology: Commercialisation of key technologies (e.g., fossil-free trucks and hydrogen)

Reaching our emissions reduction targets will not be easy and we will face many challenges ahead. We will, however, do everything in our power to improve, influence, innovate and find solutions together with our business partners, authorities, associations and other stakeholders. At the same time, we urgently need more ambitious and impactful government policies in Europe to incentivise the transition across our full value chain.

Decarbonisation targets

We are aiming to significantly reduce our emissions:

- By 2029, we aim to ensure that 90 per cent of the steel we purchase comes from suppliers that have set Science-Based Targets
- By 2034, we aim to reduce Scope 1 and 2 GHG emissions by 60 per cent
- By 2034, we aim to reduce Scope 3 GHG emissions by 35 per cent
- By 2050, we aim to be a net-zero company by reducing all GHG emission scopes by 90 per cent and offsetting the remaining 10 per cent

Key levers

To achieve the ambitious 2034 targets, we will work to pursue four key levers:

- Zero-emission vehicles: transitioning to a fleet of zero-emission vehicles to minimise direct emissions.
- Energy and cost efficiency: implementing energy-efficient practices and cost-saving measures across all operations.
- Greener steel: sourcing and utilising greener steel to reduce the carbon footprint of our materials.
- Decarbonised third-party transportation: collaborating with third-party transportation providers to ensure their operations are aligned with our decarbonisation goals.

E1-2 E1-7 E1-8 E1-9

Policies and management

Greenhouse gas emissions

Our Group Environmental policy outlines our commitment to measuring and analysing our GHG emissions, and to ensuring that our business activities are in line with climate change mitigation and adaptation efforts. The policy is available on Saferoad's intranet. The Environmental Policy is signed by the CEO. The Chief People and Sustainability Officer has overall policy responsibility. Managing Directors are responsible for environmental impacts and incidents at the operational level. The ESG Functional Team coordinates joint initiatives across Business Areas and facilitates knowledge sharing.

Some business entities also have their own environmental policies in addition, addressing emissions upstream, own operations, and downstream, and continuously reducing their environmental footprint. As described under the transition plan, we have identified the key levers to reduce our emissions over the next decade with initiatives updated annually.

Saferoad Group does not have any GHG removals or GHG mitigation projects financed through carbon credits. We do not use internal carbon pricing schemes.

Currently, our approach is mainly to mitigate our actual negative impacts on climate change. Saferoad faces physical and transition climate risks like extreme weather and regulations, but these are not deemed financially material and are therefore scoped out in the Double Materiality Assessment. We're therefore opting for the phase-in provision of this disclosure requirement (ESRS 1 Appendix C) until we're able to assess and communicate in detail potential physical and transition risks affecting the Group.

Energy

The upstream risk related to energy shortage in the supply chain is a concern. We address this by closely monitoring raw material prices, especially steel. For energy management of our current operations, we have defined energy efficiency as a key lever as part of our transition plan. Over the next decade, our goal is to improve energy efficiency in buildings and facilities, switching to, e.g., LED and automated lights in production halls or temperature regulators, as well as optimising driving routes. This will contribute toward decarbonisation, and mitigate risks related to future energy shortage to the extent possible.

We currently do not have dedicated policies covering energy-related impacts, risks, and opportunities (IROs), but we plan to develop or update our policies in the coming year to ensure they fully address our most material energy challenges and opportunities.

Actions, developments and targets

E1-3 E1-4

Looking back

What we achieved vs. what we planned

At the Group level, we had the following targets and plans for 2024 in the table on the next page to reduce negative impacts, enhance positive outcomes, and manage key risks and opportunities.

Read about highlights from the Business Areas on page 19,22,25 and 28.

Greenhouse gas emissions

We reached significant milestones in 2024. First, Saferoad Group established decarbonisation targets in 2024, along with prioritising four key levers to achieve the near-term, 2034 targets. To build more knowledge internally on the key levers, we established cross-Business Aarea working groups. These are tasked with gathering information to understand how commercial trends and development of new technologies needed for the transition plan impacts Saferoad.

Second, all Business Areas established their first decarbonisation plans with clearly defined initiatives for the next year, and high-level plans for more initiatives over the next 10 years. Some initiatives for 2025, such as investments in electric vehicles and in biodiesel, have been delayed due to budget constraints and uncertain market conditions.

Overall, GHG emissions increased in 2024 because of higher business activity. Scope 1 and 2 GHG emissions (location-based) grew by 8 and 9 per cent respectively, mainly driven by increased business activity resulting in increased use of fossil fuels for vehicles in Business Area Services, and increased use of electricity in Business Area Infrastructure and Business Area Restraint Systems. At the same time, the entity Smekab Citylife (Business Area Infrastructure) switched its production fuel from LPG to biofuel, resulting in a 68 per cent reduction in Scope 1 GHG emissions for that Business Area. Both Business Area Traffic and Business Area Services reduced Scope 2 GHG emissions.

Scope 3 GHG emissions increased as expected, mainly due to increased steel production in Business Area Restraint Systems and increased business activity in Business Area Services. GHG emissions from purchased goods and services grew accordingly. GHG emissions from capital goods have decreased primarily due to fluctuations in capital expenditures. Upstream transport and distribution GHG emissions also decreased due to more precise distance estimations per supplier, while GHG emissions from waste increased significantly due to better waste data following reporting improvements in 2024.

While absolute GHG emissions increased for the Group, Scope 1 and 2 GHG emissions intensity fell. We track Scope 1 and 2 GHG emissions intensity by Business Area on a quarterly basis to monitor development and take action more effectively. Three out of four Business Areas reduced GHG emissions intensity, indicating that with growth, we're able to run our operations using energy more efficiently. Over time, we will need to step up energy efficiency efforts, in addition to transitioning from fossil fuels to renewable energy sources in order to reduce absolute GHG emissions. GHG emissions intensity for Scope 1, 2 and 3 can be found on p. 79.

	2026 targets (medium term)	2024 actions (short term)		2024 results	Value chain scope
GHG emissions	Work towards net-zero by 2050.	Establish targets and roadmaps for Scope 1, 2, 3 aligned with SBTi.	☑	Targets established. Submitting the targets to SBTi in 2025.	Own operations
		Reduce Scope 1+2 up to 6 % or in line with new decarbonisation plans.	☐	Scope 1 GHG emissions increased by 8 % and Scope 2 GHG emissions increased by 9 %. This is due to higher business activities with no impactful decarbonisation initiatives in 2024.	Own operations
Energy	Reduce energy consumption in line with 2050 net-zero target.	Reduce kWh used by up to 10 %.	☐	Energy consumption increased by 7 %. This is due to higher business activities with no impactful energy efficiency initiatives in 2024.	Own operations

The risk of energy shortage leading to price volatility in the supply chain is affected by geopolitical volatility, which is difficult to control. To mitigate this risk, the Procurement teams, especially in Business Area Restraint Systems, work with multiple suppliers and continuously evaluate sourcing strategies to ensure supply chain resilience.

The Group's energy consumption followed the same developments as Scope 1 and 2 GHG emissions, increasing overall in line with higher business activity. Multiple entities have installed their own renewable energy production, such as solar panels in the entity Saferoad Holland and in the German entity AWK.

Scope 1 and 2 GHG emissions intensity

Business Area	2024	2023	% 2024/2023
Traffic[1] (tCO2e/MNOK)	1,89	1,98	-5 %
Services[1] (tCO2e/MNOK)	4,76	4,75	0 %
Infrastructure[2] (tCO2e/tonnes steel produced)	0,02	0,04	-53 %
Restraint Systems (only the main production site Inter Metal) (tCO2e/tonnes steel produced)2	0,08	0,08	-6 %

1. Scope 1 and 2 GHG emissions (location-based) by net revenue
2. Scope 1 and 2 GHG emissions (location-based) by steel produced

E1-3 E1-4

Looking forward

At the Group level, we have set the following 2025 targets and plans to reduce negative impacts, enhance positive outcomes, and manage key risks and opportunities. These targets and plans are integrated into each Business Areas' plans. Read more about annual planning process on p. 61.
In addition, many entities set local targets and improvements related to energy efficiency, or as part of their ISO14001 certification.

Effectiveness is tracked by evaluating outcomes and results annually. Long term targets are the emission reduction targets established in the transition plan, including levers.

	2026 targets (medium term)	2025 actions (short term)	Value chain scope	Link to key transition lever
GHG emissions	Work towards net-zero by 2050.	Deliver on respective mandates of the working groups focused on greener steel, zero-emissions trucks, energy efficiency, and decarbonised third-party transport	Upstream, own operations, downstream	Zero-emission vehicles Energy and cost efficiency Greener steel Decarbonised third-party transportation
		Improve and digitalise supplier data collection on GHG reporting Scope 3 Cat. 1, 2, 4 & 9	Upstream, own operations, downstream	Greener steel Decarbonised third-party transportation
		Develop green vehicles policy	Own operations	Zero-emission vehicles
Energy	Reduce energy consumption in line with 2050 net-zero target.	Understand regulatory drivers for energy-related upstream risks, such as CBAM/ETS	Upstream	N/A

Metrics

E1-5

Energy consumption and mix

Energy consumption and mix (MWh)	2024 (location-based)[1]	2024 (market-based)[1]	2023 ([2])	% 2024 / 2023 (location-based)
Fuel consumption from coal and coal products	-	-	-	
Fuel consumption from crude oil and petroleum products	52 967.55	52 967.55	48 947.30	8 %
Fuel consumption from natural gas	14 300.60	14 300.60	13 349.80	7 %
Fuel consumption from other fossil sources	-	-	-	
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	8 706.86	31 730.85	4 714.30	85 %
Total fossil energy consumption	**75 975.02**	**98 999.00**	**67 011.40**	**13 %**
Share of fossil sources in total energy consumption (%)	**75 %**	**98 %**	**71 %**	
Consumption from nuclear sources	-	-	2 027.72	-100 %
Share of consumption from nuclear sources in total energy consumption (%)	0 %	0 %	2 %	
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	2 333.01	2 333.01	41.7	5495 %
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	23 024.0	-	25 230.06	-9 %
The consumption of self-generated non-fuel renewable energy	12.76	12.76	-	
Total renewable energy consumption	**25 369.75**	**2 345.77**	**25 230.06**	**1 %**
Share of renewable sources in total energy consumption (%)	**25 %**	**2 %**	**27 %**	
Total energy consumption	**101 344.77**	**101 344.77**	**94 311**	**7 %**
Total energy production	**31.45**			

Energy intensity per net revenue[1] (MWh/MNOK revenue)	2024	2023	% 2024 / 2023
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors	13.36	13.99	-4 %

1. We assume all revenue is derived from NACE sector codes C and H.

1. There is uncertainty about how best to report renewable energy. Under market-based, we have taken a conservative approach for 2024 and assumed no renewable energy in the purchased electricity and heating mix. To better reflect the energy mix in the electricity grid, we've also chosen to report location-based energy consumption. The location-based method also includes national bio requirements in the diesel consumption. In 2023, we used country-based renewable energy mixes.
2. There were small revisions to diesel consumption. However, energy consumption has not been updated because the change makes up under 1 % of the 2023 energy consumption.

The energy consumption drivers

We use energy for vehicles, machinery, electricity, and district heating. Most of the vehicles across the Group currently use fossil fuel sources such as diesel and petroleum. Some machinery also runs on electricity mix heavily dependent on fossil fuel sources. Our hot dip galvanisation facility in Poland uses natural gas. Transitioning to renewable sources for vehicles and machinery will be important to our transition plan.

E1-6

Gross Scopes 1, 2, 3 and Total GHG emissions

There were several updates to our base year. These are described in the appendix.

GHG emissions disaggregated by Scopes 1, 2 and 3 (tCO2e)		2024	Base year (2023)	% 2024 / 2023	2025	2034	2050	Annual % 2034 target / Base year1
Scope 1 GHG emissions	**Gross Scope 1 GHG emissions**	**15 426**	**14 260**	**8 %**	**N/A**	**-60 % (Scope 1+2)**	**-90 % (Scope 1+2+3)**	**5 %**
	Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	-	-	0 %	N/A	N/A	N/A	N/A
Scope 2 GHG emissions	**Gross location-based Scope 2 GHG emissions**	**4 254**	**3 918**	**9 %**	**N/A**	**-60 % (Scope 1+2)**	**-90 % (Scope 1+2+3)**	**5 %**
	Gross market-based Scope 2 GHG emissions	16 260	14 690	11 %	N/A	N/A	N/A	N/A
Significant Scope 3 GHG emissions	**Total Gross indirect (Scope 3) GHG emissions**	**605 336**	**503 263**	**20 %**	**N/A**	**-35 %**	**-90 % (Scope 1+2+3)**	**3 %**
	1 Purchased goods and services	496 375	382 475	30 %	N/A	N/A	N/A	N/A
	2 Capital goods	7 900	9 122	-13 %	N/A	N/A	N/A	N/A
	3 Fuel and energy-related Activities (not included in Scope1 or Scope 2)	5 124	4 609	11 %	N/A	N/A	N/A	N/A
	4 Upstream transportation and distribution	55 871	72 483	-23 %	N/A	N/A	N/A	N/A
	5 Waste generated in operations	9 485	2 798	239 %	N/A	N/A	N/A	N/A
	6 Business traveling	1 266	1 128	12 %	N/A	N/A	N/A	N/A
	7 Employee commuting	2 263	2 590	-13 %	N/A	N/A	N/A	N/A
	9 Downstream transportation	1 586	14 592	-89 %	N/A	N/A	N/A	N/A
	11 Use of sold products	26	29	-8 %	N/A	N/A	N/A	N/A
	12 End-of-life treatment of sold products	25 425	13 422	89 %	N/A	N/A	N/A	N/A
	15 Investments	16	16	0 %	N/A	N/A	N/A	N/A
Total GHG emissions	**Total GHG emissions (location-based)**	**625 017**	**521 440**	**20 %**	**N/A**	**N/A**	**N/A**	**N/A**
	Total GHG emissions (market-based)	**637 022**	**580 320**	**10 %**	**N/A**	**N/A**	**N/A**	**N/A**

1. Calculated as: (1 -(emissions in target year emissions in target base year)/ (target year – base year))

Greenhouse gas emissions per net revenue (tCO2e/MNOK)	2024	2023	% 2024 / 2023
Total GHG emissions (location-based) per net revenue	82.41	70.78	16 %
Total GHG emissions (market-based) per net revenue	84.00	71.7	17 %

Biogenic emissions: CO2 emitted when burning biomass/fuel, not reported under GHG emissions Scope 1-3 (tCO2e)	
Direct biogenic carbon emissions	2 214.50
Indirect biogenic carbon emissions	0.7

The emissions drivers

Scope 1

Our Scope 1 GHG emissions are driven by the use of small and large vehicles in Business Areas Traffic and Services. In addition, the natural gas used at the hot dip galvanisation facility in Poland in the Business Area Restraint Systems also makes up a considerable share of our Scope 1 GHG emissions.

Scope 2

While emissions from electricity in the Nordics is very low, our Polish production facilities in the Business Area Restraint Systems have considerable Scope 2 GHG emissions. This is due to the dependency on fossil fuels in the Polish energy mix.

Scope 3

The main drivers for Scope 3 GHG emissions are firstly purchased goods and services, specifically steel for our manufacturing in the Business Areas Restraint Systems and Infrastructure, followed by upstream and downstream transportation. Other purchased goods such as zinc, aluminium and concrete also contribute significantly to the Scope 3 GHG emissions.

Methodologies, significant assumptions and emission factors

The consolidation of greenhouse gas (GHG) emissions data is based on the financial consolidation approach and stated in accordance with the GHG Protocol: direct emissions from owned and leased assets (Scope 1 GHG emissions), indirect emissions from purchased electricity and district heating (Scope 2 GHG emissions), and value chain emissions (Scope 3 GHG emissions). All three scopes account for the following greenhouse gases, also called the Kyoto gases: CO2, CH4, N2O, HFCs, PFCs, SF6, and NF3. The GHG emissions for all three scopes are calculated using emission conversion factors - from energy consumption to CO2 equivalents (Co2e).

Scope 1

Under Scope 1 GHG emissions, we account for emissions resulting from any fossil fuel consumption in vehicles and machinery that we own or lease (both financial and operational leasing). Specifically, this includes fuel used by vehicles for transportation and forklifts, as well as fuel consumed by stationary equipment such as heating for hot dip galvaniser, boilers, furnaces, and other production machinery. We use actual consumption of fossil fuels reported from e.g., tanking cards or gas invoices. To convert consumption to CO2e, we mainly applied DEFRA 2024 emission conversion factors, in addition to a few factors from national databases.

Scope 2

Under Scope 2 GHG emissions, we account for emissions from any district heating (including steam and cooling) and electricity consumption in vehicles, buildings, machines, equipment, and other assets that the Group owns or leases (both financial and operational leasing). We use actual consumption of district heating and electricity reported from invoices. For a few smaller offices where heating and electricity is included in the rent, we estimate the electricity consumption based on surface area. To convert consumption to CO2e, we mainly applied IEA 2024, AIB 2024, and DEFRA 2024 emission conversion factors, and factors from national databases.

Scope 3

Under Scope 3 GHG emissions, we account for emissions from all the applicable GHG Protocol Scope 3 categories. The following categories are deemed not relevant because we have no applicable activity, and therefore excluded: Category 8 Upstream leased assets, Category 10 Processing of sold products, Category 13 Downstream leased assets, Category 14 Franchises.

The most significant Scope 3 category is Category 1 Purchased goods and services. We use the average-data based method for direct materials making use of actual volumes purchased reported on invoices. In rare instances where volume is not provided by the supplier, volumes are estimated, and for a small fraction of purchased goods where volumes are not available and too complicated to estimate, a spend-factor is applied. For services and indirect materials, we use spend-data based method either making use of actual financial spend or, in some cases, estimating.

For Category 2 Capital goods, we use spend-data based method making use of actual financial spend. Category 3 Fuel- and energy-related activities is based on actual energy consumption from Scope 1 and 2 GHG emissions. For Category 5 Waste generated in operations, we use waste-type-specific method making use of actual volumes reported in waste reports. In a few instances, we estimate waste volumes based on size of waste containers.

For Category 4 Upstream transport and distribution, we estimate average distance to each supplier/customer and multiply this with actual volume purchased from the supplier through the year to reach tonnes-km. For Category 9 Downstream transport estimation, we estimate average distance across all customers and multiply this with actual volume sold through the year to reach tonnes-km. In very few instances, we use actual emissions reported by transport companies for Category 4 and 9 Transportation and distribution. The remaining, smaller categories are estimated.

To convert Scope 3 consumption to CO2e, we mainly applied IEA 2024, AIB 2024, DEFRA 2024, USA EPA 2020 emission conversion factors, factors based on Ecoinvent 3.11, and factors from Environmental Product Declarations for specific products.

E2 Pollution

Impacts, risks and opportunities

Impacts, risks and opportunities (IROs) - E2 Pollution

Topics	Description	Value chain direction			Impact materiality				Financial materiality	
		Upstream	Own operations	Downstream	Actual	Potential	Positive	Negative	Risk	Opportunity
Microplastics	**Microplastic pollution from road markings:** Wear and tear of road markings release microplastics into the environment, dispersing plastic particles into soil and water over time.									
Pollution of air	**Air pollution**: Fossil fuel use in material sourcing, production, and transport emits pollutants like NOx, SO2, and PM, affecting air quality and ecosystems.									
Substances of concern, pollution of air and water	**Substances of concern and pollution**: Improper handling of substances of concern in production can release toxic emissions, increasing air pollution and public health risks. Poor management can also lead to chemical and oil leaks into water sources, harming ecosystems and water quality.									
Substances of concerns, pollution of soil	**Soil contamination:** Hazardous material spills of substances of concern during production and transport can contaminate soil, impacting ecosystems and long-term environmental health.									

There remains significant uncertainty regarding the impacts, risks, and opportunities (IRO) related to E2 Pollution. During our Double Materiality Assessment (DMA), we did not have sufficient data and information to draw a definitive conclusion on the materiality of these IROs. As a precaution, we are including these IROs in this year's report and will reassess their materiality in 2025.

Our approach, management and policies

E2-1

Policies and management

At the Group level, Saferoad's Environmental Policy outlines our commitment to managing and minimising our impact on water, land and soil quality. It also highlights our goal to require suppliers to set equally high requirements. We plan to develop or update our policies in the coming year to ensure that they fully address our most material microplastics, pollution and substances of concern impacts, risks and opportunities. Several business entities have local environmental policies connected to their ISO14001 certification, or to their Environmental Management System.

The Environmental Policy is signed by the CEO. The Chief People and Sustainability Officer has overall responsibility for the policy, while the Head of Group Sustainability defines methods and guidance for addressing microplastics, pollution, and substances of concern. The ESG Functional Team coordinates joint initiatives across Business Areas and facilitates knowledge sharing.

The Managing Directors ensure compliance with all regulations, local policies, and operational permits relating to pollution, hazardous waste handling, wastewater and stormwater monitoring, spill prevention, substitution or reduction of substances of concern, and environmental incident management. They also ensure that enforcement requirements for Best Available Techniques (BAT) are met and that they stay informed about the latest rules on substances of concern.

There is a risk of leakage when handling hazardous waste across our operations, from hazardous waste such as zinc, lead and HCl content from our galvanisation process to chemicals such as oils in our road and traffic management services. Furthermore, pollution from the use of fossil fuels may impact air quality. By complying with environmental regulations and operating within the pollution limits defined by the operational permits in the 13 European countries where we operate, we believe the potential impact is well-managed. However, we continue to monitor potential impacts to determine whether Group policies exceeding European regulations are necessary.

The risk of pollution is highest at our production facilities. A key initiative to strengthen our controls and ensure compliance is certifying all production units to ISO14001 Environmental Management System. 10 of 13 production units are certified with further plans to certify the remaining in 2025.

Our road markings use thermoplastics, which emit microplastics as they wear over time. Because our industry lacks standardised definitions for measuring these emissions, accurately quantifying them remains nearly impossible. We also see potential microplastic contributions from vehicle tire wear and certain steel coatings, though we consider those impacts lower than those from road markings. A more robust understanding will be needed in the future.

Employees working in roles relevant to environmental management receive pollution-related training as part of the entities' responsibility to ensure regulations, permit and incident management requirements are met.

Suppliers are required to comply with environmental regulations and implement pollution control measures as outlined in the Supplier Code of Conduct. However, there is little to no focus on these topics in our supply chain today, as reflected in our actions and targets. As we step up our efforts to strengthen supplier due diligence, we aim to increase our attention to environmental management of pollution and substances of concern in due diligence and in audits. Read more about improvements on p. 106.

We recognise the need to enhance our efforts to ensure continued management of potential impacts from microplastics, pollution and substances of concern, including substitution where possible, through dedicated policies, procedures, and training, reinforcing our commitment to environmental responsibility.

Actions, developments and targets

E2-2 E2-3

Looking back

What we achieved vs. what we planned

At the Group level, we had the following targets and plans for 2024 to reduce negative impacts, enhance positive outcomes, and manage key risks and opportunities. Read about highlights from the Business Areas on page 19,22,25 and 28.

Microplastics

We did not undertake any dedicated microplastics initiatives at Group level in 2024 because we prioritised resources for developing our transition plan.

Pollution & Substances of concern

The entities continued to monitor pollution and report according to local regulations and operational permits. No incidents were reported. Several entities took steps to replace fossil fuels and thus reduce air pollution, while others took steps to implement BAT or reduce the use of chemicals in operations.

No additional ISO14001 certifications were completed in 2024. The production unit in Finland has delayed certification until a final decision on location. The production unit Inter Metal in Poland has delayed its ISO14001 certification in favour of completing an ISO9001 certification first. Both the Finland and Poland units plan to complete their certifications in 2025. Entities are responsible for allocating resources to ensure the actions, as well as ongoing regulatory and permit compliance are managed.

An important milestone in 2024 was the establishment of a transition plan to decarbonise our own operations and our value chain. Moving away from fossil fuels will over time help reduce air pollution from the use of fossil fuels in transportation and stationary production equipment.

	2026 targets (medium term)	2024 actions (short term)		2024 results	Value chain scope
Pollution & Substances of concern	Reduce our most material waste	Create baseline for waste, in particular metal scraps and hazardous waste	☑	The first baseline for waste was completed using the data from the Integrated Annual Report 2023.	Own operations
	100 % of production entities ISO 14001 certified	Continue ISO 14001 certifications	☐	The planned certifications were delayed due to market uncertainty and pending decisions on changing facilities. The action has been moved to 2025 when we aim to certify the remaining production sites.	Own operations
Microplastics	N/A				

E2-2 E2-3

Looking forward

At the Group level, we have set the following 2025 targets and plans to reduce negative impacts, enhance positive outcomes, and manage key risks and opportunities. These targets and plans are integrated into each Business Areas' plans. Read more about annual planning process on page 61. Entities adhere to absolute regulatory limits on pollutants or substances of concern such as zinc, oil, lead, pH levels, and HCl content. While no self-imposed targets or limits exist for specific pollutants or substances of concern, efforts are ongoing to reduce pollution in these areas and meet future permit levels.

	2026 targets (medium term)	2025 actions (short term)	Value chain scope
Pollution & Substances of concern	100 % of production entities ISO 14001 certified	Continue ISO 14001 production certifications	Own operations
Microplastics	Reduce our most material waste	Start microplastic contribution mapping	Upstream, Own operations, Downstream

Metrics

E2-4

Pollution of air, water and soil

The production units with hot-dip galvanisation emit NOx, SOx, NH3, CO, HCl compounds and Zinc compounds to air. The list is not exhaustive. The emissions are well below the reporting thresholds of Regulation (EC) No 166/2006 (E-PRTR Regulation) Annex II (approximately less than 5 per cent of the threshold). These are direct measurements using sensors or filters. Some production units have not received their 2024 pollutant reports in time for this Integrated Annual Report. We need to refine our reporting methods to ensure quality in the data before potentially publishing.

While microplastics from road markings do not have a standard measurement method today, we can estimate microplastic emissions from tire wear in our vehicle fleets. However, we do not have a complete overview. For two of the entities that rely on vehicles for traffic management operations, Saferoad Traffic in Sweden and in Norway, we estimate 3513 kg of microplastics may have been released to air in 2024. The estimation is based on km driven multiplied with a factor for tire wear using 0,1-0,2 g/km factor for small cars and 0,5-1,4 g/km factor for trucks.

E2-5

Substances of concern and substances of very high concern

The production units with hot-dip galvanisation, sign production and road marking units report substances of concern and substances of very high concern to authorities. These are small amounts related to solvent paint for road marking, ink jet for sign production and chemicals for galvanisation. We need to refine our reporting methods to ensure quality in the data before potentially publishing.

E5 Resource use and circular economy

Impacts, risks and opportunities

Impacts, risks and opportunities (IROs) - E5 Resource use and circular economy

Topics	Description	Value chain direction			Impact materiality				Financial materiality	
		Upstream	Own operations	Downstream	Actual	Potential	Positive	Negative	Risk	Opportunity
Resource use	**Resource inflows:** Saferoad's products rely on resource-intensive materials like steel, aluminium, and plastics. Their extraction and processing deplete natural resources and increase environmental impact.									
Resource use	**Resource outflows from products and waste:** Production waste and end-of-life products contribute to resource outflows. Non-recyclable materials may end up in landfills or incineration, adding to emissions.									
Waste	**Air pollution in upstream value chain:** Improper hazardous waste handling during material production can release toxic emissions like VOCs, increasing air pollution and health risks, can contaminate water sources, harming ecosystems and water quality, and can lead to soil contamination, with long-term environmental effects.									

Our approach, management and policies

E5-1

Policies and management

Saferoad's Environmental Policy outlines our commitment to managing and minimising our impact on water, land and soil quality. It also highlights our goal to require suppliers to set equally high requirements. We plan to develop or update our policies in the coming year to ensure that they fully address our most material resource use and waste impacts, risks and opportunities. Several entities have local environmental policies connected to their ISO14001 certification, or to their Environmental Management System.

The Environmental Policy is signed by the CEO. The Chief People and Sustainability Office has overall responsibility for the policy, while the Head of Group Sustainability defines methods and guidance for addressing resource use and waste. The ESG Functional Team coordinates joint initiatives across Business Areas (BA) and facilitates knowledge sharing.

The Managing Directors ensure compliance with all regulations, local policies, and operational permits related to resource use and waste. They also oversee initiatives to minimise environmental impacts within their respective operations.

To produce road safety and infrastructure products, we primarily use steel flats/longs, steel finished goods, aluminium, and concrete. For road markings, we rely on thermoplastics and glass beads. These materials are resource-intensive, especially within our supply chain. Our main waste categories are metals, chemicals, wood, and plastics—mostly by-products of production and road services.

We are actively seeking ways to close loops within our production processes and integrate circularity across our operations. Many of our entities offer products with circularity in mind, specifically in terms of durability and the long lifespan of many of our products. Saferoad Holland has a pilot program to reinstall used guardrails.

Environmental Product Declarations (EPDs) are important tools to better understand the impact of materials that go into our products. We are therefore encouraging our entities to invest in systems that help them develop EPDs and compare different materials, for instance recycled versus virgin materials. This enables Procurement teams to engage on both environmental impacts, as well as price and quality, when procuring materials for production.

Suppliers are required to comply with environmental regulations and implement measures as outlined in the Supplier Code of Conduct. Currently, however, resource use and waste receive minimal attention in our supply chain approach, as reflected in our actions and targets. As we step up our efforts to strengthen supplier due diligence, we aim to increase our attention to environmental management of resources and waste in due diligence and in audits. Read more about improvements on p."Implement software for supplier risk screening and due diligence (in line with regulations) & develop minimum due diligence procedures" on page 108 "The Supplier Code of Conduct (SCoC) outlines the Group's expectations to suppliers, specifying the minimum labour rights standards they must uphold in their operations towards their employees. All suppliers are requested to sign the SCoC. The SCoC emphasises the prohibition of forced labour, child labour, discrimination, and harassment, while promoting safe working conditions, fair wages, and reasonable working hours, specifically for those employed by our direct suppliers." on page 106 and "At the Group level, we have set the following

2025 targets and plans to reduce negative impacts, enhance positive outcomes, and manage key risks and opportunities. These targets and plans are integrated into each Business Areas' plans. Read more about annual planning process on p. 61.
The entities continue to work on conducting up to three audits by March 2025. As noted above, direct engagement with supply chain workers remains limited, and thus does not significantly influence our targets and planning at this stage. In the longer term, we plan to expand engagement—particularly through more frequent audits—to gain deeper insights into working conditions." on page 90.

We recognise the need to enhance our efforts to ensure continued management of resources and waste, recycling and durability through dedicated policies, procedures, and training, reinforcing our commitment to environmental responsibility.

Actions, developments and targets

E5-2 E5-3

Looking back

What we achieved vs. what we planned

At the Group level, we had the following targets and plans for 2024 to reduce negative impacts, enhance positive outcomes, and manage key risks and opportunities. Read about highlights from the Business Areas on page 19,22,25 and 28.

Resource use

An important milestone in 2024 was the establishment of a transition plan to decarbonise our own operations and our value chain. A key lever to reach the Group's Scope 3 GHG emissions target is resource efficiency: finding ways to reduce material waste from production and finding more efficient production methods to reduce the need for purchasing and using materials. Furthermore, buying more recycled materials will also help reduce emissions. Multiple entities worked on offering, selling, or installing second-hand guardrails, as well as exploring product lightweighting innovations within the strict safety standards.

Waste

We collected waste data for the first time in 2023. In 2024, the ESG Functional Team collaborated with the entities to define standard waste categories (minimum waste fractions) for Saferoad and to prepare all entities to report waste metrics according to ESRS. The entities

	2026 targets (medium term)	2024 actions (short term)		2024 results	Value chain scope
Resource use	All production units have EPD generator system	Continue rolling out EPDs	☑	Entered a EPD generator framework agreement for the full Group.	Own operations
Waste	Reduce our most material waste	Create baseline for waste, in particular metal scraps and hazardous waste	☑	The first baseline for waste was completed using the data from the Integrated Annual Report 2023.	Own operations

continued waste sorting efforts, and we achieved a non-recycled waste volume of 7 per cent.
We will continue refining our approach to these waste categories based on the gaps identified in 2024. Moving forward, we aim to translate data insights into tangible actions based on the waste hierarchy, particularly regarding hazardous waste management and further reducing non-recycled residual waste below 7 per cent.

E5-2 E5-3

Looking forward

At the Group level, we have set the following 2025 targets and plans to reduce negative impacts, enhance positive outcomes, and manage key risks and opportunities. These targets and plans are integrated into each of the Business Areas' plans. Read more about annual planning process on p. 61. Read more about the decarbonisation levers in our transition plan on p. 75.

Many entities set local targets and improvements such as studies on removing and recycling road marking materials, exploring product take-back programs, expanding rental business and better waste management systems.

Metrics

E5-4

Resource inflows

To make road safety and infrastructure products, we use a range of materials, listed in the table. These materials have been procured in the course of 2024. We do not currently have a complete overview of which materials are secondary or recycled materials. In the list, fuel and indirect materials are not included.

The data has been extracted from each of the entities' invoicing or procurement systems. Where the actual data was not available, the entities have estimated to their best ability.

	2026 targets (medium term)	2025 actions (short term)	Value chain scope
Resource use	All production units have EPD generator system	Roll out new EPD generator to min. 2 entities depending on market needs	Upstream, Own operations
Waste	Reduce our most material waste	Improve waste sorting and reporting based on gaps	Own operations

Total volume of materials purchased for production

Material (tonnes)	2024	2023[2]
For product manufacturing		
Steel goods	22 593	14 371
Steel flats and longs	106 657	79 775
Aluminium goods	589	1 274
Aluminium flats	4 998	534
Concrete goods	34 719	5 858
Cement	12 253	35 029
Zinc	4 122	3 980
Powder coating materials[1]	3 150	N/A
Chemicals[3]	2 654	2 669
Plastic goods	1 641	1 027
Rubber products	1 727	703
Wood goods	0	32
Electric components	51	2
Reflective sheets[1]	57	N/A
For road marking and services		
Thermoplastics	15 965	47 096
Glass beads and goods	2 595	5 744
Reflective tapes	688	54
Gravel and sand[1]	24 258	N/A
Paints and spray paints[1]	1 467	N/A
Packaging		
Plastic packaging	78	17
Wood packaging	1 608	1 212
All other packaging (e.g., nylon, steel straps, cardboard)	39	111

1. Added in 2024 to refine the data.
2. There have been minor updates, but these are not included in this overview. They are reflected in the updated GHG emissions for 2023. See E1 Climate change.
3. In addition, 147 866 litres and 36 746 m3 also purchased in 2023. Chemicals such as solvent paints are also used for road marking.

E5-5

Resource outflows

Products and materials

See p. 15-28 for an overview of the products and services we offer. We do not currently have a complete overview of volumes produced per product group, or the degree of circular principles applied for each product group, such as durability, repairability and recyclable content.

Most of our products, such as light poles, guardrails and outdoor furniture are built to last with a long lifespan for many of our products thanks to galvanised steel made to endure local weather and conditions. Our guardrails and mast products typically have a lifespan from 25 years up to 100 years depending on product and use. Sign boards and posts have a shorter lifespan from 10 to 25 years. Products not made of steel, such as plastic signs or work-zone fencing typically have a lower lifespan, from 3 to 10 years.

Waste

Our waste can mainly be categorised into the following types: metals, chemicals, wood and plastics. These are by-products from our production and our road services. In the table, all chemicals have been categorised as hazardous, as well as batteries, oils, zinc ash, paint, containers with hazardous waste, whereas metals, wood, plastics are categorised as non-hazardous.

The data has been extracted from each of the entities' secondary data from their respective waste management companies. Where the actual data was not available, the entities have estimated to their best ability.

There was a substantial change to the waste volume from 2023. In 2023, there was a lack of standardised methodologies for estimating across the entities, which implied a significant source of measurement uncertainty. As explained above, we improved our processes for waste reporting in 2024. A major improvement has been to ensure that all entities have access to waste volumes from their waste management companies. This has significantly strengthened the accuracy and completeness of our waste volume data.

Waste (tonnes)	2024	2023[4]
Hazardous waste	**8 753,03**	**2 726,00**
Diverted from disposal	8 420,55	
Recycling	145,27	2 021,00
Reuse	2,66	
Other recovery operations[1]	8 272,61	
Directed to disposal	332,48	
Incineration[2]	45,12	14,00
Landfill	281,95	627,00
Other disposal operations[1]	5,41	64,00
Non-hazardous waste	**212 619,66**	**21 976,00**
Diverted from disposal	211 165,53	
Recycling	206 517,93	8 462,00
Reuse	544,63	
Other recovery operations[1]	4 102,96	
Directed to disposal	1 454,13	
Incineration[2]	354,76	116,00
Landfill	1 003,80	6 065,00
Other disposal operations[1]	95,57	7 333,00
Total waste	**221 372,68**	**24 702,00**
Diverted from disposal	219 586,07	
Directed to disposal	1 786,61	
Total non-recycled waste[3]	**14 709,48**	
%	7 %	

1. There is uncertainty about the data reported under this category/fraction. We will improve our internal definitions to avoid misreporting in the future.
2. Includes incineration with or without energy recovery.
3. Non-recycled is defined as all waste directed to disposal, reuse and other recovery operations.
4. Waste fractions were refined for the 2024 reporting. There are therefore multiple data gaps in the data from 2023. In addition, Unknown was used in 2023. This has been categorized under the category/fraction Other disposal operations for a conservative approach.

3.3 Social

Norwegian Transparency Act Statement

Basis for preparation

This Norwegian Transparency Act statement covers the full operations of the parent company Saferoad Holding AS and all its subsidiaries controlled by Saferoad Holding AS, including the Norwegian subsidiaries Vik Ørsta AS, Saferoad Traffic AS, Brødr Berntsen AS and Saferoad Services AS. This statement covers the period 1 January to 31 December, 2024. Saferoad's Integrated Annual Report, including the sustainability statements and the sections developed to comply with the Norwegian Transparency Act, are approved and signed by the Board of Directors of the parent company Saferoad Holding AS.

This statement describes the Group's approach to human rights due diligence, as well as group-wide impacts and actions. All Norwegian entities under Saferoad Holding AS publish additional statements describing local and specific impacts and actions.

Saferoad's human rights due diligence is based on the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the OECD Due Diligence Guidelines on Responsible Business Conduct, and on the UN Global Compact's Ten Principles.

About our business

See p. 12-18 and 41-48 for an overview of Saferoad's operations, business activities and organisational structure. See p. 64-66 for an overview of Saferoad's supply chain and value chain.

Our approach to human rights due diligence

Embedding due diligence in governance, strategy and business model

At Saferoad, we perform business in line with basic human rights enshrined in the UN Declaration of Human Rights. We comply with the Core Conventions of the International Labour Organisation (ILO) on the right to free organisation, prohibition of child labour, prohibition of forced labour, and prohibition of discrimination.

Our respect for human rights is clearly stated in our Code of Conduct (CoC). The CoC applies to all permanent and temporary employees as well as consultants or any other party that has authority to act on our behalf regardless of location. In addition, the CoC also applies to all members of our Board of Directors and Executive Advisors.

All employees must sign the CoC prior to employment. All leaders and managers are responsible for setting the right tone at the top to cultivate a strong corporate culture for ethics and compliance. They are expected to act as role models for ethical conduct, educate and support employees in complying with the CoC and underlying policies, perform oversight to detect violations, identify and mitigate compliance risks, and finally yet importantly, promote a culture of speaking up in good faith without fear for retaliation. Employees have access to training on the CoC and a short-hand version is visibly available at all Saferoad locations. The CoC is available on the Group's intranet and internet sites in all local Saferoad languages. Read more about the CoC on p. 97.

Our Supplier Code of Conduct (SCoC) sets out expectations for our business partners and suppliers. The SCoC outlines our key ethical principles and requirements on human rights, labour rights, children's rights, the environment, and corruption. This includes the prohibition of forced and child labour. The SCoC applies to business relations, including contractors, agents, and consultants, with contractual obligations with Saferoad. Saferoad further expects its business relations to use their best efforts towards ensuring that equivalent standards are complied with and respected within their own sphere of influence, in particular by their own suppliers. Where differences exist between applicable laws, regulations and the SCoC or requirements of the contract with the supplier, suppliers must follow the strictest requirements. Read more about the SCoC on p. 106.

Saferoad's Board oversees that the company adheres to national regulations and adequately manages any risks related to adverse impacts on human rights and decent working conditions. The Group management team oversees the day-to-day operational aspects of Saferoad's risks. Read more about oversight on p. 61-62.

Grievance mechanisms and whistleblower channel

Saferoad has grievance mechanisms and a whistleblower channel available internally for its own employees, business partners and other third parties. Read more about the whistleblower channel and engagement with own employees on p. 98-99. Over time, we will work to communicate the whistleblower channel to our suppliers as well. Read more about the whistleblower channel and engagement with suppliers on p. 107.

Identifying, assessing, addressing, and tracking adverse impacts

Own operations

- Using the Double Materiality Assessment (DMA) process, we seek to identify actual and risks of potential negative impacts on human rights and decent working conditions. Several sources, including stakeholder engagement and Saferoad's whistleblower channel, serve as input. Read more about the process behind the DMA on p. 70. Risks are further detailed and assessed based on the scope, scale and irremediability of the potential impact, and likelihood.
- Potential impacts are followed up with mitigating actions as part of the Group annual plan for sustainability. Read more about our annual planning process on p. 61. These can be actions to cease, prevent or minimise the likelihood, or the potential impact. The Board oversees the plan throughout the year. The Business Areas are also expected to address potential impacts as part of their annual business planning.

Suppliers

- All suppliers with a spend above NOK 100 000 were screened in 2024 against sector risks and country risks. Sector risks were built on the list of high-risk products from the Norwegian Government Agency for Financial Management (DFØ) and industries in Norway. Country risks were built on a range of human rights rankings, such as the Corruption Perceptions Index, ITUC Global Rights Index, and Civil Liberties Index, provided by the tool BankRight from Nomogaia.
- High risk suppliers received a self-assessment and suppliers with defined red flags are followed up with supplier dialogue, audits, and corrective action plans.

- All suppliers and other business partners with a spend above NOK 100 000 are screened on an annual basis against recognised international sanction lists.

Through Saferoad's ESG priority Responsible Procurement we are working to revise and strengthen our supplier due diligence process by implementing Ecovadis, a digital software. Read more about improvements on p. 107 and 108.

Communicating how adverse impacts are addressed

The sustainability statements in the Integrated Annual Report include an annual update on identified potential or actual adverse impacts, as well as information about how impacts are addressed. Where relevant, we communicate the work we do related to human rights due diligence as part of our stakeholder engagement. Most of the time, this concerns customer questionnaires. In case of actual impact, we engage with affected rightsholders.

Actual and potential impacts, and taking action

Own operations

Actual and potential impacts are described on p. 96. Actions taken are described on p. 100, while planned actions are described on p. 101.

Suppliers

Actual and potential impacts are described on p.106. Actions taken are described on p. 108, while planned actions are described on p. 97.

ESRS S1 Own Workforce

Impacts, risks and opportunities

Impacts, risks and opportunities (IROs) - S1 Own workforce

Topics	Description	Value chain direction			Impact materiality				Financial materiality	
		Upstream	Own operations	Downstream	Actual	Potential	Positive	Negative	Risk	Opportunity
Working Conditions	**Health and safety:** Employees face high-risk environments in manufacturing and installation, with exposure to heavy machinery, hazardous materials, and traffic, leading to accident risks.									
Working Conditions	**Labour rights:** Non-compliance with labour laws, inadequate conditions, and violations of fair pay, working hours, and association rights pose risks to employee well-being.									
Working Conditions	**Training and development:** Investing in professional development enhances skills, leadership, and job satisfaction, strengthening workforce resilience and retention.									
Working Conditions	**Talent acquisition and retention:** Increased competition and changing workforce expectations make attracting and retaining skilled employees more challenging, leading to higher costs and longer hiring processes. E.g., welding and traffic management									

Our approach, management and policies

S1-1 S1-2

Policies and management

Employee well-being is key to our long-term success. We support this through policies and programs that foster a positive work environment, promote professional development, and provide essential resources. We consider the interests of our workforce when developing and reviewing policies through ongoing feedback from the various processes for engagement across the Group (see more about engagement on p. 98-99).

Our Code of Conduct (CoC) is our main policy related to our own workforce and covers the whole Group's workforce, including all permanent and temporary employees as well as consultants or any other party that has authority to act on our behalf regardless of location. In addition, the CoC also applies to all members of our Board of Directors and Executive Advisors. No changes were made to the CoC or underlying procedures in 2024.

Labour rights

Our commitment to labour rights is anchored in our Code of Conduct (CoC), which serves as the foundation for our ethical business practices. The CoC outlines our dedication to upholding fundamental human rights, including the right to freedom of association and collective bargaining. It explicitly prohibits child labour, forced labour, and all forms of discrimination based on factors such as gender, ethnicity, religion, age, disability, or any other protected characteristic.

The CoC also underlines Saferoad's commitment to equal opportunity, and diversity and inclusion. Through a professional, positive and inclusive working environment, we encourage one another to support and achieve professional and personal growth.

The CoC expects employees to comply with local laws and regulations, as well as the four conventions of the International Labour Organisation (ILO) on the right to free organisation, prohibition of child labour, prohibition of forced labour, and prohibition of discrimination.

All employees must sign the CoC prior to beginning employment. All leaders and managers are responsible for setting the right tone at the top to cultivate a strong corporate culture for ethics and compliance. They are expected to act as role models for ethical conduct, educate and support employees in complying with the CoC and underlying policies, perform oversight to detect violations, identify and mitigate compliance risks, and importantly, promote a culture of speaking up in good faith without fear for retaliation. Employees have access to training on the CoC and a short-hand version is visibly available at all Saferoad locations. The CoC is available on the Group's intranet and internet sites in all local Saferoad languages.

While human trafficking is not explicitly addressed in the CoC, we consider it covered under our principle to uphold human rights as set out in the Universal Declaration of Human Rights.

We recognise the need for more specific procedures to prevent discrimination, promote equal opportunity, and address labour rights issues such as fair compensation, reasonable working hours, and freedom of association. We are assessing these gaps and may develop targeted procedures based on our findings. We may also revitalise our women's network.

Health and safety

The CoC sets out our overarching policy to provide a safe and healthy workplace for employees. Our health and safety management system is anchored in our HSE procedure, which sets out requirements for risk management, safety procedures, safety training and incident management. These are the minimum requirements for the Group, across all business entities and countries.

The Chief People and Sustainability Officer has overall policy responsibility. Managing Directors are responsible for health and safety at the operational level, including implementing the HSE procedure, preventative actions through risk identification and mitigation, safety training, monitoring incidents and managing improvements. The ESG Functional Team coordinates joint health and safety initiatives across Business Areas and shares learnings from incidents and investigations.

The Group has established processes for reporting, investigating, and learning from incidents. We track Lost Time Injury (LTI) incidents, investigations and improvements across the Group.

Training and development

Saferoad's leadership principles guide all managers, fostering a culture of dialogue, inclusivity, learning, and growth. Managers receive training in these principles as part of leadership development and are expected to apply them in practice. Entities are responsible for employee training and development.

Annually, we run a Group-wide development program to support professional growth, build a talent pipeline, and address retention and recruitment challenges. Additionally, our annual LEAD conference aligns priorities, reinforces leadership practices, and fosters cross-business collaboration, serving as a key driver of our company culture.

Talent acquisition and retention

Talent acquisition, retention and succession is the responsibility of entities. This includes addressing talent shortages and developing strong employer branding in local talent markets, especially for restraint systems installations, welding and other technical skills. Group supports talent attractiveness by organising Group-wide programs such as the development program.

Human rights

See our Norwegian Transparency Act Statement on p. 93-95 for more information about our approach to human rights and human rights due diligence.

S1-2 S1-3

Engagement and grievances

We actively engage with our employees, seeking their input and feedback to identify areas for improvement and to foster a culture of collaboration and mutual respect. Our two main engagement tools common to the Group are the annual employee engagement survey (eNPS) and the whistleblower channel. The results and feedback from the employee satisfaction survey are consolidated and returned to the local teams at entity level. Each manager is responsible for implementing an annual improvement plan, and meeting with their respective teams to discuss the results. The annual survey results indicate whether improvements have been effective.

Furthermore, the Head of Group Sustainability ensures that targeted employee surveys are conducted every second year to systematically incorporate employees' voices and opinions in our Double Materiality Assessment (DMA).

At the entity level, managers are responsible for gathering feedback through ongoing team meetings, daily or weekly health & safety and working environment meetings, all-hands assemblies, annual performance appraisals, regular HR consultation hours and a range of various, regular local team meetings. Managers are responsible for ensuring that improvements are made when relevant issues arise from dialogue and feedback.

We uphold the right to freedom of association and collective bargaining, with strong union representation in several Nordic entities. Many entities have elected employee worker representatives, and many have entered into collective bargaining agreements. There is good informal and formal dialogue between entities and worker and union representatives. Moving forward, we aim to strengthen structured dialogue with unions and worker representatives across all regions.

The whistleblower channel is underpinned by the Whistleblower Policy and Whistleblower Procedure, which encourage a culture of openness, protect whistleblower identities, and ensure thorough investigations. It applies to all employees, contractors, suppliers, and stakeholders associated with Saferoad. Concerns can be reported via a dedicated hotline managed by an independent third party, a secure online platform, or directly to managers or the HR departments.

Whistleblowers are protected from retaliation, and all reports are treated confidentially, with identities protected unless legally required to disclose. Reports are acknowledged promptly, assessed for validity, and, if necessary, fully investigated by a designated team or external experts. Appropriate actions are taken, and feedback is provided to the whistleblower when possible. Severe whistleblower cases are reported to the Board. The Whistleblower Procedure ensures that all reports are followed up and potentially investigated through a standard and timely process with clear timeframes.

We ensure all employees are aware of the whistleblower channel through training and communication campaigns, including visible information posters at all sites, at all times. However, a low number of cases reported (see S1-17), raise a concern of the effectiveness of the whistleblower channel. We aim to raise awareness to encourage more employee feedback.

If we identify adverse impacts to our employees' health and safety or labour rights that we have caused or contributed to, we work to cooperate in, promote access to, or provide fair remediation. We do not interfere, retaliate, or hinder access to judicial or non-judicial mechanisms. The exact remediation process will vary based on the circumstance. We do not currently have policies or procedures for this.

Actions, developments and targets

S1-4 S1-5

Looking back

What we achieved vs. what we planned

At the Group level, we had the following targets and plans for 2024 to reduce negative impacts, enhance positive outcomes, and manage key risks and opportunities.

The resources allocated to these actions were mainly from HR. It was therefore important to formalise resources for HR to drive the improvements. Health and safety continue to be a entity responsibility, but the ESG Functional Team coordinated the implementation of the new LTI system. There were no specific actions on training and development apart from the recurring leadership development program.

Read about highlights from the Business Areas on page 19,22,25 and 28.

Health and safety

LTI increased in 2024 to 66, from 60 in 2023, highlighting the need for continued focus on workplace safety measures. Most accidents happened in Germany with our guardrail installation teams on the roads, and at our guardrail production facility in Poland. We are stepping up our efforts to learn from incidents and near-misses and improve our training and HSE leadership. With a new LTI reporting system implemented in 2024, we are better able to understand the causes behind the incidents and where to focus our efforts.

Labour rights

Improving working conditions is an important target for the Group. To map gaps and start addressing any issues, we established an HR Functional Team in 2024. The team consists of an HR representative from each of the Business Areas, making it possible to drive improvements and roll out initiatives faster. Plans for 2024 were delayed, but we have already

	2026 targets (medium term)	2024 actions (short term)		2024 results
Health and safety	1. Zero fatalities 2. LTI <30	Map how employees are involved and engaged in health and safety work.	☑	Once work was underway, the plans changed to ensure that all entities have a health and safety point of contact. This work was completed.
		Strengthen health and safety LTI-reporting and investigation. LTI <45.	☐	A new Group-wide LTI reporting and investigation tracker system was established. Unfortunately, LTIs increased to 66.
Talent acquisition and retention	1. eNPS >70 2. No negative eNPS scores across all business units	eNPS >30 with special attention on follow-up plans after eNPS.	☑	All entities have made follow-up plans based on the 2024 eNPS results. We achieved the target and reached an eNPS score of 33.
Labour rights	Improved working conditions	Review compliance in terms of official employment status for all employees.	☐	This has been delayed while the Business Areas have worked on establishing an HR representative for each Business Area. Going forward, the plans will focus on Poland where there is a higher risk of non-compliance.
		Strengthen awareness and reporting on harassment in the workplace.	☐	This has been delayed while the Business Areas have worked on establishing an HR responsible for each Business Area.

started mapping employment contracts in Poland to ensure that they follow the highest standards regardless of type of contract or employment type.

Training and development

The Group-led leadership development program continued in 2024 with a new round of participants from all the Business Areas, as well as Group functions. The program covered topics such as leading change, ESG, Strategy, M&A, LEAN methods and more.

Talent acquisition and retention

Employee engagement rose to an all-time high of 33, a result the Group is very pleased with. Nevertheless, there are differences across the Group and in certain countries we continue to struggle with talent acquisition and retention. To address the difficulty of finding and hiring staff for guardrail installations and technical skills such as welding, several entities are stepping up apprenticeship efforts and our collaboration with technical high schools in Germany and Poland.

S1-4 S1-5

Looking forward

At the Group level, we have set the following 2025 targets and plans to reduce negative impacts, enhance positive outcomes, and manage key risks and opportunities. These targets and plans are integrated into each Business Areas' plans. Read more about annual planning process on p. 61.
In addition, many entities set local targets and improvements related to health and safety and a positive working environment, such as stepping up efforts to monitor and ensure compliant overtime working hours, new ventilation system and piloting new safety equipment.

Effectiveness is tracked through the engagement channels described above. Engagement and feedback from the employees generally inform the plans through the engagement channels described above, but this is not a structured or formalised process in the planning process. There are no specific plans from Group for training and development apart from the recurring leadership development program.

	2026 targets (medium term)	2025 actions (short term)
Health and safety	1. Zero fatalities 2. LTI <30	Implement reporting on total recordable accidents (in line with ESRS)
		Drive actions to reduce LTIs. LTI <56.
Talent acquisition and retention	1. eNPS >70 2. No negative eNPS scores across all business units	Drive improvements based on eNPS results. eNPS >34.
Labour rights	Improved working conditions	Map employment contracts in Poland to ensure compliance
		Build knowledge and awareness on discrimination & harassment

Metrics

Notes on the metrics:

- All metrics are as of December 31st, 2024, unless otherwise indicated. Our Business Areas Traffic and Services have many temporary, seasonal workers in the summer months. These are not included.
- All metrics are for employees the company has a responsibility for, including temporary workers, part-time workers, and employees on parental leave, unless otherwise specified (contracted or agency workers are included in ESRS S2 Workers in the value chain).

S1-6 S1-7

Number of employees and non-employees

The data is reported from the entities to the Group's financial consolidation system monthly. We do not currently have data available on the split between full-time and part-time employees.

Employee headcount by country[1]

Countries where Saferoad has more than 50 employees representing at least 10 % of its total number of employees	Number of employees (headcount) 31.12.2024	Number of employees (headcount) 2024 average
Germany	349	376
Sweden	531	580
Norway	538	643
Poland	660	686
All other countries where Saferoad has operations		
Lithuania	7	7
Netherlands	15	15
Romania	31	29
Finland	54	51
United Kingdom	55	59
Czech Republic	72	71
Denmark	183	168

1. The headcount reflects the country of the business entity in which the employees work. This is in line with our financial consolidation. The actual working location of individual employees may vary from this list, e.g., Italy.

Employee headcount by contract type

	Female	Male	Other	Not disclosed	Total
Number of employees	456	2039	0	0	2495
Number of permanent employees	0	0	0	2106	2106
Number of temporary employees	0	0	0	389	389
Number of non-guaranteed hours employees	0	0	0	0	0

We included year-end headcount and average figures. Our business experiences summer peak seasons, usually staffed by non-employees as described below. But some fluctuations in the number of employees over the year may be due to seasonality. We lack current data on employee departures and turnover rates but aim to report on this by 2025/2026.

The most common types of non-employees in our company include consultants, subcontractors, temporary agency workers, and self-employed individuals. Consultants primarily work in the finance department, handling salaries and some accounting tasks, and for stand-alone projects such as M&A. Subcontractors, often from small businesses or one-man operations, provide installation services for our products and road maintenance services, complementing our in-house teams.

Additionally, we engage temporary agency workers for various roles. During peak seasons, we hire non-employee workers for traffic management, work-zone protection, infrastructure installation, and roadwork-related tasks. We also hire personnel from staffing agencies, including welders and operators, which can vary seasonally. Lastly, we sometimes hire self-employed freelancers for specific projects or other services. We currently do not have data available on non-employees.

S1-8

Collective bargaining coverage and social dialogue

Percentage of employees covered by collective bargaining agreements[1]	Collective bargaining agreement coverage rate (%)
2024	51

1. This metric should be considered an estimation as there is some uncertainity with the definition of collective bargaining agreement in certain countries of operation. Percentage of total employees covered by collective bargaining agreements is calculated based on employees that have a collective bargaining agreement divided by total headcount.

Collective bargaining coverage in the EEA for countries with more than 50 employees representing at least 10 % of its total number of employees[1]

Country	0-19 %	20-39 %	40-59 %	60-79 %	80-100 %
Germany	0 %				
Sweden					100 %
Norway				69 %	
Poland	0 %				

1. This metric should be considered an estimation as there is some uncertainty with the definition of collective bargaining agreement in certain countries of operation. Percentage of total employees covered by collective bargaining agreements is calculated based on employees that have a collective bargaining agreement divided by country headcount.

Social dialogue[1]

	Collective Bargaining Coverage		Workplace representation
Coverage Rate	In the EEA for countries with more than 50 employees representing at least 10 % of its total number of employees	Collective bargaining coverage outside EEA	In the EEA for countires with more than 50 employees representing at least 10 % of its total number of employees
0-19 %	Poland, Germany	United Kingdom	Poland, Germany
20-39 %			
40-59 %			
60-79 %	Norway		
80-100 %	Sweden		Sweden, Norway

1. These metrics should be considered estimations as there is some uncertainity with the definition of collective bargaining agreement and workplace representation in certain countries of operation. Employees covered by workers' representatives is calculated based on the total percentage of employees covered by workers' representatives divided by country headcount.

S1-10 S1-11 S1-15

Adequate wages, Social protection & Family-related leave

All employees (100 per cent) receive at least the minimum wage in the EU/EEA country where they work, or according to the collective bargaining agreement for EEA countries without minimum wage (such as Norway). In the UK, outside the EEA, the same applies: all employees are paid above the UK national minimum wage.

All employees (100 per cent) are covered by social protection according to terms in their respective EU/EEA/UK country of employment. Examples of social protection include pension schemes, paid sick-leave, vacation, public holidays, and public healthcare coverage. In the UK, outside the EEA, the same applies.

All employees (100 per cent) are entitled to family-related leave according to terms in their respective EU/EEA/UK country of employment, including parental leave. We have identified data gaps from one or more of the entities for this metric but estimate that around 12 per cent of female employees and 7 per cent of male employees took out family leave in 2024. Entities have various systems for keeping records of family-related leave data.

S1-14

Health and safety metrics

Entities have various systems for keeping records of health and safety data. All LTIs must be reported to the Group, along with reporting on the investigation and actions taken following the incident. At Group, we monitor and track LTIs and H1 (LTIs per million hours worked).

Health and safety metrics	2024	2023	2022
% employees covered by health & safety management system	100	100	100
# of work-related fatalities	0	0	0
Rate of recordable work-related accidents	N/A	N/A	N/A
Lost-time injury (LTI)	66	60	57
Number of days lost from work-related injuries and accident-based fatalities	545	N/A	N/A
Number of days lost from work-realted ill-health and ill-health fatalities	N/A	N/A	N/A
Lost-time injury frequency/H1 (lost-time injuries per million hours worked)	14	13	12
Sick-leave absence	5.0 %	5.0 %	5.2 %

S1-16

Remuneration metrics & Gender pay gap

Entities have various systems for keeping records of remuneration data, but there is currently not enough data across all the entities to give an accurate and credible gender pay gap. We aim to have better data in 2025 by working across the Group with more guidance and common guidelines to address challenges, such as peak season temporary employees. This is also in line with emerging European regulations on pay gap transparency.

Remuneration for the Group Management Team is listed in part 4 of this report

S1-17

Incidents, complaints and severe human rights impacts

Metric	2024	2023	Definitions
Total cases reported through the Whistleblower channel	4	2	
Total cases reported through other channels/grievance mechanisms	0	1	HR, Board, Management, other
Total reported cases of discrimination and harassment	0	0	
Number of severe human rights incidents	0	0	Defined as incidents of forced labour according to the Forced Labour Convention (ILO Convention 29) or child labour according to the Minimum Age Convention (ILO Convention 138).
Total amount of fines, penalties, compensation paid related to the above cases	0	0	Material fines, penalties, compensations to the Group.

S2 Workers in the value chain

Impacts, risks and opportunities

Impacts, risks and opportunities (IROs) - S2 Workers in the value chain

Topics	Description	Value chain direction			Impact materiality				Financial materiality	
		Upstream	Own operations	Downstream	Actual	Potential	Positive	Negative	Risk	Opportunity
Other workrelated rights	**Labour rights:** Workers in Saferoad's upstream supply chain may face risks like unsafe conditions, long hours, and low wages, particularly in high-risk industries and regions with weak regulations.									
Working conditions	**Improving working conditions:** Saferoad promotes fair wages, safety, and workers' rights through its Supplier Code of Conduct, fostering a more stable and productive workforce.									

Our approach, management and policies

S2-1

Policies and management

The Supplier Code of Conduct (SCoC) outlines the Group's expectations to suppliers, specifying the minimum labour rights standards they must uphold in their operations towards their employees. All suppliers are requested to sign the SCoC. The SCoC emphasises the prohibition of forced labour, child labour, discrimination, and harassment, while promoting safe working conditions, fair wages, and reasonable working hours, specifically for those employed by our direct suppliers.

The SCoC expects suppliers to make their best efforts to ensure that their own suppliers comply with and uphold equivalent standards towards workers further down in the supply chain. It references the ILO Declaration on Fundamental Principles and Rights. While human trafficking is not explicitly addressed in the SCoC, we believe it is implicitly covered under our commitment to follow the ILO Declaration on Fundamental Principles and Rights. We deem any form of human trafficking relevant to our value chain to be prohibited by these standards. Where differences exist between applicable laws, regulations and the SCoC or requirements of the contract with the supplier, suppliers must follow the strictest requirements.

To ensure suppliers uphold these standards on labour rights, we identify those with a higher risk of potential breaches. Where we identify suppliers with higher risks, we act by entering into dialogue with the supplier or by performing an audit on site. Based on this engagement, we establish corrective action plans.

We identify high-risk suppliers using a simple due diligence process (see p. 94-95 for details). Although we do not yet have a formal policy for supplier due diligence, we intend to develop one in the near future. The due diligence process has been developed in line with the UN Guiding Principles on Business and Human Rights and OECD Guidelines for Multinational Enterprises.

We recognise that to better identify, mitigate and support workers in the supply chain, we need to increase our competence on labour rights risks, especially industry and country related risks, and step up our dialogue and engagement with suppliers.

We are currently implementing EcoVadis to establish a more structured, systematic due diligence process, helping procurement teams identify labour rights risks, and providing tools to mitigate and monitor potential breaches in the supply chain.

Procurement functions at the business entity level are responsible for due diligence of their suppliers and for following up any potential labour rights risks with suppliers. They are also responsible for ensuring that suppliers sign and follow the SCoC and implement new processes and procedures from Group. VP Procurement owns the Supplier Code of Conduct and collaborates with the Head of Group Sustainability to improve supplier due diligence processes in Saferoad.

S2-2 S2-3

Engagement and grievances

Our main method of engagement is through dialogue with our supplier contacts. Labour rights and working conditions are rarely on the agenda when the entities' procurement functions are in regular or ad-hoc commercial contact with suppliers. However, when we identify a supplier with a higher risk for labour rights breaches, the entity procurement functions, and in some cases in collaboration with the ESG Functional Team, engage on the topic with our supplier contact.

Engagement with workers directly is unfortunately rare today. Supplier audits occasionally provide opportunities for direct engagement with workers or management. Entities that conduct audits typically involve procurement teams, whose findings may potentially inform future decisions about supplier relationships. As of now, we lack comprehensive data on how many audits were carried out in 2024.

The whistleblower channel is available to workers in the supply chain to submit grievances or concerns. Read more about our whistleblower channel and procedures on p. 98-99. It's likely not communicated to suppliers or to its workers, especially because Saferoad is usually one of many customers. In recent years, no whistleblower cases have been reported from outside Saferoad.

If we identify adverse impacts to workers in the supply chain that we have caused or contributed to, we work to cooperate in, promote access to, or provide fair remediation together with the supplier. We do not interfere, retaliate, or hinder access to judicial or non-judicial mechanisms. The exact remediation process will vary based on the circumstance. We do not currently have policies or procedures for this.

Actions, developments and targets

S2-4 S2-5

Looking back

What we achieved vs. what we planned

At the Group level, we had the following targets and plans for 2024 to reduce negative impacts, enhance positive outcomes, and manage key risks and opportunities.

Our main method for mitigating risks related to labour rights and working conditions for workers in the supply chain, and specifically for those employed by our direct suppliers, is by identifying suppliers that have a higher risk for such breaches. This is done through a simple due diligence process with several steps. After updating the supplier screening last year, all entities first assessed suppliers with a spend above NOK 100 000 for human rights risks alongside criticality.

Suppliers with a higher risk received a self-assessment. Based on the responses, some suppliers were flagged for follow-up dialogues, and a few were flagged for audits. The entities have until March 2025 to conduct the audits followed by corrective action plans. The resources allocated to these actions were mainly from Procurement, but in some Business Areas, the ESG coordinator is also involved in the supplier due diligence process.

S2-4 S2-5

Looking forward

At the Group level, we have set the following 2025 targets and plans to reduce negative impacts, enhance positive outcomes, and manage key risks and opportunities. These targets and plans are integrated into each Business Areas' plans. Read more about annual planning process on p. 61.
The entities continue to work on conducting up to three audits by March 2025. As noted above, direct engagement with supply chain workers remains limited, and thus does not significantly influence our targets and planning at this stage. In the longer term, we plan to expand engagement—particularly through more frequent audits—to gain deeper insights into working conditions.

	2026 targets (medium term)	2024 actions (short term)		2024 results
Labour rights and working conditions	Transparency within our supply chain for high-risk products, materials and services	Integrate human rights risk-based approach in supplier due diligence process	☑	While simple, the process was updated with the following steps: human rights risks as part of the initial screening, supplier self-assessments with specific human rights and labour rights questions, follow up our audits for flagged high risk suppliers
	Responsible procurement program with risk-based due diligence, audits, supplier improvement and development, CoC and contract clauses in place	Audit up to 50 % of high-risk suppliers with corrective action plans	☐	The target was changed to max. three audits per enitity. Audits are still underway

	2026 targets (medium term)	2025 actions (short term)
Labour rights and working conditions	Transparency within our supply chain for high-risk products, materials and services	Map key supply chain of top two steel suppliers
	Responsible procurement program with risk-based due diligence, audits, supplier improvement and development, CoC and contract clauses in place	Implement software for supplier risk screening and due diligence (in line with regulations) & develop minimum due diligence procedures

S4 Consumers and end-users

Impacts, risks and opportunities

Impacts, risks and opportunities (IROs) - S4 Customers and end-users

Topics	Description	Value chain direction			Impact materiality				Financial materiality	
		Upstream	Own operations	Downstream	Actual	Potential	Positive	Negative	Risk	Opportunity
Personal safety of consumers and or end users	**Personal safety of consumers and end-users:** Saferoad enhances road safety with guardrails, barriers, signs, and work zone protection, reducing accidents and fatalities.									

Our approach, management and policies

S4-1

Policies and management

We aim to make a tangible difference in the daily lives of road users, such as drivers, pedestrians and bikers, by ensuring that their journeys—whether short commutes or long travels— are conducted in a safer, more sustainable, and inclusive environment. One of our long-standing missions is therefore dedicated to achieving a future without road-related fatalities or serious injuries.

Under the EU Road Safety Policy Framework 2021-2030, the European Commission has reaffirmed its ambitious target of achieving zero fatalities and serious injuries on EU roads by 2050—a vision known as Vision Zero. It also aims to halve the number of deaths and serious injuries by 2030. Furthermore, the Sustainable Development Goal Target 3.6 is to halve the number of global deaths and injuries from road traffic accidents by 2030. Every product we design and every service we provide is aligned with the Vision Zero and SDG Target 3.6 goal of making roads as safe as possible.

We provide a broad range of solutions within road restraint systems, light poles, masts, signs, work zone protection, road services, noise protection and urban furniture. What they all have in common is that they contribute to a safer life on the road, whether the user goes by foot, bike, car or public transportation:

- We offer structured road marking on highways and country roads, one of the most efficient measures to reduce accidents and improve visibility at night.
- We offer a wide range of technical solutions that provide real-time information and control of signs and traffic lights to road operators and infrastructure owners to enable smarter and safer traffic flow. We design and produce our own range of signposts and gantries in aluminium and steel, tested and approved in accordance with EN 12767 to ensure safety in case of road accidents involving signposts.
- We also offer a wide range of high-quality work

zone area products for sale and rental. This includes inner city solutions such as mobile noise barriers, gates, and access control systems that protect pedestrians, drivers and bikers in work zone areas.

- We specialise in creating crash-friendly, safe, decorative, and functional light poles and masts. The primary goal of street lighting is to enhance the safety of the traveling public and improve the sense of security in residential and commercial areas. Our light poles and columns can absorb the energy of colliding vehicles and reduce speed in a controlled manner to a safe level.
- Finally, we offer a comprehensive and innovative range of road restraint systems and noise protection barriers. Our different models provide a wide range of containment levels on our guardrails, ensuring the safety of drivers on the roads. In addition, we offer end terminals on guardrails with the next generation of energy absorption in case of colliding vehicles. Our crash cushions prevent lethal damage to car passengers when crashing into static objects.

We do not have a specific policy dedicated solely to our positive road safety impact, although it remains central to our day-to-day operations. Our commitment to upholding the highest safety standards is demonstrated through product approvals by authorities, national product standards, and European product standards.

S4-2 S4-3

Engagement and grievances

While we don’t have formal processes for engaging with road users such as pedestrians, drivers and bikers, we use the approval processes from authorities, national product standards and European product standards as a proxy for road users in terms of ensuring that the highest standards of safety are met. In general, the Managing Directors are responsible for approvals for new or updated safety products, and engagement with authorities and standard setters on such approvals. Such engagement tends to be ad-hoc, primarily tied to approval processes. Effectiveness is measured through successful approval outcomes.

Our whistleblower channel is open to the public, including road users. Read more about our whistleblower channel and procedures on p. 98-99. However, because the Saferoad brand is not prominently displayed on the road, this channel may not be well-known to this group. This is partly to ensure attention is not taken away from important road information or create dangerous distractions. In recent years, no whistleblower cases have been reported from outside Saferoad.

If we identify adverse impacts to road users that we have caused or contributed to, we work to cooperate in, promote access to, or provide fair remediation together with authorities or the customer. We do not interfere, retaliate, or hinder access to judicial or non-judicial mechanisms. The exact remediation process will vary based on the circumstance. We do not currently have policies or procedures for this.

S4-4 S4-5

Actions, developments and targets

At Group level, there are no consolidated specific actions, targets or product roadmaps for developing new or updating products. This is the responsibility of the individual Business Areas and entities and is core to our business development. Read about highlights from the Business Areas on page 19,22,25 and 28.

3.4 Governance

G1 Business conduct

Impacts, risks and opportunities

Impacts, risks and opportunities (IROs) - G1 Business conduct

Topics	Description	Value chain direction			Impact materiality				Financial materiality	
		Upstream	Own operations	Downstream	Actual	Potential	Positive	Negative	Risk	Opportunity
Corporate Culture	**Corporate culture:** Saferoad prioritizes integrity, transparency, and ethical business practices. Employees follow the Code of Conduct, fostering an open and inclusive environment.									
Corporate Culture	**Transparency and accountability:** Clear communication, regulatory compliance, and strong internal controls ensure trust among employees, customers, and stakeholders.									
Corruption and bribery	**Corruption and bribery:** Saferoad mitigates corruption risks in procurement and contracts through strict ethical standards and transparency across operations.									
Protection of Whistleblowers	**Whistleblower protection:** A secure whistleblower channel ensures employees can report misconduct without fear of retaliation, strengthening trust and compliance.									

Our approach, management and policies

G1-1 G1-3

Policies and management

Corporate culture

Saferoad is committed to conducting business with integrity, transparency, and respect for ethical standards. The company fosters a strong corporate culture by ensuring compliance with legal and regulatory requirements while promoting fair business practices. Employees are expected to adhere to the Code of Conduct (CoC), which outlines Saferoad's commitment to responsible decision-making, ethical behaviour, and an inclusive work environment.

To support ethical business practices, Saferoad has established a Corporate Compliance Program that provides clear guidelines on competition compliance, anti-bribery, trade sanctions, data protection, information security, and whistleblowing. These policies serve as a framework for maintaining responsible business conduct and minimising risks associated with non-compliance. The compliance program applies to all employees and representatives across the organisation, ensuring consistent commitment to ethical behaviour at all levels.

The Board of Directors reviews and approves all business conduct-related policies on an annual basis. To strengthen awareness of ethical responsibilities, all new employees must familiarise themselves with the CoC. Read more about the CoC on p. 97.

Employees who observe any potential violations of the Code of Conduct or related compliance policies are required to report concerns without undue delay. Reports can be made through Saferoad's whistleblower channel or, in specific cases, directly to the Legal or HR departments, the CEO, or the Chairman of the Board. This mechanism ensures that concerns are promptly addressed, contributing to a culture of accountability and trust.

Transparency and accountability

Transparency and accountability are essential principles that guide Saferoad's governance and compliance efforts. The company ensures that stakeholders have access to clear and accurate information regarding our business conduct, sustainability practices, and financial performance. A lack of transparency can erode trust and lead to increased scrutiny, which is why Saferoad prioritises open communication and responsible reporting.

Governance oversight is maintained through regular internal reviews and Board supervision, ensuring that policies and procedures are aligned with evolving regulatory requirements. Compliance monitoring mechanisms are in place to identify potential risks and ensure that all business practices adhere to ethical standards.

Corruption and bribery

Saferoad maintains a strict zero-tolerance policy for corruption, bribery, and money laundering. The company's anti-bribery policy sets out clear requirements regarding gifts, hospitality, relationships with third parties, and financial contributions, ensuring that business dealings remain ethical and compliant with applicable regulations.

To prevent corruption risks, Saferoad applies internal controls and monitoring processes that assess potential vulnerabilities in procurement and contract management. Corruption and bribery risk assessments are conducted at the business unit level, these risks are integrated into broader compliance evaluations. Reports on potential business conduct violations, including corruption and bribery concerns, are reviewed at ad hoc basis at Board meetings, reinforcing the company's commitment to maintaining ethical business practices.

Saferoad has also established a formalised process for handling reported business conduct concerns. Depending on the severity of a case, initial risk assessments and quality assurance measures are conducted by the CEO, Legal, or the Chairman of the Board. If further investigation is required, a determination is made on whether an internal team or external advisors should handle the case. For more severe cases, external experts are typically engaged to ensure impartiality. The Board is responsible for evaluating whether any confirmed violations must be reported to the relevant authorities.

Whistleblower protection

A strong whistleblower protection framework is essential for maintaining transparency and accountability within Saferoad. The Group provides employees with a secure and confidential channel to report concerns about unethical or unlawful behaviour without fear of retaliation. Read more about whistleblowing on p. 98-99.

While the policies and procedures for whistleblower protection are well-established, the company recognises the need to continually educate employees on their rights and responsibilities in raising concerns. By fostering a culture where employees feel safe to report concerns, Saferoad enhances trust and compliance across its operations.

Actions, developments and targets

Looking back

What we achieved vs. what we planned

At the Group level, we had the following targets and plans for 2024 to reduce negative impacts, enhance positive outcomes, and manage key risks and opportunities.

	2026 targets (medium term)	2024 actions (short term)		2024 results
Corporate culture, transparency and whistleblower protection	Regular training schedule on relevant topics for key personnel	Build awareness about Saferoad's whistleblower channel and Code of Conduct. 90 % of target employees completed renewed Code of Conduct e-learning.	☐	Awareness was planned through a roll-out of a new Code of Conduct e-learning. The new e-learning is delayed, planned for 2025.
		Refresh trainings on Saferoad's policies and Conflict of interest self-assessments.	☐	Material for training was developed, but the roll-out has been delayed to 2025. The Conflict on interest self-assessment was completed.
Corruption and bribery	Zero confirmed cases of corruption and fraud and zero tolerance of human rights breaches through systems, controls and processes	Integrate sustainability and human rights into Saferoad's risk management system, including conducting DMA.	☑	We refined our Double Materiality Analysis and ensured that human rights risks were evaluated based on human rights saliency (scope, scale and irremediability) as part of the analysis. Sustainability risks identified by the BAs were included in the Group level risks.

Looking forward

At the Group level, we have set the following 2025 targets and plans to reduce negative impacts, enhance positive outcomes, and manage key risks and opportunities. These targets and plans are integrated into each BA's plans. Read more about annual planning process on p. 61. In addition, many entities set local targets and improvements related to the following Group targets:

	2026 targets (medium term)	2025 actions (short term)
Corporate culture, transparency and whistleblower protection	Regular training schedule on relevant topics for key personnel	Roll out compliance training
Corruption and bribery	Zero confirmed cases of corruption and fraud and zero tolerance of human rights breaches through systems, controls and processes	Run annual Conflict of interest confirmation
		Run annual policy suite review
		Develop new Sustainability policy

Metrics

G1-4

Confirmed incidents of corruption or bribery

There were no confirmed incidents of corruption or bribery at Saferoad in 2024. The company received 0 reports related to business conduct through its whistleblower channel. After independent review, 0 cases were investigated, with none found to involve confirmed corruption or bribery.

No material fines, legal actions, or regulatory sanctions related to corruption or bribery were imposed on Saferoad during the reporting period. The absence of confirmed incidents reflects the effectiveness of internal controls, due diligence measures, and ethical business culture.

Saferoad continuously reviews its governance framework to ensure continuous improvement. The whistleblower system remains a key tool for strengthening transparency and accountability, ensuring that all concerns are addressed promptly and independently. The company remains focused on high ethical standards and preventing corruption and bribery across its operations and value chain.

3.5 Appendix

UN Global Compact Index

Area	Principle	Pages in the sustainability statements
Human rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.	93
	Principle 2: Businesses should make sure that they are not complicit in human rights abuses.	93-108
Labour	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	93-108
	Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labour.	93-108
	Principle 5: Businesses should uphold the effective abolition of child labour.	93-108
	Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.	93-108
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges.	73-91
	Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.	73-91
	Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.	73-91
Anti-Corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	111-115

Changes to 2023 GHG emissions

Scope	Updates to 2023 GHG data
1	Updated with more accurate diesel consumption for BA SER.
1	Switched from general diesel and petrol emission factors to country specific diesel and petrol emission factors for all BAs. This better reflects actual biogenic emissions from the use of diesel.
2 (market-based)	Removed renewable energy certificates from the market-based approach. The certificates from 2023 do not meet the GHG Protocol's Scope 2 Quality Criteria.
2	Removed electricity consumption for a storage unit in BA INF with no heating, which was mistakenly included.
2	Switched to more accurate emission factors for electricity Denmark.
3 Cat. 1	Switched to more accurate emission factors for Category 1 for purchased thermoplastics and paints in BA SER.
3 Cat. 1	Switched to more accurate emission factors for Category 1 for purchased steel flats in BA RES.
3 Cat. 1	Updated with more accurate purchasing data for purchased batteries, raw materials for road marking, thermoplastics, glass beads in BA SER.
3 Cat. 1	Updated with more accurate purchasing data for purchased alumninium BA TRA.
3 Cat. 3	Updated in accordance with Scope 1 and 2 changes above.
3 Cat. 6	Switched from a TTW to WTW emission factor.
3 Cat. 12	Removed road salt used on roads in the winter.
3 Cat. 15	Added emissions for Category 15 Investment to account for the 50 % stake in IBOS Sp. z o.o.

GHG emissions per Business Area

	2024 by Business Area						2023 by Business Area						% 2024/2023 by Business Area					
tCO2e	**RES**	**INF**	**TRA**	**SER**	**HQ**	**Total**	**RES**	**INF**	**TRA**	**SER**	**HQ**	**Total**	**RES**	**INF**	**TRA**	**SER**	**HQ**	**Total**
Total Gross Scope 1	**7 129.0**	**152.3**	**3 104.8**	**5 039.7**		**15 425.8**	**6 840.1**	**471.7**	**2 999.6**	**3 948.8**		**14 260.2**	**4 %**	**-68 %**	**4 %**	**28 %**		**8 %**
Total Gross Scope 2 location-based	**3 758.5**	**187.2**	**103.3**	**205.2**	**0.2**	**4 254.4**	**3 400.7**	**163.1**	**113.0**	**240.5**	**0.2**	**3 917.5**	**11 %**	**15 %**	**-9 %**	**-15 %**	**0 %**	**9 %**
Total Gross Scope 2 market-based	**8 522.4**	**6 040.9**	**1 318.5**	**364.8**	**13.0**	**16 259.6**	**8 156.8**	**5 087.3**	**1 049.3**	**384.2**	**12.7**	**14 690.3**	**4 %**	**19 %**	**26 %**	**-5 %**	**2 %**	**11 %**
Total Gross Scope 3 (indirect)	**362 851.8**	**82 934.1**	**66 423.1**	**89 598.4**	**3 528.7**	**605 336.1**	**346 458.2**	**65 915.2**	**54 755.0**	**32 416.3**	**3 717.8**	**503 262.5**	**5 %**	**26 %**	**21 %**	**176 %**	**-5 %**	**20 %**
Purchased goods and services	303 037.8	67 644.0	54 405.7	71 287.4		496 374.9	256 402.5	55 351.6	45 272.2	25 448.5		382 474.8	18 %	22 %	20 %	180 %		30 %
Capital goods	4 635.2	738.6	939.0	1 586.9		7 899.7	2 406.1	2 064.7	3 425.5	1 225.7		9 122.0	93 %	-64 %	-73 %	29 %		-13 %
Fuel-and-energy-related activities	2 506.0	275.7	963.1	1 378.7	0.1	5 123.6	2 425.8	181.6	921.0	1 080.1	0.1	4 608.6	3 %	52 %	5 %	28 %		11 %
Upstream transportation and distribution	33 210.0	8 091.2	4 456.9	10 113.2		55 871.3	60 755.9	6 742.7	2 309.0	2 675.7		72 483.3	-45 %	20 %	93 %	278 %		-23 %
Waste	8 115.9	541.3	540.4	287.5		9 485.1	2 526.9	46.1	93.6	131.7		2 798.3	221 %	1074 %	477 %	118 %		239 %
Business travel[1]					1 266.0	1 266.0					1 127.5	1 127.5					12 %	12 %
Employee commuting[1]					2 262.6	2 262.6					2 590.2	2 590.2					-13 %	-13 %
Downstream transportation and distribution	1 229.2	150.1	206.4			1 585.7	13 893.8	633.8	5.5	58.3		14 591.4	-91 %	-76 %	3653 %	-100 %		-89 %
Use of sold products			26.3			26.3			28.5			28.5			-8 %			-8 %
End-of life treatment of sold products	10 101.8	5 493.2	4 885.3	4 944.7		25 425.0	8 031.3	894.7	2 699.7	1 796.3		13 422.0	26 %	514 %	81 %	175 %		89 %
Investments	15.9					15.9	15.9					15.9	0 %					0 %
Total GHG emissions Scope 1+2-3 location-based	**373 739.3**	**83 273.6**	**69 631.2**	**94 843.3**	**3 528.9**	**625 016.3**	**356 699.0**	**66 550.0**	**57 867.6**	**36 605.6**	**3 718.0**	**521 440.2**	**5 %**	**25 %**	**20 %**	**159 %**	**-5 %**	**20 %**
Total GHG emissions Scope 1+2-3 market-based	**378 503.2**	**89 127.3**	**70 846.4**	**95 002.9**	**3 541.7**	**637 021.5**	**361 455.1**	**71 474.2**	**58 803.9**	**36 749.3**	**3 730.5**	**532 213.0**	**5 %**	**25 %**	**20 %**	**159 %**	**-5 %**	**20 %**

1. Estimated for the full Group.

Oslo 11 April 2025

The Board of Saferoad Holding AS

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Patrik Nolåker
Chairman

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Elke Elfriede Eckstein
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Elke Elfriede Eckstein
Board member

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Board member

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Espen Asheim
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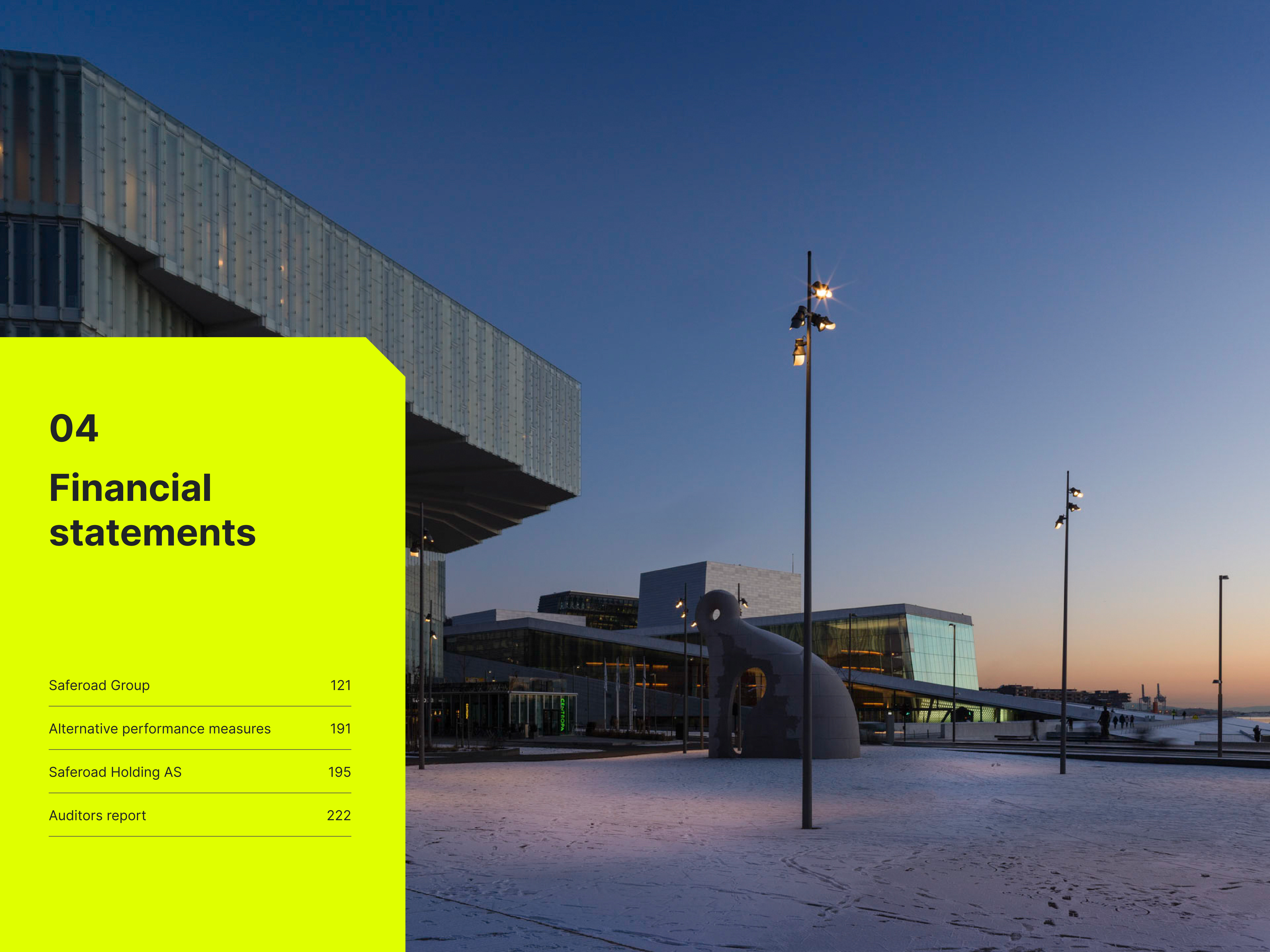
Bernd Frühwald
Group CEO



04

Financial statements

4.1 Saferoad Group

Financial statements

Saferoad Group

Consolidated statement of comprehensive income 1.1 - 31.12

NOK 1000	Notes	2024	2023
PROFIT AND LOSS			
Revenue		7 532 461	6 712 492
Other operating revenue		51 406	30 706
Total operating revenue	5,6	**7 583 867**	**6 743 198**
Cost of goods sold	7	3 824 999	3 471 955
Personnel costs	8,9	1 904 412	1 684 796
Depreciation and impairment property, plant and equipment	15	163 990	146 984
Depreciation and impairment right of use assets	16	145 989	122 783
Amortisation and impairment	14	123 699	55 075
Other operating costs	10	1 080 370	916 714
Total operating costs		**7 243 459**	**6 398 308**
Operating profit/(loss)		**340 408**	**344 891**
Financial income	11	14 260	20 013
Financial expenses	11	354 278	343 525
Net exchange rate gain/(loss)	11	(64 330)	(104 106)
Share of profit/(loss) of associated companies		324	655
Net financial income/(expenses)		**(404 024)**	**(426 963)**
Profit/(loss) before tax		**(63 616)**	**(82 072)**
Tax	12	(101 157)	(50 230)
Profit/(loss) for the year		**(164 772)**	**(132 302)**

NOK 1000	Notes	2024	2023
OTHER COMPREHENSIVE INCOME			
Items to be reclassified to profit/loss in subsequent periods			
Exchange differences on translation of foreign operations		63 346	113 719
Exchange differences on loans treated as net investments		33 885	46 493
Hedge accounting	24	(23 391)	(37 841)
Items not to be reclassified to profit/loss in subsequent periods			
Remeasurement of net defined benefit liability	9,12	(5 807)	396
Other comprehensive income for the year, net of tax		**68 032**	**122 766**
Total comprehensive income for the year		**(96 740)**	**(9 536)**
Profit/(loss) for the year attributable to:			
Equity holders of the parent company		(165 373)	(133 070)
Non-controlling interests		600	768
		(164 772)	**(132 302)**
Total comprehensive income attributable to:			
Equity holders of the parent company		(97 645)	(10 630)
Non-controlling interests		905	1 095
		(96 740)	**(9 536)**

Consolidated statement of financial position (assets)

NOK 1000	Notes	31.12.2024	31.12.2023
ASSETS			
NON-CURRENT ASSETS			
Intangible assets			
Goodwill	14	1 641 788	424 516
Customer relationships	14	948 383	87 571
Other intangible assets	14	518 706	140 002
Total intangible assets		**3 108 878**	**652 089**
Tangible assets			
Land	15	38 907	37 151
Buildings	15	492 784	288 425
Machines and equipment	15	442 905	411 642
Construction in progress	15	36 780	59 219
Rental equipment, furniture and vehicles	15	204 927	147 380
Right-of-use assets	16	438 389	363 509
Total fixed assets		**1 654 691**	**1 307 326**
Financial non-current assets			
Investment in associated companies		3 337	2 822
Other investments		749	685
Non-current receivables		28 171	29 928
Financial derivaties	24	61 339	151 084
Total financial assets		**93 596**	**184 518**
Deferred tax assets	12	10 068	101 477
Total non-current assets		**4 867 234**	**2 245 410**
CURRENT ASSETS			
Inventories	7	1 126 312	1 025 349
Receivables			
Trade receivables	19	892 322	842 814
Other receivables	7, 17	395 913	354 331
Total receivables		1 288 234	1 197 145
Cash and cash equivalents	18	399 734	304 733
Total current assets		**2 814 279**	**2 527 228**
Total assets		**7 681 513**	**4 772 637**

Consolidated statement of financial position (shareholders' equity and liabilities)

NOK 1000	Notes	31.12.2024	31.12.2023
SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Share capital	27	25 766	25 766
Share premium	27	385 469	385 469
Hedge reserve		47 845	71 236
Currency translation reserve		314 125	217 199
Other equity		2 029 634	(196 727)
Total shareholders' equity attributable to the shareholders of the parent company		**2 802 839**	**502 943**
Non-controlling interests	27	6 902	5 997
Total equity		**2 809 741**	**508 940**
LIABILITIES			
Non-current liabilities			
Liabilities to credit institutions	19,20,25,28	2 679 355	2 538 673
Other non-current liabilities	19,20,22,25,28	415 450	324 253
Financial derivates	24	0	59 755
Pension obligations	9	37 495	30 008
Deferred tax liabilities	12	267 399	24 777
Other provisions	21	4 460	5 241
Total non-current liabilities		**3 404 158**	**2 982 706**
Current liabilities			
Liabilities to credit institutions	20	(0)	197
Accounts payables		650 799	574 220
Current tax liabilities	12	40 234	40 579
Public duties (VAT, social benefits etc.)		172 809	165 354
Other current liabilities	6, 22, 23	471 544	385 272
Other provisions	21	0	1 241
Current portion of non-current liabilities	20	132 229	114 129
Total current liabilities		**1 467 614**	**1 280 991**
Total liabilities		**4 871 772**	**4 263 697**
Total shareholders' equity and liabilities		**7 681 513**	**4 772 637**

Consolidated statement of changes in equity

NOK 1000	Share capital	Share premium	Hedge reserve	Currency translation reserve	Other equity	Total	Non-controlling interests	Total equity
Note	28	28					28	
Equity at 31.12.2022	**25 766**	**385 469**	**109 077**	**57 314**	**(63 800)**	**513 827**	**4 903**	**518 730**
Group contribution					(253)	(253)		(253)
Profit/(loss) for the year					(133 070)	(133 070)	768	(132 302)
Other comprehensive income net of tax:								
Actuarial gain/(loss)					396	396		396
Hedge accounting			(37 841)			(37 841)		(37 841)
Exchange differences on translation of foreign operations				113 392		113 392	327	113 719
Exchange differences on loans treated as net investments				46 493		46 493		46 493
Total other comprehensive income net of tax	**0**	**0**	**(37 841)**	**159 885**	**396**	**122 439**	**327**	**122 766**
Total comprehensive income	**0**	**0**	**(37 841)**	**159 885**	**(132 674)**	**(10 630)**	**1 095**	**(9 536)**
Equity at 31.12.2023	**25 766**	**385 469**	**71 236**	**217 199**	**(196 727)**	**502 943**	**5 997**	**508 940**
Equity effect from downstream merger					2 397 541	2 397 541		2 397 541
Profit/(loss) for the year					(165 373)	(165 373)	600	(164 772)
Other comprehensive income net of tax:								
Actuarial gain/(loss)					(5 807)	(5 807)		(5 807)
Hedge accounting			(23 391)			(23 391)		(23 391)
Exchange differences on translation of foreign operations				63 041		63 041	305	63 346
Exchange differences on loans treated as net investments				33 885		33 885		33 885
Total other comprehensive income net of tax	**0**	**0**	**(23 391)**	**96 926**	**(5 807)**	**67 728**	**305**	**68 032**
Total comprehensive income	**0**	**0**	**(23 391)**	**96 926**	**(171 180)**	**(97 645)**	**905**	**(96 740)**
Equity at 31.12.2024	**25 766**	**385 469**	**47 845**	**314 125**	**2 029 634**	**2 802 839**	**6 902**	**2 809 741**

The share capital of NOK 25.8 million in Saferoad Holding AS as of 31 December 2024 consists of 26 675 509 class A shares (common shares) and 102 155 869 class B shares (preference shares), in total 128 831 378 shares, with nominal value of NOK 0.20 per share. Saferoad New BidCo AS acquired the shares in SRH BridgeCo AS on 29 July 2024. SRH BridgeCo AS was until then the ultimate parent of Saferoad Group. Following the acquisition, a restructuring of the Group has taken place. Firstly, the three holding companies SRH BridgeCo AS, SRH Holding AS and SRH Investco AS merged into Saferoad New BidCo AS as of 12 December 2024. Subsequently to this, Saferoad New BidCo AS was merged into Saferoad Holding AS in a downstream merger, with Saferoad Holding AS as the surviving entity. The equity effect in Saferoad Holding, following the downstream merger, was NOK 2 398 million and is reflected in other equity.

Consolidated cash flow statement

NOK 1000	Notes	2024	2023
Cash flow from operations			
Profit/(loss) before tax		(63 616)	(82 072)
Income tax paid	12	(54 753)	(34 022)
Profit from sale and disposal of tangible assets		(12 707)	(5 718)
Loss on sale of tangible assets		2 217	774
Net depreciation, amortisation and impairment	14, 15, 16	433 678	324 843
Impairment of inventory	7	(3 022)	4 391
Net currency (gains)/losses not relating to operating activities		65 272	92 139
Interest income and other financial income	11	(14 260)	(20 013)
Interest costs and other financial expenses	11	354 279	343 525
Changes in inventory	7	(63 167)	110 228
Changes in trade receivable	3	(17 313)	18 745
Changes in accounts payable		54 242	84 042
Income from using equity method		(324)	(655)
Changes in other current receivables and liabilities		45 892	(40 740)
Net cash flow from operations		**726 420**	**795 466**
Cash flow from investment activities			
Interest received	11	14 260	20 013
Acquisition of business	4	0	(4 956)
Purchase/production of fixed and intangible assets	14,15,16	(292 701)	(203 502)
Proceeds from sale of fixed assets		28 037	7 230
Other changes		3 084	(6 936)
Net cash flow from investment activities		**(247 319)**	**(188 151)**
Cash flow from financing activities			
Proceeds from borrowings		643 451	217 736
Repayment of borrowings		(560 007)	(463 983)
Group contribution		0	(253)
Net cash from merged companies		9 182	0
Repayment of financial lease liabilities		(170 445)	(143 420)
Interest paid		(311 147)	(303 350)
Net cash flow from financing activities	**26**	**(388 966)**	**(693 271)**
Net increase/(decrease) in cash and cash equivalents		**90 134**	**(85 956)**
Effect of exchange rate differences on cash and cash equivalents		4 865	12 978
Cash and cash equivalents at beginning of the period		304 733	377 711
Cash and cash equivalents at the end of the period		**399 734**	**304 733**

Oslo 11 April 2025

The Board of Saferoad Holding AS

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Patrik Nolåker
Chairman

DocuSigned by:
Elke Elfriede Eckstein
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Elke Elfriede Eckstein
Board member

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Ulrik Smith
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Ulrik Smith
Board member

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Espen Asheim
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Board member

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Board member

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Jan Torgeir Hovden
Board member

Signiert von:
FA966947BA85434...
Kristina Wirén
Board member

DocuSigned by:
Bernd Frühwald
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Bernd Frühwald
Group CEO

Note 1

Corporate information

Saferoad Holding AS is a Norwegian limited liability company, which is domiciled in Oslo with its registered office, Enebakkveien 150, 0680 Oslo, Norway.

Saferoad Holding AS is the holding company of the Saferoad Group. The Group conducts its business through subsidiaries in the Nordic countries, Germany, Poland and other European countries. In addition, the Group executes projects in, as well as export and sale of products to, non-European countries. See note 10 in Saferoad Holding AS separate financial statement for a list of companies that belong to the Group. For additional information regarding the Group, please visit www.Saferoad.com.

Saferoad New BidCo AS acquired the shares in SRH BridgeCo AS on 29 July 2024. SRH BridgeCo AS was until then the ultimate parent of Saferoad Holding AS. Following the acquisition, a restructuring of the Group has taken place. Firstly, SRH BridgeCo AS and its two direct and indirect subsidiaries, SRH Holding AS and SRH Investco AS merged into Saferoad New BidCo AS as of 12 December 2024, making Saferoad New BidCo AS the direct parent of Saferoad Holding AS. Subsequently to this, Saferoad New BidCo AS was merged into Saferoad Holding AS in a downstream merger with Saferoad Holding AS as the surviving entity.

The new ultimate parent of Saferoad Holding AS is now Saferoad HoldCo AS. A separate consolidated financial statement is prepared at Saferoad HoldCo AS level. In 2023 the ultimate parent of Saferoad Group was SRH BridgeCo AS, and Saferoad Group

was part of SRH BridgeCo Group together with Viacon Group. Saferoad Group had

transactions with other companies in SRH BridgeCo Group, including the sister group ViaCon, which is described in note 30. These transactions are called transactions with group companies in the Financial statements for Saferoad Group.

These consolidated financial statements have been approved for publication by the Board of Directors on 11 April 2025 and are to be approved at the annual general meeting.

Note 2

Basis for preparing the consolidated financial statements

Compliance

The consolidated annual accounts for the Group have been prepared in accordance with IFRS Accounting Standards, issued by the International Accounting Standards Board (IASB), as well as the Interpretations of the International Financial Reporting Interpretation Committee (IFRIC), which have been approved by the European Commission for application within the European Union. In addition, the Group applies additional information requirements in accordance with the Norwegian Accounting Act of 1998.

The consolidated statements have been prepared on a historical cost basis, except for certain financial instruments when applicable and contingent consideration that have been measured at fair value. The financial statements have been prepared based on the going concern principle.

The consolidated financial statements provide comparative information in respect of the previous period.

All values are rounded to the nearest thousand, unless when indicated otherwise. As a result of rounding differences numbers or percentages may not add up to the total. The financial statements have been prepared based on the going concern principle.

Preparation of consolidated financial statements

The consolidated financial statements include Saferoad Holding AS and all companies in which Saferoad Holding AS exercises control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through it power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. Subsidiaries are deconsolidated from the date that control ceases.

Non-controlling interests, which consist of the share of the profits or losses and the part of the net assets of group companies that do not belong to the shareholders of the parent company, are reported as a separate item in the consolidated shareholders' equity. The statement of comprehensive income includes the non-controlling share of the reported profit or loss.

Transactions between group companies, balance sheet items and unrealised profits on transactions between group companies are eliminated in full. Unrealised losses are also eliminated, unless the transaction shows a need to write down the transferred asset.

If the terms of the transaction provide the parent with a present ownership interest in the shares subject to the put, the shares are accounted for as acquired and no non-controlling interest remains.

Acquisition-related costs are expensed as incurred.

Goodwill is determined as the difference between the cost of an acquisition and the fair value of net identifiable assets on the acquisition date. Goodwill is allocated to cash-generating units or Groups of cash-generating units that are expected to benefit from synergies from the business combination and is recognised at cost in the balance sheet, less any accumulated impairment losses. Goodwill is not amortised but is tested for impairment at least annually.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance. The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals without loss of control to non-controlling interests are also recorded in equity.

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

The Group´s financial assets mainly consist of trade receivables, other receivables and cash and cash equivalents. Assets are classified to the different measurement categories based on the business model and the characteristics of the contractual terms applying to cash flows.

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

The four measurement categories are described below. The Group has normally financial assets entirely measured at amortised cost. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under IFRS 15 Revenue from contracts with customers. The Group normally does not invest in financial assets.

Financial assets at amortised cost (debt instruments)

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and,
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through OCI (debt instruments)

The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling, and,
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by instrument basis. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  1. the Group has transferred substantially all the risks and rewards of the asset, or
  2. the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

Financial liabilities

The Group's financial liabilities mainly consist of loans and borrowings, trade and other payables, and other current liabilities.

The Group's financial liabilities are classified, at initial recognition, as loans, borrowings and payables, or financial liabilities at fair value through profit or loss. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The subsequent measurement of financial liabilities depends on their classification, as described below. The Group normally only hold instruments that are recognised at amortised cost, with the exemption of contingent considerations measured at fair value.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

Payables are measured at their nominal amount when the effect of discounting is not material.

Financial liabilities are measured at fair value through profit or loss when they meet the definition of held for trading, or when they are designated as such on initial recognition.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, which are the main part of the Group's financial assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group's provisions are based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Foreign currency

The Group's presentation currency is NOK, which is also the presentation and functional currency of the parent company.

Transactions in currencies different from the functional currency

Transactions in non-functional currencies are translated at the rate in effect on the transaction date. Monetary assets and liabilities that are expressed in non-functional currencies are reported on the balance sheet date, translated to the rate in effect on that date. Non-monetary assets and liabilities that are reported at their fair value in non-functional currency are translated at the rate in effect on the balance sheet date. All other non-monetary items are translated at historical foreign exchange rates. All exchange rate differences are reported in profit or loss, with the exception of exchange differences on intercompany loans treated as net investments, which are recognised in other comprehensive income.

Currency effects in the consolidation

The statement of financial position of subsidiaries with a different functional currency, including goodwill and adjustments for fair value made in connection with consolidation, is translated at the exchange rate at the end of the reporting period, while the profit or loss is translated at an average of the year's exchange rates. The exchange rate differences that arise as a result of the translation are reported directly in other comprehensive income. In the event of a sale or other disposal of a foreign company, the accrued accumulated translation difference is recognised in profit or loss together with the gain or loss resulting from the sale or disposal.

Classification of current and non-current assets and liabilities

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period

Or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period

or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. Grants received that relate to an acquisition or development of assets has been presented gross in the consolidated financial statements. A gross presentation entails that the grant received is presented separately as deferred income. The deferred income is presented as other non-current liability and is amortised over the useful life of the related asset. The amortised part of the deferred income is presented as other operating income in the financial statements.

Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents include cash, bank deposits and other short-term, highly liquid financial assets with maturities of three months or less.

Note 3

Significant accounting judgements, estimates and assumptions, and future IFRS amendments

The preparation of the Group's consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) and applying the chosen accounting policies requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these judgements, estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements, estimates and underlying assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. Judgements, estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting judgements or estimates are recognised in the period in which the judgement or estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The accounting policies applied by the Group in which judgements, estimates and assumptions are material are indicated in the table below and disclosed in the respective notes:

Judgements, estimates and assumptions	Note	
Business combinations	4	Estimate
Revenue	6	Judgement
Income tax	12	Estimate
Impairment	13	Estimate
Intangible assets	14	Estimate
Property, plant and equipment	15	Estimate
Leases	16	Judgement / Estimate
Other provisions	21	Estimate

New and revised standards – adopted

A few amendments to IFRS have been issued and effective January 1, 2024. These are implemented for the first time in the current year:

Amendments to IFRS 16 Leases— Lease liability in a sale-and leaseback

The amendments to IFRS 16 require a seller-lessee to account for variable lease payments that arise in a sale-and-leaseback transaction. Seller-lessees are required to reassess and potentially restate sale-and-leaseback transactions entered into since the implementation of IFRS 16 in 2019. The adoption of the amendments to IFRS 16 did not have any material impact in the group consolidated financial statements.

Amendments to IAS 1 Presentation of Financial Statements — Classification of liabilities as current or non-current and non-current liabilities with covenants

The group has adopted the amendments to IAS 1 for the first time in the current year. The group does have a leverage covenant in connection to the revolving facility, however the adoption of this definition did not have any material impact in the group consolidated financial statements.

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial instruments: Disclosures — Supplier Finance Arrangements

The group has no supplier finance arrangements and therefore, the amendments to IAS 7 and IFRS 7 did not have any material impact in the group consolidated financial statements.

The amendments have had an impact on the group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the consolidated financial statements.

New standards, interpretations and amendments - not yet effective

The consolidated financial statements will be affected by future changes in IFRS. No standards, interpretations or amendments published at the balance sheet date are expected to have significant effect on the group.

Note 4

Business Combinations

Accounting policies

The acquisition method is applied when accounting for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred, and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

Merger between Saferoad Holding AS and Saferoad New BidCo AS

As part of Saferoad New BidCo AS' acquisition of SRH BridgeCo AS on 29 July 2024, a new purchase price allocation (PPA) has been prepared, and excess values incl. buildings and goodwill are remeasured. The new valuation is carried over to the Saferoad Group as part of the merger between Saferoad New BidCo AS and Saferoad Holding AS. The total consideration for 100 per cent of the shares amounts to NOK 2 830.0 million consisting of two installments, NOK 1 660.6 payable at closing and NOK 1 262.9 payable 12 months after closing. The deferred payment have been discounted and the present value of the payment is calculated to NOK 1 169.4. Furthermore, the deferred payment was transferred to parent company Saferoad MidCo AS, which then carried out a debt conversion and consequently there is no debt on the remaining purchase price in Saferoad Holding group.

The purchase price allocation was performed with the assistance of third-party valuation specialists and is determined provisional pending upon the final assessment of identifiable assets. The fair values of the identifiable assets and liabilities of the business as at the date of acquisition were as follows:

NOK 1000	Fair values as of acquisition date
Customer relationships	989 356
Other intangible assets	542 245
Total intangible assets	1 531 601
Buildings and land	450 551
Other tangible fixed assets	713 031
Right of use assets	394 896
Total tangible assets	1 558 478
Total financial assets	114 272
Deferred tax asset	109 068
Total non-current assets	3 313 419
Inventory	1 328 195
Trade receivables	881 104
Other current receivables	520 439
Cash and cash equivalents	418 444
Total current assets	3 148 183
Total assets	6 461 602
Liabilities to credit institutions	3 095 899
Other non-current liabilities and provisions	431 058
Deferred tax liabilities	314 172
Total non-current liabilities	3 841 128
Liabilities to credit institutions	37 049
Accounts payables	696 467
Other current liabilities	688 994
Total current liabilities	1 422 511
Net identifiable assets at fair value	**1 197 963**
Non-controlling interests measured at share of identifiable net assets	(9 800)
Goodwill arising on acquisition	1 641 790
Purchase consideration transferred	**2 829 952**

The Group has chosen to measure the non-controlling interests in subsidiaries at the proportionate share of the subsidiary's identifiable net assets. Non-controlling interests at the acquisition date amounts to NOK 9.8 million. Saferoad has one subsidiary with a majority stake which are included in Restraint Systems.

Total goodwill recognised based on the acquisition is NOK 1 641.8 million. The goodwill comprises of the value of expected synergies from the combination of entities in the Group, the value of assembled workforce and organisation, customer service capability and presence in geographic markets and locations. None of the goodwill is expected to be deductible for income tax purposes.

The fair value of the trade receivables amounts to NOK 881.1 million, and the amount is expected to be fully collected. The gross amount of trade receivables is NOK 914.8 million.

Acquisitions in 2024

In January 2024 the Group acquired assets from Munck Asfalt A/S for a total estimated consideration of NOK 11.3 million. The consideration for the assets acquired consists of cash consideration, and contingent considerations as specified in note 22.

Acquisitions in 2023

In January 2023 the Group acquired Lansgående Sikring AS for a total estimated consideration of NOK 5.7 million. There were no other acquisitions in 2023.

Divestments

There were no material divestments in 2024 or 2023.

Significant accounting estimate

The business combinations are accounted for by applying the acquisition method, and a degree of estimate is used when establishing fair values of the identifiable assets and liabilities at the acquisition dates.

Note 5

Segment information

The operating segments are unchanged in 2024.

Saferoad Group operates in the following business segments:

Restraint Systems

Restraint Systems offer a comprehensive and innovative range of road restraint systems (guardrails, bridge parapets, rails, energy absorbing systems) and noise protection barriers which covers all areas of use on roads, highways and along railways. Saferoad's offering includes design, manufacturing, delivery, installation and repair. Restraint Systems consists of legal entities in Norway, Sweden, Finland, United Kingdom, Germany, Poland, Romania, the Netherlands, Slovakia and Czech Republic.

Traffic

Traffic offer a complete range of traffic signs, technical solutions, variable message signs, LED, gantries, posts and work zone protection services. Traffic consists of legal entities in Norway, Sweden, Denmark and Germany.

Infrastructure

Infrastructure design and manufacture a complete range of light poles and masts for all application areas. The main purpose of street lighting is to improve the safety of the travelling public and to improve the sense of security in the areas where residents live and work. Rock Protection Equipment, Marina Products and Street Furniture are also included in the Infrastructure segment. Infrastructure consists of legal entities in Norway, Sweden and Romania.

Services

Services offer a wide range of road services, including application of road marking for guidance and safety and road maintenance services. Our road marking range is customised to meet customers' requirements concerning durability, quality and safety. Road maintenance services includes winter maintenance, greenery, road patrolling and traffic safety. Services consists of legal entities in Norway, Sweden, Denmark and Poland.

Holding/Eliminations

The Holding/Eliminations segment consists of the unallocated costs associated with the Group's corporate administration, financial management and the elimination of inter-segment sales.

Operating segment measure

Key measure for Group is EBITDA. The Group defines EBITDA as profit/(loss) for the year before financial income and expense, tax, depreciation, amortisation and write-downs, including depreciation, amortisation and impairment of excess values in equity accounted investments. The Group's definition of EBITDA may be different from other companies.

Segment performance is evaluated based on Underlying EBITDA which deviates from EBITDA derived from the consolidated financial statements. In the internal reporting revenues and expenses are adjusted for items which management believes to be non-recurring, such as restructuring expenses, gains and losses (including transactions costs) from disposals of business, transaction costs regarding refinancing, impairment charges and other non-recurring items. See APM table for a further description.

Accounting policies

Operating segments are reported in a manner consistent with the internal reporting provided to Group Management. We consider Group Management to be the operating decision-making body, as all significant decisions regarding business are taken in this forum.

Transactions between different segments are on an arm's length basis in a manner similar to transactions with third parties.

Underlying operating revenue

NOK 1000	2024	2023
Restraint Systems	3 693 646	3 406 220
Traffic	1 719 303	1 570 815
Infrastructure	1 236 009	1 101 365
Services	1 140 071	885 054
Holding/Eliminations	(205 162)	(229 084)
Underlying operating revenue	**7 583 867**	**6 734 369**
Adjustments[1]	0	8 829
Reported operating revenue	**7 583 867**	**6 743 198**

1. Items which management believes to be non-recurring. See APM table for further break-down.

Underlying other operating costs

NOK 1000	2024	2023
Restraint Systems	351 592	280 985
Traffic	214 627	203 540
Infrastructure	114 345	106 570
Services	132 617	93 893
Holding/Eliminations	44 312	34 541
Underlying other operating costs	**857 493**	**719 530**
Classification adjustments[2]	193 517	165 793
Adjustments[1]	29 360	31 391
Reported other operating costs	**1 080 370**	**916 714**

1. Items which management believes to be non-recurring. See APM table for further break-down.
2. Freight charges are classified as Other operating costs in IFRS, but as Cost of goods sold in underlying figures.

Underlying personnel costs

NOK 1000	2024	2023
Restraint Systems	683 621	608 909
Traffic	615 481	551 704
Infrastructure	334 659	315 258
Services	267 382	196 071
Holding/Eliminations	39 243	43 965
Underlying personnel costs	**1 940 387**	**1 715 907**
Classification adjustments[2]	(52 792)	(48 028)
Adjustments[1]	16 817	16 917
Reported personnel costs	**1 904 412**	**1 684 796**

1. Items which management believes to be non-recurring. See APM table for further break-down.
2. External labour services are classified as Other operating costs in IFRS, but as Personnel costs in underlying figures.

Underlying EBITDA

NOK 1000	2024	2023
Restraint Systems	414 887	359 108
Traffic	173 561	176 962
Infrastructure	198 021	172 340
Services	135 792	100 098
Holding/Eliminations	(101 997)	(91 003)
Underlying EBITDA	**820 264**	**717 505**
Adjustments[1]	(46 177)	(47 772)
Reported EBITDA	**774 087**	**669 733**
Depreciation and impairment	(309 979)	(269 767)
Amortisation and impairment	(123 699)	(55 075)
Reported operating profit/(loss)	**340 408**	**344 891**

1. Items which management believes to be non-recurring. See APM table for further break-down.

Note 6

Revenue

Accounting policies

The Group offers a broad assortment of products and solutions to the road safety industry. The Group considers itself as principal in its revenue arrangements, hence revenue is recognised on a gross basis. The transaction price is recognised net of any expected variable consideration such as customer bonuses, cash discounts for early payment, penalties, refunds and returns.

For revenue recognition purposes, the Group divides its revenue contracts into three different categories:

(i) Sale of goods

Sale of goods comprise the sale of road work products to road authorities or other public and private contractors in the road and construction segments. Such products may include signs, barriers, and light poles etc., which the Group delivers without performing related installation.

Contracts containing the sale of multiple goods are separated into several performance obligations when they are capable of being distinct and are distinct within the context of the contract (e.g., the various goods are independent of each other).

Revenue from the sale of goods is recognised when control is transferred to the customer at a point in time, generally upon physical delivery.

(ii) Sale of services

The Group's service contracts consist of various services such as road marking, road maintenance and installation services.

In service contracts where delivering specified tasks, performance obligations may either consist of single tasks (e.g., a particular installation) or a series of distinct and repetitive tasks or services (e.g., repetitive services such as road marking).

Revenue from performing services is recognised over time, as the customers generally consume the benefits from the services as the Group performs. Units delivered (hours, metres etc.) are generally applied as progress measure.

For the Group's contracts with 'stand ready' obligations, as road maintenance projects where it receives a fixed fee for performing an unspecified quantity of services, the Group generally applies a time-based progress measure. If such services are expected to be performed continuously throughout the contract period, a straight-lined recognition method is applied.

(iii) Sale of goods/services combined and projects

Revenue of sale of goods/services combined and projects relates to contracts where the Group is selling products completely assembled and installed at the customer's premises as well as construction of customised assets for the customer. Examples of such contracts include guardrails, sale and installation of noise protection solutions.

The goods and services are combined into one performance obligation when the installation services are complex and modify or significantly customise the products and/or whether the Group is delivering goods and services which are highly integrated into one combined output. When this is not the case, the goods and services sold constitute separate performance obligations; e.g. goods and installation.

Revenue is recognised over time, provided that the Group's performance either creates or enhances an asset that the customer controls as the asset is created or enhanced, or the Group's performance does not create an asset with alternative use and the Group has an enforceable right to payment for performance completed to date, or the customer consumes the benefits of the work as the Group performs.

When the Group concludes that none of the criteria are met, revenue is recognised at the point in time when control is transferred, which generally is assessed to be upon physical delivery.

The Group generally applies cost incurred or units delivered (quantity, metres, square metres etc) as progress measures, depending on the nature of the delivered goods and services. Cost incurred is applied in projects where the Group is designing and producing a customised asset for the customer. Units delivered/installed are generally applied when the Group is installing several units, the total consideration typically consist of a fixed unit price times the number of units and control is transferred as we are installing the units.

Contract balances

Contract assets

A contract asset is initially recognised for revenue earned from installation because the receipt of consideration is conditional on completion of the installation. Upon completion of the installation and acceptance by the customer, the amount recognised as contract assets is reclassified to trade receivables.

Trade receivables

A trade receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due). See note 2 section Financial instruments.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract.

Significant accounting judgement and assumptions

The Group applies judgements that affect the determination of the amount and timing of revenue from contracts with customers. The judgements include identifying performance obligations in sale of goods/services combined and projects and determining the timing of satisfaction of performance obligations.

Operating revenue split by geographical areas

The group receives most of its income from Northern and Eastern Europe. The Group have a diversified customer base and are not reliant on any single major customer.

NOK 1000	2024	2023
Norway	1 859 278	1 699 444
Sweden	1 243 346	1 229 069
Denmark	629 165	485 641
Poland	884 908	678 356
Germany	1 313 605	1 357 422
United Kingdom	269 054	256 397
Other	1 384 512	1 036 869
Total operating revenue	**7 583 867**	**6 743 198**

Operating revenue split by nature

NOK 1000	2024	2023
Sales revenue - products	5 579 631	4 997 845
Sales revenue - services	1 952 830	1 714 647
Total other revenue[1]	51 406	30 706
Total operating revenue	**7 583 867**	**6 743 198**

1. Other revenue includes gain on sale of fixed assets, rental revenue and other operational revenue.

Revenue from contracts with customers split by major product/service line and segments

Set out below is the disaggregation of the Group's revenue from contracts with customers into major product/service lines in accordance with segment reporting, see note 5.

2024

NOK 1000	Restraint Systems	Traffic	Infrastructure	Services	Holding/Eliminations	Total
Major product/service lines						
Road restraint systems	3 058 963	33 705	0	21 029	0	3 113 697
Signs & work zone protection	13 450	1 427 750	0	70 587	0	1 511 787
Light poles, masts & other	0	1 002	501 011	0	0	502 013
Road services	86 556	0	0	1 007 200	0	1 093 756
Other products/eliminations	534 383	255 866	734 895	41 231	(205 162)	1 361 213
Revenue from contracts with customers	**3 693 351**	**1 718 322**	**1 235 906**	**1 140 047**	**(205 162)**	**7 582 465**

2023

NOK 1000	Restraint Systems	Traffic	Infrastructure	Services	Holding/Eliminations	Total
Major product/service lines						
Road restraint systems	2 719 433	32 328	0	14 540	0	2 766 301
Signs & work zone protection	15 616	1 309 098	0	8 277	0	1 332 991
Light poles, masts & other	0	6 124	450 367	0	0	456 491
Road services	88 711	0	0	823 643	0	912 355
Other products/eliminations	582 375	231 856	650 913	38 592	(229 084)	1 274 651
Revenue from contracts with customers	**3 406 136**	**1 579 406**	**1 101 280**	**885 053**	**(229 084)**	**6 742 790**

Below are further description of the products and solutions within each major product/service line.

Road restraint systems products are designed to reduce the impact of an accident, and include guardrails, bridge parapets, crash cushions and end terminals.

Signs and work zone protection: The signs-category include fixed traffic signs, mechanical variable message signs and electronic variable message signs, along with safety posts and gantries. Work zone protection products are products of temporary and/or movable character, like barriers, truck mounted attenuators, traffic lights, signs and warning trailers.

Light poles are designed, developed, produced and distributed by Saferoad, mainly for use on the roads, but also for sport arenas, industrial areas, parks, residential areas and parking areas.

Road marking is application of road marking materials (lines and symbols) on roads, parking lots, airports and other paved areas, and also includes road maintenance.

Other products/eliminations: Other products include street furniture, rail and power poles, rock support products, marina systems and noise protection systems. Eliminations are revenue between the different segments and is applicable for all major product/service lines.

Below is the reconciliation of revenue from contracts with customers with the amounts disclosed in the segment information, see note 5, and with reported operating revenue:

2024

NOK 1000	Restraint Systems	Traffic	Infrastructure	Services	Holding/Eliminations	Total
Underlying operating revenue	**3 693 646**	**1 719 303**	**1 236 009**	**1 140 071**	**(205 162)**	**7 583 867**
Adjustments[1]	0	0	0	0	0	0
Reported operating revenue	**3 693 646**	**1 719 303**	**1 236 009**	**1 140 071**	**(205 162)**	**7 583 867**
Rental income	295	980	104	23	0	1 402
Revenue from contracts with customers	**3 693 351**	**1 718 322**	**1 235 906**	**1 140 047**	**(205 162)**	**7 582 465**

1. Items which management believes to be non-recurring.

2023

NOK 1000	Restraint Systems	Traffic	Infrastructure	Services	Holding/Eliminations	Total
Underlying operating revenue	**3 406 220**	**1 570 815**	**1 101 365**	**885 054**	**(229 084)**	**6 734 369**
Adjustments[1]	0	8 829	0	0	0	8 829
Reported operating revenue	**3 406 220**	**1 579 644**	**1 101 365**	**885 054**	**(229 084)**	**6 743 198**
Rental income	85	238	85	1	0	408
Revenue from contracts with customers	**3 406 136**	**1 579 406**	**1 101 280**	**885 053**	**(229 084)**	**6 742 790**

1. Items which management believes to be non-recurring.

Balance sheet

Contract assets are included in balance sheet item other receivables and contract liabilities are included in balance sheet item other current liabilities.

Contract balances

NOK 1000	31.12.2024	31.12.2023
Trade receivables	937 400	871 324
Contract assets	244 870	209 898
Contract liabilities	89 408	49 530

Performance obligations

For sale of goods the invoicing is generally done when the goods are delivered, i.e. at the same time revenue for each performance obligation is recognised. Sale of goods thus normally has no effect on the contract asset and the contract liability balances. Payment is normally due for the total consideration within two months after invoicing.

For sale of services invoicing is customarily done monthly, according to agreed fixed fees or work performed, and consideration is payable within two months after invoicing. Sale of services normally has no impact on the contract asset and the contract liability balances, as the invoicing normally coincides with the satisfaction of the performance obligations for the month. An exception is when invoicing has not yet been effectuated and the right to consideration is classified as unbilled revenue at reporting date.

Sale of goods/services combined and projects customers are generally invoiced on a monthly basis according to work performed or at agreed milestones. Payment is normally due within two months after invoicing. The sales often have no impact on the contract asset and the contract liability balances, as the invoicing often coincides with the satisfaction of the performance obligations for the month. However, when sale is invoiced according to milestones, revenue can be recognised in excess of or below the amounts invoiced, leading to contract asset or the contract liability balances for the Group.

The Group uses the practical expedient not to disclose the amount of the remaining performance obligations for contracts with original expected duration of less than one year or for contracts with right to consideration from the customer in an amount that corresponds directly with the value to the customer of the entity's performance completed to date.

The aggregate amount of the transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied), for contracts with original expected duration of one year or more, with right to consideration from the customer at an amount independent of the entity's performance completed to date, as at 31 December 2024 the Group no longer have such performance obligations. In 2023, the Group had NOK 13.6 million in performance obligations that were expected to be recognised within one year.

Note 7

Cost of goods sold and inventories

Accounting policies

Inventories are recognised at the lower of cost and net realisable value. The cost is arrived at using the FIFO method and includes the costs incurred in acquiring the goods and the costs of bringing the goods to their current state and location. The cost of finished goods and work in progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Cost of goods sold

NOK 1000	2024	2023
Purchase of goods and changes in inventories	3 828 021	3 467 564
Write-down of inventories	(3 022)	4 391
Total cost of goods sold	**3 824 999**	**3 471 955**

Inventories

	Carrying value	
NOK 1000	31.12.2024	31.12.2023
Raw materials	512 883	437 795
Work in progress	41 299	35 392
Own produced goods	406 819	369 880
Goods purchased for resale	165 311	182 282
Total inventories	**1 126 312**	**1 025 349**

Note 8

Personell costs, employees and management remuneration

Salaries and remuneration

NOK 1000	2024	2023
Salary	1 517 219	1 356 991
Social security tax on salaries, pensions, bonuses etc.	246 452	207 038
Other personnel expenses	28 671	21 013
Pension expenses	73 366	61 046
Bonuses	38 704	38 708
Total salaries and remuneration	**1 904 412**	**1 684 796**

There are 2 495 employees in the Group per 31 December 2024 (2 566 last year).

Salaries and remuneration for Board of Directors and Group management Board of Directors

The Board of Directors in Saferoad Holding AS received a total remuneration of NOK 1.7 million in 2024 (NOK 1.0 million in 2023). The Chairman and the members of the Board have no agreements for further compensation due to termination or changes in the position.

MgmtCo Saferoad AS is a holding company which owns shares in Saferoad Holding AS as part of a management incentive program. The table below sets out the number of shares owned by the Board of Directors in MgmtCo Saferoad AS.

NOK 1000	31.12.2024	31.12.2023
MgmtCo Saferoad AS - Class A shares (common shares)	184 505	175 000
MgmtCo Saferoad AS - Class B1 shares (preference shares)	184 505	175 000
Total	**369 010**	**350 000**

CEO

The table below sets out the remuneration for the Group CEO.

NOK 1000	2024	2023
Salary [1]	4 882	4 570
Bonus [2]	2 976	685
Other benefits [3]	68	69
Pension benefits	0	0
Total	**7 927**	**5 324**

1. Salary consists of base salary and holiday payment.
2. Bonus earned in 2023, paid in 2024.
3. Other benefits are the total of all other cash and non-cash related benefits received by the individual during the year presented and includes such items as the taxable portion of insurance premiums, company car, car allowances and electronic communication items.

In 2022 a provision for severance pay to former CEO was accrued for. This has partly been paid out in 2024 and remaining provision amounts to NOK 9.7 million discounted. The remaining part of the accrual is an estimate and based on fulfillment of certain criteria's in a potential future sale of Saferoad Group.

The table below sets out the number of shares owned by the CEO in MgmtCo Saferoad AS.

NOK 1000	31.12.2024	31.12.2023
MgmtCo Saferoad AS - Class A shares (common shares)	53 127	53 127
MgmtCo Saferoad AS - Class B1 shares (preference shares)	0	0
Total	**53 127**	**53 127**

There are no loans or share-based payments from the company to Group CEO or Board of Directors.

Salaries and remuneration to Group management excl. CEO

The table below sets out the remuneration for the Group management which consisted of seven persons in addition to the CEO.

NOK 1000	2024	2023
Salary [1]	18 676	20 255
Bonus [2]	6 250	1 951
Other benefits [3]	701	641
Pension benefits	1 446	816
Total	**27 074**	**23 663**

1. Salary consists of base salary and holiday payment.
2. Bonus earned in 2023, paid in 2024.
3. Other benefits are the total of all other cash and non-cash related benefits received by the individual during the year presented and includes such items as the taxable portion of insurance premiums, company car, car allowances and electronic communication items.

The table below sets out the number of shares owned by Group management in MgmtCo Saferoad AS.

NOK 1000	31.12.2024	31.12.2023
MgmtCo Saferoad AS - Class A shares (common shares)	147 348	138 762
MgmtCo Saferoad AS - Class B1 shares (preference shares)	94 221	85 635
Total	**241 569**	**224 397**

The CEO and Group management has performance-based bonus agreement. The bonus scheme is determined by the Board of Directors for one year at a time.

Three members of Group management are entitled to severance pay of six months base salary after termination of employment. None of the members of the Board has a service contract and none will be entitled to any benefits upon termination of office.

One member of Group management has a loan from the company of total NOK 0.4 million.

Note 9

Pensions

Accounting policies

Defined contribution pension plan

In a defined contribution pension plan the Group is responsible for making an agreed contribution to the employee's pension assets. The future pension will be determined by the amount of the contributions and the return on the pension savings. Once the contributions have been paid, the Group has no further payment obligations. The pension contributions are charged to expenses as they are incurred.

Defined benefit pension plans

Defined benefit pension plans are recognised at the present value of the accrued future pension benefits at the end of the reporting period (balance sheet date), less the fair value of pension plan assets. Defined benefit obligations are presented net of plan assets in the balance sheet. Actuarial gains and losses are reported in other comprehensive income.

The Group policy is to offer a defined contribution pension plan to its employees.

For historical reasons there are still a limited number of defined benefit pension plans in place in Sweden, Norway and in Germany.

The Norwegian companies in the Group are required by law to have a pension scheme and this requirement is fulfilled.

The main financial and accounting impact of the remaining defined benefit pension plans have been summarised below, on the line defined benefit expense and under the heading defined benefit assets and liabilities.

Actuarial loss of NOK (5.8) million in 2024 (gain of NOK 0.4 million in 2023) have been recognised in other comprehensive income.

Actuarial and financial assumptions (defined benefit plans)

2024	Norway	Sweden	Germany
Discount rates	3.3 %	3.2 %	3.2 %
Salary increase	3.5 %	0.0 %	0.0 %

2023	Norway	Sweden	Germany
Discount rates	3.2 %	4.3 %	3.8 %
Salary increase	3.8 %	0.0 %	0.0 %

Pension expense for the year

NOK 1000	2024	2023
Defined benefit expense	284	259
Defined contribution expense	73 082	60 787
Total pension expense	**73 366**	**61 046**
Defined benefit assets and liabilities		
Accrued pension obligations	52 079	44 462
Pension plan assets	14 596	14 464
Net benefit obligations	**37 484**	**29 998**
Plans with a surplus are recognised separately from plans with a deficit		
Recognised pension assets	12	10
Recognised pension obligations	(37 495)	(30 008)

Note 10

Other operating costs

Other operating costs

NOK 1000	2024	2023
Rent	25 379	22 806
Other costs related to premises	102 593	90 913
Leases of machinery, equipment, vehicles, fixtures and office machines [1]	17 411	28 262
Direct operating costs (incl. repairs and maintenance)	334 946	278 254
Selling and distribution costs	253 275	213 476
Fees, external services, office & communication costs	204 540	200 608
Membership, insurance, license- and guarantee costs	52 277	49 008
Capital losses upon sales of fixed assets	2 217	774
Bad debts	21 289	6 698
Other operating costs	66 442	25 916
Total other operating costs	**1 080 370**	**916 714**

1) Lease expense for short-term leases, low value asset leases and variable lease payments not included in lease liabilities.

Fees to auditors

NOK 1000	2024	2023
Proposed fee for audit	10 902	10 107
Fees for audit previous year	988	815
Fees for attestation services	472	67
Fees for tax services	2 339	1 596
Fees for other services	1 335	683
Total fees	**16 036**	**13 267**
Of which is auditing fees to Ernst & Young	7 422	7 215
Of which is other fees to Ernst & Young	4 146	2 274

The amounts in the table above represent the fees for the audit of statutory financial statements for companies with statutory audit requirements, in addition to the audit of the consolidated financial statement.

Fees to auditors exclude VAT.

Note 11

Financial items

Accounting policies

Other financial expenses consist of guarantee provisions, bank fees, and write-down of long-term receivables.

Currency exchange gains and losses arise from the Group's holding entities' internal and external monetary positions in currencies different from the entity's functional currency. The gains and losses arise from translation of monetary assets and liabilities expressed in non-functional currencies to the exchange rate in effect on the balance sheet date, and from transactions in non-functional currencies translated at the rate in effect on the transaction date.

NOK 1000	2024	2023
Interest income	14 260	20 013
Total financial income	**14 260**	**20 013**
Interest expenses	266 672	274 730
Interest expenses on lease liabilities	26 481	21 739
Other financial expenses	61 125	47 056
Total financial expenses	**354 278**	**343 525**
Currency exchange gain	88 389	143 536
Currency exchange loss	152 718	247 642
Net exchange rate gain/(loss)	**(64 330)**	**(104 106)**
Share of profit/(loss) of associated companies	324	655
Net financial income/(expenses)	**(404 024)**	**(426 963)**

Note 12

Income tax

Accounting policies

The tax expense consists of the tax payable and changes in deferred tax. Taxes payable are recognised on taxable profits at the current tax rate. Deferred tax/tax assets are calculated on all differences between the carrying value and tax value of assets and liabilities, with the exception of:

- Temporary differences linked to goodwill that are not tax deductible
- Temporary differences related to investments in subsidiaries or associates where the timing of reversal of temporary differences can be controlled and it is probable that temporary differences will not reverse

Deferred tax assets are recognised when it is probable that the company will have a sufficient profit for tax purposes in subsequent periods to utilise the tax asset.

The companies recognise previously unrecognised deferred tax assets to the extent it has become probable that the company can utilise the deferred tax asset. Similarly, the company will reduce a deferred tax asset to the extent that the company no longer regards it as probable that it can utilise the deferred tax asset.

Deferred tax liabilities and deferred tax assets are measured on the basis of the enacted or substantially enacted tax rates on the balance sheet date applicable to the companies in the Group where temporary differences have arisen. Deferred tax liabilities and deferred tax assets are recognised at their nominal value.

Taxes payable and deferred taxes are recognised directly in other comprehensive income to the extent that they relate to items recognised in other comprehensive income. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Significant accounting estimates and assumptions

Deferred tax assets are recognised when it is probable that the company will have a sufficient profit for tax purposes in subsequent periods to utilise the tax asset. Assessment of future ability to utilise tax positions is based on judgements of the level on taxable profit, the expected timing of utilisation, expected temporary differences and strategies for tax planning. The judgements relate to a large extent to tax losses carried forward.

Tax income/(expense)

NOK 1000	2024	2023
Tax payable	(48 850)	(58 591)
Changes in deferred tax	(52 307)	8 361
Tax income/(expense) recognised in the consolidated statement of comprehensive income	**(101 157)**	**(50 230)**
Prepaid tax (included in other receivables)	21 710	17 719
Current tax liabilities	(40 234)	(40 579)
Total (net) tax payable 31 December, receivable/(liability)	**(18 524)**	**(22 860)**

A reconciliation of the effective rate of tax and the tax rate in the Group's country of registration

NOK 1000	2024	2023
Profit/(loss) before tax	(63 616)	(82 072)
Expected income taxes according to income tax rate in Norway 22 %	13 996	18 056
Adjustment in respect of current income tax of previous years	(32)	5 247
Deferred tax assets not recognised current year [1]	(76 289)	(116 440)
Use of previously unrecognised loss carried forward [1]	2 689	0
Effect of redused valuation allowance regarding deferred tax asset [1]	536	53 373
Non deductible expenses [2]	(28 383)	(36 797)
Non-taxable income	1 989	(694)
Tax rate outside Norway other than 22 %	5 376	3 764
Change in deferred tax assets/liabilities due to change in tax rates	(6)	2 489
Other [3]	(21 031)	20 771
Tax income/(expense) recognised in the consolidated statement of comprehensive income	**(101 157)**	**(50 230)**
Tax income/(expense) reported in other comprehensive income		
Pensions	1 538	(109)
Tax effect on hedging	6 598	10 688
Income tax on other comprehensive income	**8 136**	**10 579**

1. Assessments of whether tax loss carry forward and deferred tax on other temporary differences should be recognised, is done partly on country and partly on company level.
2. Non-deductible expenses mainly include non-deductible interest expenses.
3. Other mainly consist of recognition of deferred tax asset in connection to special economic zone tax credit in Poland.

Tax loss carried forward

The Group has a total tax loss carried forward of NOK 925.7 million which expires as follows:

NOK 1000	Sweden	United Kingdom	Norway	Other	2024	2023
Current year + 1 year				0	0	0
Current year + 2 years				0	0	0
Current year + 3 years				2 175	2 175	0
Current year + 4 years				11 847	11 847	4 644
Current year + 5 years or later				5 017	5 017	0
No due date	(0)	131 536	740 706	34 428	906 671	849 669
Total tax loss carried forward	**(0)**	**131 536**	**740 706**	**53 468**	**925 710**	**854 313**
On which deferred tax assets have not been recognised	(0)	98 777	688 763	25 719	813 259	453 960
Total tax loss on which deferred tax assets have been recognised	**0**	**32 760**	**51 943**	**27 749**	**112 451**	**400 353**

Deferred tax liabilities/(deferred tax assets)

NOK 1000	Statement of financial position 2024	Statement of financial position 2023	Statement of profit or loss 2024	Statement of profit or loss 2023
Non-current assets and liabilities				
Intangible assetsz	311 797	29 418	(282 380)	2 665
Tangible fixed assets	4 040	10 631	6 591	738
Pensions	(880)	329	(330)	(680)
Other non-current items	(19 121)	(17 086)	(4 562)	39 274
Total non-current assets and liabilities	**295 836**	**23 291**	**(280 681)**	**41 997**
Current assets and liabilities				
Inventory	(713)	(1 326)	(613)	(608)
Liabilities	962	288	(674)	(3 679)
Trade receivables	(2 893)	(2 931)	(37)	439
Other current items	(11 162)	(9 071)	2 091	(527)
Total current assets and liabilities	**(13 805)**	**(13 039)**	**766**	**(4 374)**
Tax losses carried forward	(201 951)	(198 093)	36 050	36 833
Of which assets not recognised (valuation allowance)	(177 251)	(111 140)	98 303	57 234
Net recognised deferred tax liabilities/(deferred tax assets)	**257 331**	**(76 701)**	**(342 167)**	**17 222**

Changes in net deferred tax liabilities/(deferred tax assets)

NOK 1000	2024	2023
Opening balance as of 1 January	(76 701)	(48 899)
Recognised in profit and loss	52 307	(8 361)
Recognised as other comprehensive income	(8 136)	(10 579)
Acquistions and disposals	293 081	(309)
Translation differences	(3 221)	(8 552)
Closing balance as of 31 December	**257 331**	**(76 701)**
Of which deferred tax assets	10 068	101 477
Of which deferred tax liabilities	(267 399)	(24 777)

Note 13

Impairment

Accounting policies

Assets that have an indefinite useful life, for example goodwill or intangible assets not ready to use, are not subject to amortisation and are tested annually for impairment or if any impairment indicators exist.

Assets that are subject to amortisation are reviewed for impair¬ment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). The recoverable amount of an asset or a cash-generating unit is the higher of fair value, less cost to sell, and value in use. Impairment is recognised when the carrying value exceeds the recoverable value of the asset or cash-generating unit.

Previously recognised impairments are reversed if the conditions on which the recognised impairments are based are no longer applicable. Impairments are reversed to the extent that the capitalised amount after reversal does not exceed the capitalised amount net of depreciation that would have been the carrying amount if no impairment had been recognised. Impairments are not reversed for goodwill.

Significant accounting estimates and assumptions

Determining whether goodwill is impaired requires an estimation of the recoverable amount. At year end 2024 the recoverable amounts are based on the value-in-use of the cash-generating units to which goodwill have been allocated. The value-in-use calculation requires management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. The carrying value of goodwill as of 31 December 2024 is NOK 1 641.8 million (NOK 424.5 million as of 31 December 2023). The Saferoad Group recognises no impairment of goodwill in 2024. No significant events or changes in business or market that potentially would change the conclusions were identified from 31 December 2024 until the reporting date.

Groups of cash-generating unit composition

When identifying the CGUs, various factors have been considered, including how Group management monitors operations by segments. The CGUs correspond to the operating segments, which are managed as separate and strategic business.

The table below shows the allocation of goodwill between the CGUs:

NOK 1000	31.12.2024	31.12.2023
Restraint Systems	317 185	124 606
Traffic	436 232	103 080
Infrastructure	567 399	145 198
Services	320 973	51 632
Total	**1 641 788**	**424 516**

Refer to note 4 for further details regarding the acquisition of Saferoad Group and the corresponding remeasurement of excess values

Impairment testing of goodwill

The Group tests goodwill for impairment annually or more frequently if there are indications that goodwill is impaired. The recoverable amounts of the CGUs have been determined based on value-in-use calculations.

Cash flow assumptions used in value-in-use calculations

Revenue is driven by public road spend budgets in relevant markets, adjusted for management's expectations for price development and market penetration. Baseline variable costs are assumed to be at a fixed level of revenue and fixed costs are expected to increase by inflation or expected salary growth. Capital expenditure is assumed to be at a fixed level of revenue and depreciation is assumed to be equal to capital expenditure. Net working capital levels are calculated backwards using inventory days, debtors days and supplier days based on historically reported values and expectations to ongoing initiatives to improve capital efficiency. In calculations of the terminal value the level of change in net working capital is assumed at a percentage of revenues based on long-term expectations. The tax rate applied is the weighted tax rate for the relevant countries.

Cash flows after year 2029 have been extrapolated using a long-term growth rate that is similar to the expected long-term inflation.

Discount rates used in value-in-use calculations

The Group has applied a weighted average cost of capital (WACC) specific for each CGU. The value in use is the net present value of the estimated cash flow after tax, using a discount factor reflecting the timing of the cash flows and the expected risks. Discount rates reflect the current market assessment of the risks specific to each CGU. The discount rate is estimated based on the weighted average cost of capital (WACC) for the industry. This rate is further adjusted to reflect the market assessment of any risk specific to the CGU for which future estimates of cash-flows have not been adjusted. The market risk premium of equity is 6 per cent, at the same level as previous years.

The table below outlines the key assumptions for each CGU for the budget period.

	Expected compound annual growth rate (CAGR) of sales	EBITDA-margins	Change in net working capital as a percentage of revenues	Discount rate applied to cash-flow projections
Restraint Systems	2.9 %	11 %-11 %	(5.0 %)-2.7 %	9.52 %
Traffic	5.1 %	12 %-13 %	0.2 %-4.3 %	9.21 %
Infrastructure	4.4 %	15 %-16 %	(4.1 %)-1.6 %	9.80 %
Services	2.9 %	12 %-12 %	(0.2 %)-0.3 %	10.22 %

Sensitivity analysis

The calculation of recoverable amount is sensitive for changes in key assumptions. Sensitivity analysis have been performed on the most sensitive assumptions, which are changes in sales growth, changes in discount rates and changes in EBITDA-margins. The table below outlines the level of change in a single assumption that will lead to impairment charges.

The sensitivity analysis indicates that the conclusion is sensitive to changes in assumptions for all four segments. Decreased demand can lead to a decline in the expected compound annual growth rate (CAGR) or EBITDA-margin. The Group believes that no reasonably possible change in any of the key assumptions used for impairment testing would cause the recoverable amount to be lower than the carrying amount of the Cash Generating Units.

Climate-related risks

Saferoad is exposed to climate-related physical risks such as potential damage to infrastructure and production facilities through the impact of more extreme weather events and rising sea levels. However, this risk is not considered financially material,hence not reflected in the Double Materiality Assessment under part 3 in this report. Climate-related regulatory risks include potentially higher operational costs due to increasing carbon taxes and energy/fuel taxes, as well as risks of increased investment/capital expenditure due to regulatory changes. Climate-related risks are considered in the cash flow projections and in impairment indicators.

	Expected compound annual growth rate (CAGR) of sales	**Discount rate applied to cash-flow projections**	**EBITDA-margins**
Restraint Systems	(1.2 %-points)	0.8 %-points	(5.0 %)
Traffic	(0.2 %-points)	0.1 %-points	(0.9 %)
Infrastructure	(1.2 %-points)	0.6 %-points	(5.1 %)
Services	(2.5 %-points)	1.8 %-points	(10.3 %)

Note 14

Intangible assets

Accounting policies

Intangible assets that have been acquired separately are carried at cost. The cost of intangible assets acquired in a business combination is the fair value at the acquisition date. Capitalised intangible assets that are amortised are recognised at cost less any amortisation and impairment losses.

The economic life is either finite or indefinite. Intangible assets with a finite economic life are amortised on a linear basis and tested for impairment. The amortisation period is assessed annually. Changes to the amortisation period are accounted for as a change in estimate.

Intangible assets with an indefinite economic life are tested for impairment at least once a year, either individually or as a part of a cash-generating unit. Intangible assets with an indefinite economic life are not amortised. The economic life is assessed annually with regard to whether the assumption of an indefinite economic life can be justified. If it cannot, the change to a finite economic life is made prospectively.

Research and development

Expenses relating to research activities are recognised in profit or loss as they incur. Development costs that are attributable to an individual project are reported as an asset on the balance sheet when the Group can demonstrate the following:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete the intangible asset and use or sell it
- how the intangible asset will generate probable future economic benefits
- the availability of resources to complete the asset
- its ability to measure reliably the expenditure during its development

Capitalised development cost is amortised over its expected useful life and tested for impairment annually. The expected useful life for development varies between three and fifteen years.

Licenses, product rights etc.

Expenditures for licenses, product rights etc. are capitalised and depreciated over their expected useful life. The expected useful life for patents and licenses varies between five and ten years.

Contractual customer relationships

Contractual customer relationships purchased or acquired in a business combination are recognised at fair value at the acquisition date. The contractual customer relations have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the expected life of the customer relationship. The expected useful life varies between two and three years.

Non-contractual customer relationships

Non-contractual customer relationships acquired in a business combination are recognised at fair value separately from goodwill at the acquisition date, if they are capable of being separated or divided from the entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable asset or liability.

Non-contractual customer relations have a finite useful life and are carried at cost less accumulated amortisation. Non-contractual customer relationships are depreciated over their expected useful life. The expected useful life varies between five and fifteen years.

Other intangible assets

Expenses linked to the purchase of new computer software are capitalised as an intangible asset provided these expenses do not form part of the hardware acquisition costs. Software is normally depreciated on a straight-line basis over three years. Costs incurred as a result of maintaining or upholding the future utility of software is expensed unless the changes in the software increase the future economic benefits from the software.

Significant accounting estimates and assumptions

Intangible assets and property plant and equipment

The Group has significant carrying amounts related to intangible assets and property, plant and equipment recognised in the consolidated statement of financial position. The value in use of some of these assets could be influenced by changes in market conditions where the Group carries out its business. Significant and prolonged adverse market conditions and/or lower market prices for products and services sold could lead to temporary or permanent reductions of value. Such events will be considered as an impairment indicator and an impairment test will be carried out. The outcome of such impairment tests may be that significant impairment losses are recognised in the statement of income. A reduction of the expected useful life of the assets can also lead to periods with higher depreciation expense going forward.

2024

NOK 1000	Licenses, product rights etc	Development	Brands	Goodwill	Customer relationships	Other intangible assets	Total
Accumulated cost 31 December 2023	19 144	280 861	0	424 516	166 878	97 360	988 759
Reclassifications	0	0	0	0	0	559	559
Additions, acquisition of subsidiaries and downstream merger[1]	0	0	251 061	1 638 037	989 356	166 652	3 045 105
Additions, other	935	21 462	0	0	0	6 840	29 238
Derecognition[1]	0	(7 467)	0	(423 071)	(165 985)	0	(596 523)
Translation differences	674	9 879	0	2 307	263	2 665	15 787
Accumulated cost 31 December 2024	**20 753**	**304 736**	**251 061**	**1 641 788**	**990 512**	**274 076**	**3 482 926**

Amortisation method

Useful life

NOK 1000	Linear 5-10 years	Linear 3-15 years	No amortisation	No amortisation	Linear 5-10 years	Linear 3-15 years	Total
Accumulated amortisations and impairments 31 December 2023	16 216	174 736	0	0	79 307	66 411	336 671
Reclassifications	0	0	0	0	0	0	0
Amortisations	876	38 320	0	0	51 661	32 842	123 699
Derecognition[1]	0	(5 409)	0	0	(88 980)	0	(94 389)
Impairments	0	0	0	0	0	0	0
Translation differences	578	5 299	0	0	141	2 049	8 067
Accumulated amortisations and impairments 31 December 2024	**17 670**	**212 946**	**0**	**0**	**42 128**	**101 303**	**374 048**
Carrying value 31 December 2023	**2 928**	**106 125**	**0**	**424 516**	**87 571**	**30 949**	**652 089**
Carrying value 31 December 2024	**3 082**	**91 790**	**251 061**	**1 641 788**	**948 383**	**172 774**	**3 108 878**

[1] Fair value allocation from acquisition is shown as gross amount. Old values have been derecognised while new values is shown as an addition in the table above.

2023

NOK 1000	Licenses, product rights etc	Development	Brands	Goodwill	Customer relationships	Other intangible assets	Total
Accumulated cost 31 December 2022	18 560	262 683	0	415 773	163 405	69 760	930 182
Reclassifications	0	(2 461)	0	0	0	12 770	10 308
Additions, acquisition of subsidiaries	0	0	0	4 363	0	0	4 363
Additions, other	1 000	24 430	0	0	0	14 845	40 275
Derecognition	(1 354)	(19 613)	0	0	0	(3 734)	(24 701)
Translation differences	938	15 823	0	4 379	3 473	3 720	28 333
Accumulated cost 31 December 2023	**19 144**	**280 861**	**0**	**424 516**	**166 878**	**97 360**	**988 759**

Amortisation method

Useful life

NOK 1000	Linear 5-10 years	Linear 3-15 years	No amortisation	No amortisation	Linear 5-10 years	Linear 3-15 years	Total
Accumulated amortisations and impairments 31 December 2022	15 905	161 069	0	0	60 157	56 495	293 627
Reclassifications	0	0	0	0	0	0	0
Amortisations	919	26 073	0	0	17 653	6 840	51 485
Derecognition	(1 354)	(19 596)	0	0	0	(1 725)	(22 676)
Impairments	0	0	0	0	0	1 575	1 575
Translation differences	746	7 191	0	0	1 496	3 227	12 660
Accumulated amortisations and impairments 31 December 2023	**16 216**	**174 736**	**0**	**0**	**79 307**	**66 411**	**336 671**
Carrying value 31 December 2022	**2 655**	**101 614**	**0**	**415 773**	**103 248**	**13 265**	**636 555**
Carrying value 31 December 2023	**2 928**	**106 125**	**0**	**424 516**	**87 571**	**30 949**	**652 089**

Total spending in research and development in 2024 amounted to NOK 21.4 million (NOK 24.4 million in 2023).

Note 15

Property, plant and equipment

Accounting policies

Property, plant and equipment are stated at their cost less accumulated depreciation and impairment losses, if any.

Acquisition costs include costs directly attributable to the acquisition of the asset. Subsequent costs, such as regular maintenance costs, are recognised in the profit or loss, while other costs that are expected to provide future financial benefits are capitalised. The assets are depreciated on a linear basis over the estimated useful life of the asset. Useful life, depreciation methods and the residual value are reviewed annually.

Depreciation commences when the assets are ready for their intended use.

When assets are sold or disposed of, the carrying amount is derecognised and any gain or loss is recognised in the profit or loss.

Significant accounting estimates and assumptions

See note 14.

There is no material capitalised interest cost on property, plant and equipment per 31 December 2024 or per 31 December 2023.

Climate changes can potentially lead to destruction of assets from flooding, fires or other natural disasters. As at 31 December 2024, it was deemed that climate risk will not have a material impact on the useful life of the group’s property, plant or equipment.

2024

NOK 1000	Land	Buildings	Machines / equipment	Construction in progress	Rental equipment/ furniture/ vehicles [1]	Total
Accumulated cost 31 December 2023	38 693	631 418	1 203 225	59 219	523 894	2 456 448
Reclassifications	0	29 400	36 560	(82 088)	19 315	3 187
Additions, acquisition of subsidiaries and downstream merger	0	173 940	0	0	0	173 940
Additions, other	0	28 210	72 121	57 131	97 968	255 430
Disposals	0	(62 750)	(33 409)	0	(13 855)	(110 013)
Translation differences	1 773	20 941	42 453	2 613	13 485	81 265
Accumulated cost 31 December 2024	**40 466**	**821 159**	**1 320 950**	**36 874**	**640 807**	**2 860 256**

Amortisation method

Useful life

NOK 1000	No depreciation	Linear 10-40 years	Linear 5-10 years	No depreciation	Linear 3-5 years	Total
Accumulated depreciations and impairments 31 December 2023	1 541	342 993	791 583	0	376 514	1 512 631
Reclassifications	0	(71)	(3 448)	0	7 020	3 501
Disposals	0	(45 926)	(19 012)	0	(11 934)	(76 872)
Depreciations	0	23 915	84 552	0	55 432	163 898
Impairments	0	0	0	92	0	92
Translation differences	17	7 464	24 370	2	8 849	40 703
Accumulated depreciations and impairments 31 December 2024	**1 559**	**328 376**	**878 045**	**94**	**435 880**	**1 643 953**
Carrying value 31 December 2023	**37 151**	**288 425**	**411 643**	**59 218**	**147 380**	**943 817**
Carrying value 31 December 2024	**38 907**	**492 784**	**442 905**	**36 780**	**204 927**	**1 216 303**

1. This category includes rental equipment where the Group is the lessor.

2023

NOK 1000	Land	Buildings	Machines / equipment	Construction in progress	Rental equipment/ furniture/ vehicles [1]	Total
Accumulated cost 31 December 2022	35 370	587 592	1 112 572	23 029	500 835	2 259 397
Reclassifications	0	3 861	29 781	(36 858)	(3 080)	(6 295)
Additions, acquisition of subsidiaries	0	0	384	0	208	593
Additions, other	0	4 290	38 337	69 188	49 530	161 345
Disposals	(60)	(1 334)	(53 932)	(205)	(44 056)	(99 587)
Translation differences	3 383	37 008	76 082	4 065	20 456	140 995
Accumulated cost 31 December 2023	**38 693**	**631 418**	**1 203 225**	**59 219**	**523 894**	**2 456 448**

Amortisation method

Useful life

NOK 1000	No depreciation	Linear 10-40 years	Linear 5-10 years	No depreciation	Linear 3-5 years	Total
Accumulated depreciations and impairments 31 December 2022	1 470	307 542	719 828	35	361 380	1 390 256
Reclassifications	0	(134)	1 408	0	1 828	3 102
Disposals	0	(1 291)	(52 526)	(38)	(43 455)	(97 310)
Depreciations	0	24 458	80 861	0	41 665	146 984
Translation differences	71	12 417	42 011	3	15 096	69 598
Accumulated depreciations and impairments 31 December 2023	**1 541**	**342 993**	**791 583**	**0**	**376 514**	**1 512 631**
Carrying value 31 December 2022	**33 899**	**280 050**	**392 743**	**22 994**	**139 455**	**869 141**
Carrying value 31 December 2023	**37 151**	**288 425**	**411 643**	**59 218**	**147 380**	**943 817**

1. This category includes rental equipment where the Group is the lessor.

Note 16

Leasing

Accounting policies

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Rights-of-use assets

The Group recognises rights-of use assets at the commencement date of the lease i.e., the date the underlying asset is available for use. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. See note 20 for leasing liabilities.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

The Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Lease income from operating leases is recognised in income on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished. Costs, including depreciation, incurred in earning the lease income are recognised as an expense. Material initial direct costs incurred by lessors in negotiating and arranging an operating lease is added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income. The depreciation policy for depreciable leased assets is consistent with the Group`s normal depreciation policy for similar assets.

Significant accounting judgement and assumptions

Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Leases - Estimating the incremental borrowing rate (IBR)

When the Group cannot readily determine the interest rate implicit in the lease, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

The Group has leases for premises, machinery and equipment, vehicles, fixtures and office machines. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and asset.

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublet the asset to another party, the right-of-use asset can only be used by the Group. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to purchase the underlying leased asset outright at the end of the lease, or to extend the lease for a further term.

The tables below describe the nature of the Group's leasing activities by type of right-of-use asset recognised on balance sheet:

2024

NOK 1000	Leased premises	Leased machinery/ tools/ vehicles	Leased company cars	Leased furniture/ fixtures/ office machines	Total
Accumulated cost 31 December 2023	326 550	257 720	137 060	2 499	723 829
Reclassifications	0	0	(3 432)	0	(3 432)
Additions, acquisition of subsidiaries	(19 386)	0	0	0	(19 386)
Additions, other	87 054	111 226	34 382	320	232 981
Disposals	(23 690)	(27 023)	(27 895)	(1 899)	(80 507)
Translation differences	7 233	7 925	3 910	93	19 160
Accumulated cost 31 December 2024	**377 761**	**349 847**	**144 025**	**1 013**	**872 646**
Accumulated depreciations and impairments 31 December 2023	158 830	126 136	73 754	1 601	360 320
Reclassifications	0	0	(3 392)	0	(3 392)
Disposals	(23 690)	(26 789)	(26 957)	(1 899)	(79 334)
Depreciations	62 782	49 835	32 842	530	145 989
Translation differences	4 116	4 480	2 018	60	10 675
Accumulated depreciations and impairments 31 December 2024	**202 038**	**153 663**	**78 265**	**292**	**434 257**
Carrying value 31 December 2023	**167 720**	**131 585**	**63 306**	**898**	**363 509**
Carrying value 31 December 2024	**175 723**	**196 185**	**65 760**	**721**	**438 389**

2023

NOK 1000	Leased premises	Leased machinery/ tools/ vehicles	Leased company cars	Leased furniture/ fixtures/ office machines	Total
Accumulated cost 31 December 2022	305 490	184 256	106 229	1 253	597 229
Reclassifications	0	0	6 483	195	6 678
Additions, other	69 828	83 675	33 721	963	188 188
Disposals	(64 271)	(21 177)	(16 895)	0	(102 343)
Translation differences	15 502	10 966	7 522	87	34 077
Accumulated cost 31 December 2023	**326 550**	**257 720**	**137 060**	**2 499**	**723 829**
Accumulated depreciations and impairments 31 December 2022	157 750	103 554	50 770	923	312 998
Reclassifications	0	0	6 871	0	6 871
Disposals	(64 271)	(21 177)	(15 872)	0	(101 320)
Depreciations	56 670	37 203	28 290	620	122 783
Translation differences	8 681	6 555	3 693	58	18 988
Accumulated depreciations and impairments 31 December 2023	**158 830**	**126 136**	**73 754**	**1 601**	**360 320**
Carrying value 31 December 2022	**147 740**	**80 702**	**55 459**	**331**	**284 232**
Carrying value 31 December 2023	**167 720**	**131 585**	**63 306**	**898**	**363 509**

The lease liabilities are secured by the related underlying assets. See note 20 regarding the maturity profile of the lease liabilities at 31 December 2024 and see note 11 regarding interest expense on the lease liabilities.

See Cash flow statement for total cash outflows regarding financial lease payments.

The group has elected not to recognise a lease liability for short term leases (leases of expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred.

The expense relating to payments not included in the measurement of the lease liability is as follows:

NOK 1000	2024	2023
Lease expense for short-term leases	43 547	33 750
Lease expense for low value asset leases	4 652	2 842
Variable lease payments not included in lease liabilities	4 214	1 640

Note 17

Other current receivables

NOK 1000	31.12.2024	31.12.2023
Unbilled revenue	246 497	210 700
Prepayments to suppliers	14 348	12 988
Prepaid taxes	21 710	17 719
Other prepayments	48 596	47 794
Receivables on employees, associated- and related parties	2 378	3 384
Other receivables	61 740	57 706
Other receivables on group companies	643	4 040
Total other current receivables	**395 913**	**354 331**

Note 18

Cash and cash equivalents

Cash includes cash in hand and at bank. Cash equivalents are short-term liquid investments that can be immediately converted into a known amount of cash and have a maximum term to maturity of three months from the date of acquisition.

See note 19 for description of cash pool systems.

NOK 1000	31.12.2024	31.12.2023
Cash and bank deposits	399 734	304 733
Restricted cash	0	0
Total cash and cash equivalents	**399 734**	**304 733**

Note 19

Financial strategy and financial risks

Capital management

Saferoad Group's capital management and financing strategy secures funding for all subsidiaries. The overriding goal is to provide the operating entities with financial capacity to perform their operational activities uninterrupted and to support Saferoad's business strategy.

Saferoad's long-term financing is secured through the Parent Company Saferoad Holding AS Senior Term Facilities Agreement with GSO ESDF II, GSO ESDF II Levered Holdco I S.a.r.l., GSO ESDF II Levered Holdco II S.a.r.l., G QCM Holdco S.a.r.l., Blackstone Oslo Holdings Co-Investment Fund LP, Blackstone Supplemental Account – PS (Private Credit Holdings) L.P. (all funds managed by Blackstone Alternative Credit Advisors LP), Stichting Depositary APG Developed Markets Active Credits Pool and Stichting Pensioenfonds ABP as original lenders. The Senior Term Facilities are for NOK 869.1 million, EUR 96.0 million and SEK 610.7 million which all mature in September 2028.

In addition, working capital financing is secured through a Revolving Credit Facility agreement between Saferoad Holding AS and DNB Bank ASA as Original Lender. The Revolving Facility Agreement commitment is NOK 510.0 million and matures in March 2028. By year end 2024, there was drawn NOK 110.0 million on the revolving facility.

Saferoad Holding AS entered during 2022 into a Frame Agreement for Receivables Purchase with DNB Bank with an uncommitted frame of NOK 250.0 million, where DNB Bank purchases receivables from the Saferoad subsidiaries. Moramast AB, Saferoad Traffic AS and Saferoad Traffic AB have acceded the Receivable Purchase Agreement during 2022 and 2023. By the end of 2024 DNB Bank had bought receivables for an aggregate amount of close to NOK 89.1 million from these three subsidiaries (NOK 77.5 million in 2023). The purchases of receivables are done on a non-recourse basis.

Saferoad subsidiary, Vik Ørsta AS, has entered into an Overdraft Facility Agreement with DNB Bank for EUR 7.0 million, a Facility that on a recurring basis will be automatically renewed for a 364-day period from December 2025.

Vik Ørsta AS has signed a Mortgage Declaration where Vik Ørsta AS pledges its accounts receivables and inventories as security for the EUR 7.0 million Overdraft Facility Agreement.

Saferoad Group has sufficient financial capacity for current operations and further expansion.

There is a leverage covenant in the DNB Bank facility with which Saferoad Group must be compliant, in case 40 per cent or more of the revolving facility is drawn. As of 31 December 2024, there is sufficient headroom to the leverage covenant. The only financial covenant in the Senior Term Facility Agreements is a limitation on capital expenditure per annum. Saferoad's actual capital expenditure in 2024 is below the 2024 capex covenant level.

Net interest-bearing debt

NOK 1000	31.12.2024	31.12.2023
Facility loans (including revolving credit facility)	2 679 355	2 538 673
Leasing	462 028	373 102
Other interest-bearing debt	43 754	24 941
Total interest-bearing debt (note 20)	**3 185 137**	**2 936 716**
Cash and cash equivalents (note 19)	399 734	304 733
Net interest-bearing debt	**2 785 403**	**2 631 983**

Financial risk management

Saferoad is exposed to several financial risks that are originated from the international operations and from the financing of the Group. Financial risk mitigation is managed according to Saferoad's financial strategy and policy. The major risks are related to liquidity, counterparts for receivables, foreign exchange, interest rates and commodities. Financial risks are monitored and managed on a consolidated level by Saferoad's Group Treasury.

Liquidity risk

Liquidity risk is the risk that the Group will be unable to perform its financial obligations as they fall due. Saferoad maintains a liquidity reserve as a buffer for extraordinary events. The liquidity reserve is cash and cash equivalents, with the addition of any unutilised commitments under the Revolving Credit Facility agreement and the Overdraft Facility Agreement between Vik Ørsta AS and DNB Bank. Saferoad is targeting a minimum liquidity reserve between 3 to 5 per cent of the annual turnover of the consolidated Group. The liquidity risk is closely monitored by Group Management and the Board of Directors.

Bank account balances, the Revolving Credit Facility of NOK 510.0 million, and the EUR 7.0 million Overdraft Facility in Vik Ørsta AS ensure sufficient financial capacity to sustain seasonal working capital fluctuations. The liquidity demand increases throughout the spring, and peak pressure is during early autumn when the operational activity is at the highest. Late autumn and during wintertime the commonly harsher weather conditions naturally reduces the operational activity, and thereby the working capital needs.

Saferoad operates two cash pools which facilitates an efficient exploitation of available cash within the Group. The cash pools help to reduce the utilisation of the Revolving Credit Facility and the EUR 7.0 million Overdraft Facility. In addition, continuous cash flow forecasting helps to reduce external debt financing and thereby financing cost.

Credit risk

The Group has guidelines to ensure that sales of products and services take place only to customers with a satisfactory credit history. Customer credit in the form of payment days is only granted after credit considerations are made. The average size of individual sales is low and there is no significant credit risk linked to individual customers, or customers that can be regarded as a Group due to similarities in their credit risk. The Group's diversified customer base in different jurisdictions, and from various industries, also lowers the concentration of counterparty credit risk from accounts receivables. Bank and insurance guarantees are used if deemed necessary and cost effective.

Realised losses during the year are classified as other operating expenses in the profit or loss (see note 10). The Group's aging structure for outstanding trade receivables has somewhat decreased during 2024, however bad debt losses recognised in 2024 are significantly increased and totalled NOK 17.5 million (NOK 6.7 million in 2023). The total provision for bad debt is NOK 44.4 million as of 31 December 2024 (NOK 26.9 million as of 31 December 2023).

Aging analysis trade receivables, 31 December 2024

NOK 1000	Total	Not due	< 30d	30-60d	60-90d	> 90d
Trade receivables	936 729	669 595	144 716	40 330	19 202	62 887
Provision for bad debt	(44 408)	(3 142)	(128)	(1 559)	(1 701)	(37 877)
Total trade receivables	**892 322**	**666 452**	**144 588**	**38 771**	**17 501**	**25 009**

Trade receivables and other receivables are recognised net of expected losses. The accrual for losses is based on an individual assessment of each receivable.

Aging analysis trade receivables, 31 December 2023

NOK 1000	Total	Not due	< 30d	30-60d	60-90d	> 90d
Trade receivables	869 746	584 837	167 869	30 492	18 633	67 914
Provision for bad debt	(26 932)	(1 130)	0	(421)	(290)	(25 091)
Total trade receivables	**842 814**	**583 707**	**167 869**	**30 072**	**18 343**	**42 822**

Changes in bad debt provisions

NOK 1000	31.12.2024	31.12.2023
Provisions as of 01.01	26 932	33 624
Provision for bad debt during the period	20 566	7 755
Realised losses for the year	(765)	(10 890)
Reversed provision during the period	(4 582)	(7 125)
Translation differences	2 257	3 568
Provisions as of 31.12	**44 408**	**26 932**

Foreign exchange rate risk

As a consequence of the international business activities, Saferoad is exposed to foreign exchange risks from the flow of goods (transaction exposure) and from assets and liabilities in currencies other than the reporting currency (translation exposure).

Saferoad aims to reduce these risks by creating natural hedges, to the extent possible. Natural hedges can be achieved by buying and selling goods and services in the same currency, and by borrowing in the same currency as the assets on the balance sheet.

All foreign exchange differences are reported in profit or loss, with the exception of foreign exchange differences on intercompany loans treated as net investments, which are recognised in other comprehensive income.

Transaction exposure

Saferoad shall reduce the impact from currency fluctuations by primarily creating natural hedges and thereafter hedge contracted transaction exposure by applying financial instruments. Hedging with financial instruments will only be done after a case-by-case cost benefit analysis.

Translation exposure

Translation exposure is an accounting risk arising when items denominated in foreign currencies in the balance sheet and income statement are revaluated and consolidated. Saferoad continuously monitors, measures and follow-up the exposure to evaluate the effects on financial statements.

Foreign exchange sensitivities

The schedule below outlines the impact from a 10 per cent NOK appreciation against the main currencies:

Impacts from a 10 per cent NOK appreciation towards

NOK million	All currencies	SEK	EUR	PLN
One-off revaluation effects in financial items	175	62	115	1

The table above illustrates the one-off revaluation effects in financial items from a NOK appreciation against other currencies. Revaluation effects from intercompany positions are included. All sensitivities are estimated while keeping all other parameters constant.

Interest rate risk

The interest rates on the financing agreements are affected by changes in market rates, as Saferoad is being charged floating interest rates. Saferoad has bought interest rate caps to protect against rising interest rates for the Senior Term Facilities Agreement. Protection is bought for the full exposure in NOK, EUR and SEK until the maturity of the Senior Term Facilities in September 2028.

The sensitivity analysis illustrates the annual impact on financial expenses and after-tax result for an increase or decrease of 100 basis points in the interest rates (all other variables being unchanged). The interest rate caps bought are currently effective for all currencies, and we will therefore not experience any significant cost increase or cost decrease if the current interest rate levels increase or decrease by 100 basis points.

An assumption of an effective tax rate of 20 per cent is applied to calculate the after-tax impact on P&L.

The interest rate cost is to some extend exposed to risk related to changes in the credit margin on the Revolving Facility Agreement with DNB Bank, because the credit margin is leverage dependent.

Sensitivity analysis interest rates, 31 December 2024

NOK million	Change Financial expences	Change after tax profit and loss
100 basis points increase	6.5	5.2
100 basis points decrease	(6.5)	(5.2)

Commodity risk management

Saferoad is exposed to commodity price risks due to changes in commodity prices, which the Group is not directly able to transfer to external counterparties. Saferoad's main exposure derives from purchases of raw materials like steel, aluminium, zinc and plastics. In addition, Saferoad is exposed to fluctuations in the price of electricity and oil.

To secure cost-efficiency and large scale of operations, category teams have been established for the major commodities. The category teams closely monitor the risk related to changes in commodity prices and the Group use natural hedging to mitigate potential negative impact from increase in raw material prices on larger projects and orders with fixed prices.

Saferoad has during 2024 entered some smaller financial derivative contracts to mitigate the risk from rising steel prices.

Financial derivatives

Saferoad has bought interest rate options to cap the upside risk to market rates, as well as commodity swaps to mitigate the risk from rising steel prices. The Group may also from time to time use forward agreements or options to hedge selected currency exposures. See note 24 for further description.

Note 20

Interest-bearing liabilities

Saferoad's long-term financing is secured through the Parent Company Saferoad Holding AS Senior Term Facilities Agreement with GSO ESDF II, GSO ESDF II Levered Holdco I S.a.r.l., GSO ESDF II Levered Holdco II S.a.r.l., G QCM Holdco S.a.r.l., Blackstone Oslo Holdings Co-Investment Fund LP, Blackstone Supplemental Account – PS (Private Credit Holdings) L.P. (all funds managed by Blackstone Alternative Credit Advisors LP), Stichting Depositary APG Developed Markets Active Credits Pool and Stichting Pensioenfonds ABP as original lenders. The Senior Term Facilities are for NOK 869.1 million, EUR 96.0 million and SEK 610.7 million which all mature in September 2028.

In addition, working capital financing is secured through a Revolving Credit Facility agreement between Saferoad Holding AS and DNB Bank ASA as Original Lender. The Revolving Facility Agreement commitment is NOK 510.0 million and matures in March 2028. By year end 2024, there was drawn NOK 110.0 million on the revolving facility.

Saferoad subsidiary, Vik Ørsta AS, has entered into an Overdraft Facility Agreement with DNB Bank for EUR 7.0 million, a Facility that on a recurring basis will be automatically renewed for a 364-day period from December 2025. Vik Ørsta AS has signed a Mortgage Declaration where Vik Ørsta AS pledges its accounts receivables and inventories as security for the EUR 7.0 million Overdraft Facility Agreement.

Interest

Interest on the revolving facility agreement will accrue at a floating rate calculated as the sum of the applicable interbank market rate and a margin. The margin for the revolving facility varies with Saferoad's leverage ratio. There are interest rate floors in the financial agreements with DNB Bank and the Facilities originally lent by funds managed by Blackstone Alternative Credit Advisors LP. Saferoad has bought interest rate caps to protect against rising interest rates. For the Senior Term Facilities Agreement managed by Blackstone Alternative Credit Advisors, protection is bought for the full exposure in NOK, EUR and SEK until the maturity of the Senior Term Facilities in 2028. The protection has been effective for all currencies during 2024. There is not bought any protection against rising interbank market rates for the Revolving Credit Facility with DNB.

Security and pledge

See note 28 'Pledged assets and guarantees' regarding security and pledge.

Financial covenant

There is a leverage covenant in the DNB Bank facility with which Saferoad Group must be compliant, in case 40 per cent or more of the revolving facility is drawn. As of 31 December 2024, there is sufficient headroom to the leverage covenant. The only financial covenant in the Senior Term Facility Agreements is a limitation on capital expenditure per annum. Saferoad's actual capital expenditure in 2024 is below the 2024 capex covenant level.

The Group has the following non-current interest-bearing liabilities to credit institutions:

Liabilities to credit institutions 31 December 2024

NOK 1000	Currency	Interest rate	Due date	Amount
Liabilites to credit institutions - Term loan	SEK	STIBOR + Margin	30/9/2028	616 906
Liabilites to credit institutions - Term loan	NOK	NIBOR + Margin	30/9/2028	852 982
Liabilites to credit institutions - Term loan	EUR	EURIBOR + Margin	30/9/2028	1 111 292
Liabilites to credit institutions - Revolving credit facility	NOK	NIBOR + Margin	31/3/2028	98 175
Total				**2 679 355**
Less current part				0
Non-current				**2 679 355**

Other non-current liabilities 31 December 2024

NOK 1000	Amount
Financial leasing	462 028
Other non-current liabilities interest bearing	43 754
Estimated future payments for acquired shares (note 22)	6 761
Other non-current liabilities non interest bearing	35 195
Total	**547 739**
Less current part	(132 289)
Non-current	**415 450**

Liabilities to credit institutions 31 December 2023

NOK 1000	Currency	Interest rate	Due date	Amount
Liabilites to credit institutions - Term loan	SEK	STIBOR + Margin	30/9/2028	603 335
Liabilites to credit institutions - Term loan	NOK	NIBOR + Margin	30/9/2028	847 642
Liabilites to credit institutions - Term loan	EUR	EURIBOR + Margin	30/9/2028	1 052 417
Liabilites to credit institutions - Revolving credit facility	NOK	NIBOR + Margin	31/3/2028	35 279
Total				**2 538 673**
Less current part				0
Non-current				**2 538 673**

Other non-current liabilities 31 December 2023

NOK 1000	Amount
Financial leasing	373 102
Other non-current liabilities interest bearing	24 745
Estimated future payments for acquired shares (note 22)	7 730
Other non-current liabilities non interest bearing	40 536
Total	**446 113**
Less current part	(121 860)
Non-current	**324 253**

The Group has the following current liabilities to credit institutions:

Current liabilities to credit institutions

Carrying value (NOK 1000)	31.12.2024	31.12.2023
Other current liabilities to credit institutions	0	197
Total current liabilities to credit institutions	**0**	**197**

The table below summarises the maturity profile of current liabilities to credit institutions and non-current financial liabilities:

2024

NOK 1000	Due within one year	Due within two years	Due within three years	Due within four years	Due within five years	Due after five years	Total interest-bearing liabilities
Liabilities to credit institutions - principal amount	9 778	2 525	3 429	2 634 214	6 292	6 292	2 662 528
Revolving credit facility	0	0	0	110 000	0	0	110 000
Liabilities to credit institutions - interest	206 648	206 750	206 642	154 796	(642)	0	774 194
Financial leasing	163 745	133 008	102 262	72 079	39 131	45 186	555 412
Estimated future payments for acquired shares (note 22)	60	6 701	0	0	0	0	6 761
Other loans	0	0	0	0	0	13 354	13 354
Total	**380 231**	**348 984**	**312 333**	**2 971 089**	**44 781**	**64 831**	**4 122 249**

2023

NOK 1000	Due within one year	Due within two years	Due within three years	Due within four years	Due within five years	Due after five years	Total interest-bearing liabilities
Liabilities to credit institutions - principal amount	5 653	1 953	1 298	850	2 567 607	771	2 578 132
Revolving credit facility	0	0	0	0	50 000	0	50 000
Liabilities to credit institutions - interest	202 529	202 449	202 454	202 431	151 909	0	961 771
Financial leasing	148 399	97 566	80 590	57 143	35 664	47 391	466 752
Estimated future payments for acquired shares (note 22)	7 730	0	0	0	0	0	7 730
Other loans	223	20	69	123	69	11 868	12 372
Total	**364 534**	**301 988**	**284 410**	**260 548**	**2 805 248**	**60 030**	**4 076 759**

Note 21

Other provisions

Accounting policies

A provision is recognised when the Group has a legal or constructive obligation because of a past event, it is probable (more likely than not) that a financial settlement will take place because of this obligation and the size of the amount can be measured reliably.

A provision for a warranty is recognised when the underlying products or services are sold. The provision is based on historical information on guarantees and a weighting of possible outcomes according to the likelihood of their occurrence.

Restructuring provisions are reported when the Group has approved a detailed and formal restructuring plan and the restructuring has either started or been publicly announced.

Provisions for loss-making contracts are recognised when the Group's estimated revenues from a contract are less than the lowest possible cost of meeting the contractual obligations.

Significant accounting estimates and assumptions

If the effect is material, the provision is calculated by discounting estimated future cash flows using a pre-tax discount rate that reflects the market's pricing of the time value of money and, if relevant, risks specifically linked to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Possible liabilities (obligations) that do not satisfy the three provision criterions are categorised as 'contingent' under IAS 37 and are not recognised in the financial statements. Significant contingent liabilities are disclosed, except for contingent liabilities that are unlikely to be incurred. In a business combination a contingent liability has to be recognised in a business acquisition regardless of probability.

Contingent assets are not recognised in the annual accounts but are disclosed if it is probable that an economic benefit will be received.

Non-current

NOK 1000	31.12.2024	31.12.2023
Warranty provision	2 582	3 143
Other provisions	1 878	2 098
Total non-current provisions	**4 460**	**5 241**

Current

NOK 1000	31.12.2024	31.12.2023
Restructuring provisions	0	1 241
Total current provisions	**0**	**1 241**

Other provisions mainly include royalty provisions for suppliers and environmental liabilities. Restructuring provisions are mainly related to personnel costs.

Changes in provisions in 2024

NOK 1000	Warranty provisions	Other provisions	Total non-current provisions	Restructuring provisions	Total current provisions
Opening balance 01.01.2024	3 143	2 098	5 241	1 241	1 241
Additions	0	1 295	1 295	0	0
Used (amount charged against provision)	(580)	(464)	(1 044)	(1 261)	(1 261)
Unused amounts reversed	0	(1 162)	(1 162)	0	0
Translation differences	18	112	130	20	20
Total provisions 31.12.2024	**2 582**	**1 878**	**4 460**	**0**	**0**

Changes in provisions in 2023

NOK 1000	Warranty provisions	Other provisions	Total non-current provisions	Restructuring provisions	Total current provisions
Opening balance 01.01.2023	3 828	2 552	6 380	8 386	8 386
Additions	778	413	1 191	1 924	1 924
Used (amount charged against provision)	0	(205)	(205)	(9 702)	(9 702)
Unused amounts reversed	(1 500)	(903)	(2 403)	0	0
Translation differences	37	240	277	633	633
Total provisions 31.12.2023	**3 143**	**2 098**	**5 241**	**1 241**	**1 241**

Note 22

Earn outs on acquired shares

Accounting principle

Any future payments for acquired shares gives rise to a financial liability for the present value of the redemption amount. The financial liability is subsequently re-measured at the end of each reporting period in accordance with IFRS 9.

Future payments for acquired shares

The Group has the following future payments (earn outs and seller credit) related to acquired subsidiaries:

NOK 1000	31.12.2024	31.12.2023
Company		
AWK GmbH	60	7 683
Munck Asfalt A/S	6 701	0
Total estimated future payments	**6 761**	**7 683**
Classified as		
Other non-current liabilities	6 701	0
Other current liabilities	60	7 683
Total estimated future payments	**6 761**	**7 683**

Acquired shares in the reporting period

In January 2024, Saferoad Services A/S made an asset deal with Muck Asfalt A/S for acquiring their road marking division. Based on certian criterias, the seller is entitled to an yearly payment over a 5 year period if criterias are met. The earn-out is based on best estimate as of 31 December 2024.

On 31 December 2020, the Group acquired AWK GmbH in Germany, which is included in the Road Safety segment. The first tranche of the estimated total consideration was paid 28 December 2020. The second tranche was paid after finalisation of the annual financial statements for 2020 for the company. The final settlement will be made after finalisation of the annual financial statements for 2023 as the earn-out period has been prolonged for a year. The earn-out is based on the EBITDA-performance for 2021, 2022 and 2023. AWK GmbH is consolidated as a wholly owned subsidiary of the Group.

Note 23

Other current liabilities

NOK 1000	31.12.2024	31.12.2023
Salary	122 773	114 740
Bonuses	11 059	13 604
Holiday pay	102 820	83 869
Other liabilities to employees	11 222	8 079
Prepayment from customers	89 408	49 530
Accrued interest	1 787	2 796
Estimated future payments acquired shares (note 22)	60	7 730
Current liabilities to group companies	1 002	0
Other current liabilities	131 411	104 924
Total other current liabilities	**471 544**	**385 272**

Note 24

Hedge accounting

Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its interest rate exposures. The Group wants to have hedges linked to its debt portfolio limiting impacts of an increasing NIBOR, EURIBOR and STIBOR. The basis for this is to limit the impact of an increase in floating interest rates on the Group's interest expenses.

At the inception of the designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument. In 2024, the interest rate swap and interest rate option has been accounted together as an interest rate swap with an embedded option, while they in the comparable numbers for 2023 are presented as assets and liabilities.

Accounting policies

Saferoad accounts for a hedge of interest rate on loan with floating rate as a cash flow hedge. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item. Any ineffective portion of changes in the fair value of the derivative is recognised in the profit and loss statement.

The interest rate risk is mitigated by purchase of interest rate caps. The fair value of the interest rate caps' are booked as a financial asset. The interest rate caps' are funded with a swap simultaneously booked as a liability. The initial value of the interest rate caps and the swaps equals each other at date of inception.

On a monthly basis, the fair value of the interest rate caps is measured, and the value of the financial asset is adjusted to reflect the fair value. The change in fair value of the caps is recognised in OCI. As the interest rate caps matures, it might lead to an incoming payment recognised in the profit and loss. The value booked as an asset in the balance related to the matured cap will be transferred from the asset value and booked in the profit and loss as a financial expense. When all caps have matured, the asset value will be zero in the balance sheet, and all entries in the hedge reserve is transferred to profit and loss.

At each reporting date, the fair value of the swap is measured, and the value of the liability is adjusted to reflect the fair value. The change in fair value of the swap are recognised in OCI and transferred to hedge reserve. When all payments of the swaps have matured, the liability are to be zero in the balance sheet, and all entries in the hedge reserve is transferred to the profit and loss.

As of 31 December 2024, the Group held the following instruments to hedge exposures to changes in interest rate on loan with floating rate:

2024

Interest Rate Swaps with embedded option

Current amount	Maturity date	Strike rate	Rate index	Currency	Fair value	Fair value NOK
EUR 96 000 000	Sep 28	1.00 %	3M EURIBOR	EUR	2 205 583	26 014 851
NOK 869 000 000	Sep 28	2.50 %	3M NIBOR	NOK	25 747 485	25 747 485
SEK 610 000 000	Sep 28	1.50 %	3M STIBOR	SEK	9 304 420	9 577 040
					Asset	**61 339 376**

2023

Interest rate Options

Current amount	Maturity date	Strike rate	Rate index	Currency	Fair value	Initial value	Fair value NOK
EUR 96 000 000	Sep 28	1.00 %	3M EURIBOR	EUR	6 327 827	3 257 766	71 127 939
NOK 869 000 000	Sep 28	2.50 %	3M NIBOR	NOK	47 558 769	34 430 884	47 558 769
SEK 610 000 000	Sep 28	1.50 %	3M STIBOR	SEK	31 981 064	22 540 491	32 396 818
						Asset	**151 083 526**

Interest rate Swaps

Current amount	Maturity date	Currency	Fair value	Initial value	Fair value NOK
EUR 96 000 000	Sep 28	EUR	(1 900 517)	(3 257 766)	(21 362 761)
NOK 869 000 000	Sep 28	NOK	(23 749 903)	(34 430 884)	(23 749 903)
SEK 610 000 000	Sep 28	SEK	(14 454 712)	(22 540 491)	(14 642 623)
				Liability	**(59 755 288)**

Note 25

Fair value financial instruments

Set out on the following tables is a comparison by class of the carrying amount and fair values that are recognised in the financial statements.

2024

NOK 1000	Notes	Financial assets and liabilities at amortised cost	Financial assets and liabilities at fair value	Total
Non-current assets				
Non-current receivables		28 171		28 171
Other investments		749		749
Current assets				
Trade receivables	19	892 322		892 322
Other receivables	17	310 615		310 615
Financial derivatives	24		61 339	61 339
Total		**1 231 856**	**61 339**	**1 293 196**
Fair value		**1 231 856**	**61 339**	**1 293 196**
Unrecognised gain/(loss)		**0**	**0**	**0**
Non-current liabilities				
Non-current liabilities to credit institutions	20	2 679 355		2 679 355
Other non-current liabilities	20	415 450		415 450
Current liabilities				
Accounts payables		650 799		650 799
Current liabilities related to acquisitions	22, 23		6 761	6 761
Other current liabilities	23	464 783		464 783
Current portion of non-current liabilities	20	132 229		132 229
Total		**4 342 614**	**6 761**	**4 349 375**
Fair value		**4 342 614**	**6 761**	**4 349 375**
Unrecognised gain/(loss)		**0**	**0**	**0**

2023

NOK 1000	Notes	Financial assets and liabilities at amortised cost	Financial assets and liabilities at fair value	Total
Non-current assets				
Non-current receivables		29 928		29 928
Other investments		685		685
Current assets				
Trade receivables	19	842 814		842 814
Other receivables	17	274 815		274 815
Financial derivatives	24		151 084	151 084
Total		**1 148 241**	**151 084**	**1 299 325**
Fair value		**1 148 241**	**151 084**	**1 299 325**
Unrecognised gain/(loss)		**0**	**0**	**0**
Non-current liabilities				
Non-current liabilities to credit institutions	20	2 538 673		2 538 673
Other non-current liabilities	20	324 253		324 253
Financial derivatives	24		59 755	59 755
Current liabilities				
Accounts payables		574 220		574 220
Current liabilities related to acquisitions	22, 23		7 683	7 683
Other current liabilities	23	377 589		377 589
Current portion of non-current liabilities	20	114 129		114 129
Current liabilities to credit institutions	20	197		197
Total		**3 929 061**	**67 438**	**3 996 499**
Fair value		**3 929 061**	**67 438**	**3 996 499**
Unrecognised gain/(loss)		**0**	**0**	**0**

Note 26

Changes in liabilities arising from financing activities

Changes in liabilities arising from financing activities

NOK 1000	Notes	31.12.2023	Cash flows	Non-cash changes: Acquisition of subsidiaries and other businesses	Non-cash changes: Changes in foreign exchange rates	Non-cash changes: Other changes	31.12.2024
Non-current liabilities							
Non-current liabilities to credit institutions	20	2 538 673	60 000	0	63 186	17 496	2 679 355
Financial leasing	20	264 278	(61 620)	0	5 709	130 076	338 442
Future payments for acquired shares	20, 22	0		6 761		(60)	6 701
Other non-current liabilities	20	59 976	15 643	0	1 027	(6 340)	70 306
Total other non-current liabilities	**20**	**324 253**	**(45 978)**	**6 761**	**6 736**	**123 676**	**415 450**
Current liabilities							
Other current liabilities to credit institutions	20	197	(197)	0	0		(0)
Total current liabilities to credit institutions	**20**	**197**	**(197)**	**0**	**0**	**0**	**(0)**
Accrued interest		2 796	0	0	0	(1 009)	1 787
Options on shares and estimated future payments	17,22	7 730	(7 996)	0	266	60	60
Current portion of financial leasing	20	108 824	(108 824)	0	3 419	120 167	123 586
Current portion of other non-current liabilities	20	5 305	3 338	0	197	(197)	8 643
Other current liabilities		**124 656**	**(113 483)**	**0**	**3 882**	**119 021**	**134 076**
Total liabilities from financing activities		**2 987 779**	**(99 657)**	**6 761**	**73 804**	**260 192**	**3 228 880**

					Non-cash changes		
NOK 1000	**Notes**	**31.12.2022**	**Cash flows**	**Acquisition of subsidiaries and other businesses**	**Changes in foreign exchange rates**	**Other changes**	**31.12.2023**
Non-current liabilities							
Non-current liabilities to credit institutions	20	2 660 071	(250 000)	0	111 107	17 496	2 538 673
Financial leasing	20	203 463	(54 776)	0	10 512	105 079	264 278
Future payments for acquired shares	20, 22	0	0	0	0	0	0
Other non-current liabilities	20	54 406	(580)	0	6 460	(310)	59 976
Total other non-current liabilities	**20**	**257 869**	**(55 355)**	**0**	**16 971**	**104 769**	**324 253**
Current liabilities							
Other current liabilities to credit institutions	20	367	(186)	0	16	0	197
Total current liabilities to credit institutions	**20**	**367**	**(186)**	**0**	**16**	**0**	**197**
Dividends to non-controlling interests		24 185	0	0	0	(24 185)	0
Accrued interest		2 919	0	0	0	(123)	2 796
Options on shares and estimated future payments	17, 22	8 642	0		(911)	0	7 730
Current portion of financial leasing	20	88 644	(88 644)	0	5 945	102 879	108 824
Current portion of other non-current liabilities	20	787	4 518	0	(178)	178	5 305
Other current liabilities		**125 177**	**(84 126)**	**0**	**4 855**	**78 749**	**124 656**
Total liabilities from financing activities		**3 043 484**	**(389 667)**	**0**	**132 949**	**201 013**	**2 987 779**

Note 27

Share capital, shareholders' equity, dividend and non-controlling interests

The share capital of Saferoad Holding AS on 31 December consists of the following shares:

		Number of shares	Share capital	Share premium
31.12.2016	Total	1 000 000	2 000	1 159 875
02.05.2017	Share split, ratio 1:20	19 000 000	0	0
29.05.2017	Issuing of ordinary new shares in connection with public offering	46 666 667	4 667	1 395 333
21.09.2018	Share capital increase by conversion of debt	0	6 667	1 643 333
31.12.2019	Dividends	0	0	(2 686 487)
20.02.2020	Share capital increase by conversion of receivable	2 723 580	545	23 713
20.02.2020	Share capital increase by fund issue	0	11 888	(11 888)
20.02.2020	Share split	59 441 131	0	0
08.11.2021	Dividends	0	0	(1 138 410)
31.12.2024	**Total**	**128 831 378**	**25 766**	**385 469**

Number of shares are in full amount. Share capital and share premium are in NOK thousand.

For further description, see consolidated statement of changes in equity.

Number of shares and shareholders

Shareholders in Saferoad Holding AS 31 December 2024	Class A Shares (Common shares)	Class B Shares (Preference shares)	Total shares	Percentage
Saferoad MidCo AS	25 313 719	100 794 079	126 107 798	97.89 %
MgmtCo Saferoad AS	1 361 790	1 361 790	2 723 580	2.11 %
Total	**26 675 509**	**102 155 869**	**128 831 378**	**100.00 %**

Non-controlling interests

2024

				Financial information (100 % basis)			
NOK 1000	**Accumulated non-controlling interests**	**Non-controlling interests share of profit/(loss)**	**Dividends to non-controlling interests**	**Assets**	**Liabilities**	**Revenue**	**Profit/(loss)**
Brite Line Europe GmbH	6 902	600	0	40 193	13 023	72 901	2 382
Total non-controlling interests	**6 902**	**600**	**0**				

2023

				Financial information (100 % basis)			
NOK 1000	**Accumulated non-controlling interests**	**Non-controlling interests share of profit/(loss)**	**Dividends to non-controlling interests**	**Assets**	**Liabilities**	**Revenue**	**Profit/(loss)**
Brite Line Europe GmbH	5 997	768	0	32 746	9 157	61 040	3 048
Total non-controlling interests	**5 997**	**768**	**0**				

For an overview of non-controlling interest in ownership percentages and principal places of business, see note 10 in the parent company accounts.

Payment of dividend to minority shareholders shall be no greater than proportionate to their shareholding (unless the rights attaching to their shareholding entitle them to a greater proportion in which case not exceeding such greater proportion).

Note 28

Pledged assets and guarantees

Saferoad Holding AS refinanced in November 2021 by entering a Senior Term Facilities Agreement with GSO ESDF II (Luxembourg) Holdco S.à r.l., GSO ESDF II (Luxembourg) Levered Holdco I S.à r.l., GSO ESDF II (Luxembourg) Levered Holdco II S.à r.l., G QCM (Luxembourg) Holdco S.à r.l. as Original Lenders (all funds managed by Blackstone Alternative Credit Advisors LP) of NOK 869.1 million, EUR 96.0 million and SEK 610.7 million. The Facilities mature in September 2028.

In addition, working capital financing was secured through a revolving facility agreement between Saferoad Holding AS and DNB Bank ASA as Original Lender. The revolving facility agreement amounts to NOK 510.0 million and matures in March 2028.

Wilmington Trust (London) Limited is acting as Security Agent for all Facilities.

Security

The following Saferoad Group companies have acceded the Facility Agreements with DNB and the GSO Funds as Guarantors.

In addition to the guarantees, the following securities are given in favour of the Security Agent, acting in the interest of the lenders:

a. pledge granted by Saferoad Midco AS and MgmtCo Saferoad AS of all shares issued by Saferoad Holding AS and held by either Saferoad Midco AS or MgmtCo Saferoad AS

b. pledge granted by the Holding company of each guarantor listed above of all shares owned in the guarantor by the respective Holding company

c. pledge over all intra-group loan agreements exceeding a value of NOK 10.0 million, or similar value in other currencies

d. Saferoad Holding AS' bank accounts

Company	Jurisdiction	Corporate Identity Number
Bongard & Lind Noise Protection GmbH & Co KG	Germany	HRB 21196
Bongard & Lind Verwaltungs GmbH	Germany	HRB 21973
AWK GmbH	Germany	HRB 8839
Brødrene Berntsen AS	Norway	810547472
Hausneindorfer Metallbau und Montage GmbH	Germany	HRB 108088
Saferoad Services AB	Sweden	556520-7478
Saferoad Traffic AS	Norway	890729142
Saferoad Services AS	Norway	976962699
Saferoad Services A/S	Denmark	26994896
Inter Metal Sp. z o.o.	Poland	90428498
Moramast AB	Sweden	556179-2598
Saferoad Traffic A/S	Denmark	21778702
Saferoad Europe GmbH	Germany	HRB 22345
Saferoad Services Sp. z o.o.	Poland	0000152355
Saferoad Holding AB	Sweden	556753-5470
Saferoad Holding AS	Norway	917763909
Saferoad Holding Denmark ApS	Denmark	31589487
Saferoad Holding Germany GmbH	Germany	HRB 22343
Saferoad Pomerania Sp. z o.o.	Poland	0000154679
Saferoad RRS GmbH	Germany	HRB 22479
Saferoad Restraint Systems Sp. z o.o.	Poland	0000265582
Saferoad Smekab AB	Sweden	556099-6869
Saferoad Traffic AB	Sweden	556030-8073
Saferoad RRS Sverige AB	Sweden	556505-1413
Saferoad Treasury AB	Sweden	556493-1573
Vik Ørsta AS	Norway	985001952

Note 29

Other commitments and contingencies

Accounting policies

The Group may from time to time be involved in legal proceedings in various forms. While acknowledging the uncertainties of litigation, the Group is of the opinion that based on the information currently available, these matters will be resolved without any material adverse effect individually or in aggregate on the Group`s financial position. For legal disputes where the Group assesses it probable (more likely than not) that an economic outflow will be required to settle the obligation, provisions have been made based on management`s best estimate. For 2024, there are no material contingencies.

Note 30

Transactions with related parties

An overview of subsidiaries is presented in note 10 for the parent company. Remunerations to the Board of Directors and Group Management are disclosed in note 8. Transactions with subsidiaries have been eliminated and do not represent related party transactions.

The Group has the following transactions with shareholders, associated companies, minority shareholders of subsidiaries or companies that can be considered related to members of the Board of Directors or leading executives.

NOK 1000	2024	2023
Profit and loss		
Sales to related parties	861	940
Purchases from related parties [1]	62 778	39 301

NOK 1000	31.12.2024	31.12.2023
Balance sheet		
Receivables [2]	75	150
Payables [3]	10 335	200
Other transactions with related parties	350	350

1. Purchases from related parties mainly include purchase of goods from minority shareholders of subsidiaries and from companies which are related to leading executive in a company in the Group. In addition, hire of employees from associated companies are included.
2. Receivables mainly include receivables for trade of goods from companies which is related to leading executives in a company in the Group.
3. Payables mainly include transactions for trade of goods with companies are related to leading executives in a company in the Group.

For 2024 the Group has the following transactions and financial positions with group companies outside Saferoad Group but within Saferoad HoldCo Group.

For 2023 the Group has the following transactions and financial positions with group companies outside Saferoad Group but within SRH BridgeCo Group.

NOK 1000	2024	2023
Internal revenue and purchase outside Saferoad Group but within Saferoad HoldCo group/SRH BridgeCo Group		
Internal revenue	0	42
Internal purchase	**0**	**2 148**

NOK 1000	31.12.2024	31.12.2023
Loans and receivables on group companies outside Saferoad Group but within Saferoad HoldCo group/SRH BridgeCo Group		
Receivables	784	4 069
Total loans and receivables	**784**	**4 069**
Liabilities to group companies outside Saferoad Group but within Saferoad HoldCo group/SRH BridgeCo Group		
Current liabilities	0	25
Total liabilities	**0**	**25**

Note 31

Events after the balance sheet date

Saferoad signed an agreement to acquire UAB GATAS in august 2024, with closing expected Q2/Q3 2025 subject to competition filing. With this deal, Saferoad and GATAS will form a joint service business strengthening road safety in the Baltics region.

In april 2025, Saferoad acquired Total Trafikkhjelp AS within the Business Area Traffic, marking a significant step in strengthening our presence in the northern Norwegian road traffic market and expanding our comprehensive range of road safety services. In 2023, the company had a revenue of NOK 35 million with a profit after tax of NOK 1.8 million

4.2 Alternative performance measures

APMs

Alternative performance measures

Alternative performance measures (APMs)

APMs are used by Saferoad for financial reporting to provide a better understanding of the company's underlying financial performance for the period. Underlying operating revenue, underlying EBITDA and underlying EBITA is also used by management to drive performance in terms of target setting. These measures are adjusted IFRS measures defined, calculated and used in a consistent and transparent manner over time and across the Group where relevant.

Operational measures such as volumes, prices and currency effects are not defined as APMs. Saferoad focuses on underlying EBITDA and underlying EBITA in the discussions of periodic operating results for the segments and for the Group.

Each of the following APMs has been defined by the Group as follows:

Underlying operating revenue is defined as operating revenue reported adjusted for material items such as gains from divestments of businesses, as well as other major effects of a special nature.

EBITDA is defined as profit/(loss) for the year before financial income and expense, tax, depreciation, amortisation and write-downs, including depreciation, amortisation and impairment of excess values in equity accounted investments.

Underlying EBITDA is defined as EBITDA adjusted for material items which are not regarded as part of underlying business performance for the period, such as costs related to acquisitions and divestments, major restructuring costs and closure costs, major impairments of property, plant and equipment, gains and losses of disposals of businesses and operating assets, as well as other major effects of a special nature.

EBITA is defined as EBITDA after depreciation.

Underlying EBITA is defined as EBITA adjusted for material items which are not regarded as part of underlying business performance for the period, such as costs related to acquisitions and divestments, major restructuring costs and closure costs, major impairments of property, plant and equipment, gains and losses of disposals of businesses and operating assets, as well as other major effects of a special nature.

Underlying profit/(loss) for the year is defined as profit/(loss) for the year adjusted for material items which are not regarded as part of underlying business performance for the period, such as costs related to acquisitions and divestments, major restructuring costs and closure costs, major impairments of property, plant and equipment, gains and losses of disposals of businesses and operating assets, impairments of intangible assets, change in deferred tax, changes in earn outs and estimated future payments related to options on shares, and unrealised foreign exchange rate gains/(losses), as well as other major effects of a special nature.

NOK 1000	2024	2023
Reported operating revenue	**7 583 867**	**6 743 198**
Items excluded from underlying operating revenue	0	(8 829)
Underlying operating revenue	**7 583 867**	**6 734 369**
Reported profit/(loss) for the year	**(164 772)**	**(132 302)**
Net financial income and expenses	404 024	426 963
Tax	101 157	50 230
Depreciation and impairment	309 979	269 767
Amortisation and impairment	123 699	55 075
Reported EBITDA	**774 087**	**669 733**
Items excluded from underlying EBITDA	46 177	47 772
Underlying EBITDA	**820 264**	**717 505**
Depreciation and impairment	(309 979)	(269 767)
Underlying EBITA	**510 285**	**447 738**
Reported profit/(loss) for the year	**(164 772)**	**(132 302)**
Items excluded from underlying profit/(loss) for the year	158 569	184 181
Underlying profit/(loss) for the year	**(6 203)**	**51 879**

NOK 1000	2024	2023
Items excluded from underlying revenue, underlying EBITDA and underlying profit/(loss) for the year		
Restructuring charges and closure costs	0	(8 829)
Items excluded from underlying operating revenue	**0**	**(8 829)**
Transaction and financing costs [1)]	27 250	19 053
Restructuring charges and closure costs [2)]	12 807	22 838
Other effects [3)]	6 120	5 881
Items excluded from underlying EBITDA	**46 177**	**47 772**
Net financial income/(expense) [4)]	60 085	144 770
Tax [5)]	52 307	(8 361)
Items excluded from underlying profit/(loss) for the year	**158 569**	**184 181**
Items excluded from underlying EBITDA, specified per operating segment		
Restraint Systems	8 455	12 010
Traffic	9 555	7 901
Infrastructure	0	0
Services	1 028	(9 606)
Holding	27 139	37 467
Items excluded from underlying EBITDA	**46 177**	**47 772**

1. Transaction and financing costs in both 2024 and 2023 relate to costs for external advisors in relation to financing of Saferoad Group and transaction costs in connection to acquisition of companies.
2. Restructuring charges and closure costs relate to redundancy and other restructuring cost/(income).
3. Other effects in 2024 is related to different one-offs such as recruitment costs new VP procurement, logistics project in Restraint Systems and other less material non-recurring costs. Other effects in 2023 includes severance pay to former SVP Operations, costs relating to extraordinary strategic initiatives such as OPWC project and growth projects, write down of ERP project, reversal of provision regarding legal proceedings as well as other less material non-recurring costs.
4. Net financial income/(expense) relates to unrealised foreign exchange rate gains/(losses), as well changes in earn outs and estimated future payments related to options on shares.
5. Tax relates to changes in deferred tax liabilities/assets.

4.3 Saferoad Holding AS

Financial statements

Saferoad Holding AS

Statement of comprehensive income

NOK 1000	Notes	2024	2023
Operating revenue from group companies	14	85 289	63 763
Total operating revenue		**85 289**	**63 763**
Personnel costs	3	71 460	60 762
Depreciation and impairment property, plant and equipment	8	2 573	2 573
Depreciation and impairment right of use assets	9	1 479	1 479
Amortisation and impairment	7	960	960
Other operating costs	4	72 653	73 832
Other operating costs to group companies	14	14 555	14 805
Total operating costs		**163 680**	**154 411**
Operating profit/(loss)		**(78 391)**	**(90 647)**
Financial income	5	12 220	8 665
Financial income from group companies	5,14	324 686	337 787
Financial expenses	5	288 048	403 096
Financial expenses to group companies	5,14	16 017	20 386
Net exchange rate gain/(loss)	5	(23 899)	(63 245)
Net financial income/(expenses)		**8 942**	**(140 275)**
Profit/(loss) before tax		**(69 449)**	**(230 922)**
Tax	6	(56 584)	39 386
Profit/(loss) for the year		**(126 034)**	**(191 536)**
Other comprehensive income for the year, net of tax	15	(23 391)	(37 760)
Total comprehensive income for the year		**(149 425)**	**(229 296)**

Statement of financial position (assets)

NOK 1000	Notes	31.12.2024	31.12.2023
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	7	40	1 000
Total intangible assets		**40**	**1 000**
Tangible assets			
Land	8	5 748	5 748
Buildings	8	6 198	8 764
Rental equipment, furniture and vehicles	8	49	56
Right-of-use assets	9	2 958	4 437
Total fixed assets		**14 954**	**19 005**
Financial non-current assets			
Shares in subsidiaries	10	4 547 391	1 661 269
Loans to group companies	14	858 603	831 817
Other investments		688	624
Financial derivaties	15	61 339	151 084
Total financial assets		**5 468 022**	**2 644 793**
Deferred tax assets	6	49	50 036
Total non-current assets		**5 483 065**	**2 714 835**
CURRENT ASSETS			
Receivables			
Trade receivables		95	69
Receivables on group companies	14	518 627	555 644
Other receivables		9 913	8 972
Total receivables		**528 636**	**564 686**
Cash and cash equivalents	11	278 726	205 029
Total current assets		**807 361**	**769 715**
Total assets		**6 290 427**	**3 484 550**

Statement of financial position (shareholders' equity and liabilities)

NOK 1000	Notes	31.12.2024	31.12.2023
SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Share capital		25 766	25 766
Share premium		385 469	385 469
Hedge reserve		47 845	71 236
Other equity		2 491 706	(268 639)
Total equity		**2 950 786**	**213 832**
LIABILITIES			
Non-current liabilities			
Liabilities to credit institutions	12	2 679 355	2 538 673
Financial derivaties	15	0	59 755
Other non-current liabilities		1 652	3 183
Total non-current liabilities		**2 681 006**	**2 601 611**
Current liabilities			
Liabilities to group companies	14	584 932	593 679
Accounts payables		11 444	7 023
Public duties (VAT, social benefits etc.)		15 450	21 522
Other current liabilities	13	45 278	45 464
Current portion of non-current liabilities		1 531	1 419
Total current liabilities		**658 635**	**669 107**
Total liabilities		**3 339 641**	**3 270 718**
Total shareholders' equity and liabilities		**6 290 427**	**3 484 550**

Statement of changes in equity

NOK 1000	Share capital	Share premium	Hedge reserve	Other equity	Total equity
Equity at 31.12.2022	**25 766**	**385 469**	**108 996**	**(77 103)**	**443 128**
Profit/(loss) for the year				(191 536)	(191 536)
Hedge accounting			(37 760)		(37 760)
Total other comprehensive income net of tax	0	0	0	0	0
Total comprehensive income	**0**	**0**	**(37 760)**	**(191 536)**	**(229 296)**
Equity at 31.12.2023	**25 766**	**385 469**	**71 236**	**(268 639)**	**213 832**
Equity effect from downstream merger				2 886 378	2 886 378
Profit/(loss) for the year				(126 034)	(126 034)
Hedge accounting			(23 391)		(23 391)
Total other comprehensive income net of tax	0	0	0	0	0
Total comprehensive income	**0**	**0**	**(23 391)**	**(126 034)**	**(149 425)**
Equity at 31.12.2024	**25 766**	**385 469**	**47 845**	**2 491 706**	**2 950 786**

The share capital of NOK 25.8 million in Saferoad Holding AS as of 31 December 2024 consists of 26 675 509 class A shares (common shares) and 102 155 869 class B shares (preference shares), in total 128 831 378 shares, with nominal value of NOK 0.20 per share.

Saferoad New BidCo AS acquired the shares in SRH BridgeCo AS on 29 July 2024. SRH BridgeCo AS was until then the ultimate parent of Saferoad Group. Following the acquisition, a restructuring of the Group has taken place. Firstly, the three holding companies SRH BridgeCo AS, SRH Holding AS and SRH Investco AS merged into Saferoad New BidCo AS as of 12 December 2024. Subsequently to this, Saferoad New BidCo AS was merged into Saferoad Holding AS in a downstream merger, with Saferoad Holding AS as the surviving entity. The equity effect in Saferoad Holding, following the downstream merger, was NOK 2 398 million and is reflected in other equity.

See note 27 in Group accounts for details on share capital, shareholders' equity and ownership.

Cash flow statement

NOK 1000	Notes	2024	2023
Cash flow from operations			
Profit/(loss) before tax		(69 449)	(230 922)
Net depreciation, amortisation and impairment	7, 8, 9	5 012	5 012
Net currency (gains)/losses not relating to operating activities		63 127	111 048
Interest income and other financial income	5	(349 706)	(378 169)
Interest costs and other financial expenses	5	303 785	493 098
Changes in receivables on group companies		(36 643)	(8 244)
Changes in accounts payable		3 906	(130)
Changes in other current receivables and liabilities		134 873	(130 860)
Net cash flow from operations		**54 904**	**(139 166)**
Cash flow from investment activities			
Interest and dividend received		268 814	301 821
Change in cash pool		(73 777)	217 854
Loan to/from group companies		(18 827)	54 471
Net cash flow from investment activities		**176 209**	**574 147**
Cash flow from financing activities			
Proceeds from borrowings		610 000	210 000
Repayment of borrowings		(551 419)	(461 315)
Group contribution received		76 201	127 671
Interest paid		(292 199)	(302 404)
Net cash flow from financing activities		**(157 416)**	**(426 048)**
Net increase/(decrease) in cash and cash equivalents		**73 697**	**8 933**
Cash and cash equivalents at beginning of the year		205 029	196 097
Cash and cash equivalents at the end of the year	**11**	**278 726**	**205 029**

Oslo 11 April 2025

The Board of Saferoad Holding AS

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6830FFEA0C0D455...
Patrik Nolåker
Chairman

DocuSigned by:
Elke Elfriede Eckstein
2991292AB5F8402...
Elke Elfriede Eckstein
Board member

DocuSigned by:
Ulrik Smith
F1C97198EE9D46A...
Ulrik Smith
Board member

DocuSigned by:
Espen Asheim
5D6C9622973F4CD...
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Board member

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Gunilla Spongh
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Board member

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Knut Brevik
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Board member

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Jan Torgeir Hovden
Board member

Signiert von:
FA966947BA85434...
Kristina Wirén
Board member

DocuSigned by:
Bernd Frühwald
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Bernd Frühwald
Group CEO

Note 1

Corporate information

Saferoad Holding AS is a limited liability company, which is domiciled in Oslo with its registered office, Enebakkveien 150, 0680 Oslo, Norway.

Saferoad Holding AS has transactions with companies in Saferoad Group and other companies in the ultimate group Saferoad HoldCo AS, which is described in note 14. These transactions are called transactions with group companies in the financial statements for Saferoad Holding AS.

Saferoad New BidCo AS acquired the shares in SRH BridgeCo AS on 29 July 2024. SRH BridgeCo AS was until then the ultimate parent of Saferoad Holding AS. Following the acquisition, a restructuring of the Group has taken place. Firstly, SRH BridgeCo AS and its two direct and indirect subsidiaries, SRH Holding AS and SRH Investco AS merged into Saferoad New Bidco AS as of 12 December 2024, making Saferoad New Bidco AS the direct parent of Saferoad Holding AS. Subsequently to this, Saferoad New BidCo AS was merged into Saferoad Holding AS in a downstream merger, with Saferoad Holding AS as the surviving entity.

The new ultimate parent of Saferoad Holding AS is now Saferoad HoldCo AS. A separate consolidated financial statement is prepared at Saferoad Holdco AS level.

The financial statements of Saferoad Holding AS for the fiscal year 2024 were approved in the board meeting on 11 April 2025.

The financial statements of Saferoad Holding AS cover all activities at Saferoad Headquarters. In addition to exercising parent company functions, the company carry out assignments for the Group's other companies and charge them for these services. The company acts as an internal bank and is responsible for the Group's external financing, management of the Group's liquid assets and overall management of the Group's currency and interest risks.

Note 2

Accounting principles

Statement of compliance and basis for preparation

The financial statements for Saferoad Holding AS have been prepared in accordance with the Norwegian Accounting Act § 3-9 and Regulations on Simplified IFRS as enacted by the Ministry of Finance 7 February 2022. In all material aspects, Norwegian Simplified IFRS requires that the IFRS recognition and measurement criteria (as adopted by the European Union) are complied with, but disclosure and presentation requirements (the notes) follow the Norwegian Accounting Act and Norwegian Generally Accepted Accounting Standards.

Saferoad Holding AS' accounting principles are consistent with the accounting principles for the Group, see accounting principles described in the consolidated financial statements. Dividends, group contributions and other distributions from subsidiaries are recognised in the same year as they are recognised in the financial statement of the subsidiary according to the Norwegian Regulation of simplified IFRS § 3-1. If dividends or group contribution exceed withheld profits after acquisition, the excess amount represents repayment of invested capital, and the distribution will be deducted from the recorded value of the acquisition in the balance sheet statement for the parent company. Investments in subsidiaries are recognised at cost. If the carrying value of a subsidiary is higher than the estimated fair value, the investment is written down. The write-down is shown in profit/loss. Previously recognised write-downs are reversed if the reason for write-downs no longer exists.

Note 3

Personell costs

Salaries and remuneration

NOK 1000	2024	2023
Salary	54 135	42 084
Social security tax on salaries, pensions, bonuses etc.	6 733	7 432
Other personnel expenses	2 299	2 404
Pension expenses	1 823	1 744
Bonuses	6 469	7 097
Total salaries and remuneration	**71 460**	**60 762**

There are 22 employees in Saferoad Holding AS per 31 December 2024 (25 last year).

The company has a defined pension contribution plan as required by law. The employer obligation is limited to the amount it agrees to contribute to the plan and the contribution is expensed as they are incurred.

See note 8 in the consolidated financial statements for details regarding salaries and remuneration for Board of Directors and Group management.

Note 4

Other operating expenses

Other operating costs

NOK 1000	2024	2023
Rent	973	1 082
Other costs related to premises	194	242
Leases of machinery, vehicles and fixtures [1)]	22	64
Direct operating costs (incl. repairs and maintenance)	22 113	16 944
Selling and distribution costs	7 533	3 485
Fees, external services, office & communication costs	39 527	50 497
Membership, insurance, license- and guarantee costs	2 049	1 333
Other operating costs	242	184
Total other operating costs	**72 653**	**73 832**

1. Lease expense for low value asset leases not included in lease liabilities.

Fees to auditors (excl. vat)

NOK 1000	2024	2023
Proposed fee for audit	2 146	1 852
Fees for audit previous year	24	80
Fees for attestation services	428	0
Fees for tax services	991	989
Fees for other services	280	98
Total fees	**3 868**	**3 019**

Note 5

Financial items

Financial items

NOK 1000	2024	2023
Interest income	12 220	8 665
Interest income from group companies (note 14)	110 698	110 292
Dividends from subsidiaries (note 14)	133 095	151 147
Group contribution from subsidiaries (note 14)	80 893	76 348
Total financial income	**336 906**	**346 452**
Interest expenses	258 665	256 865
Interest expenses to group companies	16 017	20 386
Write-down of shares in subsidiaries (note 10) [1)]	0	119 490
Other financial expenses	29 383	26 741
Total financial expenses	**304 065**	**423 482**
Currency exchange gain	105 922	158 320
Currency exchange loss	129 822	221 565
Net exchange rate gain/(loss)	**(23 899)**	**(63 245)**
Net financial income/(expenses)	**8 942**	**(140 275)**

1. Relates to write-down of shares in the subsidiary Saferoad Holding AB.

Note 6

Income tax

Tax income/(expense)

NOK 1000	2024	2023
Tax payable	0	0
Changes in deferred tax	(56 584)	39 386
Tax income/(expense) recognised in the statement of comprehensive income	**(56 584)**	**39 386**

A reconciliation of the effective rate of tax and the tax rate

NOK 1000	2024	2023
Profit/(loss) before tax	(69 449)	(230 922)
Expected income taxes according to income tax rate in Norway 22 %	15 279	50 803
Adjustment in respect of current income tax of previous years	19	583
Deferred tax assets not recognised current year	(68 905)	(37 129)
Effect of redused valuation allowance regarding deferred tax asset	0	50 000
Non deductible expenses	(32 258)	(58 123)
Non-taxable income	29 281	33 252
Tax income/(expense) recognised in the statement of comprehensive income	**(56 584)**	**39 386**

Tax payable basis

NOK 1000	2024	2023
Profit/(loss) before tax	(69 449)	(230 922)
Non deductible expenses	146 625	264 193
Non-taxable income	(133 095)	(151 147)
Use of tax loss carried forward/ Change in temporary differences	55 919	117 876
Tax payable basis	**0**	**0**
Tax payable (22 % of tax payable basis)	0	0
Tax effect financial derivatives	6 598	10 650
Income tax reported directly in equity	**6 598**	**10 650**

Deferred tax liabilities/(deferred tax assets)

NOK 1000	2024	2023
Non-current assets and liabilities		
Tangible fixed assets	(2 423)	(2 087)
Other non-current items	7 969	24 159
Total non-current assets and liabilities	**5 545**	**22 071**
Current assets and liabilities		
Liabilities	(4 428)	(4 131)
Trade receivables	(143)	(143)
Total current assets and liabilities	**(4 571)**	**(4 274)**
Tax losses carried forward	(155 500)	(97 805)
Of which assets not recognised (valuation allowance)	(154 477)	(29 971)
Net recognised deferred tax liabilities (deferred tax assets)	**(49)**	**(50 036)**
Of which deferred tax assets	49	50 036
Of which deferred tax liabilities	0	0

Changes in net deferred tax liabilities (deferred tax assets)

NOK 1000	2024	2023
As of 1 January	(50 036)	(0)
Recognised in profit and loss	56 584	(39 386)
Recognised directly in equity	(6 598)	(10 650)
As of 31 December	**(49)**	**(50 036)**
Of which deferred tax assets	49	50 036
Of which deferred tax liabilities	0	0

Note 7

Intangible assets

2024

NOK 1000	Software	Total
Accumulated cost 31 December 2023	2 881	2 881
Accumulated cost 31 December 2024	**2 881**	**2 881**

Amortisation method

Useful Life

NOK 1000	Linear 3 years	Total
Accumulated amortisations and impairments 31 December 2023	1 881	1 881
Amortisations	960	960
Accumulated amortisations and impairments 31 December 2024	**2 841**	**2 841**
Carrying value 31 December 2023	1 000	1 000
Carrying value 31 December 2024	**40**	**40**

Note 8

Property, plant and equipment

2024

NOK 1000	Land	Buildings	Rental equipment/ furniture/vehicles	Total
Accumulated cost 31 December 2023	5 748	82 297	7 378	95 423
Accumulated cost 31 December 2024	**5 748**	**82 297**	**7 378**	**95 423**

Depreciation method

Useful life

NOK 1000	No depreciation	Linear 10-40 years	Linear 3-5 years	Total
Accumulated depreciations and impairments 31 December 2023		73 533	7 322	80 855
Depreciations		2 566	7	2 573
Accumulated depreciations and impairments 31 December 2024	**0**	**76 099**	**7 329**	**83 428**
Carrying value 31 December 2023	**5 748**	**8 764**	**56**	**14 568**
Carrying value 31 December 2024	**5 748**	**6 198**	**49**	**11 996**

Note 9

Leases

The company has leases for premises. Except for short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index, or a rate are excluded from the initial measurement of the lease liability and asset.

Each lease generally imposes a restriction that, unless there is a contractual right for the company to sublet the asset to another party, the right-of-use asset can only be used by the company. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to purchase the underlying leased asset outright at the end of the lease, or to extend the lease for a further term.

The tables below describe the nature of the company's leasing activities by type of right-of-use asset recognised on balance sheet:

2024

NOK 1000	Leased premises	Total
Accumulated cost 31 December 2023	5 916	5 916
Accumulated cost 31 December 2024	**5 916**	**5 916**
Accumulated depreciations and impairments 31 December 2023	1 479	1 479
Depreciations	1 479	1 479
Accumulated depreciations and impairments 31 December 2024	**2 958**	**2 958**
Carrying value 31 December 2023	**4 437**	**4 437**
Carrying value 31 December 2024	**2 958**	**2 958**

The lease liabilities are secured by the related underlying assets and expires within one year. Interest expenses related to lease amounted to NOK 280 thousand and are included in financial expenses.

See Cash flow statement for total cash outflows regarding financial lease payments.

The expense relating to payments not included in the measurement of the lease liability is as follows:

NOK 1000	2024	2023
Lease expense for short-term leases	1 289	1 407
Lease expense for low value asset leases	22	64
Variable lease payments not included in lease liabilities	66	93

Note 10

Shares in subsidiaries

In the merger of Saferoad New BidCo AS and Saferoad Holding AS, Saferoad Holding AS as the subsidiary, was the surviving entity. When accounting for this kind of merger, the economic approach is used to provide the most faithful representation of the transaction.

When applying the economic approach, the amounts recognised after the legal merger are the amounts that were previously recognised in the consolidated financial statements (of Saferoad New BidCo AS). This means that the assets in Saferoad Holding AS' separate financial statement after the merger should reflect the values in the consolidated financial statements of Saferoad New BidCo AS (if it had been prepared) at time of the merger. For shares in subsidiaries, this means that the value in Saferoad Holding AS' separate financial statements should be the value of each company's assets and liabilities in the consolidated financial statements, including their portion of the identified goodwill and intangible assets recognised in the groups updated purchase price allocation. This has ultimately resulted in an increase in the value of shares in subsidiaries in Saferoad Holding AS of NOK 2 886 million.

Nok 1000

Company	Time of acquisition	Land	Registered office	Ownership	Carrying value	Equity 31.12.2024	Profit/(loss) 2024
Saferoad Holding AB	12.12.2016	Sweden	Önnestad	100.00 %	1 000	507	(44 509)
Saferoad Holding Denmark Aps	12.12.2016	Denmark	Odense SV	100.00 %	297 958	300 903	244 994
Saferoad Holding Germany GmbH	01.10.2010	Germany	Weroth	100.00 %	1 231 844	410 422	(4 823)
Brödrene Berntsen AB	01.02.2006	Sweden	Gävle	100.00 %	6 628	5 060	(3 308)
Brødrene Berntsen AS	01.07.2010	Norway	Hønefoss	100.00 %	394 288	11 641	55 641
Saferoad UK Limited	31.12.2009	England	Scunthorpe	100.00 %	10 800	21 082	3 829
Saferoad RRS Sverige AB	01.03.1999	Sweden	Sundsvall	100.00 %	17 756	31 906	(9 574)
Saferoad Services AB	01.03.1999	Sweden	Kumla	100.00 %	60 870	56 373	5 654
Saferoad Traffic AS	01.01.2007	Norway	Vingrom	100.00 %	343 402	102 992	(5 194)
Saferoad Services AS	01.01.2007	Norway	Oslo	100.00 %	193 490	24 078	23 687
Saferoad Czech Republic s.r.o.	30.06.2010	Czechia	Line	100.00 %	2 975	27 746	(9 718)
Saferoad Traffic AB	28.02.2008	Sweden	Köping	100.00 %	385 384	81 959	7 596
Saferoad Suomi Oy	30.06.2012	Finland	Tuusula	100.00 %	71 769	40 617	(4 897)
Moramast AB	01.11.2007	Sweden	Mora	100.00 %	232 619	13 848	28 579
Saferoad Restraint Systems Sp. z o.o.	02.01.2012	Poland	Gdańsk	100.00 %	351 111	250 622	16 710
Saferoad Holland BV	01.03.2010	Netherlands	Heerenveen	100.00 %	255 537	89 340	12 012
Saferoad Smekab AB	01.01.2007	Sweden	Önnestad	100.00 %	112 520	30 524	9 547
Saferoad Trading AS	01.01.2007	Norway	Oslo	100.00 %	1 661	(1 447)	(2 323)
Trafikksikring AS	05.04.2001	Norway	Oslo	100.00 %	110	2 083	54
Saferoad Baltic UAB	05.06.2019	Lithuania	Kauno raj.	100.00 %	79 669	13 236	6 566
Vik Ørsta AS	01.01.2007	Norway	Ørsta	100.00 %	485 127	165 637	(11 318)
Vik Ørsta Design AS	30.06.2012	Norway	Ørsta	100.00 %	10 873	1 216	788
Total value					**4 547 391**		

The following companies based in Germany make use of the exemption provision pursuant to §264 (3) HGB or § 264b HGB, which means that they do not need to prepare consolidated financial statements at a lower level than Saferoad Holding AS:

- Saferoad Holding Germany GmbH
- Saferoad Europe GmbH
- Saferoad RRS GmbH
- Bongard & Lind Verwaltung GmbH
- Bongard & Lind Noise Protection GmbH & Co. KG
- Schalltec Beteiligungs GmbH
- Schalltec GmbH & Co. KG
- Hausneindorfer Metallbau und Montage GmbH
- Saferoad Traffic GmbH
- AWK GmbH
- HMS Montage GmbH

Shares in subsidiaries owned through subsidiaries	Country	Segment	Ownership
Saferoad Holding AB			
Saferoad Treasury AB	Sweden	Other/Holding	100 %
Saferoad Smekab AB			
Smekab Citylife Aps	Denmark	Infrastructure	100 %
Saferoad Holding Denmark Aps			
Saferoad Traffic A/S	Denmark	Traffic	100 %
Saferoad Services A/S	Denmark	Services	100 %
Saferoad Holding Germany GmbH			
Saferoad Europe GmbH Germany	Germany	Restraint Systems	100 %
Hausneindorfer Metallbau und Montage GmbH	Germany	Restraint Systems	100 %
Schalltec Beteiligungs GmbH	Germany	Restraint Systems	100 %
Schalltec GmbH & Co. KG	Germany	Restraint Systems	100 %
Saferoad Traffic GmbH	Germany	Traffic	100 %
Bongard & Lind Verwaltungs GmbH	Germany	Restraint Systems	100 %
Bongard & Lind Noise Protection GmbH & Co KG	Germany	Restraint Systems	100 %
Saferoad Production Sp. z o.o.	Poland	Restraint Systems	100 %
Brite Line Europe GmbH	Germany	Restraint Systems	74.8 %
Saferoad RRS GmbH	Germany	Restraint Systems	100 %
Saferoad RRS Romania SRL	Romania	Restraint Systems	100 %
AWK GmbH	Germany	Restraint Systems	100 %
HMS Montage GmbH	Germany	Restraint Systems	100 %
Saferoad UK Limited			
Saferoad VRS Limited	United Kingdom	Restraint Systems	100 %
Saferoad Restraint Systems Sp. z o.o.			
Saferoad Services Gdansk Sp. z o.o.	Poland	Services	100 %
Saferoad Pomerania Sp. z o.o.	Poland	Restraint Systems	100 %
Saferoad Services Sp. z o.o.	Poland	Services	100 %
Vik Ørsta AS			
Saferoad Lightpoles Brasov S.R.L.	Romania	Infrastructure	100 %

Note 11

Cash and cash equivalents

NOK 1000	31.12.2024	31.12.2023
Cash and bank deposits	278 726	205 029
Restricted cash	0	0
Total cash and cash equivalents	**278 726**	**205 029**

Saferoad Holding AS is the owner of the cash pool system in DNB and Danske Bank. The net cash position against DNB and Danske Bank is presented as cash in the statement of financial position, and other group companies' positions presented as receivables and payables towards Saferoad Holding AS (see note 14).

Note 12

Liabilities to credit institutions

Saferoad's long-term financing is secured through the Parent Company Saferoad Holding AS Senior Term Facilities Agreement with GSO ESDF II, GSO ESDF II Levered Holdco I S.a.r.l., GSO ESDF II Levered Holdco II S.a.r.l., G QCM Holdco S.a.r.l., Blackstone Oslo Holdings Co-Investment Fund LP, Blackstone Supplemental Account – PS (Private Credit Holdings) L.P. (all funds managed by Blackstone Alternative Credit Advisors LP), Stichting Depositary APG Developed Markets Active Credits Pool and Stichting Pensioenfonds ABP as original lenders. The Senior Term Facilities are for NOK 869.1 million, EUR 96.0 million and SEK 610.7 million which all mature in September 2028.

In addition, working capital financing is secured through a Revolving Credit Facility agreement between Saferoad Holding AS and DNB Bank ASA as Original Lender. The Revolving Facility Agreement commitment is NOK 510.0 million and matures in March 2028. By year end 2024, there was drawn NOK 110.0 million on the revolving facility.

Interest

Interest on the revolving facility agreement will accrue at a floating rate calculated as the sum of the applicable interbank market rate and a margin. The margin for the revolving facility varies with Saferoad's leverage ratio. There are interest rate floors in the financial agreements with DNB Bank and the Facilities originally lent by funds managed by Blackstone Alternative Credit Advisors LP. Saferoad has bought interest rate caps to protect against rising interest rates. For the Senior Term Facilities Agreement managed by Blackstone Alternative Credit Advisors, protection is bought for the full exposure in NOK, EUR and SEK until the maturity of the Senior Term Facilities in 2028. The protection has been effective for all currencies during 2024. There is not bought any protection against rising interbank market rates for the Revolving Credit Facility with DNB.

Financial covenant

There is a leverage covenant in the DNB Bank facility with which Saferoad Group must be compliant, in case 40 per cent or more of the revolving facility is drawn. As of 31 December 2024, there is sufficient headroom to the leverage covenant. The only financial covenant in the Senior Term Facility Agreements is a limitation on capital expenditure per annum. Saferoad's actual capital expenditure in 2024 is below the 2024 capex covenant level.

Saferoad Holding has the following non-current interest-bearing liabilities to credit institutions:

Liabilities to credit institutions 31 December 2024

NOK 1000	Currency	Interest rate	Due date	Amount
Liabilites to credit institutions - Term loan	SEK	STIBOR + Margin	30/9/2028	616 906
Liabilites to credit institutions - Term loan	NOK	NIBOR + Margin	30/9/2028	852 982
Liabilites to credit institutions - Term loan	EUR	EURIBOR + Margin	30/9/2028	1 111 292
Liabilites to credit institutions - Revolving credit facility	NOK	NIBOR + Margin	31/3/2028	98 175
Total				**2 679 355**
Less current part				0
Non-current				**2 679 355**

Liabilities to credit institutions 31 December 2023

NOK 1000	Currency	Interest rate	Due date	Amount
Liabilites to credit institutions - Term loan	SEK	STIBOR + Margin	30/9/2028	603 335
Liabilites to credit institutions - Term loan	NOK	NIBOR + Margin	30/9/2028	847 642
Liabilites to credit institutions - Term loan	EUR	EURIBOR + Margin	30/9/2028	1 052 417
Liabilites to credit institutions - Revolving credit facility	NOK	NIBOR + Margin	31/3/2028	35 279
Total				**2 538 673**
Less current part				0
Non-current				**2 538 673**

Note 13

Other current liabilities

NOK 1000	31.12.2024	31.12.2023
Salary	28 776	32 081
Holiday pay	2 604	3 024
Accrued interest	1 787	2 796
Other current liabilities	12 111	7 564
Total other current liabilities	**45 278**	**45 464**

Note 14

Transactions with group companies and related parties

As per December 2024 Saferoad Holding AS' related parties consist of companies in Saferoad Group and other companies in the ultimate group Saferoad HoldCo. As per December 2023 Saferoad Holding AS' related parties consist of companies in Saferoad Group, ViaCon Group, and other companies in the ultimate group SRH BridgeCo. These transactions are described below.

No further transactions with related parties for Saferoad Holding AS have been identified.

NOK 1000	2024	2023
Internal operating revenue from group companies		
Management fee	79 289	57 763
Rental	6 000	6 000
Internal operating revenue from group companies	**85 289**	**63 763**
Internal services from group companies		
Vik Ørsta AS	7 423	6 891
Saferoad Traffic A/S	615	5 642
Saferoad Sverige AB	2 630	1 711
Saferoad Services AB	3 717	0
Saferoad Smekab AB	0	480
Saferoad Production Sp. z o.o.	171	80
Other operating costs to group companies	**14 555**	**14 805**
Received dividend and group contribution		
Saferoad Holding AB	35 316	141 493
Saferoad Holding Denmark Aps	31 658	0
Brødrene Berntsen AS	52 143	45 756
Moramast AB	23 979	0
Saferoad Smekab AB	5 723	0
Saferoad Restraint Systems Sp. z o.o.	5 380	0
Saferoad Suomi Oy	4 122	0
Saferoad Traffic AB	2 958	0
Vik Ørsta Design AS	(3)	3
Vik Ørsta AS	(773)	20 559
Saferoad Traffic AS	0	7 232
Saferoad Services AS	29 526	2 798
Saferoad Services AB	6 363	0
Saferoad Holland BV	17 595	9 654
Dividend and group contribution from group companies	**213 988**	**227 495**
Internal financial income		
Interest income	74 311	85 853
Cash pool interest income	36 388	24 440
Financial income from group companies	**110 698**	**110 292**
Internal financial expense		
Cash pool interest expense	16 017	20 386
Financial expense to group companies	**16 017**	**20 386**

NOK 1000	31.12.2024	31.12.2023
Non-current loans to group companies		
Loans to group companies	858 603	831 817
Total non-current loans to group companies	**858 603**	**831 817**
Receivables on group companies		
Trade accounts receivables	118 834	82 216
Other receivables	10 548	18 252
Cash pool, receivable	245 465	179 094
Accrued interest income	64 177	59 276
Total receivables on group companies	**439 024**	**338 838**
Group contribution and dividend receivable on group companies		
Brødrene Berntsen AS	52 143	45 756
Saferoad Services AS	27 461	2 798
Vik Ørsta Design AS	0	3
Saferoad Traffic AS	0	7 232
Saferoad Holding AB	0	140 604
Vik Ørsta AS	0	20 413
Total group contribution on group companies	**79 604**	**216 806**
Current liabilities to group companies		
Cash pool, liability	583 300	590 706
Trade accounts payable	1 579	2 094
Other liabilities	53	879
Total current liabilities to group companies	**584 932**	**593 679**

For information regarding the cash pool, see note 11.

Note 15

Hedge Accounting

Derivative financial instruments and hedge accounting

Saferoad Holding holds derivative financial instruments to hedge its interest rate exposures. The Group has bought interest rate caps to mitigate cash flow risk linked to increasing NIBOR, EURIBOR AND STIBOR on its debt portfolio.

At the inception of the designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument.

In 2024, the interest rate swap and interest rate option has been accounted together as an interest rate swap with an embedded while they in the comparable numbers for 2023 are presented as assets and liabilities.

Accounting policies

Saferoad accounts for a hedge of interest rate on loan with floating rate as a cash flow hedge. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item. Any ineffective portion of changes in the fair value of the derivative is recognised in the profit and loss statement.

The interest rate risk is mitigated by purchase of interest rate caps. The fair value of the interest rate caps' are booked as a financial asset.

On a monthly basis, the fair value of the interest rate caps is measured, and the value of the financial asset is adjusted to reflect the fair value. The change in fair value of the caps is recognised in OCI. As the interest rate caps matures, it might lead to an incoming payment recognised in the profit and loss.

The value booked as an asset in the balance related to the matured cap will be transferred from the asset value and booked in the profit and loss as a financial expense. When all caps have matured, the asset value will be zero in the balance sheet, and all entries in the hedge reserve is transferred to profit and loss.

At each reporting date, the fair value is measured. The change in fair value of the swap are recognised in OCI and transferred to hedge reserve. When all payments of the swaps have matured, the liability are to be zero in the balance sheet, and all entries in the hedge reserve is transferred to the profit and loss.

As of 31 December 2024, the Group held the following instruments to hedge exposures to changes in interest rate on loan with floating rate:

2024

Interest Rate Swaps with embedded option

Current amount	Maturity date	Strike rate	Rate index	Currency	Fair value	Fair value NOK
EUR 96 000 000	Sep 28	1.00 %	3M EURIBOR	EUR	2 205 583	26 014 851
NOK 869 000 000	Sep 28	2.50 %	3M NIBOR	NOK	25 747 485	25 747 485
SEK 610 000 000	Sep 28	1.50 %	3M STIBOR	SEK	9 304 420	9 577 040
					Asset	**61 339 376**

2023

Interest rate Options

Current amount	Maturity date	Strike rate	Rate index	Currency	Fair value	Initial value	Fair value NOK
EUR 96 000 000	Sep 28	1.00 %	3M EURIBOR	EUR	6 327 827	3 257 766	71 127 939
NOK 869 000 000	Sep 28	2.50 %	3M NIBOR	NOK	47 558 769	34 430 884	47 558 769
SEK 610 000 000	Sep 28	1.50 %	3M STIBOR	SEK	31 981 064	22 540 491	32 396 818
						Asset	**151 083 526**

Interest rate Swaps

Current amount	Maturity date	Currency	Fair value	Initial value	Fair value NOK
EUR 96 000 000	Sep 28	EUR	(1 900 517)	(3 257 766)	(21 362 761)
NOK 869 000 000	Sep 28	NOK	(23 749 903)	(34 430 884)	(23 749 903)
SEK 610 000 000	Sep 28	SEK	(14 454 712)	(22 540 491)	(14 642 623)
				Liability	**(59 755 288)**

Note 16

Pledged assets and guarantees

Saferoad Holding AS refinanced in November 2021 by entering a Senior Term Facilities Agreement with GSO ESDF II (Luxembourg) Holdco S.à r.l., GSO ESDF II (Luxembourg) Levered Holdco I S.à r.l., GSO ESDF II (Luxembourg) Levered Holdco II S.à r.l., G QCM (Luxembourg) Holdco S.à r.l. as Original Lenders (all funds managed by Blackstone Alternative Credit Advisors LP) of NOK 869.1 million, EUR 96.0 million and SEK 610.7 million. The Facilities mature in September 2028.

In addition, working capital financing was secured through a revolving facility agreement between Saferoad Holding AS and DNB Bank ASA as Original Lender. The revolving facility agreement amounts to NOK 510.0 million and matures in March 2028.

Wilmington Trust (London) Limited is acting as Security Agent for all Facilities.

Security

The following Saferoad Group companies have acceded the Facility Agreements with DNB and the GSO Funds as Guarantors.

In addition to the guarantees, the following securities are given in favour of the Security Agent, acting in the interest of the lenders:

a. pledge granted by Saferoad MidCo AS and MgmtCo Saferoad AS of all shares issued by Saferoad Holding AS and held by either Saferoad MidCo AS or MgmtCo Saferoad AS

b. pledge granted by the Holding company of each guarantor listed above of all shares owned in the guarantor by the respective Holding company

c. pledge over all intra-group loan agreements exceeding a value of NOK 10.0 million, or similar value in other currencies

d. Saferoad Holding AS’ bank accounts

Guarantees

The company has a guarantee related to witholding tax account of NOK 6.0 million and a service agreement guarantee of NOK 1.7 million.

Company	Jurisdiction	Corporate Identity Number
Bongard & Lind Noise Protection GmbH & Co KG	Germany	HRB 21196
Bongard & Lind Verwaltungs GmbH	Germany	HRB 21973
AWK GmbH	Germany	HRB 8839
Brødrene Berntsen AS	Norway	810547472
Hausneindorfer Metallbau und Montage GmbH	Germany	HRB 108088
Saferoad Services AB	Sweden	556520-7478
Saferoad Traffic AS	Norway	890729142
Saferoad Services AS	Norway	976962699
Saferoad Services A/S	Denmark	26994896
Inter Metal Sp. z o.o.	Poland	90428498
Moramast AB	Sweden	556179-2598
Saferoad Traffic A/S	Denmark	21778702
Saferoad Europe GmbH	Germany	HRB 22345
Saferoad Services Sp. z o.o.	Poland	0000152355
Saferoad Holding AB	Sweden	556753-5470
Saferoad Holding AS	Norway	917763909
Saferoad Holding Denmark ApS	Denmark	31589487
Saferoad Holding Germany GmbH	Germany	HRB 22343
Saferoad Pomerania Sp. z o.o.	Poland	0000154679
Saferoad RRS GmbH	Germany	HRB 22479
Saferoad Restraint Systems Sp. z o.o.	Poland	0000265582
Saferoad Smekab AB	Sweden	556099-6869
Saferoad Traffic AB	Sweden	556030-8073
Saferoad RRS Sverige AB	Sweden	556505-1413
Saferoad Treasury AB	Sweden	556493-1573
Vik Ørsta AS	Norway	985001952

4.4 Auditors report

Statsautoriserte revisorer
Ernst & Young AS

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Medlemmer av Den norske Revisorforening

To the General Meeting in Saferoad Holding AS

INDEPENDENT AUDITOR'S REPORT

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Saferoad Holding AS (the Company) which comprise:

- The financial statements of the Company, which comprise the statement of financial position as at 31 December 2024, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies, and
- The financial statements of the Group, which comprise the statement of financial position as at 31 December 2024, statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended and notes to the financial statements, including material accounting policy information.

In our opinion:

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024 and its financial performance and cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2024 and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

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 the Chief Executive Officer (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 included in the annual report other than the financial statements and our auditor's report thereon. 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 and the other information presented with the financial statements.

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 the financial statements of the Company that give a true and fair view in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible 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

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- 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.
- 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, 11 April 2025
ERNST & YOUNG AS

The auditor's report is signed electronically

Åshild Engen
State Authorised Public Accountant (Norway)

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Signaturene i dette dokumentet er juridisk bindende. Dokument signert med "Penneo™ - sikker digital signatur". De signerende parter sin identitet er registrert, og er listet nedenfor.

"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Engen, Åshild
Oppdragsansvarlig partner
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IP: 147.161.xxx.xxx
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