

A close-up photograph of a harp's strings and frame. The strings are numerous and thin, extending from the top right towards the bottom left. The frame is dark wood, and the background is a blurred red. The overall lighting is dramatic, with strong highlights on the strings.

NKT

We connect a greener world

Annual Report 2025

Company Reg: 6272 5214

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Sustainability statement

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NKT and net zero

As a key enabler of the green energy transition, NKT plays an essential role in building a sustainable future.

[→ Read more](#)

20

The equity investment case

Creating shareholder value as a European leader in the energy transition.

[→ Read more](#)



¹ Part of sustainability statement

01

Introduction

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NKT at a glance



NKT was founded in

1891



Production facilities

13



Employee nationalities¹

87+



Average number of employees¹

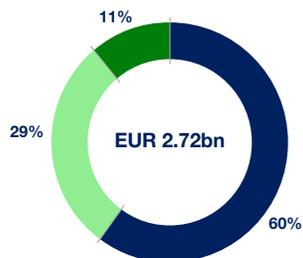
6,154



Handprint (TWh) in 2030²

27

Revenue split³



Operational EBITDA split³

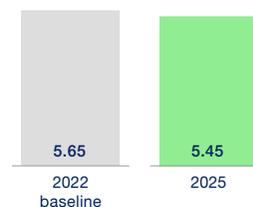


■ Solutions ■ Applications ■ Service and Accessories

Rate of work-related accidents (RWA)

5.45

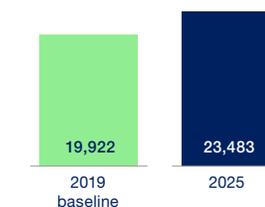
2030: Target 2.50



Scope 3 emissions (ktCO₂e)⁴

+18%

2030: Target -27.5%



¹ Employee data is the average and end-of-year for 2025, respectively.

² See "NKT and net zero" on page 16.

³ Revenue (at standard metal prices) and operational EBITDA splits for 2025 is excluding intersegment transactions and non-allocated costs.

⁴ Reduction of CO₂e emissions for Scope 3 in 2025 compared to 2019.

Charging Forward



strategy

→ [Read more](#)



Execute



Excel



Evolve

Letter from the Chair and the CEO

Executing for sustainable competitiveness



Claes Westerlind
President & CEO
NKT A/S

Jens Due Olsen
Chair of the Board of Directors
NKT A/S

2025 was another strong year for NKT, defined by disciplined execution and continued progress on strategic priorities. We improved our financial performance, maintained our leading position in the power cable industry, and progressed on the investments in capacity expansion for future growth. We also launched our new corporate strategy, Charging Forward, together with new financial ambitions for 2030.

Power cable systems are central to a dynamic energy ecosystem, enabling the transition to clean energy and electrification of society. In 2025, NKT continued to play a key role by supporting the reinforcement, development, and interconnection of global power grids essential for powering modern life.

Throughout the year, NKT continued its positive development following previous years' transformation into a highly skilled, pure-play power cable solutions provider and a European leader in the energy transition. Today, the company is even better positioned to meet solid market demands. This drove the launch of the corporate strategy, Charging Forward, designed to drive value

creation and guide the company through to 2030.

With Charging Forward, our strategic focus shifts from transformation and accelerated growth in capacity and capabilities to delivering excellence in execution, sustainable competitiveness, and growth driven by the ongoing investments across the business. At the same time, we maintain a strong focus on technology leadership and selective growth to strengthen our power cable portfolio.

Building the foundation for the future

To support the Charging Forward strategy and prepare for continued expansion, we launched financial ambitions for 2030 in November

2025 while reconfirming our 2028 ambitions. In 2030, we expect to deliver operational EBITDA of more than EUR 900m. These ambitions reflect the impact of our ongoing capacity expansions, execution of the high-voltage order backlog, and the expected continued high demand for power cable solutions.

In line with our strategic priorities, we also introduced a new organisational setup with updated business lines to enhance alignment with customer needs. These changes strengthen our differentiated offerings of power cable solutions and position NKT to deliver on the ambitions of Charging Forward. The changes were effective on 1 January 2026.

The increased focus on execution is a natural evolution of the transformation in recent years, during which NKT has built and maintained a large high-voltage order backlog. This, alongside the expected acceleration in renewable generation, electrification, and grid modernisation, has been a key driver of the ongoing investment projects in increased capacity and capabilities across the business. These investments are progressing as planned and will position NKT to meet the solid demand for power cable solutions.

Investments in capacity expansions on track to meet future demand

During the year, we reached several significant milestones as the execution of the investments in capacity expansion continued. At the high-voltage site in Karlskrona, Sweden, we inaugurated a new logistics centre as the first completed building, revealed the name of our third extrusion tower, and started construction of new harbour facilities in preparation for our second cable-laying vessel, NKT Eleonora. At the high-voltage factory in Cologne, Germany, investments in additional production capacity and improved production flow also advanced as planned.

Our medium-voltage cable investments also progressed steadily. Capacity expansions in Sweden and the Czech Republic were completed early in the year, while the additional capacity in Denmark is expected to come online from 2026 as planned. The announced investment at the site in Portugal is progressing as planned and is expected to become operational at the end of 2026.

Finally, we are investing in our production of power cable accessories, and an important upgrade at our high-voltage accessories factory in Alingsås, Sweden, was completed. In addition, we are expanding capacity at our site in Nordenham, Germany, to meet the continued high demand for the medium-voltage power cable accessories.

Continued commercial success

The ongoing expansion of global power grids continues to drive demand for our power cable solutions, which are essential to the energy transition and electrification. Since 2023, we have experienced strong market activity, particularly from transmission and distribution system operators (TSOs and DSOs), driving demand for high- and medi-

um-voltage power cable solutions. This heightened activity is reflected in our high-voltage order backlog of EUR 10.2bn and booking commitments exceeding EUR 3.5bn.

In 2025, we maintained the high level in the order backlog with the announcement of the cable project for the offshore interconnector linking the innovative Bornholm Energy Island to the power grid on Zealand in Denmark. The Bornholm Energy Island is among the first hybrid grid connections enhancing the interconnection between Denmark and Germany while integrating offshore wind into the two countries' energy supply. In 2023, NKT was awarded the interconnector project on the German side of the energy island. We also reinforced our strong market position in the UK with the preferred supplier designation for the Eastern Green Link 3 offshore interconnector between Scotland and England. In January 2026, we signed contracts for two high-voltage power cable projects in Scotland, which will strengthen the electricity transmission grid in Great Britain.

In the medium-voltage market, we continued to see a high activity level

driven by grid reinforcement, renewable energy projects, and increased focus on electrification. As part of this market development, there was a growing emphasis on multi-year framework agreements, including two awarded to us by EnBW, one of Germany's largest DSOs.

Project execution supporting the energy transition

Throughout the year, we executed on projects in the high-voltage order backlog essential for the energy transition and transmission security globally. With a diligent focus on delivering these projects, we continued to support our customers and partners in strengthening the energy infrastructure critical for the electrification of society and the transition to renewable energy.

In the US, we are finalising the Champlain Hudson Power Express project, which will transmit hydropower from Canada to New York City. When operational, this power cable line will deliver up to 20% of New York City's electricity – the equivalent of around one million homes. The transmission line will be a significant contributor to the iconic city's ambition to transform its

“As we continue to grow, diligent execution remains central to delivering on customer commitments and ensure long-term sustainable competitiveness. Charging Forward sets a clear direction for NKT towards 2030.”

Claes Westerlind
President & CEO
NKT A/S

power generation and consumption so that it predominantly comes from renewable sources.

In Germany the installation of the corridor projects SuedLink and SuedOstLink continued. When fully operational they will transform the power grid of Germany by enabling the transmission of large amounts of renewable energy from the north

of Germany to the main consumption areas in central and southern Germany.

These power cable projects play an instrumental role in driving the transition to clean and reliable energy and demonstrate the impact of our solutions in enabling decarbonisation. They deliver significant, long-term benefits to society.

“Renewable power is the most cost-effective form of energy. With our new strategy and the ongoing investments, we are strengthening NKT’s position as a leading provider to the clean and secure energy transition.”

Jens Due Olsen

Chair of the Board of Directors
NKT A/S

Our people are the key to unlocking future growth

Like power cables are the backbone of the energy transition and the electrification of society, our people are at the heart of NKT. The dedication of our employees drives the

innovation, project execution, and commercial success that underpin our leading position in the power cable industry. They are the foundation of Charging Forward and our most valuable asset in delivering growth towards 2030 and beyond.

The safety of our employees remains our highest priority. While we have seen progress after significantly strengthening our safety strategy and efforts, we are still not where we aim to be regarding safety incidents. We remain fully committed to improving our safety culture through the company wide safety programme introduced in 2024 and through dedicated global and local initiatives.

We are pleased to see that employee engagement remains high in 2025, reflecting strong commitment across the organisation. Both current and future employees are essential to sustaining growth and delivering on customer commitments and investment projects. To recognise this continued contribution, we also introduced an employee share programme during the year, giving colleagues the opportunity to invest in NKT on favourable terms and to take part in our long-term success.

Solid financial performance drives future growth

2025 marked another year of solid financial performance, reinforcing the positive trajectory we have built since 2020. Operational EBITDA has grown from EUR 131m in 2021

to EUR 390m in 2025, laying the groundwork for future growth.

As we enter 2026, execution remains a core priority. It is central to our Charging Forward strategy and key to delivering on customer commitments, capacity investments, and secure commercial success in a sustainable way.

A recognised leader of sustainable power cable solutions

We achieved this growth while maintaining a dedicated focus on sustainability and staying committed to our net zero targets. With sustainability at the core of our strategy, we have a clear ambition to maintain our position as a recognised leader in sustainable power cable solutions.

In 2025, we continued to reduce the climate impact of cable manufacturing, installation processes, and our value chain, while amplifying the positive handprint of our power cable solutions. These solutions are essential for a net zero society, enabling the transmission of clean energy. Since 2019, we have installed high-voltage power cable projects projected to contribute

27 TWh of clean energy in 2030 - equivalent to meeting the annual energy needs of approximately 7.7 million homes.

Beyond the climate benefits delivered through our cable systems, we also create significant socio-economic value in the regions where we operate. For example, we have expanded our organisation in the UK and engaged local suppliers in the design and development of our new subsea trencher and nearshore installation barge. We expect to increase our engagement in the United Kingdom and other locations, supporting local communities.

In 2025, we advanced our efforts toward a low-carbon future by entering a long-term agreement with Hydro for the supply of low-carbon aluminium wire rod until 2033. This partnership secures access to a critical raw material and contributes to lowering the carbon footprint of our power cable solutions.

Thank you for yet another successful year for NKT

On behalf of the Board of Directors and the Executive Management, we extend our sincere gratitude to all shareholders, customers, and

business partners. We deeply value these strong relationships and attribute much of our progress in 2025 to your support and collaboration.

Our employees and leadership teams also deserve special thanks for their dedication and commitment to NKT. As we enter 2026, we do so with confidence and a strong foundation rooted in the Charging Forward strategy, guiding us towards future growth driven by successful execution of the investments in capacity expansion, high-voltage order backlog, and customer commitments. We are certain that another inspiring and eventful year awaits us at the forefront of the energy transition.

Jens Due Olsen

Chair of the Board of Directors
NKT A/S

Claes Westerlind

President & CEO
NKT A/S

Performance highlights

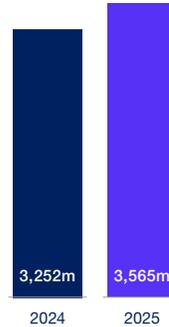
In 2025, NKT continued to increase both revenue and operational EBITDA, while maintaining a high-voltage order backlog at a high level and a strong balance sheet. Investment programmes progressed according to plan, explaining the decrease in RoCE and free cash flow compared to 2024. Moreover, NKT advanced its sustainability efforts, reflecting the company's strong commitment and ambitions.

Revenue EUR

3,565m

EUR 3,252m in 2024

In 2025, NKT achieved revenue growth of 10% resulting in a record-high revenue of EUR 3,565m and an increase of EUR 313m compared to 2024.



Operational EBITDA EUR

390m

EUR 344m in 2024

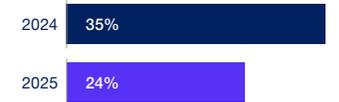
Operational EBITDA increased by 46m to EUR 390m in 2025, corresponding to a growth of 13%.



RoCE

24%

35% in 2024



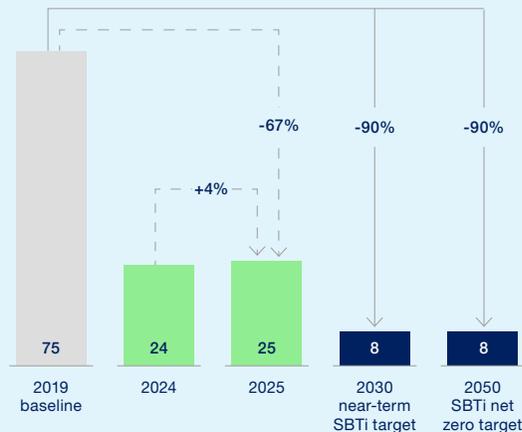
RoCE was 24% in 2025, compared to 35% in 2024. The development was driven by the ongoing investment programme.

NKT footprint

Absolute reduction Scope 1&2 CO₂e emissions¹
ktCO₂e

-67%

Scope 1 and 2 emissions increased by 4% compared to 2024, due mainly to the inclusion of a full year of emissions from Esposende, Portugal acquired in 2024. When emissions from Esposende are excluded, Scope 1 and 2 target performance improves to 70% compared to 2019.

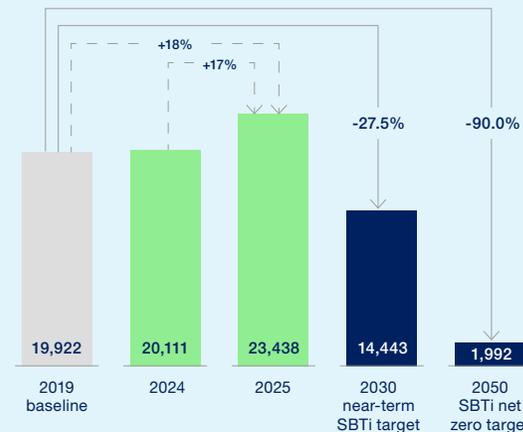


Absolute reduction Scope 3 CO₂e emissions (Cat. 1 and 11)¹
ktCO₂e

+18%²

Scope 3 emissions increased by 17% compared to 2024 and 18% compared to 2019.

While carbon intensity (CO₂e/produced unit) for all three Scopes increased compared to 2024 it has decreased significantly compared to 2019.

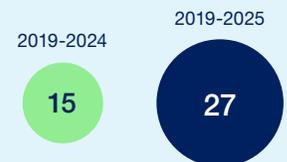


NKT handprint

Projected clean energy facilitated or enabled by NKT in 2030

27

TWh



In 2025, NKT completed projects projected to facilitate or enable 12 TWh in 2030 adding to the 15 TWh enabled or facilitated by projects completed between 2019 and 2024.

¹ Compared to baseline year 2019.

² Increase of 18% in Scope 3 emissions compared to baseline.

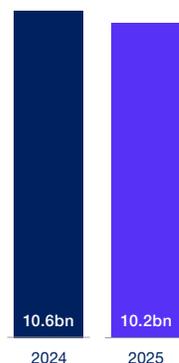
Performance highlights

High-voltage order backlog EUR

10.2bn

EUR 10.6bn at end-2024

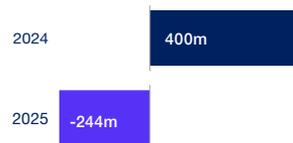
The high-voltage order backlog was maintained at a high level, amounting to EUR 10.2bn at market prices by end-2025 compared to EUR 10.6bn by end-2024.



Free cash flow EUR

-244m

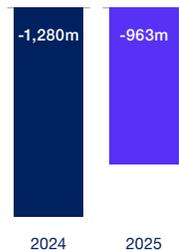
EUR 400m in 2024



Net interest-bearing debt EUR

-963m

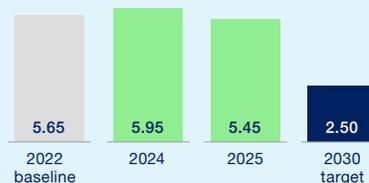
EUR -1,280m at end-2024



Rate of work-related accidents (RWA)

5.45

2030 target: 2.5

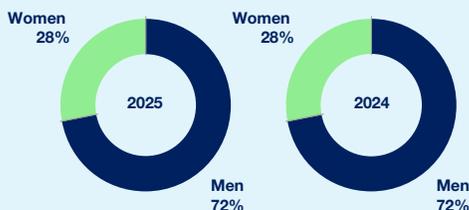


Safety remained NKT's highest priority in 2025, with the year highlighting the importance of further strengthening our safety efforts. NKT remains fully committed to improving our safety culture.

Share of female new hires

28%

2030 target: >30%



NKT maintained stable performance in attracting female talent, with women accounting for 28% of new hires in 2025, nearing the 2030 target.



NKT awarded the power cable connection between Bornholm Energy Island and Zealand in Denmark

NKT has signed a contract with Energinet to deliver a HVDC power cable system for the offshore interconnector linking the innovative Bornholm Energy Island to the power grid on Zealand. The project represents a key step for the grid infrastructure in Denmark and Europe. This follows the contract awarded to NKT in 2023 as part of a large framework agreement with German TSO 50Hertz to connect the island to the German grid.

[→ Read more](#)



NKT is ranked 13th on Corporate Knights' 2026 Global 100 Most Sustainable Corporations

NKT joins First Movers Coalition

NKT joined the First Movers Coalition (FMC) aluminium sector in 2025, committing to ensuring that at least 10% (by volume) of all primary aluminium purchased each year will be low-carbon by 2030.

5-Year financial highlights

EURm	2025	2024	2023	2022	2021
Income statement					
Revenue	3,565	3,252	2,567	2,079	1,828
Revenue at standard metal prices ³	2,722	2,489	1,927	1,447	1,263
Operational EBITDA* ⁶	390	344	255	155	131
One-off items ⁵	0	-1	0	0	-13
EBITDA	390	343	255	155	118
Amortisation, depreciation, and impairment	-133	-103	-90	-86	-95
EBIT	257	240	165	69	24
Financial items, net	37	34	-16	9	-8
Earnings before tax (EBT)	294	274	149	78	16
Net result - continuing operations	275	236	119	55	12
Net result - discontinued operations**	0	101	5	7	-8
Net result	275	337	124	62	4
Cash flow					
Cash flow from operating activities	499	1,039	542	298	209
Cash flow from investing activities	-743	-639	-247	-205	-211
<i>hereof investments in Property, plant, and equipment</i>	-695	-463	-205	-156	-185
Free cash flow ¹⁶	-244	400	295	93	-2
Free cash flow excluding acquisition of subsidiaries ¹⁷	-244	544	295	109	-2
Balance sheet					
Share capital	144	144	144	115	115
Group equity	2,193	1,853	1,575	1,144	1,160
Total assets	5,595	4,859	3,604	2,767	2,553
Net interest-bearing debt (NIBD) ⁸	-963	-1,280	-671	-55	13
Capital employed ⁹	1,230	573	904	1,089	1,173
Working capital ¹⁰	-1,534	-1,432	-709	-303	-93

EURm	2025	2024	2023	2022	2021
Financial ratios and employees					
Operational EBITDA margin, (standard metal prices)*	14.3%	13.8%	13.2%	10.7%	10.4%
Gearing (NIBD as % of Group equity) ¹¹	-44%	-69%	-43%	-5%	1%
NIBD relative to operational EBITDA ¹²	-2.5x	-3.7x	-2.6x	-0.4x	0.1x
Solvency ratio (equity as % of total assets) ¹³	39%	38%	44%	41%	45%
Return on capital employed (RoCE) ¹⁴	24%	35%	20%	7%	3%
Number of DKK 20 shares ('000)	53,720	53,720	53,720	42,976	42,976
Diluted EPS, continuing operations ²	4.9	4.2	2.1	1.0	0.1
Equity value, EUR per outstanding share ¹⁵	38	32	26	23	23
Market price, DKK per share	799	515	464	391	316
Average number of employees, continuing operations	6,154	5,409	4,473	4,062	3,775

¹⁻¹⁷ Refer to note 7.5 Definitions.

* Alternative performance measures.

** Refer to note 6.2 Discontinued operations.

NKT business model¹

Resources → Business → Value creation

People

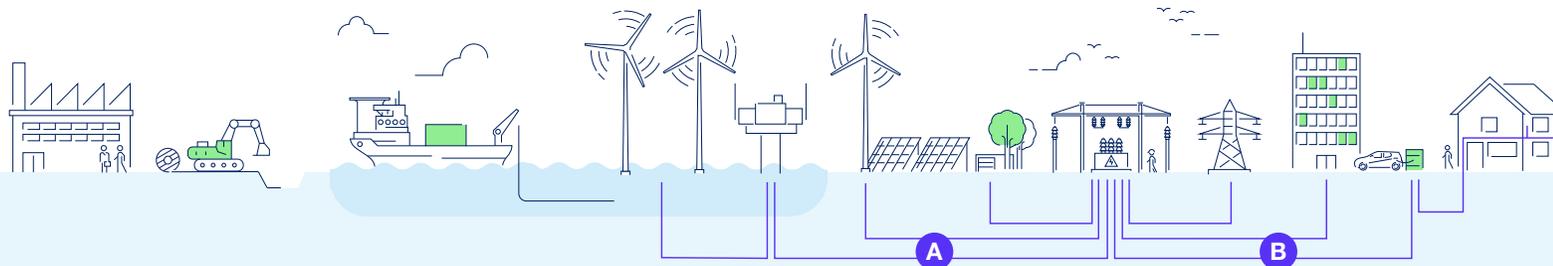
NKT's core consists of a diverse, engaged, and highly skilled workforce

Innovation

More than 130 years of pioneering the power cable industry with innovative technology for the future

Partners

NKT's business is built on long-standing relations and strong partnerships



Cable and accessories manufacturing

Cable laying and installation

Sea and land

Power connectivity

Connecting energy sources including wind, solar, and hydro

Transmission and distribution

End user

Delivering energy to cities and communities

A greener world

Sustainability is at the heart of NKT with a strong focus on connecting a greener world and delivering net-zero emissions by 2050

Societal value

NKT has a strong focus on ensuring equal opportunities in the organisation, actively engaging in local communities, and operating according to high safety standards

Customer value

NKT supports its customers with extensive experience, high quality solutions and services, as well as strong project execution and reliability

Shareholder value

NKT is creating shareholder value through business performance

A

NKT facilitates the transmission of energy by connecting energy sources to the existing power grid.

B

NKT enables the energy transition and electrification of society by supplying power cable systems for distribution and transmission of energy.

¹ This page covers information to comply with ESRS 2 SBM-1, paragraph 38, 40a, 42a-b.



Charging
Forward



NKT strategy through to 2030¹

Strengthening NKT's position as a pure-play power cable solutions provider



“We remain focused on executing our high voltage order backlog and ramping up our major capacity expansion projects. At the same time, we continue to strengthen our technological capabilities and sustainable competitiveness, all while keeping people at the centre of NKT.”

Claes Westerlind
President & CEO
NKT A/S

Over the past decade, NKT has completed a comprehensive transformation from a diversified conglomerate into a growing, pure-play power cable solutions provider and a European leader in the energy transition.

In the past five years, the world's energy transition has accelerated, driven by increased renewable power generation, the electrification of society, and extensive grid modernisation. In anticipation of these developments, NKT initiated signifi-

cant investments in physical assets and people across the company. These investments have fuelled growth in revenues and earnings and increased the high-voltage order backlog across markets.

As these expansions approach completion, NKT is entering a new phase. The company is now well positioned to serve high market demand at greater scale, with strengthened technological capabilities and a more focused and expanded footprint. Consequently,

the strategic focus is shifting from transformation and accelerated growth in capacity and capabilities toward driving excellence in execution and sustainable competitiveness. At the same time, there is a continued strong focus on technology leadership and selective growth to further strengthen the pure-play power cable portfolio. Against this backdrop, NKT has introduced its new corporate strategy for 2026–2030: Charging Forward.

¹ This section covers information to comply with ESRS 2, SBM-1, paragraph 38, 40g.

Charging Forward

Charging Forward sets the direction for NKT's next strategic period through to 2030. The strategy prioritises the execution of the significant high-voltage order backlog and the ramp-up of already committed capacity expansions, while strengthening scalable capabilities and reinforcing long-term resilience and competitiveness. The strategy builds on NKT's leading position in Europe, while selectively capturing opportunities globally where a sustainable, long-term presence can be enhanced.

In a world of rising electrification demand and increasing geopolitical uncertainty, the ability to deliver reliably, sustainably, and at scale will be central to maintaining leadership in the power cable industry.

The name Charging Forward reflects both identity and ambition. "Charging" represents the energy that flows through NKT's cables and the commitment of its people, while "Forward" signals continued progress - building on a decade of successful transformation to take the next decisive step in shaping the future of energy transmission.

Sustainability as a core element of Charging Forward

Sustainability is at the core of the new strategy, with a clear ambition of maintaining NKT's position as a recognised leader of sustainable power cable solutions. As a key enabler of the energy transition, NKT plays an essential role in building a sustainable future. NKT's ambition is clear and two-fold. Firstly, by maximising the contribution to the decarbonisation of society through the facilitation and enablement of clean electricity in grid infrastructure - NKT's handprint. Secondly, by minimising NKT's footprint by among others pursuing ambitious decarbonisation targets to reach net zero in the value chain by latest 2050.

Strategic pillars

Charging Forward builds on NKT's strengths and positions the company for the next stage of sustainable growth, enabling the energy transition and connecting a greener world.

Charging Forward is structured around three pillars that guide how we will deliver, strengthen, and develop NKT in the years ahead:



Execute

Deliver on high-voltage backlog and capacity expansions by effectively managing projects and deploying scalable capabilities.



Excel

Be the reliable partner for customers, employees, and society while unlocking greater value from existing assets and strengths to enhance competitiveness and future earnings.



Evolve

Drive continuous innovation and develop the technology leaps for the future. Target selective growth globally.



Megatrends shaping the power cable industry and NKT's strategic rationale

Rising electrification and power demand

Electricity demand is expected to grow steadily through 2060, increasing by 140% globally.¹ Worldwide electricity consumption is expected to increase from 32 PWh per year in 2024 to 77 PWh per year by 2060 driven by decarbonisation, electrified heating and transport, data-driven industries, and digital infrastructure including data centres and the use of artificial intelligence (AI). These dynamics contribute to an increased electrification of society, with electricity being projected to grow its share of global energy demand from 21% in 2024 to 43% in 2060.¹

As electricity becomes the dominant energy carrier, power grids must expand and strengthen to accommodate higher loads and new patterns of consumption. This shift places power cable systems at the centre of the energy transition.

Accelerated renewable energy deployment

Global renewable capacity continues to grow at record speed. Solar remains the largest driver of new generation, while Europe leads in offshore wind development. By 2060, solar power will dominate electricity generation with a projected share of 47%, increasing fivefold from 2024, while wind is estimated to account for 32%, making these two sources the backbone of global energy supply.¹ Regionally, China is expected to remain the global leader in total wind capacity, driven mainly by onshore installations, while Europe will dominate offshore wind development. By 2040, wind is projected to supply about 27% of Europe's electricity mix, which will be the highest regional share worldwide.¹ By the 2040s, solar is estimated to supply around 40% of North America's electricity, with wind catching up slowly to reach the same share by 2060.¹

Increased grid requirements

The expected installation of renewables translates directly into demand for onshore and offshore power cables. Strengthening connections between renewable-rich regions and centres of consumption will remain a central requirement for achieving climate ambitions.

Power grids are forecast to grow 2.4 times in length. Global transmission networks are estimated to reach 20 million circuit-km by 2060, and distribution grids will expand to 225 million circuit-km. Despite short-term constraints in Europe and North America where permitting and supply chain delays slow project delivery, global grids are set for sustained and widespread expansion through 2060. The North American grid is expected to grow threefold by 2060.¹

The global energy system is undergoing a profound transformation. Electrification, renewable expansion, and digitalisation are reshaping how society generates, transmits, and consumes electricity. These structural trends underpin long-term demand for power cable solutions and form the strategic foundation for NKT's next phase of growth.

Significant grid investments

Global grid infrastructure is ageing and an estimated 40-50% of global infrastructure in mature markets is approaching the end of its design life. In parallel, developing regions, especially Southeast Asia, will experience rapid grid expansion to support growing economies and large-scale renewable integration.

The combination of renewals and expansions is expected to lead to a significant increase in grid investments rising from approximately EUR 337bn annually today to more than EUR 800bn by mid-century, with a cumulative investment need of up to EUR 20tn.¹

Other emerging trends

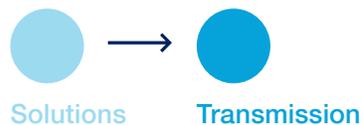
NKT is closely tracking a set of structural megatrends reshaping the global power cable landscape. The first is the rise of cross-border projects and deep-sea megaprojects, with more than 180,000 km of announced interconnection and offshore transmission links across Europe, the Middle East, and Asia. This signals a long-term shift towards long-distance, high-capacity HVDC systems and deeper offshore installations.

At the same time, a mixed bag of externalities is shaping up as crosswinds that need to be ably navigated. Geopolitical tensions and shifts in national agendas are adjusting trade flows, creating a challenging value chain landscape. On the one hand, increasing supply-chain localisation is creating uncertainty in access to key materials, with copper and aluminium facing potential structural shortages

by 2030. On the other hand, industrial localisation regimes are jeopardising existing value chain cost structures with an increased sensitivity to public affordability. Securing local critical infrastructure is also playing a role in the changing electrical generation landscape with a trickle-down effect on new transmission line planning. As a result, European transmission markets are among the most attractive in the world at the moment and, as a consequence, competition is intensifying, with an increased presence of Asian manufacturers expanding production and installation capacity in our core market.

¹ DNV Energy Transition Outlook 2025

Business lines strategies



Solutions becomes Transmission

In recent years, the Solutions business line has shifted towards a strong mix of extra high-voltage (EHV) direct current (DC) projects characterised by long cable lengths and high installation complexity. These projects are best defined as Transmission. Delivering them calls for advanced cable technology, strong project and risk management, complex engineering, experienced teams at scale, innovative installation techniques, and a highly solution-oriented approach.

Transmission's ambition is to be the global leader in DC and alternating current (AC) turnkey EHV power cable systems, remaining at the forefront of high-voltage (HV)

DC technology and managing the installation of own cable systems, serving both the European home market and global megaprojects. Transmission will deliver projects and execute expansion plans with a focus on quality and on-time performance.

Through continuous improvement and cost competitiveness, the team is prepared for an increasingly competitive and complex market. By working closely with customers, NKT facilitates the best solutions, thus maximising value creation.



Service & Accessories becomes Grid Solutions & Accessories

NKT's Service offerings have expanded significantly, supporting grid upgrades and repairs across diverse geographies. To accelerate market share growth in AC EHV and HV onshore projects, Service and AC onshore operations are combined under Grid Solutions, covering the full AC onshore segment. Accessories will continue to play a critical role by delivering best-in-class joints and terminations for EHV, HV, and medium-voltage (MV) power cable systems.

NKT's ambition is to be the European leader in turnkey onshore EHV and HV cable systems in a growing market driven by strong electrification, renewable energy, and grid replacement and renewal trends. The forming of this business line will provide an increased customer

focus across core European markets, leveraging the strong project competence and European factory footprint with a focus on quality and on-time performance.

An important enabler for NKT projects is fully qualified cable systems including NKT produced accessories. NKT's innovative, high-quality accessories ensure a best-in-class MV-EHV system sales. Further, based on Accessories' external business, production is driven by constant cost effective innovation. By combining capabilities in long-length and large cross-section cables, accessories production, and proven turnkey and project expertise, the strategy is to target meaningful market shares in core European markets.



Applications becomes Distribution

After a strategic realignment of NKT's industrial footprint to establish focused centres of excellence, the Applications business line has made significant investments in medium-voltage production capacity while continuing its activities within low-voltage power cables and building wires. The Distribution name underscores the business line's expertise in power cables for electric grids, renewable power generation, data centres, and industrial networks.

Distribution will continue to grow, driven by the successful execution of our ongoing investments in capacity expansions, selective geographical expansion, deep customer relationships, and strong cash generation to support sustainable long-term growth. The key

focus will be on solidifying NKT's position in Europe for medium-voltage power cables for grids, renewables, and infrastructure sectors.

Effective from
1 Jan 2026

NKT and net zero

Climate change is one of the greatest challenges of our time, and it affects every part of society. For NKT, it is both a responsibility and an opportunity. As a key enabler of the energy transition, NKT plays an essential role in building a sustainable future. NKT's ambition is clear and twofold: Firstly, to maximise the contribution to the decarbonisation of society by facilitating clean electricity in grid infrastructure - NKT's handprint; and secondly, to minimise NKT's footprint by achieving net zero across the value chain by 2050 at the latest.

NKT's handprint - Enabling climate solutions

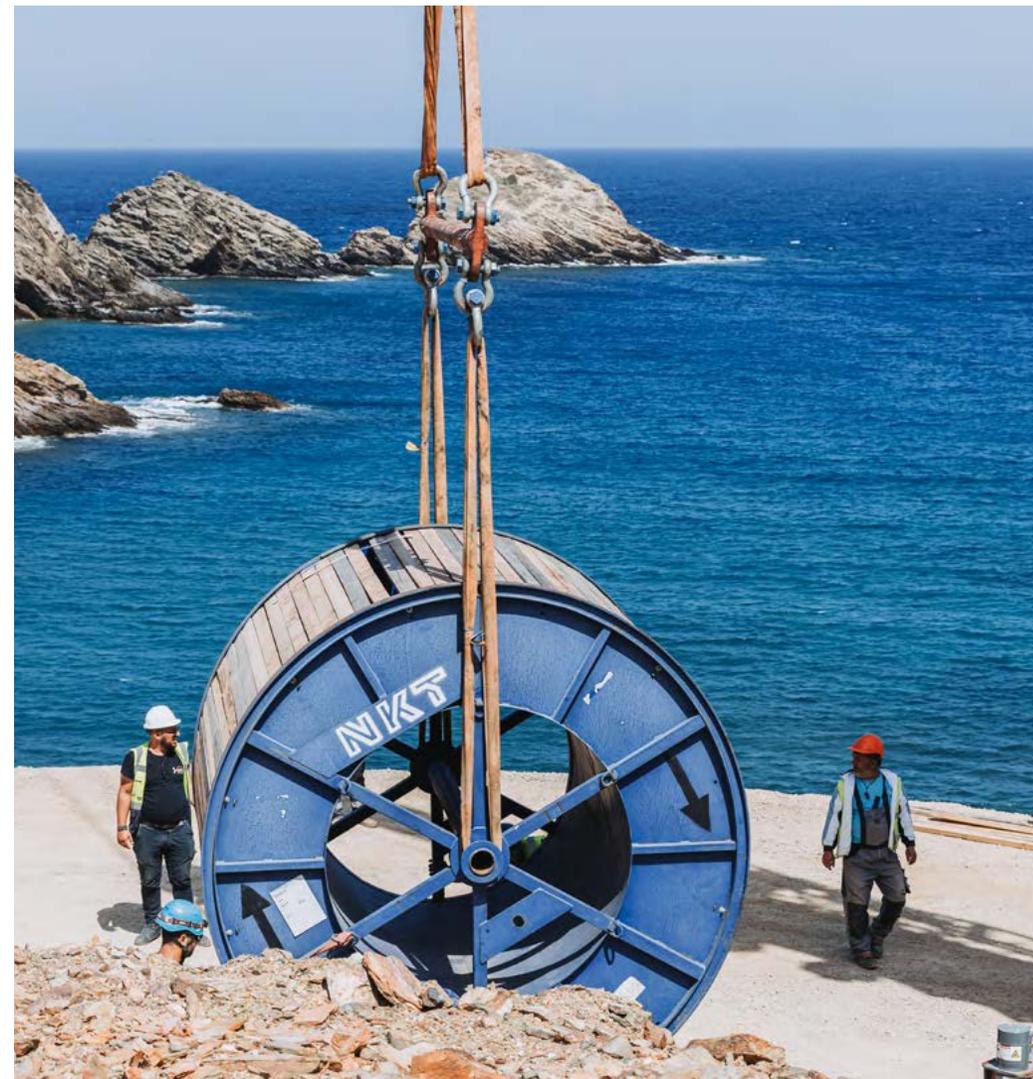
Addressing climate change requires significant reductions in greenhouse gas emissions. For the energy sector, this means replacing fossil fuels with clean electricity and electrifying transport, heating, and industry. None of this happens without strong grids and high-quality cables.

NKT plays a critical role in the green transition as electrification and grid modernisation are prerequisites for a net zero society. NKT's handprint is the positive climate impact cre-

ated by delivering the cable systems that allow countries to add clean energy, reinforce networks, and share power across borders.

NKT helps with bringing clean electricity to society. High-voltage direct current (HVDC) systems, for example, move large amounts of power efficiently over hundreds of kilometres, cutting electrical losses, and making offshore wind viable at scale. Modern cable systems also improve grid resilience and flexibility, reducing clean energy curtailment, and supporting energy security.

Since 2019, NKT has completed cable projects that are projected to contribute 27 TWh of clean energy in 2030, equivalent to meeting the annual energy needs of approximately 7.7 million households.¹ Of this 12 TWh was completed in 2025, covering two wind farm projects in the North Sea and the installation of an interconnector connecting Crete with mainland Greece's power grid. This interconnector will contribute to the decommissioning of three oil-fired thermal power plants on Crete.



¹ Based on Eurostat 2023 data

Decarbonisation in the value chain and own operations

As a climate enabler, NKT is expanding its handprint, with growing demand for cables to support the global shift to clean energy. At the same time, this growth increases the company's footprint, as producing more cables leads to higher emissions in the medium term. While directly contributing to the decarbonisation of electricity in the countries NKT is active in, NKT, in accordance with the Greenhouse Gas Protocol (GHG Protocol), accounts for the emissions caused by power losses from the cables installed in the power grid, even though they are not being operated by NKT. In 2025, NKT updated its methodology for the calculation of use phase emissions, leading to a significantly higher reported use-phase emissions in a given year, including the base year. This is aligned with industry standards and represents a strengthening of the accuracy, consistency, and robustness of the Scope 3 inventory.

As the grid is continuously strengthened so it can absorb more clean energy, these emissions will go down. This link between handprint

and footprint is central to NKT's climate transition plan. NKT is scaling up to meet demand for a grid based on clean energy while working to reduce the emissions linked to that growth.

In 2025, NKT carried out a number of actions that support its decarbonisation ambitions:

- NKT signed a landmark supply agreement with Hydro to secure low-carbon aluminium until 2033.
- NKT joined the First Movers Coalition (aluminium sector) and committed to sourcing at least 10% low-carbon aluminium by 2030.
- NKT continued phasing out natural gas in factories to move closer to zero emissions in some of the company's operations.

Despite these tangible improvements, NKT remains challenged on fulfilling its absolute decarbonisation targets as it continues to grow.

Systemic challenges in switching to sustainable fuels

The main challenge in reaching the Scope 1 and 2 target relates to the

high cost of switching to sustainable fuels such as hydrotreated vegetable oil (HVO) and e-methanol for cable-laying vessels. In addition to NKT Victoria, NKT is investing in sustainable fuel capabilities for its second cable-laying vessel, NKT Eleonora.

In 2025, NKT commissioned an external biofuel strategy report to gain deeper insights into the HVO market and proactively engaged with customers to discuss the potential of using HVO in ongoing projects. NKT will offer and advocate for the use of sustainable fuels across all vessels and calls on the industry to collaborate in overcoming the switching challenge together.

NKT handprint
Projected clean energy facilitated or enabled by NKT in 2030

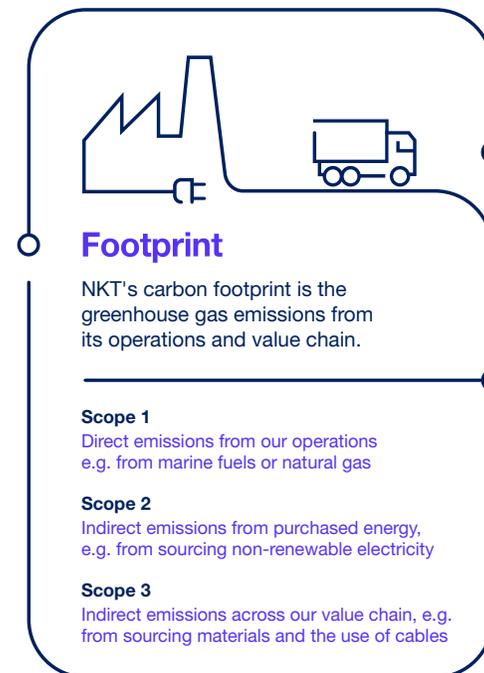
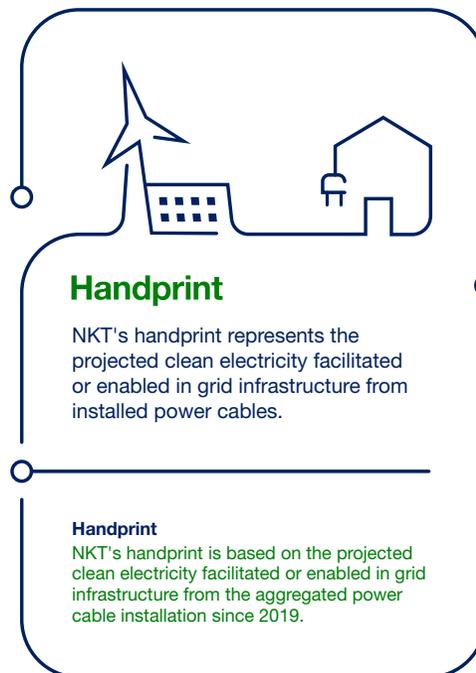
27 TWh

equivalent to the annual energy needs of approximately 7.7m households.²

Two independently calculated components are used to measure NKT's handprint:

- Direct facilitation, representing the estimated renewable electricity production from assets (such as offshore wind farms) that are directly connected to the electricity grid using NKT's cable systems;
- Indirect enablement, representing the estimated additional renewable electricity production enabled by NKT's interconnector cable systems by reducing renewable energy curtailment and allowing surplus electricity to flow across regions.

It excludes the contribution from cables used in distribution networks (medium-voltage) and low-voltage networks.¹



¹ The methodology and accounting principles for NKT's handprint can be found in the sustainability statement, page 83.

² Based on Eurostat 2023 data.

Powering New York with renewable hydropower from Canada

The Champlain Hudson Power Express is one of the largest infrastructure projects in the United States. The interconnector will enable the transmission of sustainable hydropower from Quebec, Canada, to New York City in the United States. The transmission line will be a significant contributor to New York City's ambition to transform its power generation and consumption so that it predominantly comes from renewable sources. Once operational, the hydropower from Canada will supply up to 20% of New York City's electricity - enough to deliver renewable energy

and more secure electrification for over one million homes in the city.

NKT is responsible for the engineering, manufacturing, and installation of the high-voltage 400 kV DC transmission line. The cable system has a capacity of 1,250 MW including joints and terminations and runs approximately 550 kilometres. The route has been carefully designed to minimise its impact on the environment. Burying the line keeps it out of sight and also protects it from extreme weather.



The Champlain Hudson Power Express handprint

Once operational, the Champlain Hudson Power Express will make a substantial contribution to NKT's handprint. The transmission line will supply up to 20% of New York City's electricity with renewable energy.

2025 sustainability performance

In 2025, NKT advanced its sustainability initiatives and updated its sustainability strategy as an integrated component of the new business strategy, Charging Forward. NKT's clear ambition is to maintain its position as a recognised global leader in sustainable cable solutions. This position was reinforced by being ranked 13th on Corporate Knights' 2026 Global 100 Most Sustainable Corporations list.



NKT is ranked 13th on Corporate Knights' 2026 Global 100 Most Sustainable Corporations

50%

of NKT's revenue included under the company's taxonomy reporting is derived from environmentally sustainable activities

The updated Sustainability Strategy forms an integral part of Charging Forward and is built around three strategic pillars: Environment, Social, and Governance. Each pillar encompasses specific focus areas that guide NKT's actions and commitments towards 2030 and beyond. As part of the revised strategy, the primary suite of sustainability targets has been revised to align with a common 2030 timeline. While there has been good progress on a number of the targets, NKT remains challenged on fulfilling its absolute decarbonisation targets as NKT continues to grow.

Environment

On top of executing on a number of decarbonisation actions (see net zero page), NKT continued to advance its sustainability-focused product portfolio while enhancing transparency on environmental impacts for customers and stakeholders. In 2025, the company published its first Environmental Product Declarations (EPDs) for cable accessories and introduced the KSEV S5 switchgear termination, designed to be compatible with alternatives that do not contain the greenhouse gas sulphur hexafluoride (SF₆).

To further embed sustainability in product development, NKT launched the Eco-Gate framework. This structured approach aims among other objectives to increase circularity across NKT's product portfolio.

Among the new products introduced in 2025 is the Adaptive Rigid Seajoint - a "one-for-all" solution suitable for all common three-phase submarine cables up to 300 kV. Its modular design reduces the need for spares, lowers costs, and minimises waste.

In the course of the year, NKT also strengthened biodiversity risk mitigation measures across the group and the value chain. These efforts contributed to ensuring that 50% of NKT's revenue included under the company's taxonomy reporting is derived from environmentally sustainable solutions, reaffirming the company's leading position in the industry.

Social

NKT's substantial positive climate impact through the cable systems delivered to customers is complemented by a significant socio-economic contribution in the countries where the company operates.

For example, NKT has strengthened its presence in the UK by expanding its organisation and partnering with local suppliers. The company remains committed to maintaining and further enhancing its engagement in the UK and other key markets, actively supporting local communities.

In 2025, NKT achieved a significant milestone with the full implementation of SafeStart across all company sites. SafeStart is reinforcing NKT's safety culture both in the workplace and beyond, establishing a common foundation for more than 6,000 employees worldwide.

NKT signed an international responsible business agreement with the Social and Economic Council of the Netherlands (SER) to promote International Responsible Business Conduct (IRBC). Participation in the IRBC Agreement demonstrates NKT's commitment to mitigating risks in the value chain related to human rights and environmental impact.

NKT continues to work to enhance diversity and inclusion within the workforce. The ability to attract female talent to NKT remained stable in 2025, with female representation in new hires at 28%, bringing the company close to its 2030 target. Various initiatives have been put in place to help progress female representation. Structured training programmes and mentoring initiatives aim to improve female development, retention, and engagement.

Governance

In 2025, NKT introduced several initiatives to promote integrity and ethical conduct.

The company launched a new Global Compliance Training and Awareness Programme building on the 2024 Code of Conduct implementation to further strengthen NKT's compliance culture. In addition, NKT rolled out a new Supplier Code of Conduct to reaffirm its commitment to integrity, sustainability, and ethical business practices.

NKT: The equity investment case

Creating shareholder value as a European leader in the energy transition

2025 was another decisive year for NKT as the company continued its positive development and launched new strategic ambitions. NKT plays an important role in enabling the increasing electrification, energy transition, and grid expansion, thus offering investors exposure to these megatrends.



NKT's power cable systems are a critical component for the transmission and distribution of energy

- Leading pure-play power cable solutions provider across high- and medium-voltage segments and well-positioned to benefit from increased structural demand for more modern and interconnected power grids.
- NKT's power cable systems are critical components of the energy ecosystem, and the company remains capable of meeting the increasing demand for electricity across society.
- Delivering cable solutions requires skilled resources, a tailored asset base, and a sophisticated technology base — all of which create high barriers to entry in the industry.

NKT has a technology-centric approach and a market-leading position within high-voltage DC solutions

- In recent years, the high-voltage power cable market has increasingly shifted towards 525kV XLPE DC power cables as a key solution for long distance power transmission.
- As a pioneer in XLPE DC technology, NKT has seen awards in its addressable market increase to an expected average of more than EUR 10bn annually between 2024 and 2030, compared to EUR 2–3bn in the late 2010s.
- NKT has a strong brand and a proven track record in executing large projects through its in-house production and installation capabilities, confirming the value of its technology base.

Substantial high-voltage order backlog ensures multi-year visibility

- NKT is investing in increased capacity and capabilities across business lines to support future profitable growth and capitalise on the favourable market outlook.
- Through strong commercial execution, NKT was awarded several large contracts across 2023-2025 leading to a high-voltage order backlog of EUR 10.2bn at the end of 2025.
- Additional booking commitments exceeding EUR 3.5bn ensure long-term earnings visibility.

Robust financial position providing security and ability to fund growth opportunities

- Record high operational EBITDA in 2025 of EUR 390m.
- Net interest-bearing debt at end-2025 was EUR -963m, with liquidity reserves of EUR 1,614m.
- NKT targets a leverage ratio (net interest-bearing debt relative to operational EBITDA) of up to 0.0x, ensuring a strong financial position enabling investments in future growth at an attractive RoCE. Reported leverage ratio for 2025 amounted to -2.5x.
- NKT targets a solvency ratio (equity as percentage of total assets) of above 30%, in 2025 reported to be 39%.

Proven organisational track record of delivering on strategic and operational targets

- Successful transformation into a growing pure-play power cable solutions provider.
- NKT has significantly increased revenue and operational EBITDA in recent years.
- The newly introduced Charging Forward strategy aims to enable increased contributions across business lines and to drive further improvements.
- Going forward, NKT remains highly focused on execution and risk management, with Execute, Excel, and Evolve serving as the guiding principles of the new strategy to deliver and create shareholder value.

Financial outlook 2026

Revenue (standard metal prices) and operational EBITDA are expected to be between approximately EUR ~2.63-2.78bn and EUR ~360-410m, respectively.

The financial outlook for 2026 reflects slightly negative growth in Solutions, given the lack of additional available production capacity, a normalised level of variation orders, and a reduced level of subcontracted revenue compared to a relatively higher level in 2025. NKT will continue to execute on its high-voltage order backlog, mainly on orders awarded in the period 2020-2022.

Applications is expected to contribute positively to revenue and operational EBITDA in 2026, driven by the power distribution grid segment and supported by the ramp-up of additional medium-voltage production capacity. For Service & Accessories, the contribution is dependent on market activity levels across the two segments.

NKT is expanding across business lines and is selectively investing in growth opportunities. To support the ongoing high-voltage investments and the upcoming production ramp-up in 2027, NKT is gradually adding costs and resources including hiring additional employees. This diluted the operational EBITDA margin for the group by around one percentage point in 2025. As the production ramp-up approaches in 2026, this temporary dilution is expected to increase and is reflected in the outlook for operational EBITDA.

As part of the Charging Forward strategy, from 1 January 2026, the names and focus of the business lines have been updated. Two years historic business line financials will be restated and communicated in due course before the release of the Q1 2026 report.

Revenue (standard metal prices), EUR

~2.63-2.78bn

Operational EBITDA, EUR

~360-410m

The financial outlook for 2026 is based on several assumptions including:

- Satisfactory execution of high-voltage investments and projects to deliver on expected profitability margins
- Satisfactory operational execution across business lines
- Stable market conditions across business lines
- Normalised offshore power cable repair work activity
- A stable supply chain with limited disruptions and access to the required labour, materials, and services
- Stable development in the global economy, foreign currency, and metal prices



Forward-looking statements

Statements made about the future in this report reflect the Group management's current expectations with regard to future events and performance. Statements about the future are, by their nature, subject to uncertainty, and actual performance may therefore differ from expectations.

NKT A/S disclaims any liability to update or adjust statements about the future or the possible reasons for differences between actual and anticipated performance, except where required by legislation or other regulations.

Medium-term financial ambitions

In November 2025, NKT announced its medium-term financial ambitions for 2030 in addition to the 2028 ambitions updated in December 2024. The 2030 ambitions accompanied the new Charging Forward strategy and reflect the expected impact from the high-voltage and medium-voltage capacity expansions.

All business lines are expected to contribute to NKT's improving financial performance towards 2030, with Solutions expected to be the primary contributor. The development is expected to be driven by the strong sustainable megatrends in the markets that NKT is operating in.

In Solutions, it is a prerequisite that NKT successfully executes its investment programme with the new assets becoming operational from 2027. This is the foundation for growth in revenue and operational EBITDA. In parallel, NKT needs to deliver satisfactory project execution of its high-voltage order backlog, and ensure project awards that secure high utilisation of both production and installation assets.

In Applications, satisfactory execution of medium-voltage capacity investments, expected to become operational in 2026 and 2027, is a prerequisite. NKT expects to grow revenue and operational EBITDA based on its position in markets exposed to electrification of society and the energy transition.

In Service & Accessories, the main focus is to grow the business based on the attractive market conditions. NKT will achieve this through various ongoing initiatives such as expansion of geographical footprint and through the pursuit of attractive business opportunities.

To enable the medium-term financial ambitions, NKT expects to invest around EUR 2.0bn accumulated across the years 2025-2028. The investments include additional high- and medium-voltage capacity and capabilities, construction of a new cable-laying vessel, and maintenance of the existing technology and asset base. Currently, no major investments are planned beyond 2028, and in the absence of these, repair and maintenance capex is expected to be around 4% of revenue measured in standard metal prices.

2030 ambitions

Organic growth CAGR

>7%

From 2024-2030

RoCE

>22%

By 2030

Operational EBITDA, EUR

>900m

By 2030

The ambitions for 2028 remain unchanged:

- Organic revenue growth (measured in standard metal prices) with a CAGR above 14% from 2021-2028
- Operational EBITDA above EUR 700m
- Return on Capital Employed (RoCE) above 20%

The medium-term financial ambitions are based on several assumptions including:

- Satisfactory execution and development of high-voltage investments and projects in the backlog to deliver on expected profitability margin trajectory
- Satisfactory execution of medium-voltage investments
- Market demand supporting a continued favourable supply/demand balance
- Ensure high-voltage project awards securing high utilisation of production and installation assets
- Stable supply chain with limited disruptions and access to the required labour, materials, and services
- Stable development of the global economy, foreign currency, and metal prices



02

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Financial review 2025

In 2025, revenue continued to increase and organic growth was 6%, driven by a high level of activity across all three business lines. Operational EBITDA amounted to EUR 390m, a record-high level for NKT. As expected, free cash flow was negative, EUR -244m, due to capital expenditures related to the ongoing investment projects to expand capacity, which progressed in line with the plan during the year.

Revenue growth in all three business lines

Revenue¹ in 2025 increased to EUR 2,722m, an improvement of EUR 233m compared to 2024, and it corresponded to an organic growth of 6%. Through a high activity level and positive organic growth rates, all three business lines contributed to the development. In Solutions, the growth was driven by a high activity level and overall satisfactory project execution, while Applications benefitted from continued robust demand in the power distribution grid segment and additional medium-voltage capacity. The growth in Service & Accessories was a result of increased activity level in both segments supported by additional repair work, mainly offshore.

The reported revenue was at the upper end the most recent financial outlook for 2025 of approximately EUR 2.65-2.75bn, which was announced in August 2025 and confirmed in November 2025. Outperformance compared to the initial outlook for 2025 was driven by higher activity levels, primarily in Solutions and Service & Accessories.

Organic growth per business line was 7% for Solutions, 22% for Service & Accessories and 11% for Applications.

Revenue measured in market prices amounted to EUR 3,565m in 2025, against EUR 3,252m in 2024.

Record-high operational EBITDA

Operational EBITDA amounted to EUR 390m in 2025 reaching the highest level in company history and EUR 46m above 2024. The margin for the year was 14.3% compared to 13.8% in 2024.

Revenue development and organic growth

EURm

2024 revenue ¹	2,489
Currency effect	12
Acquisitions	69
Organic growth	152
2025 revenue ¹	2,722
Organic growth, %	6%

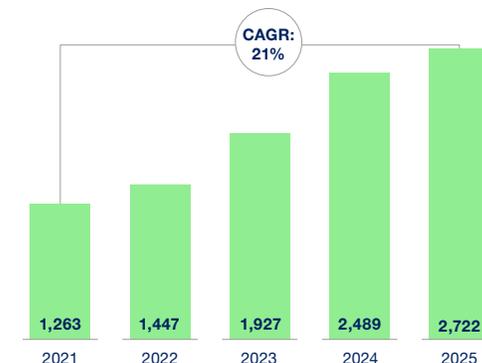
Realised figures versus initial financial outlook for 2025

EURm	Initial, Feb. 2025	Update, Aug. 2025	Realised
NKT			
Revenue ¹	~2.37-2.52bn	~2.65-2.75bn	2.72bn
Operational EBITDA	~330-380m	~360-390m	390m

¹ Standard metal prices.

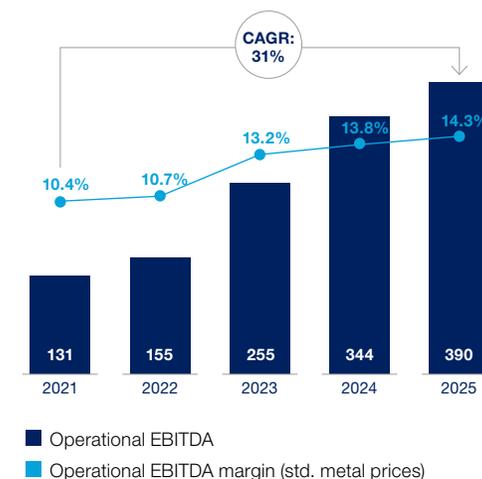
Revenue* development

EURm



Operational EBITDA

EURm



■ Operational EBITDA

■ Operational EBITDA margin (std. metal prices)

“We continued the positive financial development in 2025 with growth and record-high operational EBITDA. With a strong balance sheet and a solid high-voltage order backlog, we are well-positioned to fulfil our 2028 and 2030 financial ambitions.”



Line Andrea Fandrup
Chief Financial Officer

All three business lines reported increased operational EBITDA, with Solutions benefitting from the high activity level and overall satisfactory project execution. In Applications, the increase was driven by continued robust demand in the power distribution grid segment, supported by additional medium-voltage capacity and full-year contribution of the acquisition of SolidAI. Service & Accessories experienced high activity level in both business segments and benefitted from cable repair work both onshore and offshore.

Operational EBITDA was at the upper end of the most recent financial outlook for 2025 of approximately EUR 360-390m. The results exceeded the initial outlook for 2025. This was mainly driven by activity levels in the Solutions and Service & Accessories business lines being higher than expected, including positive effects from large repair jobs.

In 2025, one-off items amounted to EUR 0m, compared to EUR -1m in 2024.

Increase in net result

EBIT amounted to EUR 257m in 2025, an improvement of EUR 17m compared to 2024. The increase was attributable to the same parameters as EBITDA, and only partly offset by an increased depreciation and amortisation level compared to 2024 as a result of the ongoing investment programme. EBIT margin in 2025 amounted to 9.5%, slightly below the 2024 EBIT margin of 9.6%.

Financial items were positive EUR 37m in 2025, compared to EUR 34m in 2024, mainly driven by positive non-cash exchange rate effects related to strengthening of the SEK and interests on the net cash position. Earnings before tax (EBT) increased to EUR 294m in 2025 from EUR 274m in 2024.

NKT's net result from continuing operations for 2025 amounted to EUR 275m, an increase of EUR 39m compared to 2024. The reported tax rate was 6%, down from 14% in 2024 impacted by additional tax losses carried forward being capitalised in Germany.

Driven by the increase in net result and unchanged number of out-

standing shares, diluted earnings per share (EPS) from continuing business increased to EUR 4.9 in 2025 from EUR 4.2 in 2024.

Negative free cash flow impacted by investments

In 2025, cash flow from operations amounted to EUR 499m, decreasing from EUR 1,039m in 2024 despite a higher operational EBITDA as the positive effect from changes in working capital was lower compared to 2024.

The working capital position was EUR -1,534m at the end of 2025, an increase of EUR 102m from the end of 2024, where working capital amounted to EUR -1,432m. This reflects natural movements driven by the phasing of prepayments, milestone payments, and project execution in Solutions.

The working capital ratio, LTM, was -35.8% at end-2025, compared to -30.9% at end-2024.

The planned investments in increasing capacity progressed in 2025, and as a consequence, cash flow from investing activities was EUR -743m which was an increase compared to EUR -639m in 2024. The



capital expenditures were mainly related to Solutions where the new factory in Karlskrona, Sweden, the second cable-laying vessel, and additional capacity in Cologne, Germany, all progressed in line with plan. The additional medium-voltage capacity in Czech Republic and Sweden became operational in Q1 2025. Moreover, the additional capacity in Denmark is expected to be operational during H1 2026, while the expansion in Portugal is expected to become operational at the end of 2026. As previously communicated, NKT expects to invest around EUR 2bn in total across the years 2025-2028, with 2025 expected to be the year with the highest investment level.

As a result of the investment level and the timing effects in working capital, free cash flow from continuing operations was EUR -244m compared to EUR 400m in 2024.

Lower RoCE driven by investments

RoCE was 24% at the end of 2025, compared to the 35% reported at end-2024. Capital employed increased to EUR 1,230m in 2025 from EUR 573m at end-2024 as a result of the ongoing investments

and the less favourable working capital position. RoCE will continue to vary depending on the project mix in production, the timing of payments from customers, and a higher capital base from ongoing investments.

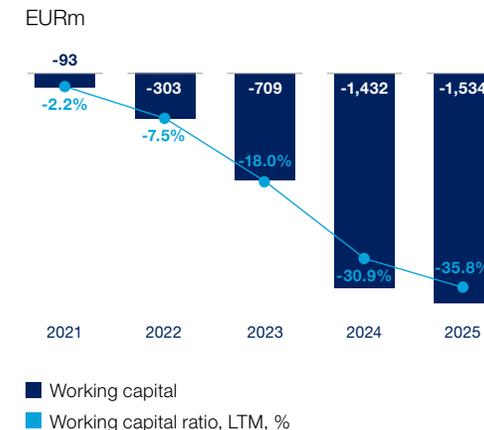
Liquidity, debt, and equity

The negative free cash flow led to a reduction in the net cash position. Net interest-bearing debt amounted to EUR -963m at end-2025 compared to EUR -1,280m at end-2024. Net interest-bearing debt relative to operational EBITDA amounted to -2.5x at end-2025 compared to -3.7x at end-2024.

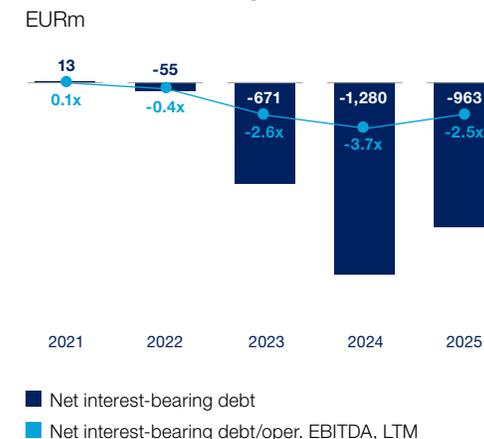
At the end of 2025, total available liquidity reserves amounted to EUR 1,614m. The favourable cash position will gradually be deployed as announced investments continue to progress through varying stages of execution. A position of financial strength must be maintained as NKT continues to progress on its growth journey.

Group equity, including the green hybrid security issued in September 2022, amounted to EUR 2,193m. The solvency ratio was 39%, compared to 38% at the end of 2024.

Working capital (from continuing operations)



Net interest-bearing debt



Financial review Q4 2025

As expected, organic revenue¹ growth was negative 8%, and operational EBITDA amounted to EUR 85m in Q4 2025. The decline in revenue and operational EBITDA compared to last year was driven by a specific project ramp-down in Solutions, while both Applications and Service & Accessories increased contribution. Free cash flow for the quarter was positive, EUR 341m.

Revenue¹ decreased to EUR 643m, down by EUR 50m from EUR 693m in Q4 2024. This corresponded to organic growth of -8%. Revenue¹ increased in Applications and Service & Accessories, while Solutions revenue saw a decline compared to Q4 2024.

The lower revenue led to reduced operational EBITDA, which amounted to EUR 85m compared to EUR 90m in Q4 2024. The operational EBITDA margin¹ increased by 0.2%-points to 13.2%.

Solutions

Revenue¹ in Solutions was EUR 60m lower in Q4 2025 compared to Q4 2024, equivalent to a negative organic development of 13%. The revenue decline was driven by the ramp-down of the Champlain Hudson Power Express project.

This included a lower level of sub-contracted work compared to the relatively high level in Q4 2024.

During the quarter, NKT progressed on various projects in the order backlog at different stages of execution, including Champlain Hudson Power Express, Hornsea 3, Hertel, East Anglia 3, Biscay Gulf, SuedLink, and SuedOstLink.

Operational EBITDA decreased from EUR 67m in Q4 2024 to EUR 61m in Q4 2025, driven by the lower revenue, while the operational execution was overall satisfactory and the operational EBITDA-margin¹ increased from 14.3% in Q4 2024 to 15.2% in Q4 2025. Profitability margins will vary depending on the phasing of projects in execution.

ful execution of investment projects. Organic revenue¹ growth was 9%.

NKT continues to expand capacity across its medium-voltage production sites in order to benefit from the positive market outlook in the segment. The construction of the additional medium-voltage capacity in Asnaes, Denmark, has entered the final stages, and is expected to come online from 2026 as planned.

Operational EBITDA improved from EUR 13m in Q4 2024 to EUR 18m in Q4 2025, driven by the higher revenue due to robust demand in the power distribution grid segment. Operational EBITDA margin¹ improved by 1.3%-points from 7.8% in Q4 2024 to 9.1% in Q4 2025.

Service & Accessories

Service & Accessories reported revenue¹ of EUR 79m in Q4 2025 compared to EUR 59m in Q4 2024. Organic growth¹ amounted to 31% and was driven by growth in both the Service and the Accessories business.

In the Service business, a high activity level and satisfactory execution for both onshore and offshore resulted in higher revenue. Activities in Q4 2025 included onshore repair work, offshore installation work, and maintenance of existing cable systems. In the Accessories business, growth was driven by increased demand for both high- and medium-voltage accessories.

Operational EBITDA increased to EUR 10m in Q4 2025 from EUR 6m in Q4 2024. The increase was driven by both the Service and the Accessories business. Profitability improved and the operational EBITDA margin¹ was 12.6% in Q4 2025, compared to 11.1% in the same quarter in 2024.

Positive free cash flow

Free cash flow amounted to EUR 341m in Q4 2025, compared to EUR 152m in Q4 2024 as EBITDA and a positive contribution from changes in working capital more than offset the increased investment level.

Financial development in Q4

EURm	Revenue ¹		Operational EBITDA		Oper. EBITDA margin [*]	
	Q4 2025	Q4 2024	Q4 2025	Q4 2024	Q4 2025	Q4 2024
Solutions	409	469	61	67	15.2%	14.3%
Applications	197	178	18	13	9.1%	7.8%
Service & Accessories	79	59	10	6	12.6%	11.1%
Elimination of transactions between segments and non-allocated costs	-42	-13	-4	4		
NKT	643	693	85	90	13.2%	13.0%

¹ Standard metal prices.

Risk management

Risk taking is a natural part of doing business. NKT is fully committed to managing risks in accordance with good corporate governance and applies proven practices to the internal risk processes.



The company's main revenue streams originate from different segments of the power cable market with independent market dynamics. The Solutions business line is a long-term project and backlog driven business and has a higher degree of resilience to short-term developments in the general economic environment.

The Applications business line is mainly driven by the ongoing optimisation of the power grids by private and public stakeholders in the medium-voltage market, including those arising from the green transition, while construction development in both residential and non-residential building segments is driving the market for construction-exposed low-voltage cables and building wires.

The Service & Accessories business line is to a certain degree dependent on large power cable repair projects and the development of the high- and medium-voltage markets.

As a global business, NKT is exposed to strategic, operational, compliance, and financial risks that present potential threats to NKT's business objectives from the medium-term and long-term perspectives. The management of risks is an integral part of standard business operations and strengthens the governance model.

The overall risk picture for the company is influenced by various internal and external factors that continue to evolve. The key changes to these factors and the risk picture in 2025 are described below.

The accelerated geopolitical and geoeconomic developments, including the ongoing conflict in Europe and trade barriers impacting the general economy, present a potential threat for market developments and the supply chain. Adding to this uncertainty is continued high levels of volatility and changes in the political environment within the European Union. Moreover, increasing global focus on prioritising national security interests and affordability, could

impact energy transition investments. Furthermore, competition both inside and outside of Europe continues to intensify and is likely to keep pressure on the competitive landscape.

Risks related to the sustainability areas are included in the annual risk assessment of the NKT Enterprise Risk Management programme, reflecting their key role in NKT's strategy. These risks are described in more detail in the sustainability statement.

Specific financial risks, including risks related to currency, interest, and raw material price changes, are described in more detail in note 5.6.

Risk management process

NKT operates a robust and efficient Enterprise Risk Management programme that aims to identify, prioritise, and manage key risks and monitor the mitigating actions. The programme follows best practices and principles and enables NKT to manage the risks effectively.

The Enterprise Risk Management cycle includes reporting to the Risk Board and Audit Committee twice a year. The reporting provides an overview of the company's risk position and perspectives on the overall impact of the risk profile on the company's direction, risk mitigating actions, and future planning. Risks are assessed by means of a two-dimension risk matrix based on impact and probability.

The company's key risks are described in detail in the overview on the following two pages including mitigations used to control the risks.

Risk identification	Project execution in high-voltage segment	Investment and expansion	Operational disruptions in factories	Commodity price changes	Supply interruption and raw material availability	New competitors entering home markets
Risk description	<p>A significant part of NKT's revenue relates to projects in the high-voltage segment. The execution part of projects may stretch over several years and involve multiple steps during the production, delivery, and installation of the cables. Deficiencies in the project execution phase due to unplanned and unexpected events, failures, or delays may result in additional costs from re-work activities, material resources, and potential penalties applied by customers. With the substantial backlog of projects and the resulting continuous pressure on production and installation schedule.</p>	<p>NKT faces risks related to loss from challenges and adverse events that it may face during the investment process to expand manufacturing facilities, vessels, mergers and acquisitions, and other assets. NKT has initiated investments and expansion projects in previous years, including the ongoing expansion of the factory in Karlskrona and a new cable-laying vessel. Such investments are complex, requiring expertise and responsible project management, and may face delays or cost increases from external factors.</p>	<p>NKT is exposed to risks related to operational disruptions in factories, which may be caused by unforeseen events, such as equipment malfunctions, machinery breakdowns, workforce issues, or other operational challenges that can impede the seamless flow of production processes. These disruptions pose a risk of inability to meet production targets, fulfil customer orders in a timely manner, maintain consistent quality standards and may result in penalties imposed by customers.</p>	<p>NKT's production activities are dependent on large amounts of essential raw materials and commodities. These input costs may be subject to price volatility risk resulting from unpredictable fluctuations on the market. This risk arises from various factors, including changes in supply and demand, geopolitical events, regulations, governmental policies, and market speculations. NKT is exposed to and diligently managing the inherent uncertainty in pricing of commodities and raw materials, which can affect production costs, profit margins, and overall financial performance.</p>	<p>Supply interruption and raw material availability risk pertains to the uncertainty associated with the accessibility and adequacy of raw materials essential for manufacturing and operational processes. This risk is influenced by factors such as market dynamics, geopolitical environment and events affecting supply chains, environmental conditions impacting resource extraction, regulatory changes, and the number of available suppliers. These disruptions can lead to increased costs, production bottlenecks, and potential challenges in meeting customer demand.</p>	<p>Europe remains a core market for NKT within the high-voltage segment. New competitors entering from within or outside the region pose risks to market share, profitability, and competitive position. This risk is driven by shifting market dynamics, cost pressures, changing customer preferences, new technologies, and regulatory changes that attract entrants. The increased presence of new competitors, including through the establishment of production facilities in Europe, is intensifying competition and requires strategic adaptations to maintain or enhance market standing.</p>
Mitigation	<ul style="list-style-type: none"> ▪ Risk management activities covering all the project phases. ▪ Adequate balancing of insurance, contract provisions, and pre-production testing. ▪ Production float and contingency plans to absorb potential delays. 	<ul style="list-style-type: none"> ▪ Project and risk management activities covering investment process, including continuous monitoring and evaluation to track performance and status. ▪ Due diligence process of supply chain and contingency planning for potential adverse scenarios and unplanned disruptions. 	<ul style="list-style-type: none"> ▪ Operational excellence programmes and monitoring of operational performance for critical equipment and processes. ▪ Robust maintenance programmes across production and testing. ▪ Contingency plans in place to respond to incidents and unplanned disruptions. 	<ul style="list-style-type: none"> ▪ Effective strategic procurement, including: ▪ Monitoring commodity price indexes and applying forecasting tools. ▪ Hedging mechanisms for commodities, components, and services. ▪ Contractual provisions with customers and suppliers to address price volatilities in ongoing business relationships. 	<ul style="list-style-type: none"> ▪ Material and supplier risk assessment. ▪ Monitoring and closely collaborating with key suppliers to ensure performance and reliability and the availability of raw material and components. ▪ Efficient inventory management and qualifying alternative sources. 	<ul style="list-style-type: none"> ▪ Monitoring global market, macro-economic trends, and regulatory changes affecting cross-regional activities, including trade barriers and anti-dumping rules. ▪ Focus on quality, innovation, and research and development. ▪ Proactive engagement in regulatory policy-making processes via industry associations to ensure fair competition within European markets.



Risk identification	Market dynamics	Cyber risk	Compliance	Product claims	Geopolitical and geoeconomic risk	Regulatory requirements
Risk description	<p>NKT operates in highly competitive markets exposing the company to risks of adverse effects resulting from the inherent and unpredictable changes in the conditions and forces influencing the various markets. These changes may include shifts in consumer preferences, fluctuations in supply and demand, technological advancements, regulatory modifications, and competitive pressures. The risk stems from potential difficulties in adapting adequately to rapidly evolving market conditions, which could lead to challenges in maintaining market share, profitability, and competitive positioning.</p>	<p>As many other companies, NKT is dependent on IT infrastructure to maintain its operations. Cyber risks represent harm or loss arising from the compromise of business-critical IT systems in production or key business administrative functions, networks, or digital assets, impacting an organisation's data confidentiality, integrity, and system availability. At its core, potential consequences of such threats may be production interruption with subsequent financial and reputational impact. Moreover, the rapid advancement of AI technologies is one of the factors that contributes to a higher level of security threat.</p>	<p>Compliance with legal and regulatory requirements presents one of the key business functions in NKT. Compliance risk refers to potential financial, legal, and reputational consequences including possible exclusion from tenders an organisation may face due to its failure to comply with applicable laws, regulations, internal policies, and industry standards. For NKT, such risks may, among others, relate to anti-bribery and anti-corruption regulations, competition law, data privacy, and trade controls.</p>	<p>Product claims represent the risks faced by the company in terms of potential problems with product performance, safety, quality, or other similar issues, which may result in legal challenges, financial losses, and damage to the company's reputation. Acknowledging the significance of this area, NKT operates extensive testing and quality control programmes to meet the requirements of a technologically demanding process and ensure the delivery of high-quality products to its customers.</p>	<p>Increased geopolitical and geoeconomic uncertainty and volatility pose a risk to NKT's business operations. This includes new trade restrictions, local content requirements, new EU trade agreements, shifting focus from the green transition to energy- and security-independence, investments in infrastructure, uncertainty of European supply chain, affordability, and competitiveness. NKT is closely monitoring and navigating these developments while maintaining focus on the decarbonisation journey.</p>	<p>NKT is subject to a wide range of EU and non EU regulatory requirements covering product compliance, sustainability, health and safety, environmental protection, and chemical regulations. Changes in regulatory requirements and required changes in business operations, product design and composition, including restrictions on various substances used in production and carbon footprint reduction targets, may result in increased costs, technical limitations, and administrative burdens.</p>
Mitigation	<ul style="list-style-type: none"> ▪ Monitoring of macro- and micro-economic developments, general market conditions, and the competitive landscape. ▪ Establishing focused working groups, qualifying new markets, and strengthening NKT's value proposition. ▪ Research and development of product portfolio to assure market position. 	<ul style="list-style-type: none"> ▪ Monitoring of developments within the cybercrime landscape and of the robustness and stability of the IT infrastructure and security. ▪ Strengthening of cyber security, IT governance and infrastructure, including adequate security controls, monitoring processes of improvement actions, and incident response capability. 	<ul style="list-style-type: none"> ▪ Monitoring of regulatory developments and risk exposure. ▪ Compliance programme ensuring adherence to regulations and the NKT Code of Conduct. ▪ Globally accessible whistleblower hotline for reporting concerns. ▪ Enforcement of zero-tolerance for breach. 	<ul style="list-style-type: none"> ▪ Monitoring of potential failures in production and/or product designs. ▪ Strengthening of quality awareness and control procedures throughout the production and cable-laying operations. ▪ Systematic and structured root cause analysis of product issues and implementation of corrective actions. 	<ul style="list-style-type: none"> ▪ Monitoring geopolitical and geoeconomic developments and trends to enable swift operational adjustments and seize new opportunities. ▪ Strengthening NKT's value proposition and cost competitiveness to support infrastructure investments in affordable renewable energy ▪ Increasing public and regulatory engagement to promote advanced EU electrical power infrastructure enabling more affordable electrification. 	<ul style="list-style-type: none"> ▪ Monitoring of regulatory developments and changes. ▪ Compliance programmes to ensure timely alignment with new requirements and implementation of mitigation actions. ▪ Engage in the regulatory processes to create the most favourable requirements and opportunities.

03

Business lines

- 32 Business line organisation
- 33 Solutions
- 37 Applications
- 40 Service & Accessories

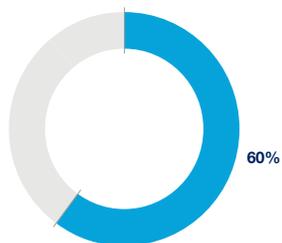


Business line organisation

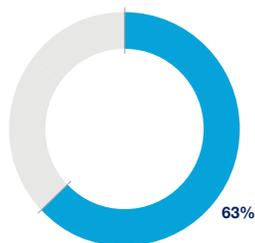
NKT's three business lines provide customers with full turnkey solutions across voltage levels and have the following main focus areas:

Solutions

Specialised in high-voltage power cable solutions for on- and offshore installation



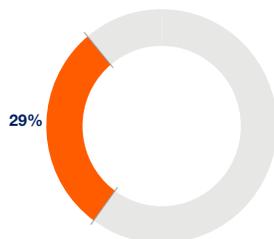
Revenue¹
EUR
1,706m



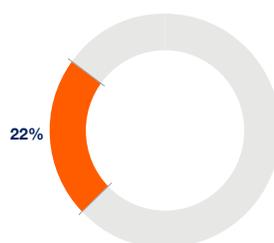
Operational EBITDA¹
EUR
258m

Applications

Focused on low- and medium-voltage power cable technology and building wires



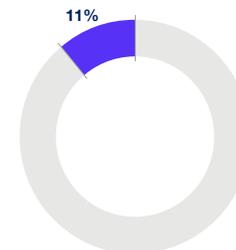
Revenue¹
EUR
842m



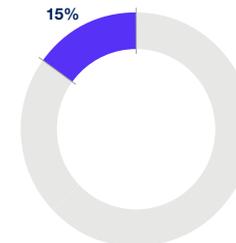
Operational EBITDA¹
EUR
89m

Service & Accessories

On- and offshore power cable services and wide range of accessories for medium- and high-voltage power cable systems



Revenue¹
EUR
317m



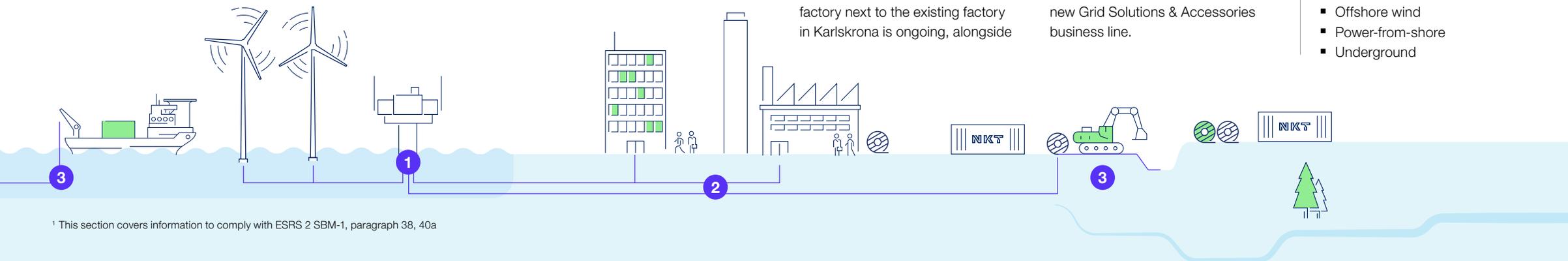
Operational EBITDA¹
EUR
60m

¹ Revenue (standard metal prices) in 2025 (% of total NKT revenue) and Operational EBITDA in 2025 (% of total NKT operational EBITDA). The figures exclude intersegment transactions and non-allocated costs.

Solutions

The overall energy transition, electrification of society, and need to transmit and interconnect grids continues to be a key structural growth driver for high-voltage power cable solutions. In 2025, Solutions continued to deliver organic revenue growth and increased operational EBITDA, driven by high activity levels and overall satisfactory project execution. In parallel, the investments in increased high-voltage capacity progressed according to plan. The high-voltage order backlog was supported by additional project awards and was maintained at a high level, reaching EUR 10.2bn by the end of 2025.

- 1 Offshore AC and DC power cable solutions
- 2 Onshore AC and DC power cable solutions
- 3 Installation offshore and onshore



¹ This section covers information to comply with ESRS 2 SBM-1, paragraph 38, 40a

Business line overview¹

Solutions serves the global high-voltage power cable market. The business provides technology-leading solutions across voltage levels and technical specifications. NKT has developed strong competencies in this market for more than 130 years, successfully delivering numerous projects.

Solutions operates two high-voltage factories, in Karlskrona, Sweden, and Cologne, Germany. These factories complement each other in the allocation of incoming projects. In Karlskrona, the strategic focus is offshore projects, while Cologne focuses on onshore projects. Construction of a new high-voltage factory next to the existing factory in Karlskrona is ongoing, alongside

investments to increase production capacity in Cologne. Solutions also owns and operates a cable-laying vessel, NKT Victoria, enabling Solutions to deliver complete end-to-end turnkey solutions, which are increasingly requested by customers.

As part of the Charging Forward strategy announced in November 2025, the Solutions business line has been renamed Transmission effective 1 January 2026. This change reflects the business line's role in enabling the expansion and renewal of energy transmission systems. Furthermore, the HVAC onshore project business currently within Solutions will transition to the new Grid Solutions & Accessories business line.



Factories

The two production sites are located in:

- Cologne, Germany
- Karlskrona, Sweden



Vessels

One cable-laying vessel, NKT Victoria. In operation since 2017

The solutions offered cover turnkey production and installation:

- Interconnectors
- Offshore wind
- Power-from-shore
- Underground

High-voltage market

Market overview

The high-voltage power cable market primarily encompasses projects that are engineered to order and demand a high level of expertise for successful implementation. In some cases, projects require new R&D solutions as well as additional investments in technology and production.

The market can be divided into different segments with differing characteristics and dynamics. DC (Direct Current) solutions are primarily used for long-distance projects as this technology works more efficiently with lower power losses over longer distances compared to AC (Alternating Current) technology. Both solutions can be applied offshore and onshore.

In general terms, DC power cables are more complex and require more advanced technological capabilities and know-how compared to AC. Furthermore, offshore solutions are in general more complex than onshore due to more challenging installation conditions. As a consequence, the DC and offshore markets are more consolidated com-

pared to AC and onshore, which have additional active players.

Sources of energy are increasingly being located further away from consumption causing the demand for longer distance power transmission to increase. Additionally, high-voltage power cable systems are required to transmit more power to support the increased electrification of society. These developments have increased the demand for DC technology relative to AC. As demand for longer distance power transmission has increased, the 525kV XLPE DC technology has become the industry standard for high-capacity transmission power cables.

Market development in 2025

The demand for high-voltage power cable solutions continued at a high level in 2025. NKT estimates the value of projects awarded in its addressable market to be around EUR 4bn. The projects awarded in 2025 were primarily long-distance DC interconnectors and offshore wind projects, with the majority of projects being awarded in Europe.

Market outlook

NKT anticipates that its average addressable high-voltage market in the period 2024-2030 will exceed EUR 10bn per year. The timing of actual project awards will continue to depend on various project-specific factors, which will impact individual years in terms of actual order values. Awards in 2026 will depend on the development and timing of sizable projects and large, multi-year framework agreements.

Future awards are expected to span across various segments, mainly within interconnectors and offshore wind. Due to the increased demand for longer-distance transmission, NKT foresees power cable solutions based on DC technology to constitute the majority of awards going forward. AC technology is expected to remain important, driven by the connection of offshore wind farms. Despite increasing geopolitical uncertainty, NKT expects most project awards to originate in Europe where higher market maturity drives strong demand for power cable systems. While markets outside

of Europe are less developed, NKT continues to see opportunities emerging.

With robust demand and known supply additions, NKT expects the balance between supply and demand to remain favourable in the short term, before becoming more balanced at the end of the decade.

Continued investments to support profitable growth

In 2025, NKT continued to advance its investments in additional production and installation capacity according to plan. The new factory, including an extrusion tower adjacent to the existing facility in Karlskrona, the expansion of the Cologne factory, and a new market-leading cable-laying vessel are all expected to become operational in 2027. In May 2025, the new factory in Karlskrona was recognised by the EU as the first European strategic net zero project because of its strategic importance for enhancing the security of supply of subsea power cables.



Following the completion of the slipforming of the new 200 meter tall extrusion tower in Karlskrona in late 2024, installation of interior equipment and machinery continued through 2025. In addition, the new logistics centre was completed during the year as the first fully finished building in the project. Construction of the hull of the new cable-laying vessel, NKT Eleonora, is also progressing as planned. Once the expansions are complete, Karlskrona will become the world's

largest high-voltage offshore cable production site.

Sustainability

In 2025, NKT completed the installation of the 1,000 MW Attica-Crete interconnector, supporting the integration of renewable energy produced on the Greek mainland. This will contribute to the gradual decommissioning of oil-fired power plants on Crete, resulting in an overall reduction of 500,000 tonnes of CO₂ in the first year of operation.

Highlights in 2025

- Organic revenue growth and increased operational EBITDA
- High-voltage order backlog maintained at a high level
- Investments in additional capacity progressed as planned, with additional capacity expected to become operational during 2027

1,706m

Revenue¹, EUR
(2024: EUR 1,598m)

7%

Organic growth
(2024: 39%)

258m

Operational EBITDA, EUR
(2024: EUR 252m)

Financial development

Revenue growth driven by high-activity level and project execution

In 2025, Solutions achieved a revenue¹ increase of EUR 108m compared to 2024, corresponding to organic growth of 7%. This was driven by a high activity level, including a higher degree of variation orders as well as overall satisfactory execution of orders awarded in recent years.

Revenue in market prices amounted to EUR 1,949m in 2025 compared to EUR 1,822m in 2024.

Increased operational EBITDA

The higher revenue¹ level and overall satisfactory project execution led to operational EBITDA increasing to EUR 258m in 2025 from EUR 252m in 2024. The improved result in 2025 solidified the satisfactory performance in recent years, reflecting a combination of good asset utilisation and supportive project margins. Operational EBITDA margin¹ was 15.2% in 2025, compared to 15.8% in 2024.

To support the ongoing investments and the upcoming production ramp-up in 2027, NKT is gradually adding costs and resources including hiring additional employees. For 2025, this diluted the operational EBITDA-margin for the Group by around 1 percentage point. As the production ramp-up intensifies, this temporary dilution is expected to increase.

In 2025, activity level was high and throughout the year the project execution was overall satisfactory. NKT progressed several projects through varying stages of execution. These projects include Champlain Hudson Power Express, Hornsea 3, East Anglia 3, Biscay Gulf, SuedLink, SuedOstLink, and Yggdrasil.

During the year, NKT advanced the production and installation of the high-voltage 400 kV HVDC Champlain Hudson Power Express transmission line in the US. Cable production was successfully completed in the summer, with jointing and installation work finalised towards the end of 2025, ahead of

the project's expected completion in first half of 2026.

NKT also completed the site acceptance test for the Attica-Crete power cables project in Greece. The 1,000 MW HVDC interconnector will play a key role in decarbonising Crete by eliminating carbon emissions from electricity generation on the island.

NKT Victoria, the company's cable-laying vessel, was well utilised in 2025 as installation activities continued on a high level throughout the year. The vessel was deployed across a variety of assignments relating to project installation work, mainly in Germany, Norway, and the UK.

New orders secured

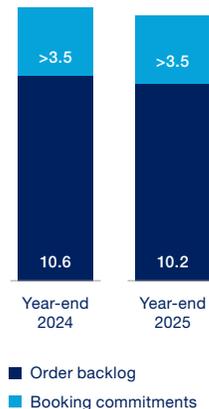
NKT was awarded a number of large high-voltage projects during 2025 supplemented by a number of smaller high-voltage projects across both alternating current and direct current technologies. This ability to continue adding to the existing order backlog demonstrates NKT's

“Through diligent execution on the high order backlog, 2025 was another year displaying organic growth and increased operational EBITDA in Solutions. Our investments to expand capacity, and not least create the world's largest offshore high-voltage cable factory, enables us to capture the high demand for high-voltage power cable solutions.”

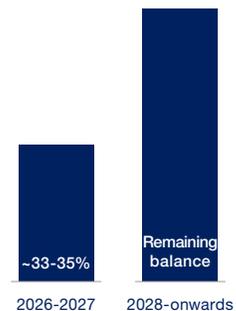
Darren Fennell
Executive Vice President, Head of Transmission

¹ Standard metal prices.

High-voltage order backlog



Expected execution of high-voltage order backlog



industry leading high-voltage capabilities. Notable order announcements in 2025 include:

- An offshore high-voltage interconnector project with a combined order value of approximately EUR 650m was awarded by Danish transmission system operator (TSO) Energinet to provide the connection between Bornholm Energy Island and Zealand, Denmark. As part of the order, NKT will design, manufacture, and install a high-voltage 525 kV direct current power cable system spanning more than 200 km.
- Preferred bidder to provide the 525 kV high-voltage direct current power cable system for the high-voltage interconnector project, Eastern Green Link 3, from the joint collaboration between SSEN Transmission and National Grid Electricity Transmission to link the power grids in Scotland and England. The power cable connection will have an expected total route length of around 680 km, comprising both onshore and offshore cable sections.

High-voltage order backlog remained at a high level

At the end of 2025, the high-voltage order backlog stood at a high level of EUR 10.2bn (EUR 8.9bn in standard metal prices). Driven by continued order intake, the backlog was maintained largely in line with the backlog of EUR 10.6bn by end-2024. In addition, NKT had booking commitments of more than EUR 3.5bn at the end of 2025.

Looking at the composition of the order backlog by customer type, approximately 95% of the orders are with large European Transmission System Operators. Divided by application, the backlog consisted of more than 55% interconnectors, around 40% offshore wind projects, and less than 2% power-from-shore projects.



Notable high-voltage project awards for NKT in 2025

Project name	Customer Type	Announced	Size (EURm)	Type
Bornholm Energy Island	TSO	September 2025	~650	Interconnector
Eastern Green Link 3	TSO	September 2025	n/a	Interconnector (Preferred bidder)

Applications

In 2025, Applications continued to improve its financial performance, showing double-digit growth in both revenue and operational EBITDA. NKT continued investing in additional capacity to meet growing demand driven by increasing electrification and the ongoing energy transition. These factors are key growth drivers for low- and medium-voltage power cable markets, where Applications is well positioned to capitalise on market trends and secure further profitable growth.

- 1 Medium-voltage cables
- 2 1 kV cables
- 3 Building wires
- 4 Telecom power cables



Business line overview¹

Applications covers NKT's medium- and low-voltage power cable offerings, as well as a minor position within telecom power cables. The product offering is tailored to broadly support both the growing electricity demand in European power grids and the construction sector.

Applications' seven main production sites are located across Czech Republic, Denmark, Poland, Sweden, the UK, and Portugal. The customer relationship in Applications is based on long-term collaboration with several industry partners. NKT

holds a leading position in parts of Northern, Central, Eastern, and Southern Europe.

As part of the Charging Forward strategy announced in November 2025, the Applications business line has been renamed Distribution effective 1 January 2026. This change reflects the business line's role in enabling the expansion and renewal of energy distribution systems. Furthermore, as part of this transition, the HVAC project business from Applications will move to the new Grid Solutions & Accessories business line.



Factories

The seven primary production sites are located in:

- Asnaes, Denmark
- Drammen, Norway
- Esposende, Portugal
- Falun, Sweden
- Kladno, Czech Republic
- Knurów, Poland
- Runcorn, United Kingdom
- Velké Meziříčí, Czech Republic
- Warszowice, Poland

¹ This section covers information to comply with ESRS 2 SBM-1, paragraph 38, 40a

Low- and medium-voltage market

Market overview

The NKT offerings in the medium- and low-voltage markets complement the advanced offerings for the high-voltage market. However, the competitive landscape is more fragmented with specifications and designs varying from country to country. Consequently, the competitive landscape is characterised by more local and regional competitors capable of complying with local technical regulation.

Medium-voltage power cable demand is primarily driven by the general energy transition and electrification of society. The power cables are mainly used for the power distribution grid with a continuous need for grid reinforcement and expansion. NKT continues to see an increased electricity demand driven by charging stations for electric vehicles, data centres, heat pumps, and the general electrification and digitalisation of society.

Generally, demand for low-voltage power cables is to a higher extent driven by the macroeconomic development and construction sentiment. Demand for building wires and other construction-exposed solutions is supported by urbanisation, electrification, construction, and renovation of residential and non-residential buildings including renovations to reduce energy consumption.

Market development in 2025

In 2025, market development varied across segments and geographies. The market for medium-voltage power cables remained robust, as the energy transition and ongoing electrification of society continued to positively influence the level of investments made by distribution system operators. This supported the demand in the power distribution grid segment throughout the year.

The overall market for building wires and construction-exposed 1 kV

power cables remained subdued in 2025. While some segments and geographies showed improvements, the overall muted economic development in Europe, following years with elevated inflation levels and increased interest rates, negatively impacted construction sentiment and market activity. Revenue in the construction-exposed segment was slightly lower in 2025 compared to 2024.

Market outlook

The forward-looking prospects for the medium- and low-voltage markets where NKT operates remain positive, driven by the energy transition and general electrification of society.

The positive market sentiment for medium-voltage power cables is expected to continue in 2026 and beyond. Large parts of Europe's power distribution grids are ageing and significant investments are needed to ensure the European energy transition. Thus, NKT

expects that market growth will continue to be robust in the years ahead.

During the past years, the muted macroeconomic development with low growth influenced the overall construction sentiment and market activity. In 2026, the market for building wires and construction-exposed 1kV power cables is expected to stabilise or slightly improve compared to 2025. Moreover, the longer-term picture for the market remains positive driven by increased electrification and urbanisation.

Investments in continued growth

The market outlook for the power distribution grid segment continues to be attractive. As a result, NKT in 2024 decided to invest in increased capacity across multiple medium-voltage production facilities. In 2025 the investments continued to progress according to plan, with the new capacity in Sweden and



Czech Republic becoming operational in the first quarter of the year. Furthermore, the additional capacity in Denmark is expected to ramp up during the first half of 2026, while the investments in Portugal are expected to become operational at the end of 2026.

Sustainability

Through an expanded portfolio of low-carbon products and increased collaboration with value chain partners on circular economy initiatives, NKT continued to address customers' growing demand for products with lower environmental impact.

Highlights in 2025

- Double-digit organic growth and increased operational EBITDA
- Demand in the power distribution grid segment remained robust
- Continued progress on investments to add medium-voltage capacity
- Integration of SolidAI completed

842m

Revenue¹, EUR
(2024: EUR 689m)

11%

Organic growth
(2024: -2%)

89m

Operational EBITDA, EUR
(2024: EUR 64m)

Financial development

High organic revenue growth

In 2025, Applications increased revenue¹ by EUR 153m compared to 2024 supported by the integration of SolidAI, now renamed NKT Esposende, which was acquired in June 2024. Organic growth of 11% was driven by healthy demand in the power distribution grid segment across 2025, while demand in the low-voltage construction-exposed segment remained largely subdued with varying geographic developments during the year.

Revenue in market prices amounted to EUR 1,449m in 2025, compared to EUR 1,237m in 2024.

Continued growth in operational EBITDA

Operational EBITDA amounted to EUR 89m, an increase of EUR 25m compared to 2024. This was driven by higher revenue in the power distribution grid segment. The operational EBITDA margin¹ increased to 10.5% in 2025 against 9.4% in 2024. During 2025 the results varied between quarters, with a lower Q1 being followed by a strong recovery

¹ Standard metal prices.

in Q2 and subsequently solid H2 2025.

The integration of SolidAI was completed at the end of the year. The realisation of synergies are on track, and by end-2026, EUR 7 million is expected to be realised per year.

Continued strength in power distribution grid segment driven by growing energy demand

During 2025, demand for medium-voltage cables in the power distribution grid segment remained at a robust level throughout the year with NKT achieving growth in both revenue and volumes. Furthermore, the growth was supported by additional medium-voltage capacity as a result of the completed investment projects in Sweden and Czech Republic during Q1 2025. In the first quarter, an increased competitive environment in selected markets was temporarily observed.

While demand in the power distribution grid segment remained robust, overall demand in the construc-

tion-exposed segment remained subdued during 2025 leading to slightly lower revenue for this segment compared to 2024. However, in the second half of 2025 the segment showed signs of stabilisation and slight improvements, with impact varying across local markets and segments.

“In 2025, we have strengthened our position in the low- and medium-voltage power cable markets in Europe, and continued to improve our financial performance. As we bring additional medium-voltage capacity to the market, and have completed the integration of SolidAI, we are well-positioned to benefit from structural demand driven by the continued electrification of society.”

Carlos Fernandez
Executive Vice President, Head of Distribution

Service & Accessories

Power cable services and accessories are essential components of the power cable value chain. The Service & Accessories business line is, to a high extent, dependent on the same market drivers as Solutions and Applications. In 2025, the financial performance improved with double-digit growth in both revenue and EBITDA. NKT continues to be well-positioned to capitalise on further demand going forward.

Business line overview¹

Service & Accessories offers a variety of both offshore and onshore power cable accessories and services to maximise the utilisation, reliability, and long-term performance of power cable systems.

NKT provides power cable services for both offshore and onshore markets and is a trusted partner throughout the lifecycle of a power cable system. The company has leading capabilities within repair, maintenance, and operations services with the organisation predominantly located in Denmark, Germany, Poland, Sweden, the US, and the UK.

NKT develops, produces, and installs a wide range of high- and

medium-voltage power cable accessories including power cable joints, connectors, and terminations. These are used in offshore and onshore applications, distribution and transmission grids, and renewable energy generation projects. The accessories are produced at sites in Germany and Sweden.

As part of the Charging Forward strategy announced in November 2025, Service & Accessories was integrated into the Grid Solutions & Accessories business line effective 1 January 2026. In addition to the current Service & Accessories segments, Grid Solutions & Accessories will also include the HVAC project business from the former Solutions and Applications business lines.



Service hubs

NKT has service hubs globally. The main sites are in:

- Brøndby, Denmark
- Brisbane, Australia
- Cary, USA
- Gdansk, Poland
- Karlskrona, Sweden
- Troisdorf, Germany



Factories

The main accessory production sites are located in:

- Alingsås, Sweden
- Nordenham, Germany

Power cable accessory offerings

Terminations

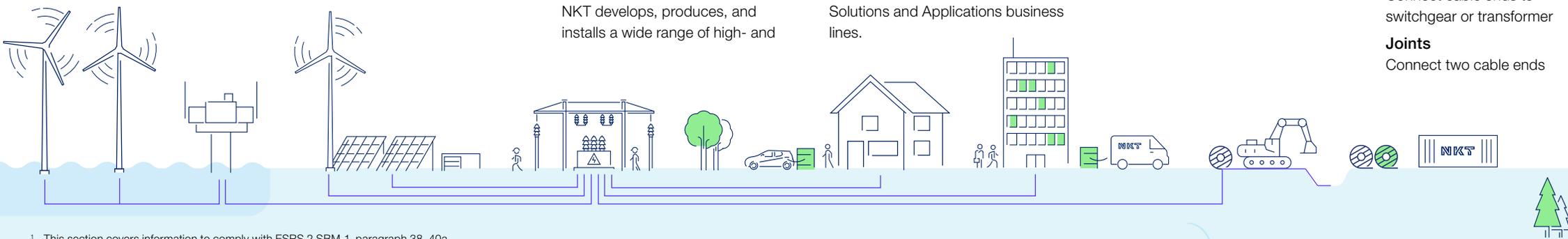
Connect cable ends to consumers or overhead lines

Connectors

Connect cable ends to switchgear or transformer

Joints

Connect two cable ends



¹ This section covers information to comply with ESRs 2 SBM-1, paragraph 38, 40a

Market for power cable services and accessories

Market overview

Power cable services

The onshore market is served by local companies, multinationals, and some cable operators themselves. The market for onshore power cable repairs is driven by the need to maintain ageing infrastructure as well as for grid modernisation and extension.

The offshore market is a segment that requires turnkey capabilities, with only a limited number of companies able to provide a reliable and comprehensive service offering. A growing number of offshore power cables will lead to increased demand for repair work in the years to come. Sudden equipment failures create an urgent need for support, strengthening demand for service level agreements (SLA) that enable cable owners to secure rapid response when needed.

Power cable accessories

Development of the accessories market is closely linked to the general development of high- and medium-voltage power cable markets.

The market for medium-voltage power cable accessories is characterised by broad participation and strong competition. The high-voltage segment generally has higher technical requirements, with fewer companies capable of delivering these highly complex products. Across both segments, the quality of cable accessories and their installation is essential to ensuring the reliability of the power grid.

Market development in 2025

Power cable services

Power grid modernisation and extensions continued to drive demand for services and service agreements in 2025. The Service business maintained a high activity level throughout 2025, driven by several activities across maintenance projects, installation works,

and both offshore and onshore repair projects - including a larger repair job at the Beatrice wind farm in Scotland. During the year, NKT launched a new integrated cable monitoring platform, MakeSense, to safeguard cables. The platform combines data from various sensors and technologies such as vessel location, distributed acoustic sensing (DAS) around the cable, depth of burial of the cable under the seabed, and conductor temperature. By integrating this information, risks and behaviour that could lead to cable damage can be identified proactively.

Power cable accessories

The 2025 development in the power cable accessories markets was positive across both the medium-voltage and high-voltage segments. In the medium-voltage segment, NKT increased sales driven by high demand in its core markets paired with a high volume of renewable energy projects which led to investments in additional production



capacity. Moreover, the high-voltage accessories market continued to develop positively, driven by demand for high-voltage cable solutions and increased investments in grid expansion and interconnector projects.

Market outlook

Power cable services

The service market is expected to continue to grow in the coming years, driven by two major growth trends. Firstly, the growth in installation of high-voltage power cables is expected to lead to higher demand for repair services in the future. Secondly, ageing infrastructure is increasingly requiring extensive

maintenance and ultimately decommissioning or replacement to fulfil the expected future electrification needs. Both of these trends are positive indicators of future demand, and NKT continues to expect attractive growth for both offshore and onshore segments.

Power cable accessories

The ongoing energy transition towards renewable energy generation as well as the continued electrification of society are driving increasing demand for high- and medium-voltage power cable accessories. Moreover, initiatives to upgrade and maintain power grids are contributing to increased future

demand. Since these overarching trends are expected to continue, the market outlook in the years ahead remains positive.

Low-carbon products

In 2025 Accessories expanded its portfolio of sustainable products with the introduction of the new KSEV S5 switchgear termination. This solution is fully compatible with alternatives that are free of sulphur hexafluoride (SF6), a potent greenhouse gas. Moreover, NKT continued its collaboration with suppliers and partners to increase the use of recycled materials and enhance recyclability of its products.

Highlights in 2025

- Double-digit growth in revenue and increased operational EBITDA
- High activity levels across both Service and Accessories
- Satisfactory execution in the Service business
- Increased activity level leading to higher revenue and improved profitability in Accessories

317m

Revenue¹, EUR
(2024: EUR 257m)

22%

Organic growth
(2024: 29%)

60m

Operational EBITDA, EUR
(2024: EUR 25m)

Financial development

Revenue growth driven by the Accessories business

In 2025, revenue¹ for Service & Accessories increased by EUR 60m compared to 2024. Revenue growth was driven mainly by high market activity in both the high-and medium-voltage accessories markets, supplemented by an increased activity level and satisfactory execution in both the onshore and offshore Service business. Organic growth amounted to 22%.

Increased operational EBITDA

Operational EBITDA increased to EUR 60m in 2025, up by EUR 35m compared to 2024. The increase was driven by higher activity level and satisfactory execution in the Service business, as well as the high market activity in both the high-and medium-voltage accessories markets. Operational EBITDA margin¹ improved to 19.1%, in 2025, a significant increase compared to 9.7% in 2024. While profitability improved significantly in both the Service and Accessories segments in 2025, the margin was positively

affected by significant repair jobs during 2025.

High activity level in Service

In 2025, both revenue and operational EBITDA improved in the Service business compared to 2024. The activity level was high in both the onshore and offshore segments. NKT executed on a range of activities including maintenance projects, installation works, as well as both offshore and onshore repair projects - including a larger offshore repair job at the Beatrice wind farm in Scotland during Q3 2025.

Increased capacity and demand in Accessories business

During 2025, both revenue and operational EBITDA increased significantly in the Accessories business, driven by higher revenue in both high-voltage and medium-voltage accessories segments. In 2025, the ramp-up of high-voltage accessories production capacity and capabilities in Alingsås, Sweden, was completed with the new test hall becoming operational. Further-

more, to meet increased demand in the medium-voltage segment NKT invested in capacity expansion at the site in Nordenham, Germany.

Structural growth trends including increasing electrification and the transition towards renewable energy are expected to positively impact NKT's Accessories business in the coming years.

“High-quality accessories and service solutions are vital offerings for both high- and medium voltage power cable grids. During 2025, we solidified our market position and showed strong organic growth and increased operational EBITDA. Across both segments, we have a solid foundation to continue our positive trajectory in the coming years.”

Denis Schuler

Executive Vice President, Head of Accessories

¹ Standard metal prices.

04

Governance

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Shareholder information

NKT A/S shares

The average daily turnover in NKT A/S shares on all trading markets was EUR 37m in 2025, against EUR 31m in 2024. The average daily trading volume was around 470,000 shares in 2025, against around 410,000 in 2024. Nasdaq Copenhagen was the main trading market for the company's shares with 32% of the total traded volume in 2025.

At end-2025, the NKT A/S share price was DKK 798.50, compared to DKK 514.50 at end-2024.

The share price return was 55% for the period. In the same period, the corresponding dividend-adjusted share price returns for the company's largest European competitors, Prysmian and Nexans, were 41% and 25%, respectively. The Danish OMXC25 index, adjusted for dividends, increased by 5% in 2025.

NKT A/S is a member of the OMX Copenhagen 25 Index and the Nasdaq Copenhagen Large Cap index.

The total share capital consists of 53,720,045 shares, each with a nominal value of DKK 20, corresponding to a total nominal share capital of DKK 1,074,400,900 (approximately EUR 144m).

Dividend policy

The dividend policy of NKT A/S targets distribution of approximately one third of the net result for the year as dividend, provided that the capital structure allows this. Excess cash may be distributed as share buybacks or extraordinary dividends. No dividend payment is proposed in 2025 due to the planned continued execution of investments.

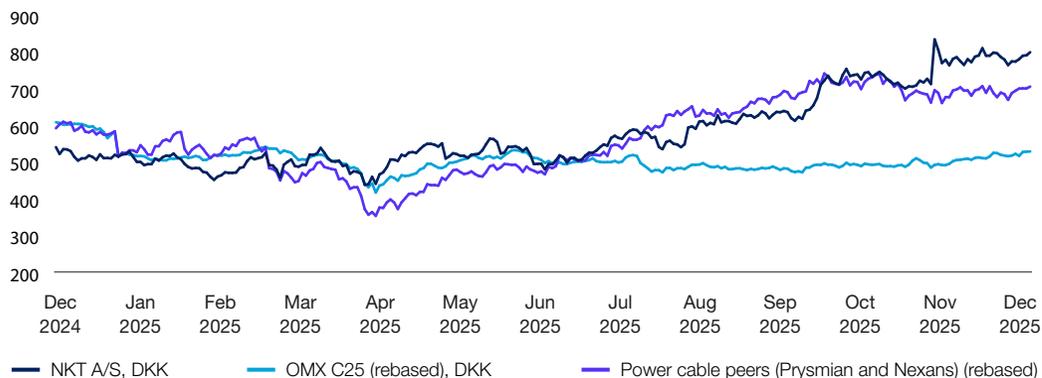
Shareholder structure

The NKT A/S share is 100% free float with no dominant shareholders. At end-2025, the company had approximately 61,600 registered shareholders, compared to approximately 52,400 at end-2024. At end-2025, 96% of the total share capital was registered, on par with the level at end-2024. 45% of the share capital was registered by Danish shareholders, while 51% was registered by shareholders outside of Denmark.

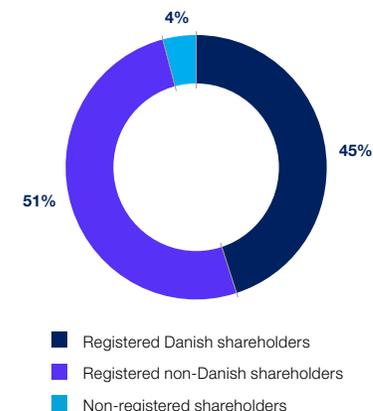
At end-2025, one NKT A/S investor had reported shareholdings of between 5.00–9.99%:

- BlackRock, Inc. (US), 5.26% (company announcement no. 11/2024)

NKT A/S share price development in 2025



NKT A/S Shareholders at end-2025





NKT A/S shares held by the Board of Directors and Executive Management

The members of the Board of Directors (BoD) held a total of 61,036 NKT A/S shares at the end of 2025, corresponding to a total market value of EUR 6.5m. Members of the Executive Management team owned 17,519 NKT A/S shares, corresponding to a market value of EUR 1.9m. As part of the long-term incentive programme, the Executive Management team has been awarded performance shares.

Persons deemed insiders and their relatives may only transact NKT A/S shares during a four-week window following the publication of financial

statements, provided that no inside knowledge is possessed.

Investor relations

NKT A/S seeks to maintain close dialogue with the market and its stakeholders by practising open, transparent, timely, and consistent communication. The aim is to ensure that:

- Timely, relevant, and consistent information is provided to all IR stakeholders to form the basis of a fair valuation of the NKT share price.
- NKT A/S is perceived as a professional, proactive, reliable, accessible, and transparent company

- Relevant investor relations information is shared with the Board of Directors.
- Share liquidity and daily trading volume are high and a diversified shareholder base exists in terms of investment horizon, investment strategy, and geographical distribution.

In connection with the release of interim and annual reports an investor presentation is conducted as a live webcast. Financial analysts, investors, the media and other stakeholders are invited to listen in and ask questions concerning the company.

In addition, NKT A/S meets with stakeholders at around 200-300 yearly physical and virtual meetings in Denmark and internationally, while private investors have an opportunity to meet the Board of Directors and the Executive Management at the company's annual general meeting.

The Investor section on the NKT A/S website includes current and historical share information, presentations, and a list of financial analysts who monitor the development in the company's shares. Interested parties can also subscribe to news releases.

→ More shareholder information is available at investors.nkt.com

Ownership of NKT A/S shares (at end-2025)

Name	# of shares
Board members	
Jens Due Olsen	51,891
Rene Svendsen-Tune	8,648
Akos Frank	200
John Erik Andersen	297
Executive Management	
Claes Westerlind	8,682
Line Andrea Fandrup	8,837



NKT A/S shares – basic data

ID code:	DK0010287663
Listing:	Nasdaq Copenhagen, part of the OMX C25 index
Share capital:	DKK 1,074m (EUR 144m)
Number of shares:	53.7 million
Nominal value:	DKK 20
Share classes:	1



Financial calendar 2026

25 Mar	Annual General Meeting
13 May	Interim Report, Q1 2026
14 Aug	Interim Report, H1 2026
29 Sep	Investor day, Karlskrona
19 Nov	Interim Report, Q1-Q3 2026

Corporate governance¹

Management structure

NKT's governance framework comprises the Board of Directors, the Executive Management of NKT A/S, and the Group Leadership Team, ensuring clear accountability and effective oversight of the company's operations. In the context of the Corporate Sustainability Reporting Directive (CSRD), the Board of Directors acts as the supervisory body, while the Group Leadership Team serves as the administrative and management body. This structure supports the execution of NKT's new corporate strategy, Charging Forward, which emphasises operational excellence, technology leadership, and sustainability as core priorities.

As a listed company on the Nasdaq Copenhagen Stock Exchange, NKT is subject to the regulatory framework for share issuers as well as the Danish Corporate Governance Recommendations. NKT continues to comply with the recommendations issued in December 2020 and

adheres to all 40 principles, reflecting a sustained commitment to transparency and accountability.

→ Corporate governance report

Board of Directors

The Board of Directors consists of nine members:

- Six members elected annually at the Annual General Meeting (AGM).
- Three members elected by Danish employees for a four-year term.

At the AGM held on 19 March 2025, all six AGM-elected members were re-elected: Jens Due Olsen (Chair), René Svendsen-Tune (Deputy Chair), Nebahat Albayrak, Karla Marianne Lindahl, Andreas Nauen, and, Anne Vedel.

Since the publication of the 2024 Annual Report, one employee-elected position has changed,

with John Erik Andersen joining alongside Akos Frank and Jean Iversen, who both joined in 2024.

Board composition

- AGM-elected members: Three females and three males, residing in Denmark, Finland, and Germany.
- Employee-elected members: Three males.

Nationalities represented include Danish, German, Finnish, and Dutch/Turkish.

One AGM-elected member has served for more than 12 years and is therefore not considered independent under the Danish Corporate Governance Recommendations. The Board collectively brings extensive international experience in renewable energy, infrastructure, technology, risk management, sustainability, law, and finance.

Corporate governance framework



¹ This section covers information to comply with ESRS 2 GOV-1 paragraph 20, 22, 23, GOV-2, paragraph 24, 25, 26a, 26b, 26c and GOV-5. This section also covers information pursuant to the Section 107f of the Danish Financial Statements Act.



The Board has at least seven annual ordinary meetings, with extraordinary meetings as required.

Governance framework

The Board of Directors has appointed a Chair's Committee (Chair and Deputy Chair) and established four specialised committees, each with defined responsibilities and annual work plans, and a 'working board' to support its oversight responsibilities:

- **Audit Committee:** Oversees financial reporting, risk management, internal controls, compliance, and sustainability reporting.
- **Remuneration Committee:** Develops and monitors the company's remuneration policies.
- **Nomination Committee:** Evaluates Board and leadership team qualifications and conducts annual Board assessments.
- **ESG Committee:** Provides strategic oversight of Environmental, Social, and Governance (ESG) initiatives.

- **Tender board:** Large tenders are assessed by a Tender Board (classified as a working board) in accordance with NKT's authorisation governance framework. The Tender Board consists of three board members together with the Executive Management. No additional remuneration is provided for participation in this work.

The Tender Board is a 'working board' because it is convened for specific operational purposes – evaluating and approving large tenders – rather than ongoing governance. Unlike ordinary board committees with permanent mandates and reporting duties, it operates ad hoc within the authorisation framework and focuses solely on transactional decisions involving both Board and Executive Management.

The governance framework is underpinned by applicable laws, regulations, recognised standards, and internal policies, including the NKT Code of Conduct.

Committees

The committees prepare and analyse matters within their respective areas, ensuring thorough groundwork for decisions by the full Board of Directors. Committees do not make decisions independently. Each committee has a standing agenda item at every ordinary Board meeting and all committee activities and recommendations are reported to the Board on a recurring basis for review and approval.

Terms of reference for all Committees presented above can be found here:

- ➔ [Terms of References for Committees](#)

Audit Committee

The Audit Committee plays a central role in safeguarding NKT's integrity and compliance. Its responsibilities include:

- Ensuring accuracy and reliability of financial and sustainability reporting.
- Monitoring internal controls and EuroSox compliance.

- Overseeing auditor independence and statutory audits.
- Supervising the company's legal compliance programme, cybersecurity measures, whistleblower scheme, and enterprise risk management.

The EuroSox framework provides robust financial controls across all major subsidiaries, combining manual and automated processes to mitigate material risks. Annual assessments are conducted to evaluate its effectiveness.

The Committee also oversees compliance with NKT's policies on risk management and financial reporting, covering areas such as accounting, treasury, hedging, insurance, and tax.

With regard to sustainability, the Audit Committee oversees the integrity, processes, internal control framework, the audit processes, and disclosures of sustainability reporting.

The Audit Committee oversees NKT's whistleblower scheme, which enables employees and business

partners to report suspected irregularities. All reports are reviewed by the Chair of the Audit Committee, and serious matters are investigated thoroughly. Where concerns are substantiated, appropriate remedial measures are implemented. All compliance-related activities and findings are regularly reported through the Audit Committee to the full Board of Directors, ensuring transparency and alignment.¹

Remuneration Committee

The Remuneration Committee prepares and evaluates remuneration policies for the BoD and Executive Management, ensuring alignment with shareholder interests and strategic objectives. Fixed remuneration

is designed to be competitive without being excessive.

At the Annual General Meeting in March 2026, the Company will propose an adjustment to the annual remuneration for the Board of Directors. The proposal follows the most recent benchmarking conducted in 2025, building on the previous review in 2021. This analysis compared the Company's Board fees with those of companies of comparable size and complexity listed on Nasdaq Copenhagen (C25) and showed that current remuneration levels fall below the market median.

The proposed adjustment is intended to ensure the Company

continues to offer a competitive and fair remuneration structure that supports the attraction and retention of highly qualified Board members.

Board remuneration: Fixed annual fees; AGM-elected members do not participate in incentive plans.

Executive remuneration: A mix of fixed salaries and performance-based incentives tied to financial and strategic KPIs.

All remuneration must be fair, reflect responsibilities, and provide attractive incentives for long-term commitment.

Further details are available in notes 2.2-2.3 and in the remuneration report.

→ Remuneration report

Nomination Committee

The Nomination Committee defines qualifications for leadership roles and facilitates annual Board assessments, conducted either internally or with external consultants. These assessments evaluate Board effectiveness, competencies (including sustainability competencies), and focus areas.

The 2025 Board assessment is ongoing using external resources. Every third year, the assessment is supported by external consultants.

The Board also conducts evaluations of Executive Management, focusing on interaction with the Board and management's competencies and performance.

ESG Committee

The ESG Committee is the BoD's governance body for advising on sustainability matters and it meets at least quarterly. The ESG Committee reviews sustainability impacts, risks, and opportunities² (IROs), as well as corporate policies, commitments, targets, strategies, budgets, trade-offs associated with material IROs, and other sustainability management matters.

Its mandate includes:

- Integrating sustainability into NKT's strategy and aligning with global ESG frameworks.
- Overseeing risks, opportunities, due diligence, and progress toward targets.
- Ensuring compliance with regulations such as CSRD and alignment with EU and Danish climate goals.
- Promoting transparency and addressing stakeholder concerns.
- Establishing governance structures and driving sustainable practices that create long-term value.

Meetings in 2025	Board of Directors (8 meetings) ³	Audit Committee (5 meetings)	Remuneration Committee (4 meetings)	Nomination Committee (5 meetings)	ESG Committee (6 meetings)
Jens Due Olsen	8/8			5/5	6/6
René Svendsen-Tune	8/8			4/5	
Karla Lindahl	7/8				
Anne Vedel	7/8	5/5			
Andreas Nauen	8/8	5/5	4/4		
Nebahat Albayrak	7/8		4/4		4/6
Akos Frank	8/8				
Jean Iversen	7/8				
John Erik Andersen	5/5 ⁴				

¹ The previous two paragraphs contain information to comply with ESRS G1, paragraph 5a.

² Details on material sustainability impact, risks, and opportunities can be found on page 63.

³ In line with prevailing market practice among C25 companies, NKT reports only on Board meetings where the Board convened physically or electronically. Meetings conducted by written procedure, which were included in previous years, are not included in this report.

⁴ Since being an alternate elected in 2022 he stepped on as a Board member in April 2025.

Board of Directors¹



Jens Due Olsen

Chair
Born 1963, Danish national
First elected in 2006
Not considered independent due to tenure

MSc Econ., 1990



René Svendsen-Tune

Deputy Chair
Born 1955, Danish national
First elected in 2016
Considered independent

BSc Eng. (hons.)



Karla Lindahl

Born 1981, Finnish national
First elected in 2020
Considered independent

MA in EC Competition Law, 2009
Master of Laws (LLM), 2005

NKT Committees:	<ul style="list-style-type: none"> ■ ESG Committee ■ Nomination Committee 	<ul style="list-style-type: none"> ■ Nomination Committee, Chair 	
Board of Directors' annual base remuneration:	DKK 1,125,000	DKK 750,000	DKK 375,000
Board of Directors' annual total remuneration:	DKK 1,125,000	DKK 875,000	DKK 375,000
NKT shares at 31 December 2025:	51,891	8,648	0
Other positions and directorships:	<ul style="list-style-type: none"> ■ KMD A/S, Deputy Chair ■ European Energy, Chair ■ Bioporto A/S, Chair 	<ul style="list-style-type: none"> ■ Aescolab ApS, Chair 	<ul style="list-style-type: none"> ■ KONE Corporation, Executive Vice President for Europe
Special qualifications:	<ul style="list-style-type: none"> ■ Industrial management ■ Management of listed companies ■ Economic and financial matters ■ Risk management ■ Technology 	<ul style="list-style-type: none"> ■ International management ■ Management of listed companies ■ Specialist expertise in technology, service businesses, large account sales, and strategy development with sustainability focus 	<ul style="list-style-type: none"> ■ Executive leadership of large international service and project business, operations, and organisation ■ International and industrial management ■ Expertise in strategy development and execution as well as competition and corporate law

¹ This entire section covers information to comply with ESRS 2 GOV-1, paragraph 21a, 21b, 21c, 21d, 21e, ESRS 2 GOV-2, paragraph 23, and ESRS G1, paragraph 5b. This section also covers information pursuant to the Section 107f of the Danish Financial Statements Act.



Anne Vedel

Born 1981, Danish national
First elected in 2023
Considered independent

MSc International Technology Management, 2008



Andreas Nauen

Born 1964, German national
First elected in 2017
Considered independent

MSc Mechanical Eng. 1991



Nebahat Albayrak

Born 1968, Dutch/Turkish national
First elected in 2022
Considered independent

LLM International and European Law, 1993

NKT Committees:	<ul style="list-style-type: none"> ■ Audit Committee 	<ul style="list-style-type: none"> ■ Remuneration Committee, Chair ■ Audit Committee, Chair 	<ul style="list-style-type: none"> ■ ESG Committee, Chair ■ Remuneration Committee
Board of Directors' annual base remuneration:	DKK 375,000	DKK 375,000	DKK 375,000
Board of Directors' annual total remuneration:	DKK 500,000	DKK 813,000	DKK 594,000
NKT shares at 31 December 2025:	0	0	0
Other positions and directorships:	<ul style="list-style-type: none"> ■ Vestas Wind Systems A/S, Head of R&D 	<ul style="list-style-type: none"> ■ Sandbrook Capital, USA, Operating Partner ■ Semco Maritime A/S, Board member 	<ul style="list-style-type: none"> ■ Fortum Oyj, Executive Vice President, Sustainability and Corporate Relations
Special qualifications:	<ul style="list-style-type: none"> ■ Senior leadership experience in the renewable energy industry and driving the energy transition ■ International expertise in technology, sales, organisational transformation, and delivering energy solutions ■ Expertise within engineering, product development, and industrialisation. ■ Expertise in driving large, complex product development portfolios 	<ul style="list-style-type: none"> ■ International and industrial management ■ Management of listed companies ■ Financial expertise from project business applying IFRS ■ Special expertise in technology, large infrastructure projects, renewable energy, and wind power 	<ul style="list-style-type: none"> ■ Senior leadership experience in the energy industry and energy transition ■ International and industrial management ■ Experience from the public and private sector ■ Expertise in driving corporate sustainability strategy and performance ■ Specialist in corporate Reputation Management and Branding ■ Crisis management



John Erik Andersen

Born 1956, Danish national
Elected by the employees as an alternate board member in 2022
Assumed the role of full board member in 2025
Not considered independent due to employment with NKT

Support specialist
NKT (Denmark) A/S

Microsoft Certified engineer
Windows Exchange administrator and Windows server Hybrid administrator



Akos Frank

Born 1984, German national
Elected by the employees as an alternate board member in 2022
Assumed the role of full board member in 2024
Not considered independent due to employment with NKT

Head of Strategic Projects & Legal Operations
NKT Cables Group A/S

LL.M. in U.S. and Global Business Law, 2009
University Diploma in International Nuclear Law, 2008
Juris Doctor, 2008
Mastering Board Governance, IMD, 2025



Jean Iversen

Born 1968, Danish national
Elected by the employees as an alternate board member in 2022
Assumed the role of full board member in 2024
Not considered independent due to employment with NKT

Site Manager / Project Manager
NKT (Denmark) A/S

Graduate Diploma in Leadership

NKT Committees:			
Board of Directors annual base remuneration:	DKK 281,000	DKK 375,000	DKK 375,000
Board of Directors' annual total remuneration:	DKK 281,000	DKK 375,000	DKK 375,000
NKT shares at 31 December 2025:	297	200	0
Other positions and directorships:			
Special qualifications:	IT management and digital support	Negotiating and legal management of industrial megaprojects Management of corporate legal internal education Internal governance of multinational company groups	Cable installation site management and project leadership Collective bargaining and labor relations

Composition and diversity in the Board of Directors

Reference	Indicator	Unit	2025	2024
GOV-1	Gender ratio (BoD incl. employee-elected members)	%	33%	44%
GOV-1	Executive members (BoD incl. employee-elected members)	Number	0	0
GOV-1	Non-executive members (BoD incl. employee-elected members)	Number	9	9
GOV-1	Independent board members (BoD incl. employee-elected members)	Number	5	5
107f	BoD Members	Number	9	9
107f	BoD members, excl. employee-elected members	Number	6	6
107f	Underrepresented gender for above	%	50%	50%
107f	BoD Members, employee-elected members	Number	3	3
107f	Underrepresented gender for above	%	0%	33%

Information pursuant to section 107f of the Danish Financial Statements Act

Pursuant to the Danish Financial Statements Act section 107f, the following relates to NKT A/S.

NKT maintains a quantitative objective of at least 40% female representation among AGM-elected Board members and currently

exceeds this objective, with 50% female representation achieved in 2023 and maintained in 2025.

Among employee-elected members in BoD the underrepresented gender is 0%, which is well below the quantitative objective of 33%. These members are selected through a direct election process, where all employees meeting certain crite-

ria are eligible to participate. The process is overseen by an Election Committee, which in 2025 has considered actions to address gender balance in the election process.

NKT A/S has one employee, who is also part of Executive Management, resulting in an equal gender balance by definition.



Group Leadership Team¹

The Group Leadership Team (GLT) consists of NKT's Executive Management and selected members of the business lines and group functions. Each member brings crucial competencies and experience relevant for the cable industry. Together, they represent a wide executive level of real-life knowledge necessary to drive NKT forward in delivering lifetime value to NKT's customers, partners, and employees.

NKT's GLT is responsible for delivering on NKT's strategy and holds a leading role in defining the tactical and operational directions required to ensure effective execution across all business lines.

GLT's role and responsibilities for sustainability

The GLT collectively brings expertise on NKT's material sustainability impact, risks, and opportunities (IROs) and is involved in the Double Materiality Assessment process. The GLT meets regularly and is responsible for driving NKT's actions to manage IROs and for implementing the sustainability strategy across the organisation.

Key responsibilities for sustainability include:

- Translating strategy into measurable goals and integrating them into daily operations.

- Integrating sustainability practices in daily operations and identifying the need for corrective actions.
- Managing sustainability risks and ensuring regulatory compliance, including CSRD.
- Monitoring performance and delivering transparent sustainability reporting aligned with global standards.
- Fostering a proactive sustainability culture through employee engagement and training.
- Communicating initiatives to stakeholders and building partnerships to amplify impact.

Composition of the Group Leadership Team

Reference	Indicator	Unit	2025	2024
GOV-1	Male members in GLT	%	85%	85%
GOV-1	Female members in GLT	%	15%	15%
GOV-1	Executive members in GLT	Number	2	2
GOV-1	Non-executive members in GLT	Number	11	11

¹ This entire section covers information to comply with ESRS 2 GOV-1, paragraph 20, 21, 22, 23, ESRS 2 GOV-2, paragraph 24, 25, 26a, 26b, 26c and ESRS G1, paragraph 5b.



Executive Management



Claes Westerlind

President & Chief Executive Officer

Born 1982, Swedish national
Joined NKT in 2017
Education: MSc Mechanical Engineering, Chalmers University of Technology, including studies at Hong Kong University of Science and Technology.

NKT positions: Chief Executive Officer and Member of Executive Management 2023
Various senior positions within NKT since 2017

Directorships: Rockwool A/S, member of the Board and Audit Committee

NKT shares at 31 December 2025: DKK 8,682



Line Andrea Fandrup

Chief Financial Officer

Born 1979, Danish national
Joined NKT in 2020
Education: MSc Business Administration and Math, Copenhagen Business School, including studies at University of Strathclyde Glasgow and INSEAD.

NKT positions: Chief Financial Officer and Member of Executive Management 2020

Directorships: Dovista A/S, member of the Board and Audit Committee

NKT shares at 31 December 2025: DKK 8,837



Will Hendrikx

Chief Operating Officer / Deputy CEO
Interim Head of Grid Solutions

Born 1964
Joined NKT in 2020
Education: BSc in Engineering and Management (HTS, Netherlands)



Michael C. Hjorth

Chief Commercial Officer

Born 1966
Joined NKT in 1995-2012 and rejoined in 2017
Education: BSc EE + Maersk Young Manager's programme



Darren Fennell

Executive Vice President, Head of Transmission

Born 1975
Joined NKT in 2012
Education: Bachelor's degree in Construction Economics & Management



Carlos Fernandez

Executive Vice President, Head of Distribution

Born 1971
Joined NKT in 2021
Education: Bachelor of Mechanical Engineering (B.E.) (Universitat Politècnica de Catalunya), Postgraduate in Business Administration (IESE Business School)



Anders Jensen

Chief Technology Officer
Born 1964
Joined NKT in 1993-2013 and rejoined in 2018
Education: MSc in Electrical Engineering (Technical University of Denmark), BSc in Strategic Management and Business Development (Copenhagen Business School, Copenhagen)



Morten Bang

Chief Legal Officer
Born 1984
Joined NKT in 2016
Education: Master of Law, University of Copenhagen



Michael Yong

Chief Strategy Officer
Born 1974
Joined NKT in 2021
Education: Juris Doctor (George Washington Law School, USA), International MBA (IE Business School, Spain), BSc Mechanical Engineering (University of Tennessee, USA)



Kira Johnson

Chief Human Resources Officer
Born 1974
Joined NKT in 2021
Education: MSc Political Science & Government, University of Copenhagen



Denis Schuler

Executive Vice President, Head of Accessories
Born 1973
Joined NKT in 2023
Education: Executive Master of Business Administration, Zurich University of Applied Sciences

Management changes

On 1 January 2026, the Global Leadership Team was adjusted to reflect the new organisational structure. Lukas Sidler, Executive Vice President and Head of HV Solutions Cologne, left NKT while Axel Barnekow Widmark, Executive Vice President and Head of Service & Installation, stepped down from the Global Leadership Team and will leave NKT latest by the end of Q1 2026.

Darren Fennell, previously Executive Vice President and Head of HV Solutions Karlskrona, is now Executive Vice President and Head of Transmission.

Carlos Fernandez, previously Executive Vice President and Head of Applications, is now Executive Vice President and Head of Distribution.

Raphael Görner will join NKT latest 1 April 2026 as Executive Vice President and Head of Grid Solutions. Until Raphael Görner joins, Will Hendrikx, COO and deputy CEO, will act as interim Head of Grid Solutions.

On 5 February 2026, NKT announced Michael Yong as the new Chief Financial Officer (CFO) from 1 April 2026 replacing the current CFO, Line Andrea Fandrup, who will leave NKT.

All other information than page 54-55 in the annual report reflects the situation as of 31 December 2025.

NKT's commitment to diversity, inclusion, and data ethics



Diversity and inclusion

NKT's diversity policy is designed to foster an inclusive organisation, ensure fair recruitment processes, and embed diversity and inclusion throughout the employee life cycle. The policy targets NKT's entire workforce and is supported by initiatives such as leadership commitment, a D&I champions council, integration of diversity in people processes, and employee engagement campaigns. During the reporting period, referrals through the "Refer a Woman" campaign grew and the D&I index score remained stable at 77% reflecting employees' consistently positive perceptions of NKT's commitment to diversity, inclusion, and belonging. Female representation among new hires remained at 28%, in line with 2024, placing NKT well on track to fulfilling the 2030 target of 30%. Representation of the underrepresented gender in senior leadership is only

marginally better than the baseline year at 18%. Achieving the 2030 target of 30% will therefore require sustained focus and continued action. NKT reports on these efforts in accordance with section 107d of the Danish Financial Statements Act.

NKT and data ethics

NKT respects and manages all data from employees, customers, and stakeholders in full compliance with applicable laws and high ethical standards. The company's data ethics policy, introduced in 2021, embeds responsible data handling into its operations. It focuses on integrating data ethics across processes, developing data-driven practices responsibly, and strengthening data privacy measures as part of NKT's broader data protection programme.

During the year, NKT enhanced GDPR compliance processes,

updated its internal data privacy framework and e-learning modules, introduced additional templates and guidelines, and delivered targeted training to employees in high-risk roles. Looking ahead, the company will continue implementing its data ethics and protection policies, and will embed the next group of requirements of the AI Act into its processes. NKT reports on these efforts in accordance with section 99d of the Danish Financial Statements Act.

Business model statement

NKT's business model does not rely materially on capitalised intangible assets. However, the expertise, knowledge, and know-how of the company's employees remain a critical driver of value creation for NKT. This information is pursuant to section 99, subsection two of the Danish Financial Statements Act.



Sustainability statement

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NKT's progress on sustainability

NKT is a critical player in the clean energy transition as electrification and grid modernisation are essential to achieving a net zero society.

In January 2026, NKT's sustainability efforts were recognised when the company was ranked 13th on Corporate Knights' 2026 Global 100 Most Sustainable Corporations list. The ranking underscores among others the important role NKT plays in the green transition through its product handprint.

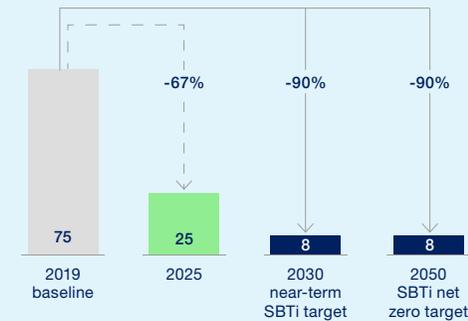
Through its solutions and offerings, NKT generates negative environmental and social impacts, primarily from the materials used in its cable systems and from production, installation, and service activities. This constitutes NKT's footprint. To minimise some of these impacts, the company has defined six primary sustainability targets, representing its desired trajectory in areas such as climate change mitigation, production waste recycling, gender diversity, and employee health and safety¹.

During 2025, there has been progress on a number of the targets, but NKT remains challenged on fulfilling its decarbonisation targets as the company continues to grow. All targets are presented in detail in the respective sections.

¹ SBM-1, paragraph 40e-f.

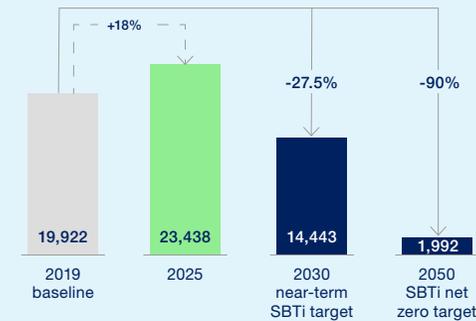
Absolute reduction in Scope 1 and 2 CO₂e emissions² ktCO₂e

-67%



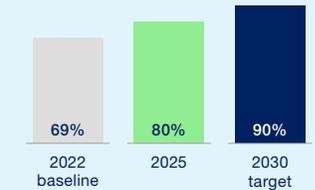
Absolute reduction in Scope 3 (Cat. 1 and 11) CO₂e emissions² ktCO₂e

+18%³



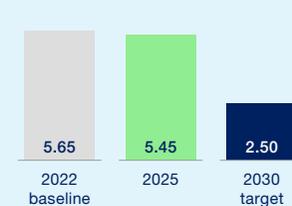
Recycling or reuse of production waste⁵

80%



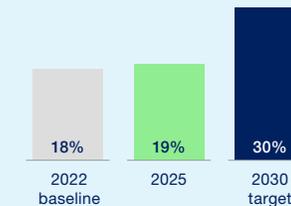
Reduction of rate of work-related accidents (RWA)^{4,5}

5.45



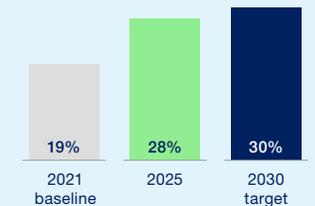
Underrepresented gender in senior leadership⁵

19%



Share of female new hires⁵

28%



² Compared to baseline year 2019. ³ Increase of 18% in Scope 3 emissions compared to baseline. ⁴ The RWA target ambition level has been increased as part of the Charging Forward strategy. ⁵ Time horizons updated to 2030 as part of the Charging Forward strategy.

Sustainability - a strategic priority

SBM-1, SBM-3

Strategy

NKT's new strategy, Charging Forward, outlines NKT's strategic focus areas until 2030 and beyond. Sustainability remains at the core of the strategy, with a clear ambition of maintaining NKT's position as a recognised leader of sustainable cable solutions. This commitment is not only vital to strengthening NKT's business but also to serving its customers, many of whom have their own high standards for sustainability performance. By holding itself to high sustainability standards, NKT also safeguards its greatest asset - its people - through a continuous focus on safety, inclusivity, and well-being.

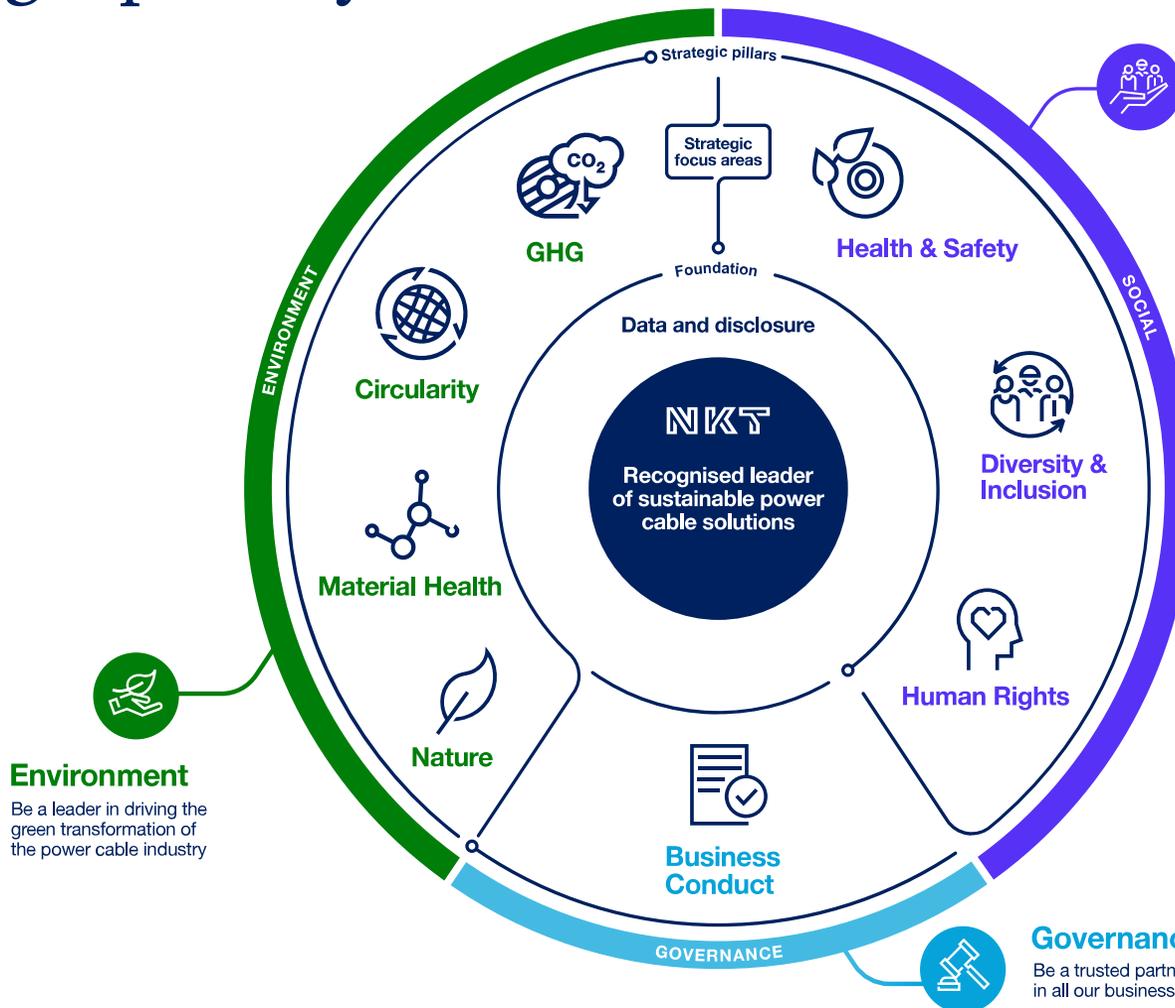
NKT's sustainability strategy is built around the strategic pillars: Environment, Social and Governance, each with defined focus areas that guide NKT's actions and commitments. The strategy is informed by the Double Materiality Assessment and its time horizons. Designed around the DMA, the strategy is assessed to be resilient in its capacity to address material impacts and risks and to realise material opportunities.

The strategy is implemented through measurable targets, performance monitoring, and transparent disclosure practices, enabling effective implementation and continuous improvement.

Well-established areas such as Greenhouse Gases (GHG), Health & Safety, and Diversity & Inclusion have structured processes and performance monitoring in place. In contrast, emerging priorities like Nature and Material Health require further development and investment to reach a similar level of maturity.

NKT's sustainability strategy covers the company's whole value chain. NKT recognises that many of the negative impacts go beyond the company's own operations, making partnerships and collaborations with suppliers and business partners fundamental to a successful green transformation.

- NKT strategy
- NKT business model



Environment
 Be a leader in driving the green transformation of the power cable industry

Social
 Be a fair, inclusive and safe workplace empowering trust and engagement

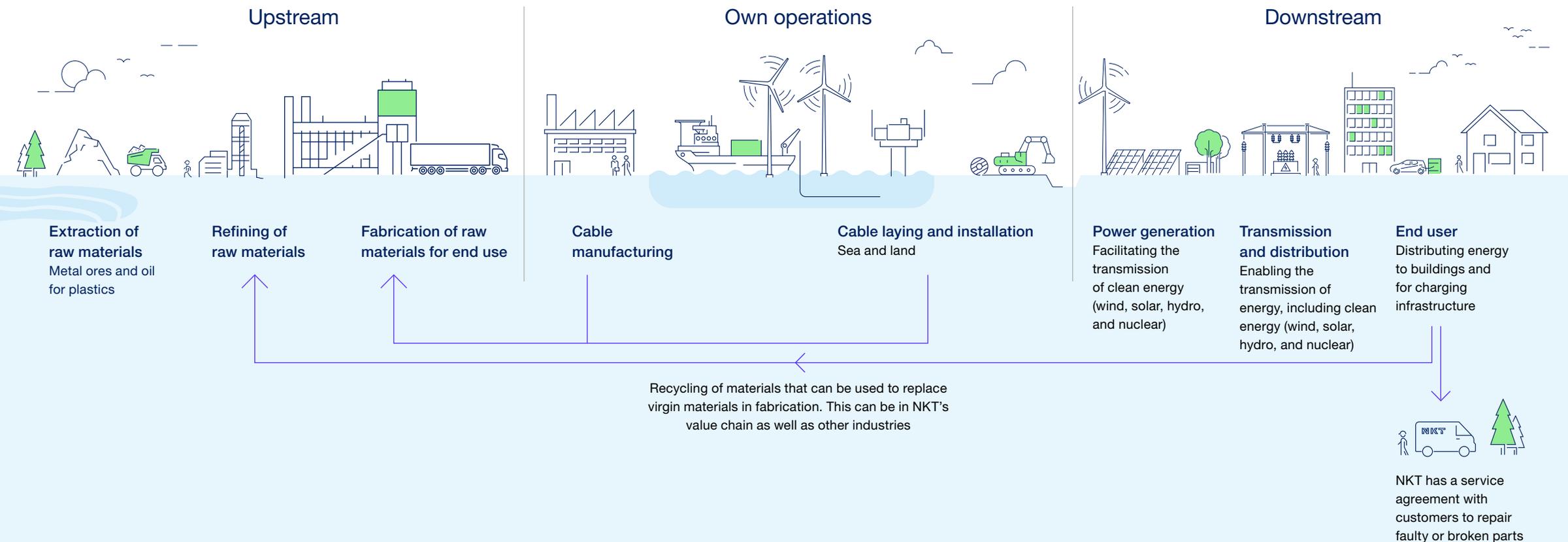
Governance
 Be a trusted partner and employer in all our business operations

Value chain

The simplified overview of NKT's value chain starts upstream with the extraction, processing, and fabrication of raw materials. NKT uses the raw materials to manufacture cables and cables systems. After manufacturing, the cables are installed on- and offshore either by NKT or its customers. Downstream,

NKT's cable systems facilitate the transmission of energy by connecting clean energy sources to the power grid. They enable the energy transition and electrification of societies by supplying power cable systems for the distribution and transmission of energy.

By delivering reliable and durable cable systems that support stable and resilient power grids, NKT plays a vital role in advancing the clean energy transition - helping society shift toward clean energy sources while contributing to secure an uninterrupted access to electricity.



Double Materiality Assessment

IRO-1, GOV-2

In 2025, NKT updated its Double Materiality Assessment (DMA), identifying new material sustainability matters that closely align with and reinforce NKT's strategic direction within sustainability.

NKT's updated DMA reflects continuous developments within sustainability, evolving stakeholder expectations, and emerging industry practices. The update reaffirms the overall material sustainability matters identified in the 2024 DMA. For some of these matters, the focus has been adjusted to enable a more targeted approach to managing sustainability impacts, risks, and opportunities (IROs) across the value chain.

The scope of the DMA is defined by segmenting upstream suppliers by economic relevance and potential impact to identify high risk materials (copper, aluminium, steel, lead, XLPE, PVC) and to map key supply chains.

Downstream, the DMA targets key markets and customer segments. The scope of the downstream IROs, are closely linked to NKT's role in the energy value chain: NKT designs, builds, and installs power and distribution cable systems.

Each IRO is scored 0–25, applying severity (scale, scope, irremediability where applicable) and likelihood for potential impacts; and financial magnitude and likelihood for financial risks and opportunities. Materiality is set at ≥50% (12.5/25) for both impact and financial materiality and IROs meeting or exceeding this threshold are material.

To read more: → [NKT's DMA methodology](#)



	Financial Materiality The issues impacting the performance of our business	Double Materiality	Impact Materiality The way our business impacts the world around us
Environment	<ul style="list-style-type: none"> Climate change adaptation 	<ul style="list-style-type: none"> Climate change mitigation Resource inflows Resource outflows 	<ul style="list-style-type: none"> Energy Resource optimisation Material health Pollution in the supply chain Water use in the supply chain Biodiversity loss in the supply chain
Social		<ul style="list-style-type: none"> NKT's people: health and safety NKT's people: diversity, fairness, and harassment-free workplace 	<ul style="list-style-type: none"> Health and safety for supply chain workers Affected communities: community rights and indigenous people
Governance		<ul style="list-style-type: none"> Corruption and bribery 	

Negative impact Financial risk
 Positive impact Financial opportunity



NKT's approach across the value chain

Some material sustainability matters are primarily linked to NKT's operations and its products, while others relate to the materials and components the company procures.

For matters connected to NKT's operations and products, such as climate change, circular design,

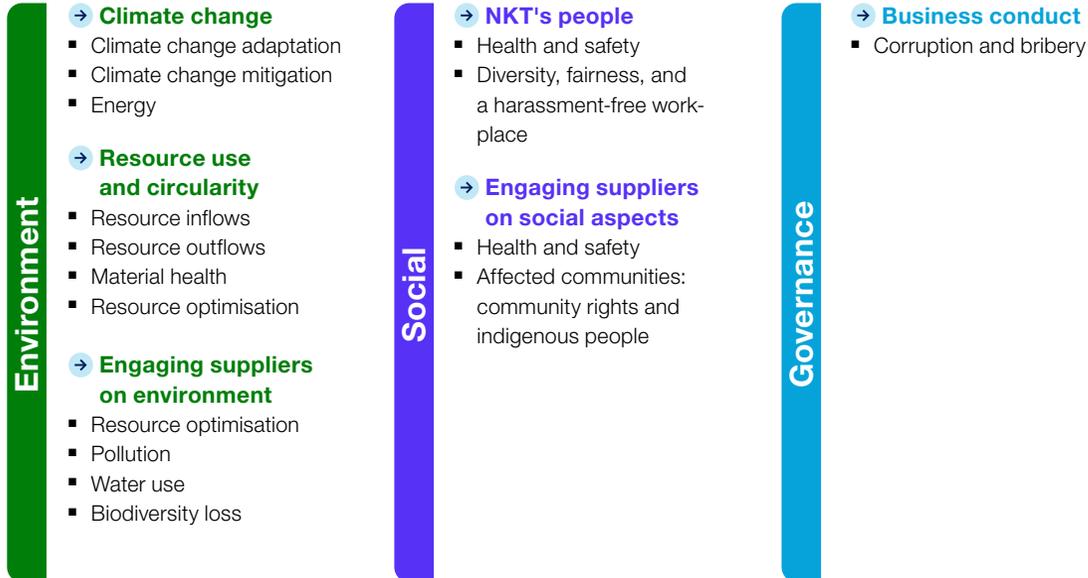
material health, diversity, and safety the company focuses on internal processes, employee engagement, and operational improvements to reduce impacts and strengthen performance.

Conversely, topics tied to the supply chain such as circularity, climate impact of raw materials, and responsible business conduct require

collaboration with suppliers and partners. Here, NKT drives progress through procurement practices, supplier engagement programmes, and industry partnerships.

The following overview of material IROs reflects this differentiated management approach. It also presents the structure of the remaining sustainability statement.

NKT's IROs and the structure of the sustainability statement



2025 DMA: Scope and results

IRO-1, SBM-3

The 2025 update reassessed selected sustainability topics. The topics were selected based on the evolving industry practices after the first wave of CSRD-compliant reports, and new internal and external stakeholder expectations.

The reassessment followed the overall DMA methodology, specifically step 2, 3, 5, and 6, see page 179 and included input and calibration of the scoring with NKT subject matter experts. The 2025 DMA was endorsed by the ESG Committee and the BoD.

Key results

In 2025, the material IROs correlate with the 2024 results on an overall level, but with adjustments to the focus of selected IROs. From 2025, the material IROs for NKT's own operations therefore also include:

- **Environment:** Waste and substances of very high concern (SVHC).
- **Social:** Diversity, equality, and non-harassment.
- **Governance:** Corruption and bribery.

As in 2024, ESRS S4, Consumers and End-users is non-material to NKT.

Scope

NKT did not conduct a separate screening of assets and activities or apply special criteria when assessing IROs relating to pollution, resource use and circular economy, water and marine resources, and business conduct. The company did not carry out direct consultations with affected communities.

For climate change, the severity of impact was determined using GHG emissions across scopes; NKT's own energy consumption; available value chain energy data (e.g., LCAs, sector decarbonisation approaches for key commodities); and other desktop research sources (e.g., MSCI, SASB, supplier/peer/customer corporate reports, research publications). For climate-related risks, NKT performed a climate risk assessment covering physical and transition risks and opportunities. To read more:

→ NKT and climate risk

Stakeholder engagement

SBM-2, IRO-1

Stakeholder engagement forms an integral part of NKT's DMA and its management of IROs. To ensure relevance, accuracy, and robustness, the DMA process includes structured dialogues and consultations with suppliers, customers, and other organisations.

These engagements serve to validate and refine the understanding of IROs across the value chain and to prioritise material topics. The Board of Directors is annually informed about stakeholder engagement in the DMA process.

In addition to the stakeholder engagement during the DMA process, NKT maintains an ongoing dialogue with key external stakeholders. The dialogue ensures that NKT remains transparent and responsive to the concerns and strategic direction of its suppliers, customers, and affected stakeholders.

Key stakeholders and how we engage with them

Investors



At NKT, investor engagement is a long-term partnership built on transparency. Through open communication, NKT shares its strategic vision, gathering valuable insights from investors. The engagement focuses on financial performance, sustainability progress, and risk management. NKT actively maintains selected ESG ratings aligned with the expectations from its investors. NKT prioritises the ratings from Ecovadis, CDP, Corporate Knights, MSCI and Sustainalytics.

Current employees



People are central to NKT's strategy and success. NKT fosters open feedback from its employees through regular employee surveys, leadership roundtables, and town halls. NKT engages with its current employees to understand their experiences, challenges, and perspectives on improvement areas. The engagement also fosters increased awareness of internal policies and procedures, such as within health and safety.

Membership in organisations



NKT is an active participant in various industry organisations to stay at the forefront of industry developments and collaborate on key initiatives. NKT advocates for regulatory frameworks that accelerate electrification across all sectors and the promotion of massive investments in electricity infrastructure and clean energy. These frameworks must be stable, Paris-aligned, and designed to unlock long-term investment in clean energy and grids. In this way, NKT is reinforcing its commitment to enabling Paris-aligned policy environments and accelerating the transition to a net zero economy.

Customers



As a reliable partner for utilities, developers, and industries worldwide, NKT enables customers to reach their sustainability commitments by actively partnering with them. NKT is committed to building long-term relationships based on trust and transparency, fostering sustainability by among others reducing CO₂e emissions, increasing circularity, and achieving positive biodiversity impact.

Future employees



NKT partners with universities, local schools, and municipalities to engage with students and attract future talent through initiatives such as master's theses, development projects, and career fairs. In addition, the company runs the NKT Graduate Programme, which annually attracts hundreds of applicants.

Suppliers



NKT maintains strong relationships with its suppliers, engaging with them to ensure mutual, sustainable growth and adherence to sustainability standards. NKT focuses on strategic collaboration with suppliers of critical materials and components to support reliable and efficient energy infrastructure. This includes joint efforts to increase supply chain transparency, decarbonise production processes, integrate recycled content, and ensure ethical business conduct.

Policies adopted to manage material sustainability matters

E1-1, E2-1, E3-1, E5-1, S1-1, G1-1

NKT's global sustainability policies outline the commitments, principles, and strategic direction within NKT's sustainability management and is governed by the corporate governance framework. Combined, the policies establish a structured framework that guides environmental, social, and governance practices across the organisation. Each policy reflects interests from appropriate stakeholders and is available to all stakeholders.

Accountability and monitoring

The NKT Executive Management is accountable for the implementation of all policies. Monitoring the implementation of the policies is an integrated part of NKT's governance framework. All NKT policies are updated on a regular basis, typically every 1-3 years depending on the specific policy.

Policy	Content	Coverage	Related IRO
IMS	NKT's Integrated Management System (IMS) sets the framework for aligning health and safety, environmental responsibility, quality, and compliance across global operations. The IMS establishes principles for creating safe and inclusive workplaces, reducing environmental impact, and safeguarding human rights while ensuring high-quality solutions. It integrates material ESG topics into governance and decision-making processes, making sustainability an embedded part of NKT's operational approach.	Own operations and value chain	NKT's people: H&S Material health
Climate Change	NKT's Climate Change Policy establishes the basis for addressing climate change across the company's operations and value chain. It outlines NKT's commitment to renewable energy deployment and the company's science-based targets validated by the Science Based Targets initiative (SBTi), with a long-term goal of net zero emissions by 2050. The policy integrates climate considerations into strategic planning and decision-making, and promotes collaboration with suppliers, customers, and partners to reduce emissions and develop solutions that support the green transition. The policy is available externally.	Own operations and value chain	Climate change mitigation Climate change adaptation Energy
Circular Economy	NKT's Circular Economy Policy sets the direction for the company's circularity efforts towards resource optimisation and product circularity. An increase in recycled content, lower resource intensity, and reuse and recyclability by design underpin the approach put forward in the policy. Circularity is integrated into product development, procurement, and operational processes, contributing to a more resilient and resource-efficient energy system.	Own operations and value chain	Resource inflow Resource outflow Resource optimisation
Procurement Sustainability	NKT's Procurement Sustainability Policy defines the company's approach to sourcing goods and services in a way that supports environmental, social, and ethical performance across the value chain. It sets clear expectations for suppliers and service providers to comply with environmental and labour legislation, reduce negative impacts, and uphold ethical labour practices.	Value chain	IROs in the supply chain: Pollution Water use Biodiversity loss Affected communities H&S Corruption and bribery
Human Rights	NKT's Human Rights Policy defines the company's commitment to respecting and promoting human rights. The policy sets expectations for fair treatment, safe working conditions, and the prevention of child labour, forced labour, and discrimination. NKT aligns with internationally recognised standards, including the International Bill of Human Rights, the ILO's Declaration on Fundamental Principles and Rights at Work, and the UN Guiding Principles on Business and Human Rights. The policy also supports broader sustainability efforts by recognising the role of human rights in enabling a just transition and resilient communities.	Own operations and value chain	NKT's people Affected communities: community rights and indigenous people H&S in the supply chain
Diversity and Inclusion	NKT's Diversity and Inclusion Policy highlights the company's commitment to fostering a diverse workforce and an inclusive culture across all operations. The policy recognises diversity and inclusion as drivers of innovation, resilience, and long-term business performance, and supports NKT's purpose of connecting a greener world. The policy applies across all stages of the employee journey, from recruitment to development and progression. It sets expectations for fair and unbiased treatment, equitable access to opportunities, and equal pay for equal work. It also includes a zero-tolerance stance on discrimination and harassment, with mechanisms in place to address violations swiftly and appropriately.	Own operations	NKT's people: Diversity, fairness and a harassment-free workplace
Anti-Bribery and Anti-Corruption	NKT's Anti-Bribery and Anti-Corruption Policy includes NKT's commitment to conducting business with integrity, transparency, and compliance with international standards such as the UK Bribery Act and the U.S. Foreign Corrupt Practices Act (FCPA). It applies to all employees and prohibits all forms of bribery, corruption, and facilitation payments. The policy sets clear rules for gifts, entertainment, hospitality, sponsorships, donations, and interactions with public officials, ensuring these are modest, transparent, and serve legitimate business purposes. Reporting mechanisms, including the confidential NKT whistleblower hotline, are available to report concerns.	Own operations and value chain	Corruption and bribery
Non-Harassment and Non-Discrimination	NKT's Non-Harassment and Non-Discrimination Policy aims to foster a workplace where everyone feels safe, respected, and valued. The scope of the policy applies across all operations, events, and interactions with employees, contractors, and partners. Preventive measures include regular training and awareness initiatives to reinforce respectful conduct and promote psychological safety.	Own operations	NKT's people: Diversity, fairness and a harassment-free workplace

Sustainability governance and management

GOV-4, GOV-5, IRO-1

Sustainability is integrated in NKT's operations with a clear governance structure that ensures continuous progress towards achieving the company's sustainability ambitions.

Sustainability is integrated in NKT's overall governance framework. More details can be found here:

- Corporate Governance Framework

Business lines and group functions are responsible for driving sustainability within their markets, operations, and functional areas, implementing actions to achieve company targets and ambitions.

The Vice President of Group Sustainability, reporting to the Chief Commercial Officer, is responsible for:

- Developing the sustainability strategy in close collaboration with the GLT and which is endorsed by the BoD.

- Supporting group functions and business lines in the implementation of the strategy.
- Monitoring the progress of the strategy implementation and reporting on this to GLT and ESG Committee regularly.

Risk management and internal controls over sustainability reporting

GOV-5

NKT has implemented mitigating processes and internal controls to manage risks associated with its sustainability reporting. Risks are identified and assessed through regular reviews of reporting processes, supplier data, and regulatory developments. The approach prioritises areas with potential for material misstatement or incomplete disclosures.

NKT's internal accounting guidelines are based on ESRS requirements, and includes comprehensive reviews to uphold a satisfactory data quality, either on a monthly or quarterly basis depending on the topic.

NKT is continuously improving the company's internal control and risk management systems for sustainability reporting in order to reach a maturity level equal to the company's financial reporting and to ensure that the company's sustainability reporting represents a true and fair view of NKT's performance, free from material misstatements, and in compliance with current legislation.

Due diligence

GOV-4

Due diligence is a cornerstone of NKT's approach to managing sustainability risks and opportunities. It enables the company to identify, prevent, and mitigate potential adverse impacts across its operations and value chain, ensuring informed and responsible decision-making. Through robust due diligence processes, NKT strengthens stakeholder trust and demonstrates its commitment to ethical and sustainable business practices. Details of NKT's due diligence framework and implementation are provided throughout this report and a dedicated section on NKT's approach to due diligence in procurement is included under Governance, see page 109.

Core elements of due diligence	Pages in the sustainability statement
a) Embedding due diligence in governance, strategy, and business model	12-14 111-112
b) Engaging with affected stakeholders in all key steps of the due diligence	65, 183 111-112
c) Identifying and assessing adverse impacts	63-64 71, 86, 93, 96, 105, 108
d) Taking actions to address those adverse impacts	72-78, 87-89, 94, 97-99, 103, 106
e) Tracking the effectiveness of these efforts and communicating	94, 102, 106 109-112

Basis for preparation

BP-1, BP-2

The 2025 sustainability statement marks NKT's second year of preparing a sustainability statement in compliance with the EU Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS).

Scope and consolidation

NKT's sustainability statement has been prepared as a consolidated statement for NKT A/S and its subsidiaries (NKT Group) and is fully aligned with the scope of the financial statements.

The sustainability statement covers upstream and downstream activities, as well as NKT's own operations. The respective sections explicitly state when assets under operational control are included in the disclosures.

Accounting policies are included in the sections to which they relate in order to facilitate understanding of the content and the accounting treatment applied.

The environmental, social and governance (ESG) metrics presented in

this statement have been validated by the assurance provider, PwC.

Confidentiality

NKT uses the option to omit the following information: The overall total weight of products and technical and biological materials used during the reporting period; the absolute weight of secondary reused or recycled components, secondary intermediary products and secondary materials used to manufacture products and services

(including packaging), total amount of substances of very high concern that are generated or used during production or that are procured by main hazard classes of substances of concern and total amount of substances of very high concern that leave facilities as emissions, as products, or as part of products or services by main hazard classes of substances of concern. The information is considered confidential due to competitive reasons.

Significant estimates and judgements

NKT strives to ensure precise and reliable disclosures by applying primary measurement data.

NKT uses estimates and judgements for parts of the ESG performance data presented in the sustainability statement. Recognising the impact on the quality of the performance data, NKT has made significant efforts to ensure accuracy in the disclosed performance data and has initiated processes to minimise the risk of reporting errors. Selected data points are partially based on estimates due to dependency on information from NKT's suppliers. If a data point is based on significant estimates or judgements, this will

be stated explicitly in the related accounting policies.

In 2025, sustainability impacts, risks or opportunities do not constitute significant impacts on NKT's financial position, financial performance, and cash flows. Recurring costs are included in the current financial statements and budget for next year.

Key adjustments

During 2025, NKT introduced the following changes to the presentation of sustainability information compared with the 2024 sustainability statement:

Omnibus

The Quick Fix Delegated Act has prolonged the reporting provisions that NKT applied in 2024. This means NKT will continue to report using the reduced scope originally introduced by the ESRS and there will be no changes to the reporting scope for phase-in requirements. NKT will make use of the option to include summarised information only (ESRS E2 paragraph 17) for

the material topics E4, S2, and S3. These topics are all material in NKT's upstream value chain.

The EU Taxonomy framework has been revised, introducing new criteria for classifying and reporting sustainable economic activities, simplified templates, and a materiality threshold. Consequently, NKT has updated its EU Taxonomy disclosures to match the revised framework and ensure they comply with the latest EU requirements.

New material impacts

NKT identified new impacts and opportunities, which introduced new ESRS-related data points. NKT will provide comparative figures for performance metrics introduced in 2025, except for disclosures related to S1-16. The processes for S1-16 were only established during 2025, making it impracticable to obtain reliable comparative data.

Disclosure requirement	Significant estimates and judgement	Estimates/judgements
E1-5, E1-6	Assets under operational control	Judgement
E1-6	Emission reduction progress and Scope 3 Category 11	Judgement and estimate
E1, entity specific	NKT handprint	Estimate
E2-5, E5-4	Sensitive information	Judgement
E5-4, E5-5	Data source and conversion of unit of measure	Judgement and estimate
E5-5	Categorisation	Judgement

Restatement of Scope 3

E1-6

NKT improved its Scope 3 calculation methods and restated historic data. Key changes include:

- Supplier-specific data in Category 1: Where available, NKT uses supplier-specific Product Carbon Footprints (PCFs) instead of generic emission factors. Supplier data provides more accurate and representative emissions, reflects actual production technologies and energy use, and captures reductions achieved by suppliers. This improves the quality and relevance of NKT's Scope 3 inventory.
- Spend-based method in Category 1, 2, 4, 6 and 9: Inflation is applied to emission factors, not spend. This keeps emissions estimates aligned with current purchasing power without changing NKT's financial records.
- Data quality improvements in Category 5: NKT has enhanced the quality of its waste data, strengthening the accuracy and reliability of the reported figures.
- Use phase emissions, Category 11: NKT refined its methodology

for calculating use-phase emissions by applying industry-aligned assumptions about how cables operate in real-life conditions. The update includes using more granular current load factors across different cable applications and distinguishes more clearly between medium- and low-voltage transmission, distribution, and building wire segments. This results in higher reported use-phase emissions but reflects improved accuracy and consistency rather than changes in underlying performance.

- End-of-life treatment of sold products in Category 12: NKT corrected the emission factor applied to the base year, updating the source fromecoinvent 3.6 to ecoinvent 3.10. This adjustment aligns the base-year calculation with the database version used in the current reporting year and was made to ensure consistency and comparability of emissions over time.

The total adjustment of Scope 3 emissions is 16,728,446 tCO₂e in the base year 2019 from 3,411,629 tCO₂e to 20,140,075 tCO₂e, and 16,344,073 tCO₂e in 2024 from 4,477,543 tCO₂e to 20,821,616 tCO₂e.

The most significant restatements relate to Category 1 and 11, which accounted for 99% of emissions in the base year. The restatements are:

- Category 1, which has been adjusted from 1,447,999 tCO₂e to 848,070 tCO₂e in the base year, representing an adjustment of minus 848,068 tCO₂e, and from 2,252,754 tCO₂e to 1,689,858 tCO₂e in 2024, representing an adjustment of minus 562,896 tCO₂e.
- Category 11, which has been adjusted from 1,749,466 tCO₂e to 19,073,848 tCO₂e in the base year 2019, representing an adjustment of 17,324,382 tCO₂e, and from 1,718,496 tCO₂e to 18,420,887 tCO₂e in 2024, representing an adjustment of 16,702,391 tCO₂e.

Restatement of resource inflow

E5-4

NKT changed to supplier-specific data from suppliers, who do not follow the the quantity credit mass balance accounting methodology, which resulted in a restatement of the 2024 performance.

This change enables NKT to provide more precise and reliable disclosures of its circularity disclosures, thereby enhancing the accuracy and transparency of reported sustainability performance. Furthermore, NKT now discloses the rate of reused and recycled components separately for products and packaging. The changes have led to a restatement from 8% in 2024 to 14% for products and 5% for packaging.

Restatement of resource outflow

E5-5

NKT expanded its resource outflow disclosures to include main packaging categories such as drums. NKT now discloses the rate of recyclable content separately for products

and packaging, which has led to a restatement from 42% for both products and packaging in 2024 to 42% for products and 11% for packaging.

Restatement of HSE Metrics

S1-14

NKT has improved its data quality, which has led to a restatement of the number of lost days in 2024. This led to an adjustment of 152 days, from 827 lost days to 979 lost days in 2024.

Expanded scope for incidents, complaints and severe human rights impacts

S1-17

NKT expanded the scope of its complaint reporting, including cases of incidents of discrimination and

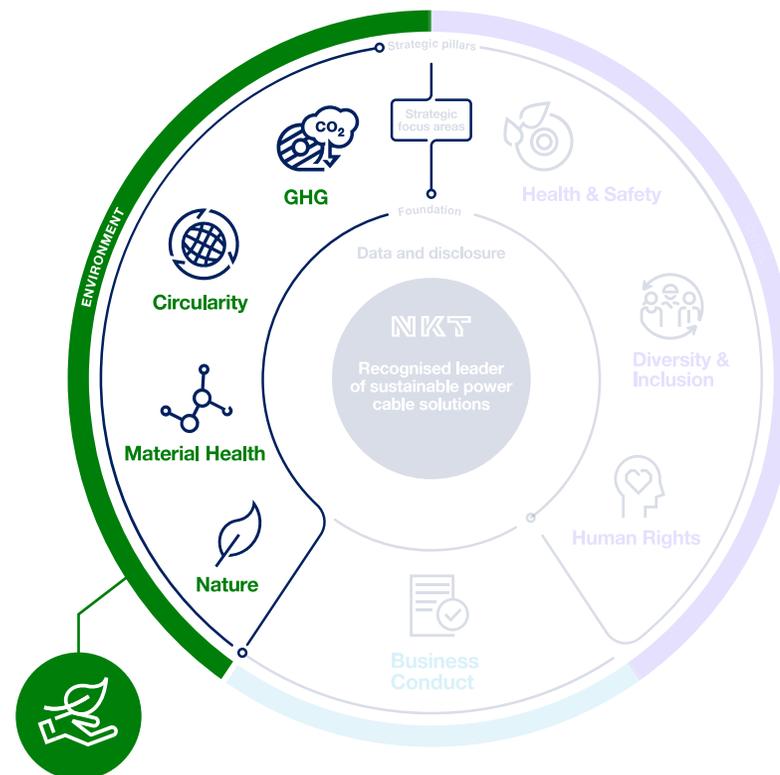
harassment, to encompass cases reported to local HR departments, enabling a more comprehensive disclosure. The 2024 disclosure does not reflect the new scope as it is impracticable to recreate this data retrospectively. Any changes between the 2024 and 2025 disclosures may reflect the broadened reporting scope rather than an actual trend.

Incorporation by reference

The table shows an overview of where information can be found relating to ESRS disclosures that have been incorporated by reference and thereby outside of the sustainability statement, as part of the management's review or the Remuneration report.

Disclosure requirement	Where to find (page)
Strategy, business model and value chain (ESRS 2 SBM-1, paragraph 38, 40a, 42a, b)	NKT business model (p. 11)
Strategy, business model and value chain (ESRS 2 SBM-1, paragraph 38, 40g)	Our strategy through to 2030 (p. 12-15)
Strategy, business model and value chain (ESRS 2 SBM-1, paragraph 38, 40a)	Business lines (p. 33, 37, 40)
The role of the administrative, management, and supervisory body (ESRS 2 GOV-1, paragraph 20, 21, 22, 23 and G1, paragraph 5 a-b)	Corporate Governance, Board of Directors, Group Leadership Team (p. 46-55)
Information provided to and sustainability matters addressed by the undertaking's AMSB (ESRS 2 GOV-2, paragraph 23, 24, 25, 26a-c)	Corporate governance, Board of Directors, Group Leadership Team (p. 46-55)
Integration of sustainability-related performance in incentive schemes (ESRS 2 GOV-3, paragraph 27, 28, 29)	Remuneration report
Remuneration metrics (pay gap and total remuneration) (S1-16, paragraph 97b)	Remuneration report

Environmental information



Environment

Be a leader in driving the green transformation of the power cable industry

- 71 Climate change
- 84 EU Taxonomy
- 86 Resource use and circular economy
- 93 Engaging suppliers on environment

Climate change

SBM-3

-  Negative impact
-  Positive impact
-  Financial risk
-  Financial opportunity

Upstream

-  Scope 3
-  Energy consumption



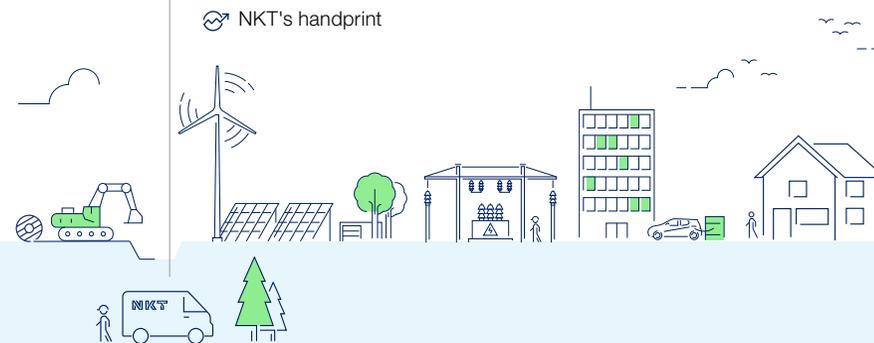
Own operations

-  Scope 1 and 2
-  Physical climate risk
-  Transitional risk
-  Energy consumption



Downstream

-  Scope 3
-  NKT's handprint
-  NKT's handprint



Climate change mitigation

-  NKT's handprint
-  NKT's handprint

Facilitating and enabling the energy transition

Climate change necessitates an energy transition, making power cables essential infrastructure. NKT's diverse product range, from low- to high-voltage cables, is well positioned to support this transition, enhancing its market position and stakeholder confidence. Actual positive impact. Time horizon: medium - and long-term.

-  Scope 3
-  Scope 1 and 2

Greenhouse gas emissions

NKT's operations and value chain contribute to greenhouse gas emissions. Actual emissions arise from fossil fuel use in manufacturing and installation, and from the manufacture of key materials such as conductor metals and insulation. The decarbonisation of these supply chains is challenging. Additionally, NKT power cables are part of an energy system that is not yet fully decarbonised leading to power loss emissions. Actual negative impact. Time horizon: all.

-  Transitional risk

Declining global decarbonisation efforts

If decarbonisation efforts fall short of the net zero emission goals, or the Paris Agreement, it could negatively impact the demand for energy transition technologies. This slowdown, driven by unfavourable policy environments, poses a risk to the growth and adoption of such technologies, including those offered by NKT. Time horizon: medium - and long-term.

Climate change adaptation

-  Physical climate risk

Adapting to a changing climate

NKT has identified both acute risks, like extreme weather events, and chronic climate-related physical risks that could impact company assets and operations. Time horizon: all.

Energy

-  Energy consumption

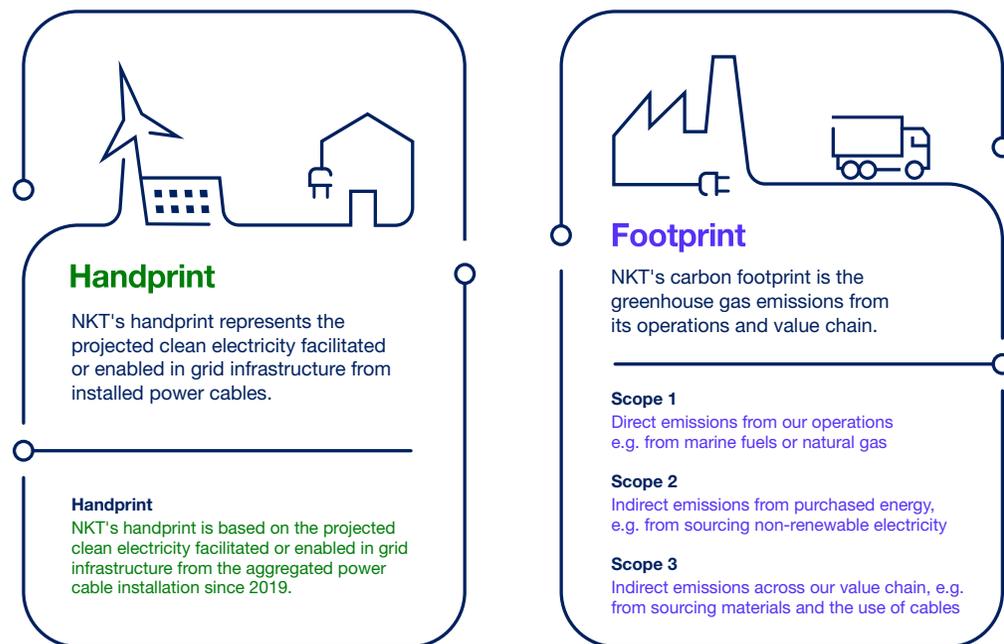
Continued reliance on fossil fuel

NKT's operations and value chain rely on fossil fuels, generating greenhouse gas emissions. This includes natural gas in production, fossil fuels for cable-laying, and energy-intensive processes by metal and plastic suppliers. Actual negative impact. Time horizon: all.

- To read more about the material sustainability matters, see: DMA results on page 63.
- To read more about climate resilience.

Climate change

Climate change is a defining global challenge impacting all sectors. For NKT, it represents both a responsibility and opportunity. As a key enabler of the green energy transition, NKT contributes to decarbonising society while aiming for net zero across its value chain by 2050. NKT's ambition is clear: maximise our handprint and minimise our footprint.



Transition plan for climate change mitigation

E1-1

The Climate Transition Plan sets out how NKT will reduce greenhouse gas emissions in line with climate science. NKT's ambition is clear and two-fold. Firstly, by contributing to the decarbonisation of society through the facilitation and enablement of clean electricity in grid infrastructure - NKT's handprint. Secondly, by reaching net zero in the value chain by latest 2050 - NKT's footprint.

Handprint: enabling the energy transition

Addressing climate change requires significant reductions in greenhouse gas emissions. For the energy sector, this means replacing fossil fuels with clean electricity and electrifying transport, heating, and industry. None of this happens without strong grids and high-quality cables. NKT plays a critical role in the green transition as electrification and grid modernisation are prerequisites for a net zero society. NKT's handprint is the positive climate impact created by delivering the cable systems that

allow countries to add clean energy, reinforce networks, and share power across borders.

Why this matters now

The International Energy Agency (IEA) shows in all its scenarios that grids must expand dramatically. In the Net Zero Emissions (NZE) pathway, the world needs to add or refurbish around 80 million kilometres of power lines by 2040¹, roughly equal to today's entire global grid. Annual grid investment must rise from about USD 300bn today to over USD 600bn by 2030 in the Announced Pledges Scenario (APS)¹, and USD 750bn in NZE¹. These numbers underline a simple fact: The energy transition cannot happen without a massive build-out of grid infrastructure - and cables are a critical enabler of that transition.

NKT's handprint

NKT brings clean electricity to society through the power and distribution cable systems that it delivers. High-voltage direct current (HVDC) systems, for example, move large amounts of power efficiently over hundreds of kilometres, cutting electrical losses and making off-

shore wind viable at scale. Modern cable systems also improve grid resilience and flexibility, reducing curtailment² and supporting energy security.

Opportunity

For NKT, this transformation creates a strong growth outlook. Demand for high-voltage, especially HVDC, cables for offshore wind exports and cross-border interconnectors is among the fastest-growing areas in grid infrastructure. Also, distribution cables are set for strong growth, underpinned by EUR 425bn in EU investment, local electrification, and the urgent need to modernise ageing infrastructure.³

NKT's role as a climate enabler means the company's handprint is growing - more cables are needed to support the shift to clean energy. At the same time, this growth increases NKT's footprint, as producing more cables leads to higher emissions in the medium term. As the grid is continuously strengthened so it can absorb more clean energy, these emissions will go down. This link between handprint and footprint is central to the company's climate transition plan. NKT

¹ IEA (2025), Building the Future Transmission Grid, IEA, Paris.

² Curtailment occurs when a wind farm or solar plant is forced to reduce its power output because the electricity grid cannot absorb all the energy being produced—often due to oversupply or transmission constraints.

³ European Parliament (2025), EU Electricity Grid, Briefing, Strasbourg.



is scaling up to meet demand for a grid based on clean energy while working to reduce the emissions linked to that growth.

Footprint

NKT is committed to the goals of the Paris Agreement and to helping keep global warming to 1.5°C. The company's climate targets were set against a 2019 base year, validated by the Science Based Targets initiative in 2022 and again in 2024, and align with a 1.5°C pathway towards net-zero across the value chain by 2050.

NKT's carbon footprint is the greenhouse gas emissions linked to all activities related to the company's own operations and the value chain:

- NKT's own operations (Scope 1 and 2), such as fuel for vessels and energy used at sites.
- NKT's value chain (Scope 3), including materials like copper, aluminium, and plastics, and how the company's products perform in their lifetime.

NKT's decarbonisation actions focus on these hotspots:

- **Operations (Scope 1 and 2):** Phase out natural gas, source 100% renewable electricity, and improve energy efficiency. Marine fuels are a major lever - NKT Victoria is able to run with HVO and NKT's new vessel NKT Eleonora will be able to run on e-methanol and bio-methanol.
- **Materials (Scope 3):** Work with suppliers to source low-carbon metals and polymers, increase recycled content, and integrate circular design principles.
- **Use phase (Scope 3):** Offer low loss cable designs and larger conductor sizes to reduce lifetime emissions, while supporting rapid grid decarbonisation.

Financial planning and resources

Effective financial planning is essential for delivering NKT's climate transition. It ensures that NKT's investments, funding, and innovation support the shift to a low-carbon economy while creating long-term value for stakeholders.

Capital allocation

NKT's investments are strongly aligned with climate objectives and

over 69% of capital expenditure (CAPEX) included under the company's taxonomy reporting is aligned with the EU Taxonomy for sustainable activities. This demonstrates that NKT's products and operations contribute directly to climate change mitigation. Operating expenditure (OPEX) also reflects this focus, with 44% of the included OPEX under the company's taxonomy reporting being taxonomy aligned. Going forward, NKT aims to maintain the current levels of taxonomy alignment.

Funding and financing

NKT integrates sustainability into the company's financing strategy. NKT has for example issued a Green Hybrid Bond under NKT's Green Finance Framework. In 2025, NKT refinanced the company's EUR 400m Revolving Credit Facility as a Sustainability Linked Loan (SLL). The cost of this facility is tied to performance on key sustainability KPIs, including climate.

Long-term commitment

Decarbonisation requires long-term investment. NKT's ongoing CAPEX investment programme to expand capacities across the company (more than EUR 2bn) is a strong long-term commitment to the ongoing

energy transition and grid reinforcement process. NKT also invests directly in decarbonisation levers like phasing out natural gas at the company's sites and upgrading technology to reduce emissions. Another example is NKT's decision to invest in a new cable-laying vessel, NKT Eleonora, which will be ready in 2027 and capable of using e-methanol or biomethanol - a low-carbon marine fuel. NKT will also secure renewable electricity for a large part of its future electricity consumption through long-term Power Purchase Agreements (PPAs) with developers across Europe, ensuring that a large part of NKT's electricity will be generated from newly established photovoltaic projects.

The Climate Transition Plan is endorsed by the Board of Directors.

Find more details about NKT's climate transition plan in other parts of this report. The main elements are:

- Governance and accountability
- Climate policy
- Targets and progress
- Decarbonisation actions
- Key numbers and figures
- EU Taxonomy alignment
- Climate risks

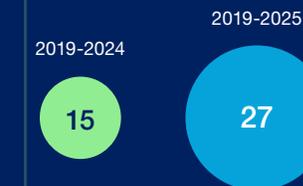
NKT's handprint

NKT's handprint is the positive climate impact created by delivering the cable systems that allow countries to add clean energy, reinforce networks, and share power across borders.

Since 2019, NKT has completed projects that are projected to contribute 27 TWh of clean energy in 2030.

NKT's handprint
 Projected clean energy facilitated or enabled by NKT in 2030

27
 TWh



Targets E1-4



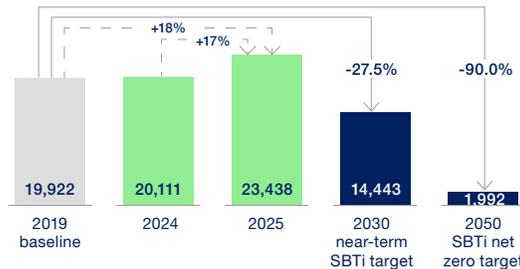
Reduction in absolute Scope 1 and 2 CO₂e emissions¹ ktCO₂e

-67%



Reduction in absolute Scope 3 (Cat. 1 and 11) CO₂e emissions¹ ktCO₂e

+18%²



¹ Compared to baseline year 2019.

² Increase of 18% in Scope 3 emissions compared to baseline.

Overall net zero target

- NKT commits to reach net zero greenhouse gas (GHG) emissions across the value chain by 2050.

Near-term targets to 2030

- Reduce absolute Scope 1 and 2 GHG emissions by 90% by 2030 from a 2019 base year.
- Increase active annual sourcing of renewable electricity from 18% in 2019 to 100% by 2024 and continue active annual sourcing of 100% renewable electricity through 2030.
- Reduce absolute Scope 3 GHG emissions by 27.5% from purchased goods and services and use of sold products by 2030 from a 2019 base year.

Long-term targets to 2050

- Maintain a minimum of 90% absolute reduction in Scope 1 and 2 GHG emissions from 2030 through 2050 from a 2019 base year.
- Reduce absolute Scope 3 GHG emissions from purchased goods and services and use of sold products 90% by 2050 from a 2019 base year.

NKT's climate targets were validated by the Science Based Targets initiative (SBTi) in 2022 and again in 2024 and are aligned with the 1.5°C pathway. NKT used the Absolute Contraction Approach (ACA), which requires companies to reduce total greenhouse gas emissions by a fixed percentage over time in line with global decarbonisation pathways. Because NKT's sector does not have a dedicated Sectoral Decarbonisation Approach (SDA), no SDA was applied.

The Scope 2 target is set for market-based GHG emissions. The Scope 3 target covers Category 1 (upstream value chain emissions) and Category 11 (use phase emissions), which accounted for 99% of Scope 3 emissions in the base year.



Key actions

E1-3, E1-4

NKT's climate actions target the areas with the greatest impact on emissions across its operations and value chain. These actions are grouped into two areas:

1. **Scope 1 and 2** - reducing emissions from own operations.
2. **Scope 3** - reducing emissions from purchased materials and product use.

Scope 1 and Scope 2: operational emissions

Three decarbonisation programmes support the delivery of the Scope 1 and 2 reduction target, with approximately EUR 18m allocated across the programmes. Each programme focuses on a main decarbonisation lever to reduce NKT's carbon footprint:

- **Marine fuels** - enabling low carbon fuel for cable-laying vessels.
- **Natural gas** - phasing out natural gas.

- **Electricity** - sourcing renewable electricity.

Marine fuels are a major source of direct emissions. The cable-laying vessel NKT Victoria is certified to run on Hydrotreated Vegetable Oil (HVO), enabling a reduction of lifecycle emissions by up to 88%. A new vessel, NKT Eleonora, will enter service in 2027 and is designed to operate on among others e-methanol, which can cut emissions by up to 97%.

Natural gas is targeted to be phased out at production sites by 2030 through equipment upgrades and electrification of processes.

NKT faces some challenges in this transition. The biggest is at the Portuguese site, which the company acquired in 2024. This site uses large amounts of natural gas in aluminium furnaces, where the emissions are currently considered locked in. Right now, there are no widely economically viable alterna-

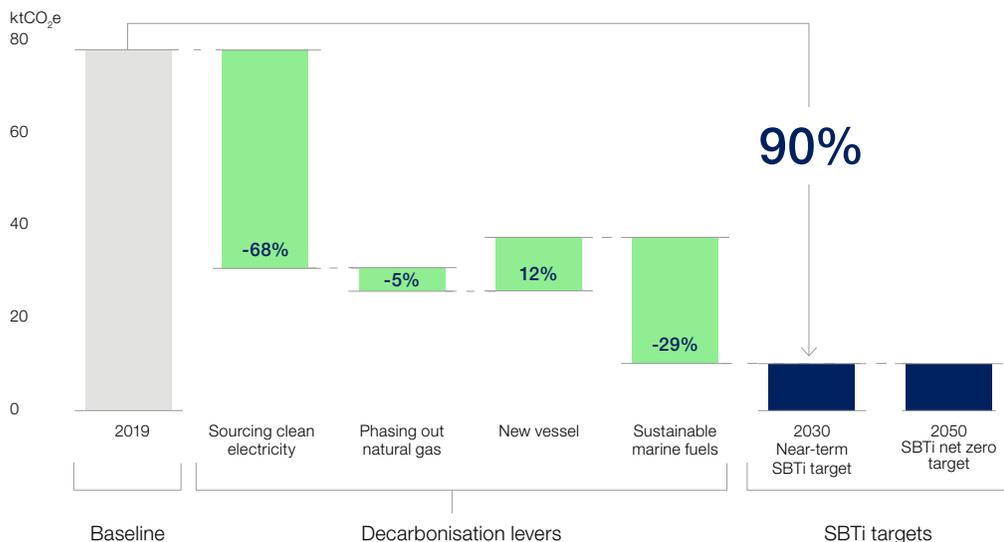
tives available, such as electric or hydrogen-powered furnaces. NKT's current focus is to improve the energy efficiency of these furnaces¹.

For any natural gas not phased out by 2030, the company will explore the use of biogas, a renewable alternative.

Electricity accounts for most Scope 2 emissions. NKT has committed to using 100% renewable electricity across the company's

operations from 2024 through to 2030. NKT currently sources renewable electricity through Energy Attribute Certificates (EACs). These certificates confirm that the purchased electricity is generated from renewable sources. While EACs are an important step, NKT recognises their limitations. Therefore, NKT is also securing renewable electricity for a large part of its future electricity consumption through long-term PPAs.

Scope 1 and 2 - decarbonisation levers



¹ The preceding paragraph covers information to comply with E1-1 and IRO-1 AR 12d.

Scope 1 and 2 decarbonisation programmes



Decarbonisation level 1

Sustainable marine fuels

Fuel switching.

Use of alternative fuel sources such as Hydrated Vegetable Oil (HVO), e-methanol, or bio-methanol for cable-laying vessels.

Performance outcome

No performance outcome defined.

Timeline

2021-2030

Metrics

- CO₂e emissions from marine fuels.
- % share of alternative fuel consumption.

Progress

NKT's existing cable-laying vessel, NKT Victoria, has been recertified to be able to use HVO fuel. NKT's second cable-laying vessel, NKT Eleonora, which is under construction, will have a dual fuel system allowing the use of e-methanol and bio-methanol.

Dialogue with customers and potential users/suppliers regarding the use of alternative fuels is ongoing.

Challenges and barriers

- The cost per unit of HVO, e-methanol, or bio-methanol differs significantly in comparison to marine gas oil.
- The high cost of switching to sustainable fuels presents an industry-wide challenge. NKT will offer and advocate for the use of sustainable fuels for both its vessels and calls on the wider industry to collaborate and overcome the challenging transition together.



Decarbonisation level 2

Phasing out natural gas

Energy efficiency improvements (upgrading equipment, building retrofit)
Electrification (electrifying processes).

Focus areas:

- Phase out natural gas at production sites
- Electrification of processes
- Energy efficiency measures

Performance outcome

0 MWh energy consumption from natural gas by 2030.

Timeline

2022-2030

Metrics

- Natural gas consumption in MWh.

Progress

The natural gas phase-out programme was established in 2022. During 2025, NKT has among others achieved progress at the site in Cologne, Germany and is well on its way to fully phasing out natural gas.



Decarbonisation level 3

Sourcing renewable electricity

Renewable energy adoption (on-site generation, Power Purchase Agreements (PPA), Energy Attribute Certificates (EACs).

Source 100% renewable electricity for all sites using:

- On-site renewable energy generation (solar panels)
- PPAs
- EACs

Performance outcome

100% renewable electricity by 2024.
100% renewable electricity after 2024.

Timeline

2021-2030

Metrics

- % share of renewable electricity from total electricity consumption.

Progress

NKT sourced 100% renewable electricity in 2025 based on on-site renewable energy generation and EACs. More details on NKT energy consumption can be found in the section Energy consumption and mix.

Challenges and barriers

- There is increased scrutiny on the use of EACs. NKT purchases EACs matching country of consumption, and only from wind, solar, and hydro assets. Beyond purchasing EACs, NKT is committed to renewable electricity sourcing and to a future-fit approach by investing in on-site renewable energy generation and PPAs.

Scope 3 (Category 1): emissions from materials

The majority of upstream emissions come from a few energy-intensive materials. To reduce emissions in Category 1, NKT focuses on two main decarbonisation levers:

- **Source lower emission materials** Buy from suppliers using clean electricity and efficient processes. Select materials with lower embodied carbon where proven and available.

- **Promote circularity** Design for recyclability, increase recycled content, and enable closed-loop systems. Extend product lifespans through repair, refurbishment, and circular design integration in R&D and supplier programmes.

To reduce emissions from high-impact materials, NKT works closely with suppliers who have the greatest impact on the company's Scope 3 footprint. NKT's goal is to lower

the carbon embedded in the company's products by identifying and using materials with a smaller footprint and higher recycled content.

By working actively with the supply chain, NKT aims to reduce the carbon footprint of the products and support customers in fulfilling their own strategies.

Scope 3 (Category 11): use phase emissions

Power cables not only cause emissions when they are made, transported, or installed. A large share of their emissions come from their use. This means the emissions are linked to how the cable performs during the many years - often more than 40 years - it is in service. Cable manufacturers like NKT can help reduce these emissions by designing low-loss cables, offering larger conductor sizes, and supporting customers in balancing cost with lifetime emissions. At the same time, continued advocacy for rapid clean energy deployment is essential, because the carbon intensity of the grid will remain the largest factor shaping use phase emissions.

There are two main levers for reducing emissions during the use phase:

- Reducing power losses.
- Decarbonising the electricity grid.

Reducing power losses

Losses are affected by the cable's resistance, its design, length, surrounding conditions, and the amount of current it carries. Actions that can reduce losses include:

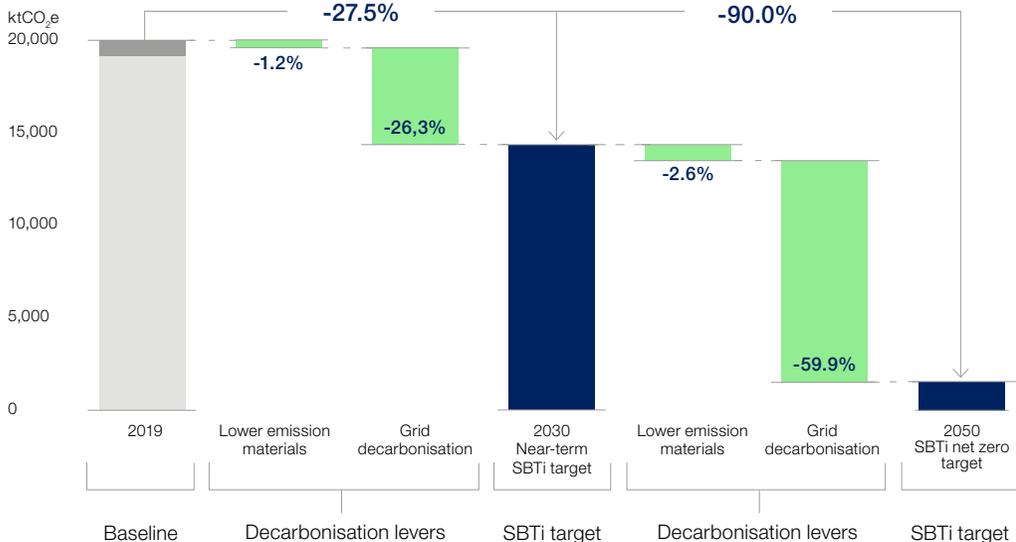
What are power losses?

When electricity flows through a cable, the cable marginally resists the current. This resistance causes part of the energy to turn into heat instead of reaching its destination. These lost units of electricity are called power losses. To supply the same amount of useful electricity, extra power must be generated somewhere else in the grid. If that extra generation comes from fossil fuels like coal or gas, it leads to more greenhouse gas (GHG) emissions.

What are use phase emissions?

Use phase emissions are the GHG emissions caused by these power losses over the entire lifetime of a cable. Power cables often stay in service for more than 40 years. In accordance with the Greenhouse Gas Protocol, NKT accounts each year for the cumulative power-loss emissions for the entire lifetime of the products sold and/or projects completed in that year. This has a significant impact on the total amount of greenhouse gas emissions NKT must account for.

Scope 3 (Cat. 1 and 11) - decarbonisation levers



■ Materials (Cat.1)
 ■ Use phase (Cat. 11)

- Using materials with lower resistivity (R). For example, copper has lower resistivity than aluminium.
- Offering cables with a larger cross-section. Thicker cables reduce resistance but come with trade-offs: they cost more, require more materials, and take up more space.

A clear understanding of NKT's role in the energy value chain is essential. NKT designs, builds and installs "energy highways". NKT does not operate them. The responsibility for managing the "traffic"—deciding how much current to send through the cables at any given time—rests exclusively with the system operators. Their decisions are based on a complex, dynamic optimisation of the entire grid. Therefore, while NKT is accountable for the intrinsic efficiency (the resistance, R) of the products, the operational emissions resulting from their use are a function of how the broader energy system is managed.

Decarbonising the electricity grid

Even with the most efficient cables, emissions will remain high if the grid electricity comes mainly from fossil

fuels. This is where grid decarbonisation plays a critical role.

Across Europe, the outlook is clear: the electricity mix is expected to shift strongly toward clean energy in the next decades. Wind, solar, and hydro power are projected to drive most of the growth, while coal use is declining and gas and oil use will also shrink over time.

This means that the emissions linked to cable power losses will steadily fall.

Climate risk

E1-3

Climate-related risks refer to the potential negative impacts of climate change on NKT's operations, supply chain, financial performance, and reputation. In line with the Task Force on Climate-Related Financial Disclosures (TCFD), NKT categorises climate risks as either physical risks or transition risks.

To manage these risks over time, NKT has assessed and quantified the most significant climate-related risks (resilience analysis), analysed potential financial consequences, and evaluated the need for mitiga-

tion actions. Climate risks are furthermore integrated in the company's enterprise risk management.

The climate risk assessment covers three timeframes: current, 2030 - 2050, and beyond 2050, which aligns with the NKT emission reduction targets and climate change actions and follow best practices in climate science over the lifetime of assets, strategic planning, and the capital allocation plan.

Physical climate risk

NKT has assessed how exposed its production and non-production sites are to both chronic and acute physical climate hazards such as flooding, precipitation, and severe windstorms. The assessment uses three climate scenarios from the Intergovernmental Panel on Climate Change (IPCC):

- ~ 1.5°C global warming scenario (SSP1 - RCP 1.9/2.6)
- 2–3°C global warming scenario (SSP2 - RCP 4.5)
- > 4°C global warming scenario (SSP5 - RCP 8.5)

Using multiple scenarios helps NKT understand a wide range of possible future conditions and their impact on the business. The assessments have identified which sites are exposed to physical climate hazards in the range very low to very high. The results showed that flooding, severe windstorm, and sea level rise constitute the highest risk exposures. The assessment enabled each site exposed to high or very-

high climate-related risks to focus on the relevant site-specific adaptation measures.

Transition risks

Transition risks relate to how the shift to a low-carbon economy could affect NKT. For NKT, one example of a transition risk is a shift in government policy or weaker support for renewable energy deployment that could slow invest-

ment in grid projects, which may reduce future demand for NKT's power cables. This could lead to lower use of new production capacity and weaker returns.

To assess these risks, NKT used scenarios from IEA: Net Zero Emissions by 2050 (NZE), Announced Pledges Scenario (APS), and Stated Policies Scenario (STEPS).



Performance data

Energy consumption and mix

E1-5

NKT operates exclusively within sectors classified by the EU NACE codes as having a high climate impact, reflecting their significant influence on the environment and society. Specifically, it has activities within the "Manufacturing", and "Electricity, gas, steam and air conditioning supply" sectors.

In 2025, while overall energy consumption increased by 10%, the share of renewable sources remained relatively stable at 63%. The increase in natural gas consumption reflects that the 2025 data includes a full year of operations from Esposende, Portugal, whereas 2024 only covered activity from the second half of the year, making the two years not directly comparable.

	2025	2024
Fuel consumption from crude oil and petroleum products (MWh)	61,025	65,363
Fuel consumption from natural gas (MWh)	43,231	26,978
Fuel consumption from other fossil sources (MWh)	-	-
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	19,047	18,431
Total fossil energy consumption (MWh)	123,303	110,772
Share of fossil sources in total energy consumption (%)	37%	36%
Fuel consumption for renewable sources, including biomass (MWh)	8,550	9,483
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	202,740	184,649
The consumption of self-generated non-fuel renewable energy (MWh)	1,530	21
Total renewable energy consumption (MWh)	212,820	194,153
Share of renewable sources in total energy consumption (%)	63%	64%
Total energy consumption (MWh)	336,123	304,925
Energy intensity per net revenue		
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh/EURm)	124	123

§ Accounting policy

Energy consumption and mix

NKT solely operates in high climate impact sectors. Consequently, NKT's total energy consumption and mix directly corresponds to the consumption in high climate impact sectors.

NKT's energy consumption includes all activities under NKT's financial and operational control, thus applying the same perimeter applied for reporting GHG Scope 1 and 2 emissions. This mainly consists of fuel used for vessels during offshore operations, natural gas consumption at NKT's production sites, and electricity purchased for its offices, production sites, and warehouses.

This data originates from different sources, including marine gas oil, biogas, natural gas, district heating, and grid electricity, and is derived from NKT's dedicated ESG reporting tool. When applicable, NKT has utilised the conversion functionality in its ESG reporting tool.

Electricity from renewable sources includes electricity energy attribute certificates as well as self-generated non-fuel renewable energy. NKT follows market-based accounting and thereby accounts for the purchase of green electricity by contractual agreement, i.e. certificates.

Biogas includes open market certificates provided by NKT's supplier.

Energy intensity ratio¹

As NKT exclusively operates in high climate impact sectors, its total net revenue directly corresponds to the net revenue from sectors with high climate impact sectors. Consequently, the energy intensity ratio is calculated based on the consolidated revenue presented in note 2.1: "Segment information and revenue" in the financial statements.

The energy intensity ratio is calculated by dividing the total energy consumption from activities in high climate impact sectors (in MWh) by the net revenue generated from those activities (in EURm, at standard metal prices).

¶ Significant judgements

To determine the scope of the vessels utilised in NKT's operations, an analysis of financial and operational control has been conducted in accordance with the guidance provided by the ESRS and the GHG Protocol. This assessment includes a review of vessel ownership and NKT's influence over the operations of vessels it does not own.

Energy consumption related to vessels under NKT's financial and/or operational control are included in the reporting of NKT's energy consumption and mix. Vessels that are neither under financial nor operational control are reported under Scope 3, Category 1: Purchased goods and services.

¹ This section covers information to comply with ESRS 2 paragraph 40b.

GHG emissions

E1-6

In 2025, Scope 1 emissions increased by 4% compared to 2024, due mainly to the inclusion for the first time of a full year of emissions from Esposende, Portugal acquired

in 2024. When emissions from Esposende are excluded, Scope 1 and 2 target performance improves to 70%, reflecting the successful substitution of natural gas with renewable energy sources in some of NKT's production processes.

In 2025, 5% of the company's total Scope 3 emissions were based on primary supplier data; however, this represents 57% of the Scope 3 emissions associated with key materials reported under Category

1. Of this, 39% were based on supplier data on emission factors.

Cable-laying vessels will be covered by the EU ETS scheme from 2026. The share of market-based Scope 2 emissions covered by EACs

remained stable at 91% in 2025, in line with 2024. The EACs were fully comprised of unbundled Renewable Energy Certificates, Guarantees of Origin, Renewable Energy Guarantees of Origin for the UK and

International Renewable Energy Certificates.

Decarbonisation levers for Scope 1, 2, and 3 emissions

E1-3, E1-6

The increase in emissions from natural gas consumption reflects that the 2025 data includes a full year of operation from Esposende, Portugal, whereas 2024 only covered activity from the second half of the year, making the two years not directly comparable.

Decarbonisation lever(s)	Past performance					Milestones and target years		
	Base year 2019	2024	2025	% 2025/2024	% 2025/Baseyear	2030	2050	
Gross Scope 1 GHG emissions (tCO₂e)	23,784	23,626	24,558	4%	3%	-	-	
Marine fuel	Sustainable marine fuels	12,320	14,977	13,435	-10%	9%	-	-
Natural gas	Phasing out natural gas	9,833	4,935	7,910	60%	-20%	-	-
Other		1,631	3,714	3,213	-13%	97%	-	-
Gross market-based Scope 2 GHG emissions (tCO₂e)	51,236	324	442	37%	-99%	-	-	
Electric power	Sourcing renewable electricity	50,903	-	-	0%	-100%	-	-
Other		333	324	442	37%	33%	-	-
Gross Scope 1 and market-based Scope 2 GHG emissions (tCO₂e)	75,020	23,950	25,000	4%	-67%	7,502 ²	7,502 ²	
Gross Scope 3 GHG emissions (tCO₂e)	20,140,075¹	20,821,616¹	24,071,936	16%	19%	-	-	
Total Category 1 and 11	19,921,918¹	20,110,745¹	23,437,975	17%	18%	14,443,391 ¹	1,992,192 ¹	
Category 1	Source lower emissions materials and promote circularity	848,070 ¹	1,689,858 ¹	1,894,695	12%	123%	-	-
Category 11	Reducing losses and decarbonising the grid	19,073,848 ¹	18,420,887 ¹	21,543,280	17%	13%	-	-
Other		218,157 ¹	710,871 ¹	633,961	-11%	182%	-	-

¹This number reflects the restated Scope 3 emissions, see page 69. ² Combined Scope 1 and 2 target. For more details see Scope 1 and 2 - decarbonisation levers on page 75.

Accounting policy

Decarbonisation levers for Scope 1, 2, and 3 emissions

The table presents historical progress from 2019 to 2025, and outlines expected emission reductions from 2025 through 2030 and 2050.

The progress on the emissions from the base year 2019 until the most recent year 2025 is based on the emissions by scope stated in E1-6. It includes the three most significant emission sources in 2019 contributing to Scope 1 and 2, along with the two primary emission sources for Scope 3. Progress is measured through both absolute changes in

tCO₂e and relative percentage changes. Each emission source is linked to its relevant decarbonisation programme, with comprehensive details available in E1-3.

Future expectations are derived from NKT's SBTi commitments, as documented in E1-4. These projections extend to both near-term (2030) and long-term (2050) horizons. The expected reductions for each decarbonisation lever have been calculated accounting for the expected and necessary impact of each decarbonisation programme, required to achieve these commitments.

Significant estimates and judgements

The stated emission reduction level from marine fuels is based on the expectation that the gradual implementation of the EU Emissions Trading System (EU ETS) for shipping will narrow the price gap between conventional and alternative fuels, and create a more level playing field for sustainable fuels. The emission reduction for contracted vessels is uncertain, and a decarbonisation plan is pending.

The expected reduction in use phase emissions is based on the projected average decarbonisation of energy grids, following the Carbon Risk Real Estate Monitor (CRREM) trajectory. Further details on Scope 3 and the use of CRREM can be found in the accounting policy of E1-6.

Gross Scopes 1, 2, 3, and total GHG emissions	Retrospective				Milestones and target years			
	2019	2024 ⁴	2025	% 2025/ 2024	2025	2030	(2050)	Annual % target / Base year
E1-6								
Scope 1 GHG emissions								
Gross Scope 1 GHG emissions (tCO₂eq)	23,784	23,626	24,558	4%	-	7,502 ¹	7,502 ¹	8.18%
NKT Group: Gross Scope 1 GHG emissions (tCO ₂ eq)	19,413	18,610	22,630	22%	-	-	-	-
Assets under operational control: Gross Scope 1 GHG emissions (tCO ₂ eq)	4,371	5,016	1,928	-62%	-	-	-	-
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)								
NKT Group: Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	-	-	-	-	-	-	-	-
Assets under operational control: Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	-	-	-	-	-	-	-	-
Scope 2 GHG emissions								
Gross location-based Scope 2 GHG emissions (tCO₂eq)	52,230	50,659	49,067	-3%	-	-	-	-
NKT Group: Gross location-based Scope 2 GHG emissions (tCO ₂ eq)	52,230	50,659	49,067	-3%	-	-	-	-
Assets under operational control: Gross location-based Scope 2 GHG emissions (tCO ₂ eq)	-	-	-	-	-	-	-	-
Gross market-based Scope 2 GHG emissions (tCO₂eq)	51,236	324	442	36%	-	-	-	-
NKT Group: Gross market-based Scope 2 GHG emissions (tCO ₂ eq)	51,236	324	442	36%	-	-	-	-
Assets under operational control: Gross market-based Scope 2 GHG emissions (tCO ₂ eq)	-	-	-	-	-	-	-	-
Significant Scope 3 GHG emissions								
Total Gross indirect (Scope 3) GHG emissions (tCO₂eq)	20,140,075⁵	20,821,616⁵	24,071,936	16%	-	14,443,391^{3,5}	1,992,192^{3,5}	2.50%²
1 Purchased goods and services	848,070 ⁵	1,689,858 ⁵	1,894,695	12%	-	-	-	-
2 Capital goods	10,351 ⁵	57,976 ⁵	105,178	81%	-	-	-	-
3 Fuel and energy-related activities	10,647	6,576	6,769	3%	-	-	-	-
4 Upstream transportation and distribution	33,691 ⁵	325,080 ⁵	141,607	-56%	-	-	-	-
5 Waste generated in operations	2,788	900	771	-14%	-	-	-	-
6 Business travelling	415 ⁵	1,971 ⁵	2,773	41%	-	-	-	-
7 Employee commuting	6,574	10,271	11,266	10%	-	-	-	-
9 Downstream transportation	2,449 ⁵	1,871 ⁵	2,419	29%	-	-	-	-
11 Use of sold products (Indirect)	19,073,848 ⁵	18,420,887 ⁵	21,543,280	17%	-	-	-	-
12 End-of-life treatment of sold products	151,242	306,226	363,178	19%	-	-	-	-
Total GHG emissions								
Total GHG emissions (location-based) (tCO ₂ eq)	20,216,089 ⁵	20,895,901 ⁵	24,145,561	16%	-	-	-	-
Total GHG emissions (market-based) (tCO ₂ eq)	20,215,095 ⁵	20,845,566 ⁵	24,096,936	16%	-	-	-	-
GHG Emissions intensity (location-based) (tCO ₂ e/EURm)	21,400 ⁵	8,397 ⁵	8,872	6%	-	-	-	-
GHG Emissions intensity (market-based) (tCO ₂ e/EURm)	21,398 ⁵	8,377 ⁵	8,854	6%	-	-	-	-
Biogenic emissions of CO ₂ outside of Scope 1 (tCO ₂ eq)	63	2,058	1,800	-13%	-	-	-	-
Biogenic emissions of CO ₂ outside of Scope 2 (tCO ₂ eq)	2,795	21,248	23,329	10%	-	-	-	-
Biogenic emissions of CO ₂ outside of Scope 3 (tCO ₂ eq)	0	0	0	0%	-	-	-	-

¹ Combined Scope 1 and 2 target. ² Calculated on 2030 target. ³ Scope 3 target only covering Category 1 and 11. ⁴ As the 2024 disclosure includes only six months of emissions from Esposende, Portugal, figures are not directly comparable with other reporting years.

⁵ This number reflects the restated Scope 3 emissions, see page 69.

§ Accounting policy

Scope 1 - Direct emissions

NKT's direct emissions include all activities and assets under its financial and operational control, which leads to Scope 1 GHG emissions. Assets under operational control include vessels not owned by NKT but utilised in its operations.

NKT's disclosure is based on the consumed energy multiplied by the applicable emission factor from the UK's Department for Energy Security & Net Zero and IPCC. When applicable, NKT has utilised the conversion functionality in its ESG reporting tool.

Scope 2 - Indirect emissions

NKT's indirect Scope 2 emissions relate to the indirect emissions from energy purchases from all activities under its financial and operational control, which leads to Scope 2 GHG emissions. NKT discloses its emissions utilising both the location-based and market-based method to reflect the certificates purchased by NKT, which reduces NKT's indirect Scope 2 emissions.

NKT's disclosure is based on the consumed energy multiplied by the applicable emission factor from US EIA Emission Factors for Steam and Chilled Water, Department for Energy Security & Net Zero, Energiföretagen Sverige, Environment Canada, International Energy Agency, and US Environmental Protection Agency Emissions & Generation Resource

Integrated Database. The disclosure of NKT's indirect emissions includes the consumption of the renewable energy production from its installed solar panels, which is disclosed under ESRS E1-5. The percentage of contractual instruments in NKT's Scope 2 GHG emissions is calculated by comparing its Scope 2 GHG emissions with the amount of emissions covered by its purchase of Renewable Energy Certificates

Scope 3 - Indirect emissions

Reporting is based on the GHG Protocol and accordingly divided into 15 subcategories (Category 1-15) of which categories 8, 10, and 13-15 are in 2025 determined as not applicable to NKT's operations.

Scope 3 Category 1:

Purchased goods and services

Scope 3 emissions for purchased goods and services are calculated using a hybrid approach that combines two methods: The activity average method and the spend-based method.

1. Activity average method: Calculates emissions for key commodities from key suppliers identified by economic relevance and volume. It multiplies purchased volumes with primary emission data from the supplier (Product Carbon Footprint, PCF) when available. If primary data is not available, the method applies lifecycle emission factors from

ecoinvent 3.10 as a default. NKT follows a decision tree developed by PACT (Partnership for Carbon Transparency) to determine how to restate emissions when PCFs are updated.

2. Spend-based method: This method applies to all other spend categories. Emissions are calculated by multiplying the spend amount by sector average emission factors. NKT uses the EPA Supply Chain Greenhouse Gas Emission Factors v1.2 by NAICS-6, mapping NAICS-6 codes to NKT's spend categories. The spend-based emissions factors are adjusted for inflation and currency exchange rates.

Scope 3 Category 2:

Capital goods

Scope 3 Category 2 emissions are calculated using the spend-based method based on the EPA Supply Chain Greenhouse Gas Emission Factors v1.2 by NAICS-6. The spend-based method is adjusted for inflation and currency exchange rates.

Scope 3 Category 3:

Fuel and energy-related activities

Scope 3 emissions for fuel- and energy-related activities are calculated using the average-data method, based on fuel quantities and types consumed. Emissions are determined using well-to-tank emission factors from the UK's Department for Energy Security and Net Zero for the respec-

tive reporting year. These calculations include in-scope biogenic fuel emissions. For renewable electricity, only transmission and distribution emissions are considered, with generation emissions set to zero.

Scope 3 Category 4: Upstream transportation and distribution

Upstream transportation emissions are calculated using the spend-based method based on the EPA Supply Chain Greenhouse Gas Emission Factors v1.2 by NAICS-6. Upstream emissions are adjusted for and include also emissions from inbound transportation not paid for by NKT. NKT assumed that 75% of inbound transportation is paid by others.

Scope 3 Category 5: Waste generated in operations

Scope 3 Category 5 (Waste) emissions at NKT are based on actual waste quantities and treatment categories: Landfill, incineration with energy recovery, and recycling. Emissions are based on the emission factors from the UK's Department for Energy Security and Net Zero for the reporting year.

Scope 3 Category 6:

Business travel

Scope 3 Category 6 emissions are determined using the spend-based method based on EPA Supply Chain Greenhouse Gas Emission Factors v1.2 by NAICS-6.

Scope 3 Category 7: Employee commuting

Scope 3 emissions for employee commuting (Category 7) are calculated by multiplying the number of employees in head count in the reporting year with a conversion factor from the now-discontinued Quantis Scope 3 Evaluator tool. The methodology estimates that the average employee emits approximately 1,700 kg CO₂e per year.

Scope 3 Category 9: Downstream transportation and distribution

Downstream transportation emissions are calculated using the spend-based method applied in calculating upstream transportation emissions (see Scope 3 Category 4: Upstream transportation and distribution). Downstream emissions are calculated on the basis of spend for outbound transportation. NKT assumes that 90% of the outbound transportation is paid for by NKT, while 10% is paid for by other non-NKT undertakings.

Scope 3 Category 11: Use of sold products

Scope 3 Category 11 emissions are calculated by multiplying the lifetime power losses of sold power cables by an emission factor reflecting the energy grid mix where the cable is used. These emissions are based on sales and project data from the reporting year. The power loss calculation method aligns with Europacable's joint

information note on Category 11 "Use of sold products."

Power loss calculations use assumptions about cable use, including current load factor and lifetime (25-40 years), aligned with Europacable. Emissions are calculated by multiplying the annual power losses of each cable sold or deployed by a projected emission factor for each year of the cable's assumed lifetime. The projected emission factor is based on lifecycle emission factors by voltage segment and country, sourced from ecoinvent 3.11 for 2025, 3.10 for 2024, and 3.6 for 2019. The forecasted emission factors follow the CRREM Global Pathways 1.5-degree trajectory. CRREM pathways provide a publicly available, regularly updated source with a long forecasting horizon until 2050.

The NKT model uses a constant emission factor after 2050 for unbiased calculations. Ecoinvent emission factors include lifecycle emissions and transmission losses, while CRREM focuses on direct combustion for electricity generation. Therefore, forecasted ecoinvent emission factors are used to calculate absolute emissions of sold cables.

Scope 3 Category 12: End of life treatment of sold products

Scope 3 Category 12 emissions are calculated using the activity average method. The volumes of materials entering and leaving the organisation are assumed equal, with metals recycled and insulation incinerated with energy recovery at the product end-of-life. Emissions are calculated based on material quantities and emission factors from the UK's Department for Energy Security and Net Zero.

Effect of restatement on target and programmes

The changes to the Scope 3 carbon inventory do not affect the decarbonisation target. The target is maintained. The decarbonisation programmes remain valid, too.

GHG emissions intensity ratio

The GHG emissions intensity ratio for location-based emissions is calculated by dividing the total GHG emissions, location-based in tCO₂e by the net revenue generated from NKT's activities in EURm, at std. metal prices.

The GHG emissions intensity ratio for market-based emissions is calculated by dividing the total GHG emissions, market-based in tCO₂e by the net revenue generated from those activities in EURm, at std. metal prices.

The net revenue used for the calculation of GHG emissions intensity, can be found in the consolidated revenue presented in note 2.1: "Segment information and revenue" in the Financial statements.

Biogenic carbon emissions

The biogenic carbon emissions from Scope 1, 2, and 3 are calculated by multiplying the volume of used biomass with the corresponding carbon emission factors from the UK's Department for Energy Security & Net Zero.

Significant estimates and judgements

To determine the scope of the vessels utilised in NKT's operations, an analysis of financial and operational control has been conducted in accordance with the guidance provided by the ESRS and the GHG Protocol. This assessment includes a review of vessel ownership and NKT's influence over the operations of vessels it does not own.

Vessels under NKT's financial and/or operational control are included in the reporting of NKT's direct emissions. Conversely, vessels that are neither under financial nor operational control are reported under Scope 3, Category 1: Purchased goods and services.

Reported GHG emissions and emission-reduction progress are subject to significant estimates and judgements, particularly regarding data quality, value-chain boundaries, and methodological choices. Refer to the significant estimates and judgements on page 80 for further details.

NKT's handprint: Projected clean electricity facilitated or enabled by NKT in 2030

In 2025, NKT completed projects projected to facilitate or enable 12 TWh in 2030 adding to the 15 TWh enabled or facilitated by projects completed between 2019 and 2024. Since 2019, NKT has in total completed projects that are projected to contribute 27 TWh clean energy in 2030.

Entity specific	Unit	2019-2025	2019-2024
Aggregated handprint			
Direct connection of renewable energy production assets to the grid (Facilitated)	TWh	24	12
Interconnection of electricity grids (Enabled)	TWh	3	3
Total	TWh	27	15

Accounting policy

NKT's handprint is calculated using a transparent and conservative methodology developed by Ramboll and is based on internationally recognised sources, including the Greenhouse Gas Protocol, the International Energy Agency (IEA), ENTSO-E data, and confidential NKT project information.

The methodology estimates how NKT's cables installed between 2019 and 2025 are expected to contribute to renewable electricity generation in Europe in 2030. The handprint comprises

two independently calculated components:

- Direct facilitation, representing the estimated renewable electricity production from assets (such as offshore wind farms) that are directly connected to the electricity grid using NKT's cable systems;
- Indirect enablement, representing the estimated additional renewable electricity production enabled by NKT's interconnector cable systems

by reducing renewable energy curtailment and allowing surplus electricity to flow across regions.

For direct facilitation, renewable electricity production is calculated by multiplying the installed capacity of connected renewable assets by country-specific capacity factors sourced from ENTSO-E. For indirect enablement, expected avoided curtailment is estimated using a European power system simulation model aligned

with the ENTSO-E Ten-Year Network Development Plan (TYNDP 2024).

The handprint is presented as the sum of the direct facilitation and indirect enablement contributions. The handprint is forward-looking, represents an estimate rather than actual measured outcomes, and is disclosed separately from NKT's greenhouse gas emissions inventory.

Significant estimates

The handprint is calculated using an energy system model that assesses how NKT's cables enable the integration of renewable electricity into the European power system. The internal model simulates the European electricity grid under two scenarios: with the projected 2030 grid and

with the same grid where specific NKT power cables are removed, with the difference representing the handprint. The model is based on the 2024 ENTSO-E Ten-Year Network Development Plan (TYNDP) 2030 scenario and relies on publicly available, internationally recognised data

sources. Key assumptions include installed generation capacities from TYNDP National Trends, electricity demand from TYNDP National Trends (classic demand) and Global Ambition, commodity prices aligned with IEA Announced Pledges, transmission capacities from the TYNDP 2024

Project Collection, as well as full availability of offshore wind farms in 2030 with no major technical or regulatory issues, no consideration of transmission losses, and the use rolling averages for wind capacity factors

EU Taxonomy

The EU Taxonomy is a classification system designed to identify environmentally sustainable economic activities. For NKT, the EU Taxonomy provides a recognised framework for identifying and quantifying the company's contribution to climate change mitigation. NKT is primarily engaged in economic activities with the potential of providing a substantial contribution to climate change mitigation, and has provided reporting on the EU Taxonomy since 2021.

During 2025, NKT has assessed that its economic activities are eligible under the following three activities:

- 3.1. Manufacture of renewable energy technologies
- 3.20. Manufacture, installation, and servicing of high-, medium-, and low-voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation

- 4.9. Transmission and distribution of electricity

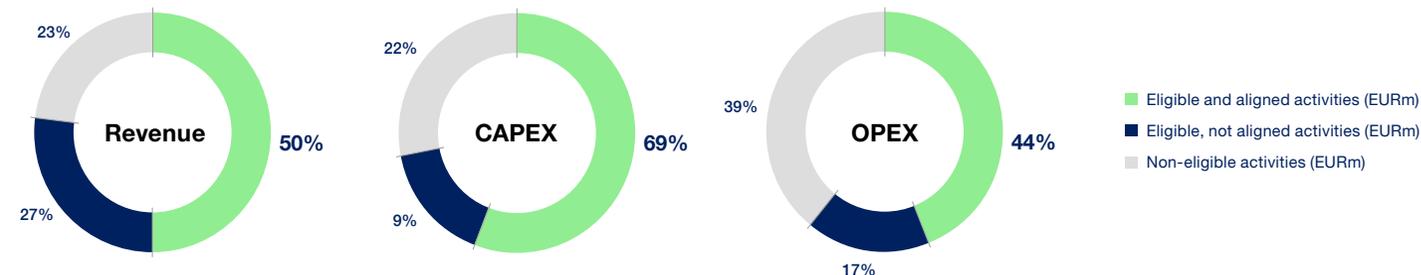
In 2025, 50% of NKT's revenue, 69% of CAPEX, and 44% of OPEX included under the company's taxonomy reporting is aligned with the EU Taxonomy, and substantiates NKT's contribution to climate change mitigation. As NKT's work with the EU Taxonomy evolves, the company will continue to assess opportunities to increase taxonomy alignment.

As a member of Europacable, NKT follows the guidance for eligibility, alignment, and reporting applicable for cable companies in order to comply with the taxonomy.

The full overview of NKT's EU Taxonomy 2025 performance can be found in the annex.

→ NKT's EU Taxonomy reporting

NKT's 2025 EU Taxonomy reporting



NKT's substantial contribution to climate change mitigation

	Revenue				CAPEX				OPEX			
	2025		2024		2025		2024		2025		2024	
	EURm	%	EURm	%	EURm	%	EURm	%	EURm	%	EURm	%
Eligible and aligned activities (EURm)												
3.1 Manufacture of renewable energy technologies	591	17%	542	17%	385	49%	189	31%	-16	27%	-12	23%
3.20 Manufacture, installation, and servicing of high-, medium- and low-voltage electrical equipment for electrical transmission and distribution	199	5%	125	3%	15	2%	18	3%	-2	4%	-2	3%
4.9 Transmission and distribution of electricity	1,001	28%	932	29%	138	18%	134	22%	-8	13%	-10	18%
Eligible, not aligned activities (EURm)												
3.1 Manufacture of renewable energy technologies	16	0%	0	0%	3	0%	0	0%	0	0%	0	0%
3.20 Manufacture, installation, and servicing of high-, medium- and low-voltage electrical equipment for electrical transmission and distribution	829	24%	750	23%	53	7%	91	15%	-8	15%	-9	17%
4.9 Transmission and distribution of electricity	97	3%	162	5%	12	2%	7	1%	-1	2%	-1	2%
Non-eligible activities	832	23%	740	23%	173	22%	172	28%	-23	39%	-19	37%

§ Accounting policy

Eligible activities

NKT has identified three relevant categories for its eligibility assessment under the Climate Delegated Act:

- 3.1 Manufacture of renewable energy technologies: Includes cable systems for wind farms and other renewable energy applications under NACE code C27.3.
- 3.20 Electrical equipment for transmission and distribution: Covers manufacturing, installation, and servicing of high-, medium-, and low-voltage cables that enable electrification and renewable integration. Cables for buildings or telecom are excluded.
- 4.9 Transmission and distribution of electricity: Includes engineering, procurement, construction, and installation services for interconnectors and grid reinforcement projects. When activities overlap with 3.20, they are allocated to 4.9.

Alignment assessment

The alignment assessment consists of three steps:

1. Assessment of substantial contribution:

NKT screens its activities against three technical criteria for climate change mitigation:

- 3.1: Projects and products dedicated to renewable energy applications, primarily wind power.
- 3.20: Compliance achieved when products enhance renewable energy share or energy efficiency. NKT applied a market-based threshold aligned with the EU's 2030 renewable energy target (42.5%). Devices qualify if they enhance renewable energy share or energy efficiency, with the latter assessed based on sales to markets meeting or exceeding the EU's 2030 renewable energy target of 42.5%, using Eurostat and World Bank data; markets below this threshold are excluded.
- 4.9: Alignment confirmed for interconnector projects and grid infrastructure supporting renewable electricity generation.

NKT has not identified any activities that contribute to climate change adaptation.

2. Assessment of Do No Significant Harm (DNSH):

Aligned activities comply with applicable DNSH criteria across manufacturing, product, and project levels. NKT documents compliance through its management systems at production facilities and through product- and project-specific documentation respectively.

3. Compliance with minimum safeguards:

NKT assesses minimum safeguards at company level, referencing its Code of Conduct, Supplier Code of Conduct, Human Rights Policy, Sustainable Procurement Policy, Diversity and Inclusion Policy and other related policies, statements, and processes. Anti-corruption and fair competition are addressed in the Code of Conduct, and NKT's Tax Policy is publicly available on NKT.com. The company aligns with the UN Guiding Principles on Business and Human Rights and OECD Guidelines for Multinational Enterprises, applying these standards internally and across its value chain.

Taxonomy KPIs

Revenue (market prices), as presented in the income statement in the financial statements and in line with NKT's financial definition, includes only external revenue.

CAPEX is defined as "Investments in property, plant, and equipment" and "Intangible assets and other investments" as reported in the cash flow statement in the financial statements. It also includes leasing additions reported in the right-of-use assets from leases included in property, plant and equipment.

OPEX is defined as direct non-capitalised costs that relate to research and

development, short-term lease, maintenance and repair.

The share of Taxonomy-eligible/aligned revenue is calculated as the revenue from Taxonomy-eligible/aligned projects and products as a proportion of total revenue.

The share of Taxonomy-eligible/aligned CAPEX is calculated as the investments related to assets, processes, and technologies associated with Taxonomy-eligible/aligned economic activities as a proportion of the total CAPEX.

The share of Taxonomy-eligible/aligned OPEX is calculated as the OPEX associated with processes and activities related to Taxonomy-eligible/aligned economic activities as a proportion of total OPEX.

Eligibility and alignment assessment

The revenue (market prices), CAPEX and OPEX related to Taxonomy-eligible/aligned activities are determined based on the assessment of project and product eligibility and alignment. Revenue, CAPEX, and OPEX that can be linked to identified Taxonomy-aligned activities are classified as Taxonomy-aligned. The proportion of revenue, CAPEX, and OPEX that is associated with Taxonomy-eligible but not-aligned activities is disclosed separately. This includes the eligible activities where NKT does not meet

the technical screening criteria for substantial contribution, DNSH, or Minimum Safeguards for Taxonomy alignment. The proportion of revenue, CAPEX, and OPEX that is associated with Taxonomy-non-eligible activities is disclosed separately.

Allocation key

The share of Taxonomy-eligible/aligned CAPEX and OPEX is assessed by applying the share of Taxonomy-eligible/aligned produced quantities per categories within specific business lines as an allocation key. The majority of NKT's investments and costs can be used to produce both eligible/aligned and non-eligible projects and products. NKT has determined that an output-based approach serves as an effective proxy for distinguishing between eligible or aligned activities and those that are not eligible.

Double counting

Revenue, CAPEX, and OPEX are allocated to a single applicable activity, either within the three key Taxonomy-eligible categories or the non-Taxonomy-eligible category, ensuring a clear and accurate distribution without the risk of double counting.

Materiality Threshold

When applying the materiality threshold introduced under the revised EU Taxonomy Framework, any economic activities that cumulatively account for less than 10% of the company's total revenue, CAPEX, or OPEX, respec-

tively, are not subject to an eligibility or alignment assessment. These activities are considered non-material and are reported separately.

Resource use and circularity

SBM-3

-  Negative impact
-  Positive impact
-  Financial risk
-  Financial opportunity

Upstream

-  Raw materials



Own operations

-  Resource shortages
-  Circularity market demand
-  Production waste
-  Substances of very high concern



Downstream

-  Raw materials
-  Production waste
-  End-of-life



Resource inflows

 Raw materials	Use of virgin materials NKT uses significant amounts of virgin materials with environmental impacts. The material flow is mostly linear. Actual negative impact. Time horizon: all.
 Resource shortages	Availability of raw material Resource inflows with adverse negative effects on people and environment can cause reputational damage and resource shortages, affecting NKT from a brand perspective. Resource shortages from mines pose a risk to continued production. Time horizon: all.

Resource outflows

 End-of-life	Limited end-of-life recovery The materials used by NKT follow a linear system from extraction to end-of-life. Power cables often last more than 40 years, and many remain in place in the ground and seabed as potential resources even though recycling technologies are available. Actual negative impact. Time horizon: all.
---	--

 Circularity market demand	Unrealised circularity potential Demand for circular products is rising, making product footprint crucial for customers. Failing to improve circularity can lead to missed opportunities. Time horizon: all.
---	---

Resource optimisation

 Production waste	Waste generation in production As a production company, NKT generates waste from the production of cable systems and through the installation, service, and maintenance of cables and cable systems. Actual negative impact. Time horizon: all.
---	--

Material health

 Substances of very high concern	Usage of toxic substances NKT uses substances classified as substances of very high concern (SVHC) in production, and some remain present in the finished products. Certain substances are difficult to substitute in the short term. Actual negative impact. Time horizon: all.
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→ To read more about the material sustainability matters, see: DMA results on page 63.

Resource use and circularity

Circularity is a key enabler for reducing environmental impacts across the value chain. It supports resource efficiency, minimises waste, and contributes to decarbonisation efforts, which are material to NKT's long-term sustainability and resilience.

NKT's approach

E5-1, E2-1

NKT works with circularity by integrating principles across the value chain and within its own operations, as outlined in the Circularity Framework. NKT incorporates circularity in the procurement of raw materials, in production, installation, service and maintenance of cable systems, and through collaboration with partners on decommissioning. The enabling principles behind all of these activities is NKT's focus on two strategic areas:

- Design for circularity.
- Resource optimisation.

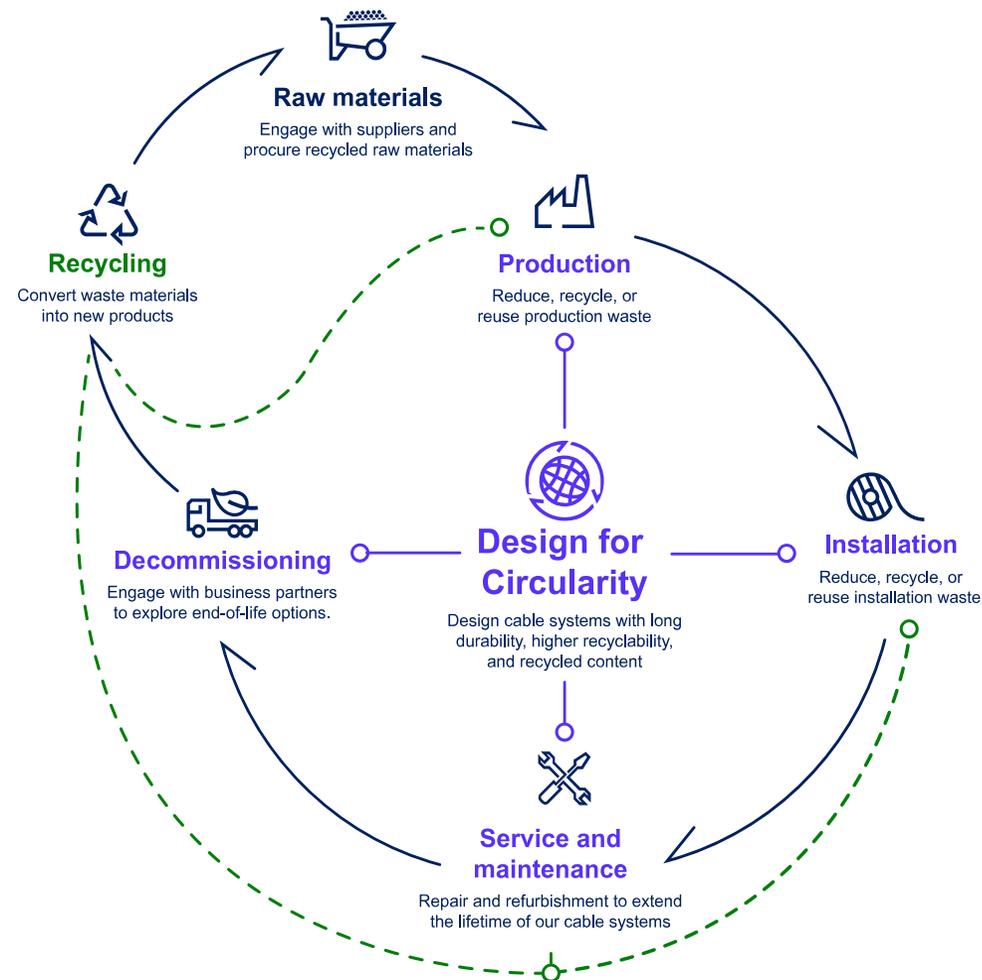
While circularity is a key strategic focus area for NKT, proper management of the materials in its production and products also mandates a focus on Material Health. Material Health refers to the chemicals, such as substances of very high concern (SVHC), NKT uses in its production and that it introduces to the market in a limited number of products. These may, if not managed properly, have a negative impact on workers during production and installation of the cable systems as well as on the surrounding environment. NKT's approach to avoid pollution caused by SVHC includes prevention and

substitution. By ensuring compliance with the REACH regulation in the company's operation and actively working with finding alternatives to SVHCs in R&D, the prevention of pollution is an integrated part of how the company operates.

The relevant NKT policies can be found here:

- Circular Economy Policy
- IMS Policy
- Procurement Sustainability Policy

NKT's Circularity Framework



Key actions

E5-2, E5-4, E5-5

Design for circularity

Cables and cable systems are designed for long lifetimes and high quality standards. To enhance circularity, NKT addresses it from the earliest design stages, recognising it as an ongoing process since early decisions ultimately determine how circular a cable system can be. Through supplier engage-

ment, product development, and Research & Development (R&D), NKT applies circular design principles enabling that:

- Products have a high recycled content by replacing virgin resources with secondary materials, where quality and technical specifications allow.

- Products are durable and meet high quality standards. Typically, NKT's products are designed to ensure that energy distribution networks serve 40 years, building wires 30 years, and telecom networks 20 years.
- Products are highly recyclable and cable system solutions are repairable.
- Packaging solutions are returnable and reusable.

In 2025, NKT developed a new framework to assess sustainability aspects in product development and R&D, which includes key circularity aspects such as recycled content and product recyclability. This structured approach will increase circularity in NKT's product portfolio and will be embedded in future R&D work. An example of NKT's recently launched product is the Adaptive Rigid Seajoint, a "one for all" solution suitable for all common three-phase submarine cables up to 300 kV. This modular design offers fewer spares, reduced costs, and less waste.

Resource optimisation

In cable systems production, resource optimisation is driven by two activities:

- Higher material efficiency rates.
- Higher reuse and recycling rates for production waste, ensuring that any disposed materials follows the waste hierarchy.

Actions to improve resource optimisation and to reach the 2030 target, are tailored to NKT sites, with an emphasis on sharing best practices across locations. For example, regrinding, remelting, and reusing plastic scrap output is done at a number of the factories. At one of the Portuguese sites, generated aluminium scrap is being remelted in the site furnace and introduced as pre-consumer recycled content. At one of the Swedish sites, wood waste has been diverted away from incineration with energy recovery towards furniture production. These actions ensure that materials are being utilised with maximum value retention.



NKT's primary material inflows

E5-4

The main material inflows to produce NKT's cable system products are metals like copper, aluminium, lead, steel, and plastics.

These materials have complex value chains where the initial step is extraction of raw materials such as crude oil and metal ores, followed by refining processes and manufacturing into high-quality products. These products are then used by NKT to manufacture cable systems.

NKT uses copper and aluminium in the cable conductors for their electrical properties, where aluminium is processed from bauxite, and copper from copper ore. Both materials are listed in the Critical Raw Materials Act. The different plastics are used for their insulation and semi-conductive properties and are critical to maintain high performance of cable systems. After the cables are produced, NKT delivers them in packaging such as cable drums in steel, wood, and plastic.

The main impacts of the core materials are in the value chain where mining and extraction of virgin materials contribute to among others resource depletion and carbon emissions through energy-intensive refining processes. Overall, increasing circularity in the value chain is an important decarbonisation and resource use lever to reduce these impacts.

These actions for resource optimisation are made possible by long term partnerships with waste service suppliers. Where collaboration on reusing and recycling materials is key for keeping materials high up in the waste hierarchy.

During installation, projects have waste management plans to ensure that downstream waste is minimised and that generated waste is reused or recycled to the extent possible.

Increasing the lifetime of the existing energy grid

After the installation of cables, NKT works with its customers to prolong the lifetime of existing assets by offering service and maintenance. By focusing on maintaining, repairing, and refurbishing systems dating back to the mid-20th century, NKT postpones decommissioning for as long as possible. However, some cable systems will become obsolete or their maintenance impractical. At this stage, NKT's focus shifts to recovering as many resources as possible from the cable. This reduces the demand for new raw materials and minimises waste. Advanced recycling techniques allow for the disassembly and recycling of

metals, insulation, and other components.

This focus has in 2025 resulted in the following demonstrable examples of NKT's approach to increasing the lifetime of the existing energy grid:

- Offering of a comprehensive cable monitoring solution called MakeSense®, which makes it possible to enhance the performance and lifespan of power cables.
- The successful repair of an offshore 220 kV cable that connected a wind park to the mainland supplying 450,000 households with electricity.
- Refurbishment of terminations in the NordNet system between Norway and the Netherlands.

NKT actively participates in the Circular Energy Economy coalition in the Netherlands, an initiative driven by the government and local grid operators to transform the energy infrastructure industry toward circular operating models.

Material Health

E2-2

Material Health is a strategic focus area for NKT with particular emphasis on the avoidance and substitution of substances of very high concern (SVHC). In NKT's manufacturing processes, SVHCs are used in accordance with the REACH regulation and industry best practices. As the regulatory frameworks evolve, NKT will continue to monitor regulatory developments and update its product portfolio and processes to ensure ongoing compliance and to minimise the use of SVHCs wherever feasible.

Looking ahead, NKT will further strengthen its approach to chemical safety by an increased focus on governance structures, chemical management, and actions to identify and implement safer alternatives. Material Health is also part of the sustainability framework in R&D, which will be fully embedded into future product development activities.

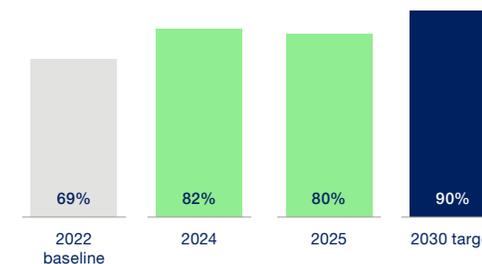
Targets E5-3, E2-3

Circularity

Resource optimisation

90% recycling or reuse of production waste by 2030

80%



NKT has set a voluntary resource optimisation target to recycle or reuse 90% of production waste by 2030. The target was established in close collaboration with multiple internal stakeholders and is based on industry best practice and the waste hierarchy from the EU Waste Directive. Generated waste flows mainly consist of metals and plastics. Total volumes of waste are reported in the Performance section.

While NKT has not set a specific target for product circularity, the company is currently assessing the applicability for setting a circularity target. Actions aimed at increasing circular product design and material use are tracked as described under Actions and monitoring of related metrics is conducted as part of the annual reporting on performance, including the rate of secondary materials, product durability, reparability, and recyclability. In addition, the overall use of SVHCs is monitored with a focus on reduction. No specific target regarding SVHC has been established and NKT is currently assessing the applicability of setting one.

Performance data

Resource in- and outflow

E5-4, E5-5

In 2025, the average levels of recycled content in copper increased. This improvement was however offset by changes in the materials mix of cables produced resulting in an overall lower average.

	Unit	2025	2024
Biological materials in products	%	0	0
Biological materials in packaging	%	30	30
Secondary reused or recycled components, secondary intermediary products and secondary materials in products	%	12	14
Secondary reused or recycled components, secondary intermediary products and secondary materials in packaging	%	3	5
The rates of recyclable content in products	%	40	42 ¹
The rates of recyclable content in products packaging	%	9	11 ¹

§ Accounting policy

Percentage of sustainably sourced biological materials

The percentage of biological materials and biofuels used for non-energy purposes is calculated by dividing the total weight of sustainably sourced biological materials in metric tonnes by the total weight of raw materials in metric tonnes. The biological materials are PEFC certified.

Percentage of reused or recycled components

The proportion of reused or recycled components in raw material purchased in the reporting period is obtained directly from NKT's suppliers. In cases where NKT cannot obtain information on the supplier specific recycling rates from its suppliers, they are estimated using the global average data on recycled copper and steel supplied by the ecoinvent database.

The percentage of secondary reused or recycled components, secondary intermediary products, and secondary

materials used for the manufacturing of products and packaging is calculated by dividing the total weight of reused/recycled components used for respectively products or main packaging categories in metric tonnes by the total weight of raw materials used for respectively products or main packaging categories in metric tonnes.

Sustainably sourced materials

For the disclosure on sustainably sourced biological materials, NKT relies on the availability and quality of data from its suppliers. In cases where NKT cannot obtain information on the amount of sustainably sourced biological materials from its suppliers, it assumes the share to be 0%.

Reused or recycled components

For the disclosure on reused or recycled components, NKT relies on the availability and quality of data from its suppliers. When supplier data is not available, NKT has opted to use the verified global average for recycled content available in the ecoinvent

database. This approach allows NKT to present a more accurate and reliable assessment of its environmental impact.

In cases where NKT cannot obtain information on the amount of reused or recycled components from the suppliers or ecoinvent database, it assumes the share to be 0%.

Recovery rate

NKT has opted to use the verified global average for recovery rates as stated in the industry standard EN 50693:2019. This approach allows NKT to present a more accurate and reliable assessment of environmental impacts.

In cases where NKT has no specific or representative data available, and where industry standard EN 50693:2019 does not provide guidance on the recovery rate, NKT assumes the share to be 0%.

¶ Significant estimates and judgements

For the disclosures related to circularity, NKT assumes the total amount of purchased main raw materials to be consumed within the reporting period.

Refer to the section Confidentiality in Basis for preparation for further details on the omission of information due to confidentiality considerations.

¹ This number reflects the restated data, see page 69.

Resource outflow - waste

E5-5

NKT works actively with minimising waste from its production. The table summarises NKT's total waste generation, disaggregated by disposal method and waste composition. The table further shows NKT's progress toward its 2030 target of achieving 90% recycling or reuse of production waste.

	Unit	2025	2024
Total waste generated	Tonnes	40,933	37,452
Non-hazardous waste			
Total amount of non-hazardous waste	Tonnes	38,994	36,108
Non-hazardous waste - Preparation for reuse	Tonnes	225	105
Non-hazardous waste - Recycling	Tonnes	30,083	28,740
Non-hazardous waste - Other recovery options	Tonnes	7,828	6,295
Non-hazardous waste - Incineration	Tonnes	0	0
Non-hazardous waste - Landfill	Tonnes	858	968
Non-hazardous waste - Other disposal operations	Tonnes	0	0
Hazardous waste			
Total amount of hazardous waste	Tonnes	1,939	1,344
Hazardous waste - Preparation for reuse	Tonnes	21	145
Hazardous waste - Recycling	Tonnes	1,289	689
Hazardous waste - Other recovery options	Tonnes	362	193
Hazardous waste - Incineration	Tonnes	11	48
Hazardous waste - Landfill	Tonnes	256	269
Hazardous waste - Other disposal operations	Tonnes	0	0
Other			
Non-recycled waste	Tonnes/%	9,314 / 23%	7,773 / 21%
Total amount of radioactive waste	Tonnes	0	0
NKT waste target performance			
Waste from production facilities	Tonnes	36,830	32,163
Reused waste from production facilities	Tonnes	29,354	26,394
NKT waste target performance	%	80%	82%

§ Accounting policy

Volumes of waste

NKT's generated waste includes all activities under NKT's financial and operational control, thus applying the same perimeter applied for reporting of energy consumption and GHG Scopes 1 and 2 emissions. This mainly consists of waste generated during the production of cables and cable accessories. Waste from production facilities excludes waste related to CAPEX projects.

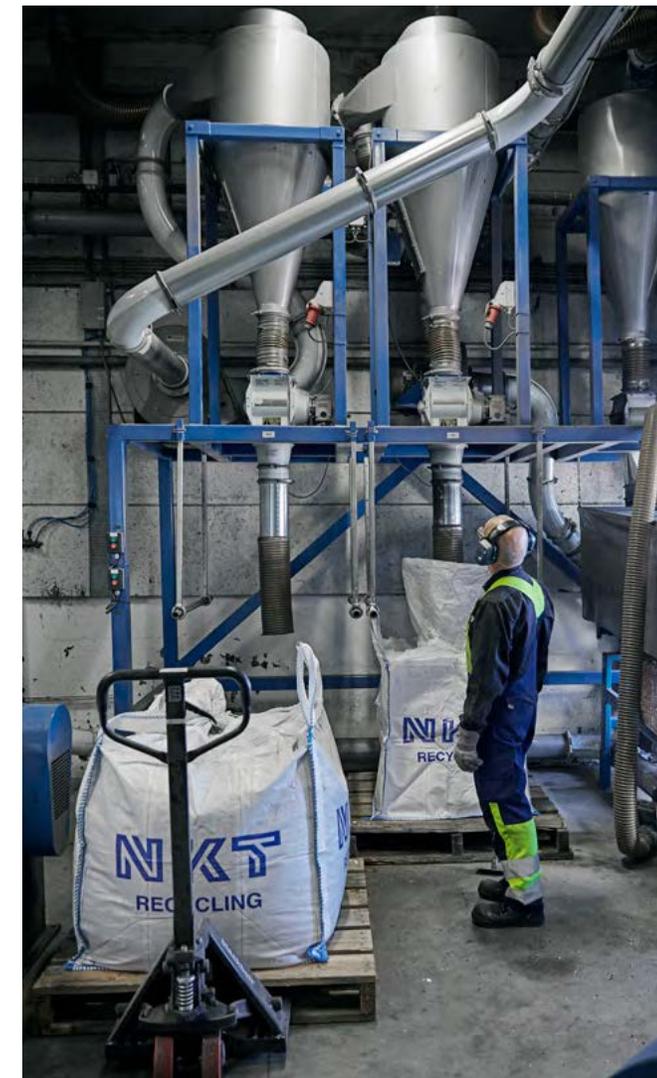
The data is derived from NKT's ESG reporting tool.

Percentage of non-recycled waste

The percentage of non-recycled waste is calculated by dividing the total amount of non-recycled waste in metric tonnes by the total waste generated in metric tonnes.

¶ Significant judgements

NKT has performed a centralised reclassification of waste categories for ESRS alignment. Where direct mapping from NKT's internal reporting categories to the ESRS waste reporting categories was not possible, proxy calculations based on data from NKT's ESG reporting tool were used.



Substances of very high concern

E2-5

NKT's disclosure focuses on the main hazard classes of SVHCs present in its production processes.

Hazard classes of SVHC's present in NKT's manufacturing processes

Health Hazard Classes

H301	Toxic if swallowed
H314	Causes severe skin burns and eye damage
H315	Causes skin irritation
H317	May cause an allergic skin reaction
H318	Causes serious eye damage
H319	Causes serious eye irritation
H330	Fatal if inhaled
H334	May cause allergy or asthma symptoms or breathing difficulties if inhaled
H335	May cause respiratory irritation
H341	Suspected of causing genetic defects
H350	May cause cancer
H360	May damage fertility or the unborn child
H361	Suspected of damaging fertility or the unborn child
H362	May cause harm to breast-fed children
H372	Causes damage to organs through prolonged or repeated exposure
EUH208	May produce an allergic reaction

Environmental Hazard Classes

H400	Very toxic to aquatic life
H410	Very toxic to aquatic life with long lasting effects
H411	Toxic to aquatic life with long lasting effects

Other Hazard Classes

EUH440	Accumulates in the environment and living organisms including in humans
EUH441	Strongly accumulates in the environment and living organisms including in humans

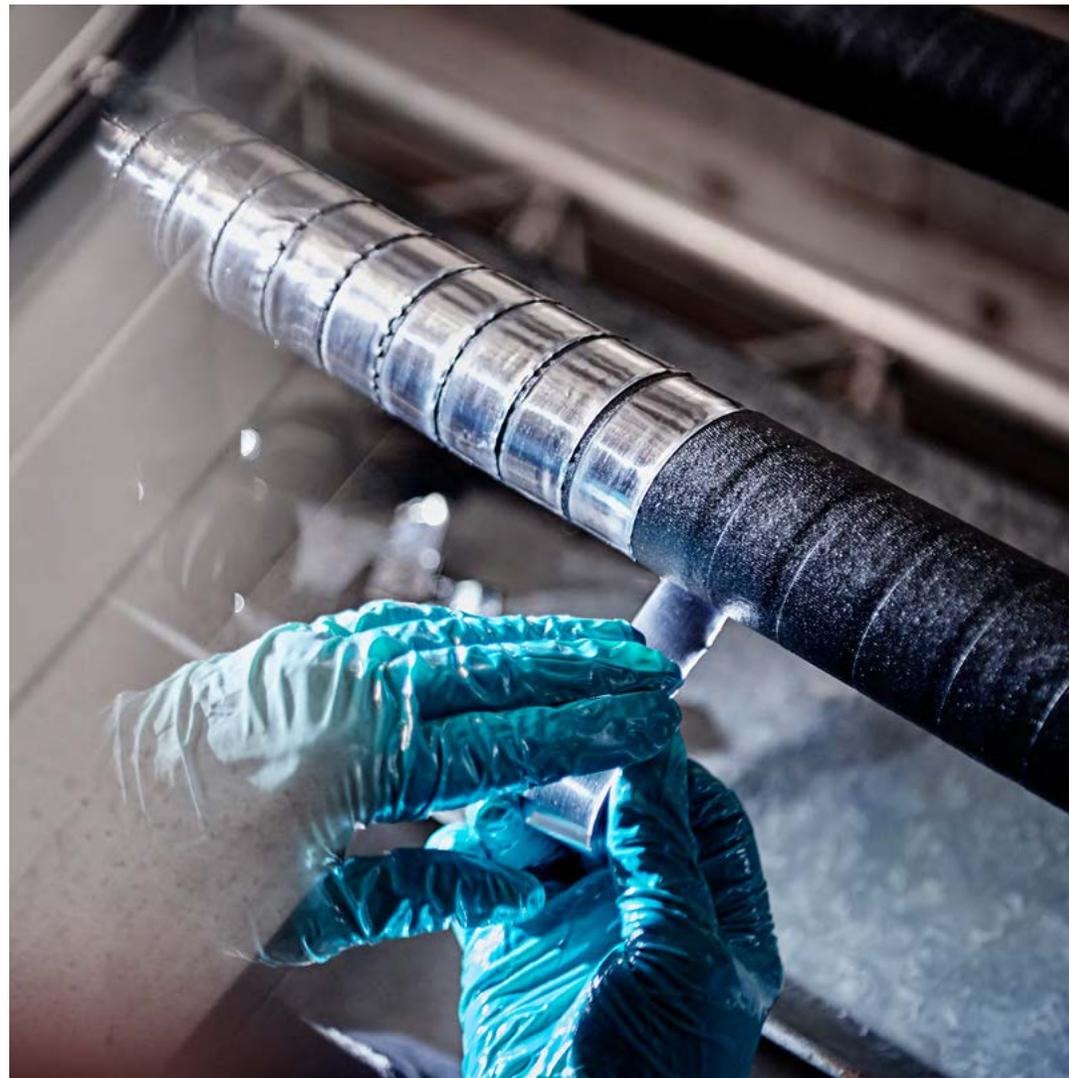
§ Accounting policy

The disclosure of NKT's SVHCs applies to its production sites only.

Information on the types of SVHCs used in NKT's production processes is obtained from its dedicated chemical management systems.

⚠ Significant judgements

Refer to the section Confidentiality in Basis for preparation for further details on the omission of information due to confidentiality considerations.



Engaging suppliers on environment

SBM-3

-  Negative impact
-  Positive impact
-  Financial risk
-  Financial opportunity

Upstream

-  Pollution of environment
-  Waste generation
-  Water use
-  Biodiversity loss



Own operations



Downstream



Pollution

-  Pollution of environment

Pollution of air, water, and soil

Mining wastewater can pollute water sources, affecting aquatic life and human health. Mining can cause heavy metal contamination, harming soil, ecosystems, and human health. Actual negative impact. Time horizon: all.

Resource optimisation

-  Waste generation

Generation of mining waste

Mining and other upstream activities results in the production of large volumes of waste, such as tailings. Upstream, the mining of metal ores generates waste and by-products, impacting the environment. Actual negative impact. Time horizon: all.

Water

-  Water use

Use of water in mining and metal processes

Mining and metal processing require significant water, impacting local water sources and the hydrological cycle. Actual negative impact. Time horizon: all.

Nature

-  Biodiversity loss

Loss of biodiversity due to mining activities

Mining contributes to biodiversity loss through habitat destruction and ecosystem changes. Mining degrades land, causing habitat destruction, fragmentation, and wildlife displacement. Mines in natural habitats cause significant species impacts, including habitat destruction and fragmentation. Actual negative impact. Time horizon: all.

→ To read more about the material sustainability matters, see: DMA results on page 63.

Engaging suppliers on environment

E2-2, E2-3, E2-4, E3-2, E3-3, E4 (summarised version as per BP-2.17)

NKT procures materials from upstream business partners, who extract and process these materials through mining and resource-intensive activities. NKT recognises that the materials used in cable production can have significant impacts on the environment. We work to mitigate these impacts through robust supplier due diligence requirements and ongoing engagement.

NKT's approach

NKT manages the impacts from its upstream business partners through its supplier engagement and due diligence process. Managing the impacts is fundamental for NKT to produce cable systems with a transparent environmental footprint.

NKT's expectations for suppliers to mitigate environmental impacts are communicated through the NKT Procurement Sustainability Policy and the NKT Supplier Code of Conduct. They cover topics related to

compliance with relevant legislation, low-carbon materials, circularity, biodiversity, the reduction of waste and of the pollution of air, water, and soil.

NKT acknowledges the importance of these material impacts and have therefore integrated them in the company's ongoing established due-diligence approach, which aims to identify, assess, and address risks in collaboration with the company's suppliers. NKT has not set separate targets or metrics for these matters but monitors the effective-

ness of its due diligence policies and activities within the existing due diligence process.

NKT's actions on engagement with its suppliers on environmental impacts can be found in the section on Supplier management.

For more information:

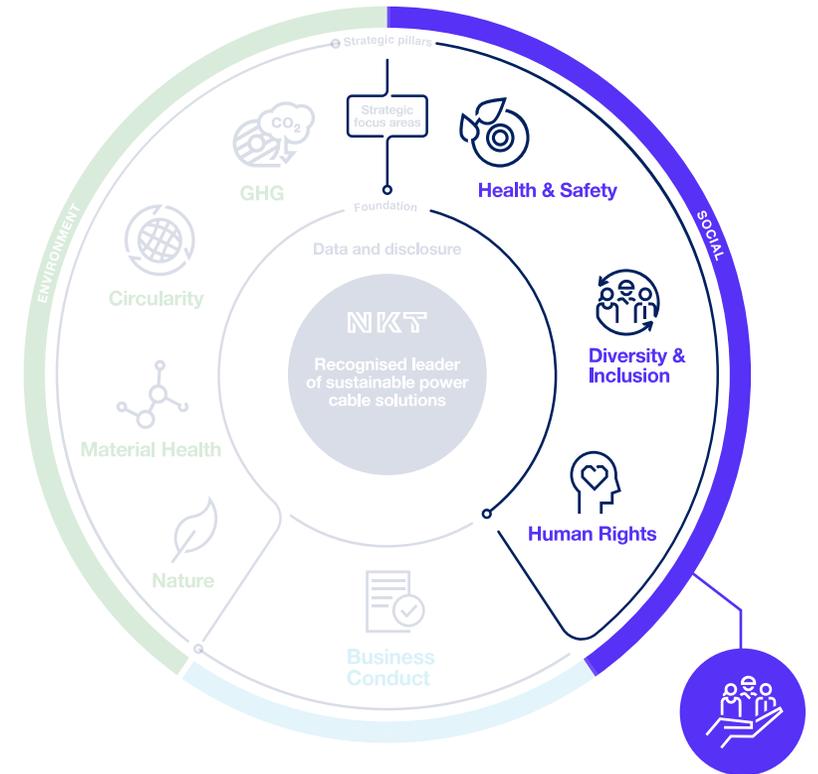
- Supplier management
- Procurement Sustainability Policy





Social information

- 96 NKT's people
- 98 Diversity, fairness, and a harassment-free workplace
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- 105 Engaging suppliers on social aspects



Social

Be a fair, inclusive, and safe workplace empowering trust and engagement

NKT's people

SBM-3

-  Negative impact
-  Positive impact
-  Financial risk
-  Financial opportunity

Upstream



Own operations

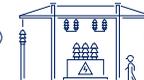
-  Health and safety
-  Health and safety
-  Diversity



-  Harassment of vulnerable groups
-  Equality and equal opportunities



Downstream



Health and safety

-  Health and safety
-  Health and safety

Impact on health and safety of own workforce

There are inherent health and safety risks associated with the manufacturing of cables, which can impact all employees on NKT premises. If not mitigated, the consequences of hazards can result in severe injuries for the individual employee. Health and safety risks in cable manufacturing can impact market perception if not managed well. Customers and stakeholders consider this information when selecting suppliers. Actual negative impact. Time horizon: all.

Diversity, fairness, and a harassment-free workplace

-  Diversity

Opportunity to employ a more diverse workforce

NKT operates in the industrial sector, which historically has developed a male-dominated workforce. To ensure a continuously strong employment base, NKT regards working towards a more diverse workforce as an opportunity. Time horizon: all.

-  Harassment of vulnerable groups

Harassment risk in own workforce

Within NKT's operations the risk of harassment in the workforce represents a negative impact for underrepresented or vulnerable groups. This can occur both in office environments and in the company's factories, with consequences for the individual employee. Actual negative impact. Time horizon: all.

-  Equality and equal opportunities

Advancing gender equality

Historically, industrial sectors have often limited opportunities for women and underrepresented groups, leading to pay gaps and unequal representation. This reinforces inequality and slows progress towards fair and inclusive workplaces. Actual negative impact. Time horizon: all.

→ To read more about the material sustainability matters, see: DMA results on page 63.

NKT's people

NKT's people are the foundation of the company's success. NKT considers diversity, well-being, and health and safety as essential aspects of how the company supports its people.



NKT's employees

S1-6

NKT employs 6,627 employees across 16 countries of operations. NKT's workforce consists of technical, operational, and knowledge professionals across its production facilities and support functions. NKT manufactures and installs cables, which pose significant health and safety risks to employees, with individual incidents identified as the primary negative impact.

NKT operates in the industrial sector, which historically has developed a male-dominated workforce, today evidenced by the fact that NKT employs 80% male across all levels. To ensure a continuously strong employment base and to leverage the benefits of a diverse workforce, NKT has an opportunity in working with diversity and equal opportunities as part of an inclusive and fair work culture.

Due to the nature of the company's operations, NKT's employees work in multiple geographies and in diverse cultural settings. While the

location of the company's activities does not present a significant risk of forced, compulsory, or child labour, NKT's Code of Conduct includes a statement on zero tolerance of child or forced labour across the value chain.

NKT's engagement with its employees

S1-2, S1-3, S1-4

NKT's engagement with its employees remains a cornerstone of the company, reflecting its Nordic heritage and values. The organisational culture is shaped by the Shared Beliefs and Leadership Principles, which guide behaviour and decision-making across all levels. These principles were developed by employees and are firmly grounded in the lived experience of working at NKT.

The Group Leadership Team (GLT) has operational responsibility for ensuring that engagement with NKT's employees is carried out and as part of the employee engagement, NKT engages with

employees on sustainability-related impacts, risks, and opportunities. Engagement occurs both with the employees directly and with their representatives through department meetings and in meetings with union representatives.

Employee insights are captured annually through the global VOICE survey, which informs targeted actions and enables progress tracking across the business, including on the company's targets for its own workforce. The VOICE survey includes employee characteristics to support NKT's work on inclusion and marginalised groups. In 2025, the company introduced new demographic questions designed to better understand the experiences of marginalised groups and to ensure its efforts are inclusive and equitable.

In politically complex environments, where local norms or legislation may conflict with NKT's commitment to diversity and inclusion, NKT applies measures to safeguard its standards. These efforts support the

reaffirmation of a safe and inclusive workplace for LGBTQ+ employees, particularly in regions where their rights may be challenged.

Awareness around misconduct reporting continues to be strengthened, reinforcing NKT's commitment to integrity and transparency. The global launch of the non-harassment initiative has enabled the company to identify both strengths and areas for improvement in fostering respectful workplaces.

NKT recognises the vital role of collaboration with workers' representatives and unions, which remains essential to building trust and driving sustainable change together.

NKT's workforce can raise concerns through the company's speak up culture, to HR, or through the formalised Whistleblower Hotline, of which a description can be found here:

- NKT's Whistleblower Hotline
- Incidents and complaints

NKT's people: diversity, fairness, and a harassment-free workplace

Diversity and fairness are core priorities for NKT, reflecting the company's commitment to equal opportunities and a workplace free from harassment and violence.

NKT's approach

S1-1, S1-4

NKT is actively working on diversity and fairness as part of its commitment to fostering an organisation where people from different backgrounds are given equal opportunities based on merit and can perform at their best, regardless of gender, belief, sexual orientation, social class, nationality, age, ethnicity, physical ability, or other distinguishing characteristics. NKT regards diversity in educational backgrounds, personalities, and perspectives as beneficial to the company's performance.

At some of NKT's operational sites, it has been a national regulatory requirement to address and implement actions against harassment

and violence in the workplace whereas at other sites there have been limited requirements. In 2025, NKT initiated work to ensure a harmonised approach across all operational sites to create a psychologically safe and secure workplace without harassment and violence, while reflecting the differing maturity levels across the company.

Human rights

NKT's commitment to human rights aligns with recognised international human rights standards, including the International Bill of Human Rights and the eight ILO fundamental core conventions forming the basis of ILO's Declaration on Fundamental Principles and Rights at Work. NKT's approach to human rights is guided by the OECD Guide-

lines for Multinational Enterprises and the UN Guiding Principles. All NKT's employees are covered by the Human Rights Policy. NKT will continuously strengthen its human rights reporting, which can be found in the governance section:

- Reporting on human rights impacts

The relevant NKT's policies can be found here:

- Diversity and Inclusion Policy
- Non-Harassment and Non-Discrimination Policy
- Human Rights Policy



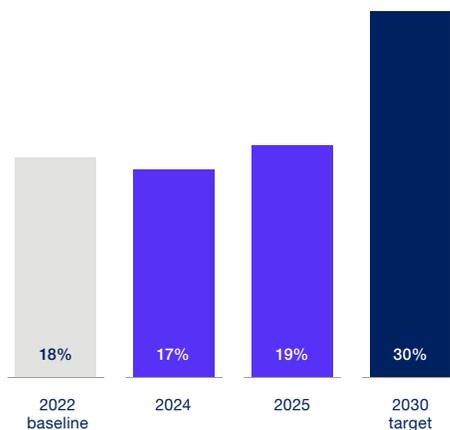
Targets S1-5

Diversity

Underrepresented gender in senior leadership

30% share of underrepresented gender in senior leadership by 2030

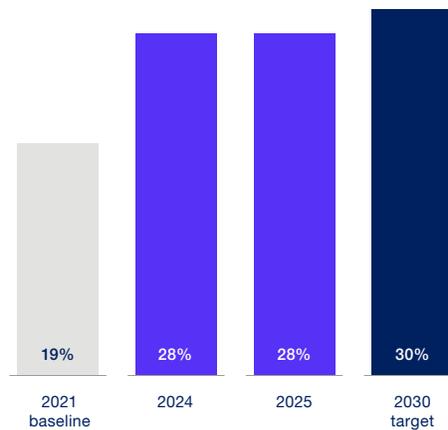
19%



Share of female new hires

30% share of women among new hires by 2030

28%



NKT's approach to diversity is tracked through the company's diversity targets above. The targets drive actions to reach a diverse work-force by addressing the company's two diversity focus areas and has been approved within the corporate governance framework including BoD endorsement, however with limited involvement of employees. The target, and the performance towards the target, is monitored continuously and reported bi-annually to the GLT, ESG Committee, and the BoD.

Key actions

S1-4

Diversity

To reach the company targets for diversity, NKT focuses on two areas:

- Diversity among current employees
- Diversity in recruitment

NKT's actions within these areas are driven by dedicated resources at both group and operational level and are related to:

Diversity among current employees

- **Female leadership development** Dedicated programmes support women at entry-level and mid/senior leadership stages, alongside broader leadership initiatives.
- **Awareness and training** Webinars, workshops, and campaigns are held to build understanding and engagement around diversity and equality.

- **Diversity in talent processes** Succession planning and talent development are continuously

being refined with a focus on diverse representation.

- **Gender pay equity measures** During 2025, a global analysis tool has been implemented, with associated training, and preparations are underway to disclose in alignment with the EU Pay Transparency Directive.

Diversity in recruitment

- **Bias-aware recruitment practices** Recruitment processes are reviewed to mitigate bias, ensure equal terms for new hires, and promote fairness across all roles.
- **Targeted employer branding and outreach** Diversity-focused branding, university partnerships, and campaigns like "Refer a Woman" support broader outreach and balanced representation.

Incidents of harassment and violence

NKT will continue to strengthen its harmonised approach to addressing, mitigating, monitoring, and tracking incidents of harassment and violence across NKT. While a global initiative, actions and man-

agement of incidents will be firmly anchored at the operational level to ensure effective response. In 2025, NKT has strengthened the foundation of the harmonised approach by:

- Establishing a process to track reports of harassment and discrimination globally.
- Developing and rolling-out training of key staff to handle harassment and discrimination reports.
- Developing and launching an e-learning course addressing harassment and discrimination.
- Increasing visibility and awareness of the topic across the business.

These initiatives will serve as the basis for NKT's ongoing work to ensure a consistent, respectful, and safe working environment across all operations.

Performance data

Characteristics of employees

S1-6, S1-9

NKT employed 6,627 people in 2025 which is an increase from 6,057 people in 2024, reflecting the company's organic growth during the year.

Employees by gender and contract type	Unit	2025	2024
Female	Head count	1,350	1,181
Male	Head count	5,276	4,875
Other	Head count	1	0
Not disclosed	Head count	0	1
Total number of employees	Head count	6,627	6,057
Female	Head count	1,239	1,097
Male	Head count	4,955	4,575
Other	Head count	1	0
Not disclosed	Head count	0	1
Total number of permanent employees	Head count	6,195	5,673
Female	Head count	111	84
Male	Head count	321	300
Other	Head count	0	0
Not disclosed	Head count	0	0
Total number of temporary employees	Head count	432	384
Female	Head count	0	3
Male	Head count	12	20
Other	Head count	0	0
Not disclosed	Head count	0	0
Total number of non-guaranteed hours employees	Head count	12	23

Accounting policy

For related information on NKT's workforce, refer to note 2.2: "Staff costs" in the financial statements.

Gender categories

NKT's employees may choose a gender category, which is aligned with their identity or decide not to disclose their gender. As such, NKT operates with four categories; female, male, other, and not disclosed.

Total head count

The total number of employees is determined by the head count of all individuals holding an NKT employment contract and remunerated through NKT's payroll as of the end of the reporting period. This figure includes temporary and permanent employees, as well as those on leave. The data is sourced from the Group's HR platform. Employees who have been made redundant or have resigned are counted until the end of their notice period, regardless of whether they have been released from their duties.

Employees by age group	Unit	2025	2024
Under 30 years old	Head count	1,245	1,095
Between 30 and 50 years old	Head count	3,392	3,102
Over 50 years old	Head count	1,990	1,860

Gender distribution in senior leadership	Unit	2025	2024
Extended Leadership Team	Head count/%	70/100%	72/100%
Female	Head count/%	13/19%	12/17%
Male	Head count/%	57/81%	60/83%

Accounting policy

Gender distribution at top management level

NKT defines the top management as the third level beneath the supervisory bodies. This group, known as the Extended Leadership Team, consists of the Group Leadership Team as well as all employees at the Vice President level and higher.

Employee age distribution

The employee breakdown is based on the head count of all individuals holding an NKT employment contract and remunerated through NKT's payroll as of the end of the reporting period and divided into three categories based on the birthdate of the employee; Under 30 years old, Between 30 and 50 years old and Over 50 years old.

Employees by country ¹	Unit	2025	2024
Sweden	Head count	2,424	2,264
Germany	Head count	1,490	1,327
Czech Republic	Head count	649	632
Portugal	Head count	481	430
Denmark	Head count	456	388
Poland	Head count	426	443
India	Head count	223	173
Lithuania	Head count	196	152
United Kingdom	Head count	103	88
Netherlands	Head count	93	82
Other	Head count	86	78
Total	Head count	6,627	6,057

¹ This table covers information to comply with SBM-1.

Employee turnover	Unit	2025	2024
Employees who have left NKT	Head count	746	606
Employee turnover	%	12%	10%
Permanent employees who have left NKT	Head count	450	447
Permanent employee turnover	%	8%	8%
Temporary employees who have left NKT	Head count	296	159
Temporary employee turnover	%	75%	37%

§ Accounting policy

For related information on NKT's workforce, refer to the note 2.2: "Staff costs" in the financial statements.

Employee distribution by country

The employee breakdown is based on the total head count at the end of the reporting period. The countries where NKT has at least 10% of its total workforce, exceeding 50 employees, are disclosed separately. The remaining NKT employees are consolidated under the category "Other". The geographical assignment of NKT employees is determined by their contractual affiliations.

Employee turnover

The employee turnover rate is calculated using the average number of employees to account for fluctuations in head count. To accurately reflect NKT's turnover rate, three distinct figures are reported for each data point: One covering all employees, one for permanent employees and one for temporary employees. This distinction is necessary due to the inherently higher turnover rate among temporary employees.

The turnover rate includes all employees leaving NKT during the reporting period and is calculated by dividing

the total number of terminated permanent or temporary employees by the average number of respectively permanent and temporary employees.

Average number of employees

The average number of employees is determined by calculating the average head count over the reporting period, based on the head count at the end of each month.

Remuneration

S1-16

The reported gender pay gap shows that female employees are paid 3% more than their male colleagues. This pay gap reflects an unadjusted calculation across the entire employee population, without segmentation by job category, seniority, or employment type. As NKT's workforce includes a significant proportion of male employees in blue-collar roles, which typically have lower remuneration compared to white-collar positions, the resulting metric may be influenced by

workforce composition rather than indicating a systemic pay disparity. Accordingly, the disclosed figure should be interpreted in light of these structural factors and does not necessarily represent a trend or policy-driven imbalance within the organisation. To enhance transparency and comparability, NKT is implementing policies, frameworks and processes that will contribute to addressing any identified gender pay gaps.

Remuneration metric	2025
Gender pay gap	-3%

§ Accounting policy

The disclosure related to gender pay gap is determined by considering the full remuneration of employees, encompassing all remuneration components and associated benefits. All remuneration components are available in the Group's HR platform. For the purposes of this calculation, on-target amounts for short- and long-term incentive schemes and bonuses are included as estimated amounts, as actual outcomes are subject to variables not fully ascertainable at the reporting date. The calculation utilises estimated annual total remuneration

as at the end of the reporting period. The employee population is defined as all individuals with an active NKT employment contract who are remunerated via NKT's payroll at the end of the reporting period.

Gender pay gap

The gender pay gap is calculated as the difference between the average gross hourly pay of male employees and the average gross hourly pay of female employees, expressed as a percentage of the average gross hourly pay of male employees

Incidents and complaints

S1-17

In 2025, complaints related to social topics filed through NKT's grievance mechanisms increased from 19 in 2024 to 46 in 2025. This may reflect several factors such as the impact of internal training and awareness activities and increased focus across NKT sites on creating a psychologically safe and secure workplace without harassment and violence.

	Unit	2025 ¹	2024
Complaints			
Complaints filed through NKT's grievance mechanisms	Number	46	19
Complaints to National Contact Points for OECD Multinational Enterprises	Number	0	0
Discrimination and harassment			
Incidents of discrimination (including harassment)	Number	42	5
Human rights			
Issues and complaints filed through NKT's grievance mechanisms	Number	0	0
Severe issues and complaints filed through NKT's grievance mechanisms	Number	0	0
Issues and complaints to National Contact Points for OECD Multinational Enterprises	Number	0	0
Severe issues and complaints to National Contact Points for OECD Multinational Enterprises	Number	0	0
Fines, penalties, and compensation			
Total amount of fines and penalties and total amount of compensation for damages	EURm	0	0
Total amount of fines, penalties, and compensation for severe human rights issues and incidents	EURm	0	0

Accounting policy

NKT's 2025 disclosure now also accounts for complaints reported to local HR departments, offering more comprehensive coverage. As a result, differences from 2024 data may be due to this broader scope rather than actual changes in trends.

Number of complaints

The number of complaints filed through grievance mechanisms or the National Contact Points for OECD Multinational Enterprises (NCPs for OECD Multinational Enterprises) is derived from the Whistleblower Hotline and the NCPs for OECD Multinational Enterprises.

The scope has been expanded to include complaints reported to local HR departments. These complaints are managed locally and subsequently reported into the Group for consolidation, ultimately resulting in the presentation of one consolidated figure based on the complaints from both the Whistleblower Hotline and local HR.

The number of complaints encompasses complaints related to social topics such as working conditions and equal treatment, but excludes incidents of discrimination, including harassment which are reported separately.

Number of incidents

The number of discrimination and severe human rights incidents affecting NKT employees is based on reports from the Whistleblower Hotline. The scope has been expanded to include incidents reported to local HR departments. All reported cases are consolidated into a single figure.

NKT's Corporate Affairs monitors any complaints filed with NCPs for OECD Multinational Enterprises, along with any incident from the Whistleblower Hotline.

Fines

The total amount of fines, penalties, and compensation paid for damages related to incidents of discrimination, including harassment and complaints and severe human rights abuses/breaches filed during the reporting period.

Compensation for damages

The total amount of compensation paid for damages related to incidents of discrimination, including harassment and complaints filed during the reporting period.

¹ The scope of the 2025 disclosure has been expanded and is therefore not comparable with prior periods.

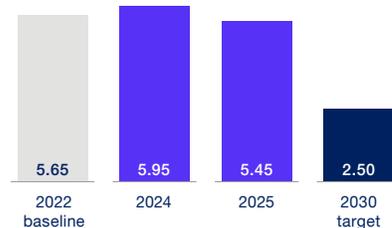
Targets S1-5

Health and safety

Rate of work-related accidents

Rate of work-related accidents (RWA) of 2.50 in 2030

5.45



The RWA target covers NKT's employees and non-employees, excluding contractors. In 2025, the time horizon has been extended to 2030 (previously 2028) to align with the Charging Forward strategy, and the ambition level has been increased accordingly. The target was developed by Group H&S in collaboration with GLT, with workforce representation provided through the HSE Managers in the HSE Council. The target is designed to drive continuous improvement in safety performance and employees play a vital role in implementing safety measures and tracking performance to achieve the target. RWA progress is monitored monthly, with overall target progress reviewed annually.

NKT's people: Health and safety

Health and safety is a fundamental priority for NKT, reflecting the company's commitment to protecting its workforce across cable manufacturing and installation activities.

NKT's approach

S1-1, S1-4, S1-5

NKT's approach to health and safety is guided by one of the company's four beliefs, We Care, which underpins a culture of shared responsibility and mutual support. This principle reflects a genuine commitment to fostering an environment where individuals look out for one another and where safety initiatives go beyond compliance, prioritising the wellbeing of its employees, contractors, and visitors. This value-driven approach ensures that safety is embedded in every aspect of operations, reinforcing a shared responsibility to create a workplace where everyone can return home safe and healthy each day.

NKT's commitment to H&S is outlined in the IMS Policy:

[→ IMS Policy](#)

NKT's approach to H&S is based on three pillars: Behavioural safety, Safety improvement plans, and global standards targeting harmonised processes and systems.

Actions and progress are monitored through a formalised structure involving the Health, Safety and Environment (HSE) Council and the GLT. The HSE Council consists of HSE Managers from all production facilities and group functions. The HSE Managers represent work councils and local site management at the company's production sites. The Council plays a key role in identifying actions to mitigate risks and monitoring progress on H&S across NKT. Implementation of actions and policies rests with local management at each production site.

NKT's H&S workplace management system covers the entire workforce, with 75% of production sites certified to ISO-45001 in 2025.

Key actions

S1-4

NKT will continue to prioritise a healthy and safe workplace for all employees. While NKT has seen progress during 2025, the company is still not where it aims to be regarding safety incidents and remains committed to improving the safety culture. This commitment is demonstrated by some of the activities recently carried out under each of the three H&S pillars:

- Safety improvement plans** All production sites developed safety improvement plans in 2025 and are currently implementing the identified actions. The safety improvement plans are outlining and targeting key actions to be carried out at each of NKT's production sites. In 2025, selected sites with high H&S risks were selected for in-depth assessments with external consultants, further identifying targeted actions and now being executed under the Safety Maturity Roadmap.
- Behavioural safety** SafeStart reached full rollout across all NKT sites in 2025, embedding a common safety mindset through workshops, online training, and daily "Rate your state" interactions between managers and employees. SafeStart targets behavioural safety, as human factors are often the main contributing factor to the company's recorded incidents and accidents.
- Global standards** Where relevant, NKT works with global standards. In 2025, the company launched a number of global standards for high-risk activities within operations, ensuring a harmonised approach across all business lines.

Performance

Health and safety metrics

S1-14

In 2025, NKT recorded a moderate improvement toward RWA target, reaching 5.45 compared to 5.95 in 2024. For the company's own employees, the RWA increased, moving from 5.24 in 2024 to 5.61 in 2025.

	Unit	2025	2024
Employees covered by health and safety management system	%	100%	100%
Fatalities among NKT's employees	Number	0	0
Fatalities of other workers working on NKT's sites	Number	0	0
Recordable work-related accidents	Number	62	52
Days lost	Number	1,269	979
RWA for NKT's employees	Accidents per million work hours	5.62	5.24
RWA for NKT's Group target	Accidents per million work hours	5.45	5.95

Accounting policy

Coverage of health and safety management system

The coverage of NKT's health and safety management system is calculated by dividing the total head count of employees covered by NKT's health and safety management system by the head count of employees in NKT.

Fatalities

Fatalities are the number of NKT's employees and other workers working on NKT's sites who lost their lives as a result of a work-related incident or work-related ill health. Fatalities are included in the rate of recordable accidents.

Recordable work-related incidents

The total recordable work-related incidents include any incidents which resulted in medical treatment, reduced work, lost time, or fatalities as reported in NKT's incident management system.

Rate of recordable work-related accidents

The calculation of the RWA for own workforce is based on number of work hours derived partly from payroll information and partly from estimates using the contractual hours.

The RWA is calculated by dividing the number of recordable accidents for NKT's workforce multiplied by 1,000,000 by the total number of hours worked by NKT's workforce.

The RWA for NKT's group target is calculated using the methodology described above, including accidents and hours worked by non-employees.

Lost days

The number of days lost to work-related injuries are the total number of calendar days of absence due to work-related injuries and fatalities from work-related accidents in NKT's own workforce, including the first and last full day of absence.

The number of days lost due to fatalities will be assessed individually, considering the circumstances leading up to each fatality.



Engaging suppliers on social aspects

SBM-3

-  Negative impact
-  Positive impact
-  Financial risk
-  Financial opportunity

Upstream

-  Health and safety for workers in the supply chain
-  Indigenous people
-  Community rights



Own operations



Downstream



Workers in the value chain

-  **Health and safety for workers in the supply chain**
Impact on health and safety of value chain workers
 Workers in NKT's value chain face significant health and safety risks in the mining, smelting, and refining of metals.
 Actual negative impact. Time horizon: all.

Affected communities

-  **Community rights**
Communities affected by mining activities
 Mining affects communities by reducing water availability, displacing people, and causing land impacts.
 Actual negative impact. Time horizon: all.
-  **Indigenous people**
Rights of indigenous people
 Mining activities in indigenous regions cause environmental conflicts with local communities.
 Actual negative impact. Time horizon: all.

→ To read more about the material sustainability matters, see: DMA results on page 63.

Engaging suppliers on social aspects

S2, S3 (summarised version as per BP-2.17)

NKT recognises the complexities within its supply chain, particularly regarding the procurement of materials often sourced from countries where social issues, such as human rights, are under pressure. This creates a risk of NKT potentially being complicit in human rights violations. The company acknowledges the need to address and manage these risks to support a just transition to net zero.

NKT's upstream value chain includes both mining and heavy industrial processes before materials reach its production facilities. These activities pose inherent risks to the health and safety of workers throughout the value chain.

NKT's approach

NKT manages impacts from upstream business partners through supplier engagement and due diligence. This is fundamental to producing cable systems that support a just electrification.

These impacts are addressed through the company's due diligence framework. Expectations for suppliers to mitigate social risks are communicated via the NKT Procurement Sustainability Policy, the NKT Human Rights Policy, and the NKT Supplier Code of Conduct. These policies cover compliance with relevant legislation, human rights, fundamental labour rights, and the rights of indigenous communities.

During 2025, NKT entered into an international responsible business agreement with the Social and Economic Council of the Netherlands to advance International Responsible

Business Conduct (IRBC). Through its participation, NKT reinforces its commitment to addressing human rights and environmental impacts across the value chain. Further actions undertaken in 2025 targeting NKT's engagement with suppliers on social impact can be found in the section on supplier management. For more information:

- Supplier management
- Human Rights Policy
- Procurement Sustainability Policy

NKT has not established specific targets or metrics to track the progress on these impacts as they are an integrated part of the company due diligence process. While NKT acknowledges the importance of the material topics, the effectiveness of the existing due diligence policies and processes is monitored through ongoing activities within the existing process.



Governance information

- 108 Business conduct
- 109 Ethical business conduct
- 111 Supplier management



Business conduct

SBM-3

-  Negative impact
-  Positive impact
-  Financial risk
-  Financial opportunity

Upstream

-  Supplier corruption and bribery



Own operations

-  Ethical business conduct



Downstream



Business conduct

<ul style="list-style-type: none">  Ethical business conduct 	<p>Potential corruption and bribery NKT operates across diverse legal and regulatory landscapes, creating a complex compliance environment, particularly regarding anti-corruption laws. Non-compliant activities, such as corruption or bribery incidents, constitute a financial risk to NKT's continued operations. Time horizon: all.</p>
<ul style="list-style-type: none">  Supplier corruption and bribery 	<p>Supplier management, including corruption A significant proportion of NKT's suppliers are based in Europe, which reduces the inherent risk of corruption and bribery. However, NKT also procures input materials and engages in business relationships across diverse geographies and sectors, some of which are located in regions with a considerable risk of corruption. Time horizon: all.</p>

→ To read more about the material sustainability matters, see: DMA results on page 63.

Ethical business conduct

At NKT, ethical business is fundamental to how operations are conducted and how stakeholders are engaged. A strong commitment to integrity, transparency and accountability applies across all aspects of the company's activities. This approach is anchored in international standards and regulations and reflects NKT's responsibility to uphold trust in the markets that it serves.

NKT's approach

G1-1, G1-3, G1-4

NKT's governance framework ensures that ethical conduct is embedded in decision-making and daily operations. The NKT Compliance Programme covers adherence to policies, regulatory requirements, and best practices, and is supported by internal compliance reviews conducted during the year.

NKT's Code of Conduct remains the cornerstone of the company's ethical standards. It sets clear expectations for employees and business partners regarding integrity, responsible business practices, and compliance with applicable laws and regulations. The Code is complemented by targeted policies

and training initiatives to ensure understanding and application across the company.

In 2025, NKT introduced a new Anti-Bribery and Anti-Corruption Policy, strengthening its zero-tolerance approach to bribery and corruption. The policy focuses on high anti-corruption risks, clarifies roles and responsibilities across the organisation, and strengthens controls around interactions with public officials and third-party engagements.

NKT maintains a proactive stance against corruption through:

Due diligence procedures

- All relevant business partners are screened for compliance risks, including bribery, corruption, and sanctions.
- Enhanced due diligence on agents and distributors and other high-risk business partners.
- Ongoing monitoring of medium and high-risk business parties.

Written policies and guidelines

- The Code of Conduct defines zero tolerance on bribery and corrupt practices.
- The Anti-Corruption and Anti-Bribery Policy includes definitions and real-life examples

to support employees' understanding.

Training and awareness

- All white-collar employees undergo mandatory onboarding of the Code of Conduct e-learning and an annual recertification thereafter.
- Employees in high-risk functions such as Sales, Procurement, and Senior Management, receive additional online and/or in-person scenario-based training on anti-bribery and anti-corruption measures.
- The Code of Conduct and all other compliance policies and guidelines are published on the company's intranet where they are easily accessible to employees and regular awareness campaigns are undertaken during the year.

Internal controls

- Segregation of duties and approval workflows to control transactions and reduce the risk of corruption and fraud.
- Reporting of gifts and entertainment to/from public officials.

- Regular spot checks to monitor compliance with screening and reporting requirements.

NKT's commitment and approach to corruption and anti-bribery is outlined in the Anti-Bribery and Anti-Corruption Policy.

→ Anti-Bribery and Anti-Corruption Policy

NKT Whistleblower Hotline

NKT actively promotes a speak-up culture through dedicated training, awareness initiatives, and an accessible Whistleblower Hotline. Awareness of the Whistleblower Hotline is monitored through the annual VOICE survey, where rising awareness and the increasing number of reports (see page 102) indicate that employees consider the channel effective. The Hotline provides employees and business partners with a secure channel to report concerns anonymously and in multiple languages. Communication about these efforts is integrated into onboarding, the company intranet, and supplier agreements. Together, they form part of the Anti-Corruption and Anti-Bribery Policy and the Code of Conduct, and cover all matters, sustainability related or

not, that may give rise to concerns among the company's employees or business partners.

When a whistleblower concern is received, or if a bribery/corruption concern is received outside of the Whistleblower Hotline, investigations are conducted by the Compliance Function, and where necessary, relevant internal or external stakeholders are engaged to ensure impartiality. The outcome of investigations and corrective actions are presented to the Compliance Board and the Audit Committee of the Board of Directors, duly anonymised. NKT regularly reviews its procedures to ensure continuous improvement and alignment with best practices.

NKT has a strict non-retaliation policy, ensuring no individual faces retaliation for raising concerns or reporting misconduct in good faith. Retaliation includes adverse actions such as termination, demotion, disciplinary sanctions, changes in assignments, wages, working hours, negative performance evaluations, or public badmouthing.



Key actions

During 2025, NKT implemented the following actions to strengthen its performance around corruption and ethical business conduct:

- Introduced the new Anti-Bribery and Anti-Corruption Policy.
- Conducted internal compliance reviews to assess adherence to the Compliance Programme.
- Conducted tailored training on ethical conduct and anti-corruption to employees in high-risk functions and jurisdictions.

Target

NKT has not established a target for business conduct, as responsible behaviour is an ongoing part of the company's governance and compliance processes. Effectiveness is monitored through established metrics, such as Code of Conduct training completion rates and other compliance indicators, which are tracked on an ongoing basis to ensure high levels of awareness and adherence across the workforce. As these activities are continuous and not linked to a defined base year, no time-bound target has been set.

Performance data

In 2025, NKT migrated its learning management system, which led to a decrease in the training coverage percentage of its functions-at-risk. NKT furthermore maintained 0 convictions for violation of anti-corruption and anti-bribery laws.

Code of Conduct training

G1-3

	At-risk functions	
	2025	2024
Training coverage		
Total no. of employees	3,131	2,958
Total receiving training	2,614	2,703
Training coverage percentage	83%	91%
Frequency		
How often training is required	Annually	Annually

Corruption and bribery metrics

G1-4

	Unit	2025	2024
Number of convictions for violation of anti-corruption and anti-bribery laws		0	0
Amount of fines for violation of anti-corruption and anti-bribery laws	EURm	0	0

Accounting policy

Training percentage

The number of employees in functions-at-risk and the number of valid certificates related to the Code of Conduct training were derived from the NKT Learning Portal.

The coverage of the Code of Conduct training is calculated by dividing the valid certificates as of the last day of the reporting period by the total number of employees in functions-at-risk, which is defined as all white-collar employees at NKT.

Number of convictions and fines

Information regarding convictions and fines related to violations of anti-corruption and anti-bribery laws is supplied by NKT's Compliance department.

Supplier management

NKT is committed to ensuring responsible business practices throughout its supply chain by implementing robust supplier due diligence processes. This approach helps the company identify, assess, and mitigate environmental, social, and governance risks, fostering transparency and sustainable partnerships.

NKT's approach

G1-2, G1-4

At NKT, responsible sourcing is a fundamental pillar of the company's procurement strategy and sustainability agenda. NKT is committed to upholding the highest standards of ethical conduct by actively integrating social, environmental, and human rights considerations into its operations and supply chains.

NKT's commitments and approach to the company's supplier is outlined in the Procurement Sustainability Policy:

[→ Procurement Sustainability Policy](#)

Supplier due diligence

NKT's approach to sustainability due diligence follows the OECD Six-Step Framework for Responsible Business Conduct, ensuring that its procurement decisions are informed, transparent, and aligned with international best practices. NKT operationalises this approach through the following steps:

Step 1: Embedding responsible conduct in policies and systems

NKT embeds sustainability and ethical sourcing principles within the NKT Procurement Sustainability Policy, the NKT Supplier Code of Conduct, and internal procurement

processes. The Procurement Leadership team acts as first approver for supply chain due diligence activities, while the CEO has overall responsibility.

The NKT Supplier Code of Conduct defines the principles and expectations the company sets for its suppliers. Specifically, the Supplier Code of Conduct has the following requirements related to NKT's material IROs:

- **Environmental requirements:** Suppliers must manage any negative environmental impacts in line with the mitigation hierarchy and international best practise.

NKT due diligence process

05

Communication
 Annual report, client meetings, and supplier engagement forums

02

Identifying and assessing adverse impacts
 Sustainability risk assessment methodology



06

Remediation
 NKT Whistleblower Hotline

01

Embed responsible practices into internal process
 Procurement Sustainability Policy, Supplier Code of Conduct, Human Rights Policy



04

Tracking and verification
 Defined KPI's for suppliers and internal processes

03

Preventing and mitigating adverse impacts
 Mitigation strategies and different risk level of suppliers

This covers specifically requirements for actions to reduce carbon emissions, prevent the pollution of water and air, to ensure no harm to protected biodiversity areas or irreversible ecosystem damage, as well as responsible management of waste and hazardous materials.

- **Social requirements:** Suppliers must protect human rights, among others by preventing forced and child labour in line with local and international law and ILO Conventions. They must ensure fair wages, freedom of association, and safeguard workers from discrimination and harassment. Suppliers are required to provide safe working conditions and manage all occupational health and safety risks according to international best practice and legal requirements. Additionally, they must avoid negative impacts on Indigenous peoples.
- **Governance requirements:** NKT maintains a zero-tolerance policy on corruption and bribery and the Supplier Code of Conduct upholds strict business integrity by prohibiting bribery, corruption, and extortion.

Through adherence to these standards, NKT aims to promote sustainable development, safeguard the well being of people and the planet, and generate long term value for all stakeholders.

NKT's suppliers undergo due diligence and fulfil the requirements in the NKT Procurement Sustainability Policy and the NKT Supplier Code of Conduct before being awarded a contract. Regular trainings are provided to procurement teams on the process and information is shared with suppliers via the supplier portal and meetings.

Step 2: Identifying and assessing adverse impacts

NKT follows a comprehensive multi-tiered risk assessment that combines:

- Sanctions risks: Evaluating suppliers against global sanctions list using external tools.
- Reputational and legal risk reviews: Conducting analysis for suppliers in high and medium risk countries against any reputational cases, legal cases, corruption, or ethical risks.

- Supplier level reviews: Suppliers with high business impact, such as related to raw materials categories, undergo detailed risk assessment through defined methodology and against sustainability risks such as human rights, labour rights, and environmental risks.

This structured risk assessment enables prioritisation of suppliers and materials that require broader due diligence.

NKT takes conscious steps and actions to enhance traceability and transparency in its supply chain through supplier engagement and industry collaborations.

Step 3: Preventing and mitigating adverse impacts

High risk suppliers are required to undergo due diligence process and qualification steps with requirements related to self-assessments and relevant certifications. Medium risk and low risk suppliers are monitored through relevant assessments, through regular meetings on identified risks, and identified mitigating actions.

NKT emphasises partnership and collaboration, and aims to support suppliers in strengthening their sustainability performance and reducing their environmental footprint.

Step 4: Tracking progress and verification

NKT monitors progress through different sustainability data analytics and internal key performance indicators by consolidating data on suppliers' onboarding, registrations, adherence to Supplier Code of Conduct, risk assessment results, and qualification process. NKT also regularly monitors the supplier performance through analysis of self-assessments, certifications such as ISOs, due diligence supporting certifications such as Copper Mark, Aluminum Stewardship Initiative (ASI), and corrective actions.

This data-driven approach allows NKT to measure real impact and continuously improve its responsible sourcing framework.

Step 5: Communication

NKT shares its due diligence processes and progress through its Annual Report, customer briefings, and supplier engagement forums.

Externally, the company communicates its commitment to ethical procurement through participation in industry sustainability platforms and partnerships promoting responsible supply chains such as the UNGC.

Step 6: Remediation

NKT is committed to ensuring its suppliers and supply chain partners have access to grievance and remedy. This is part of the NKT Whistleblower Hotline.

➔ Whistleblower Hotline

Supplier engagement

The NKT Supplier Engagement Programme aims to build and maintain strong relationships with strategic suppliers through collaboration and continuous engagements on relevant topics. NKT focuses on working with strategic and high risk suppliers on supply chain risk to achieve production and sustainability goals.

The suppliers with high risk are encouraged to mitigate identified and potential risks in their supply chain by promoting working with globally recognised standards such as Copper Mark.

Key actions

- NKT launched its Supplier Code of Conduct in 2025, which, going forward will define the principles and expectations it set for its suppliers, including zero-tolerance for corruption and bribery, respect for internationally recognised human rights, fair labour practices, and proactive identification and mitigation of environmental risks.
- NKT strengthened its onboarding process for suppliers across all business lines and categories with more risk reviews related to environment and social sustainability, corruption, bribery, sanctions, and operational risks.
- NKT conducted detailed risk assessments in its prioritised categories using specific risk criteria and collaborated with suppliers on mitigation actions, self-assessment questionnaires, and certifications.

06

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Consolidated financial statements

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Income statement

1 January – 31 December

EURm	Note	2025	2024
Revenue	2.1	3,565	3,252
Costs of raw materials, consumables, and goods for resale		-2,383	-2,215
Staff costs	2.2/2.3	-482	-393
Other costs	2.4	-319	-310
Other operating income		9	9
Earnings before interest, tax, depreciation, and amortisation (EBITDA)		390	343
Depreciation and impairment of property, plant, and equipment	3.2	-106	-82
Amortisation and impairment of intangible assets	3.1	-27	-21
Earnings before interest and tax (EBIT)		257	240
Financial income	5.5	69	49
Financial expenses	5.5	-32	-15
Earnings before tax (EBT)		294	274
Tax	2.5	-19	-38
Net result - continuing operations		275	236
Net result - discontinued operations	6.2	0	101
Net result		275	337
<i>To be distributed as follows:</i>			
Equity holders of NKT A/S		264	326
Hybrid capital holders of NKT A/S		11	11
Net result		275	337
Basic earnings - continuing operations, EUR, per share (EPS)		4.9	4.2
Diluted earnings - continuing operations, EUR, per share (EPS-D)		4.9	4.2
Basic earnings, EUR, per share (EPS)		4.9	6.1
Diluted earnings, EUR, per share (EPS-D)		4.9	6.1

The Board of Directors proposes a dividend for the year of DKK 0 per share (DKK 0 per share in 2024) for approval at the Annual General Meeting.

Statement of comprehensive income

1 January – 31 December

EURm	2025	2024
Net result	275	337
Other comprehensive income		
<i>Items that may be reclassified to income statement:</i>		
Foreign exchange adjustment, foreign companies	49	-22
Reclassification to Other comprehensive income on disposal of NKT Photonics	0	-1
Cash flow hedges:		
Value adjustment	209	118
Transferred to revenue	-24	6
Tax on cash flow hedges	-49	-32
Cost of hedging:		
Value adjustment	-25	-8
Transferred to profit or loss	10	2
Tax on cost of hedging	5	1
<i>Items that may not be reclassified to income statement:</i>		
Actuarial gains/losses on defined benefit pension plans	4	-3
Tax on actuarial gains/losses	-1	1
Total Other comprehensive income	178	62
Comprehensive income	453	399
<i>To be distributed as follows:</i>		
Equity holders of NKT A/S	442	388
Hybrid capital holders of NKT A/S	11	11
Comprehensive income	453	399

Balance sheet

31 December

EURm	Note	2025	2024
Assets			
Goodwill	3.1	428	405
Other intangible assets	3.1	270	241
Property, plant, and equipment	3.2	2,163	1,464
Derivative financial instruments	5.6/5.7	38	39
Investments in associated companies		8	8
Other investments and receivables		2	5
Deferred tax	2.5	59	21
Total non-current assets		2,968	2,183
Inventories	4.2	439	424
Trade receivables	4.3	349	256
Other receivables		198	167
Derivative financial instruments	5.6/5.7	122	131
Contract assets	4.5	249	143
Income tax receivable		56	37
Cash and cash equivalents	5.4	1,214	1,518
Total current assets		2,627	2,676
Total assets		5,595	4,859

EURm	Note	2025	2024
Equity and liabilities			
Share capital	5.1	144	144
Reserves		56	-17
Retained earnings		1,838	1,571
Equity attributable to equity holders of NKT A/S		2,038	1,698
Hybrid capital	5.3	155	155
Total equity		2,193	1,853
Deferred tax	2.5	54	34
Pension liabilities	3.6	36	42
Provisions	3.5	40	35
Borrowings	5.4	125	140
Lease liabilities	5.4	104	81
Contract liabilities	4.5	1,057	1,016
Derivative financial instruments	5.6/5.7	11	51
Total non-current liabilities		1,427	1,399
Borrowings	5.4	7	6
Lease liabilities	5.4	15	11
Trade payables	4.4	554	534
Other liabilities	5.4	276	291
Derivative financial instruments	5.6/5.7	57	51
Contract liabilities	4.5	948	626
Income tax payable		82	60
Provisions	3.5	36	28
Total current liabilities		1,975	1,607
Total liabilities		3,402	3,006
Total equity and liabilities		5,595	4,859

Cash flow statement

1 January – 31 December

EURm	Note	2025	2024
Earnings before interest, tax, depreciation, and amortisation (EBITDA)		390	343
<i>Non-cash operating items:</i>			
Change in provisions, gain and loss on sale of assets, etc.		-2	8
Changes in working capital	4.1	160	711
Cash flow from operations before financial items, etc.		548	1,062
Financial income received		26	45
Financial expenses paid		-7	-30
Income tax paid		-68	-38
Cash flow from operating activities from continuing operations		499	1,039
Acquisition of subsidiaries	6.1	0	-144
Investments in property, plant, and equipment		-695	-463
Intangible assets and other investments		-48	-32
Cash flow from investing activities from continuing operations		-743	-639
Free cash flow from continuing operations		-244	400

EURm	Note	2025	2024
Changes in loans	5.4	-15	-8
Repayment of lease liabilities	5.4	-12	-6
Purchase of treasury shares		-20	-2
Coupon payments on hybrid capital	5.3	-11	-11
Cash flow from financing activities		-58	-27
Net cash flow from continuing operations		-302	373
Net cash flow from discontinued operations	6.2	0	248
Net cash flow		-302	621
Cash and cash equivalents, 1 January		1,518	890
Currency adjustments		-2	7
Net cash flow		-302	621
Cash and cash equivalents, 31 December		1,214	1,518

The above cannot be derived directly from the income statement and the balance sheet.

Statement of changes in equity

1 January – 31 December

EURm	Share capital	Treasury shares	Foreign exchange reserve	Cash flow hedge reserve	Cost of hedging reserve	Retained earnings	Total	Hybrid capital	Total equity
Equity, 1 January 2025	144	-3	-79	75	-10	1,571	1,698	155	1,853
<i>Other comprehensive income:</i>									
Currency translation adjustments regarding foreign entities			49				49		49
Value adjustment of hedging instruments:									
Value adjustment				209	-25		184		184
Transferred to revenue				-24	10		-14		-14
Actuarial gains/losses on defined benefit pension plans						4	4		4
Tax on Other comprehensive income				-49	5	-1	-45		-45
Total Other comprehensive income	0	0	49	136	-10	3	178	0	178
Net result						264	264	11	275
Comprehensive income	0	0	49	136	-10	267	442	11	453
Deferred hedge gains and losses transferred to inventories, net of tax				-87	2		-85		-85
<i>Transactions with owners:</i>									
Purchase of treasury shares		-20					-20		-20
Transfer of performance shares		3				-3	0		0
Share-based payment						3	3		3
Coupon payments, hybrid capital							0	-11	-11
Total transactions with owners	0	-17	0	0	0	0	-17	-11	-28
Equity, 31 December 2025	144	-20	-30	124	-18	1,838	2,038	155	2,193

Statement of changes in equity

1 January – 31 December

EURm	Share capital	Treasury shares	Foreign exchange reserve	Cash flow hedge reserve	Cost of hedging reserve	Retained earnings	Total	Hybrid capital	Total equity
Equity, 1 January 2024	144	-4	-56	89	0	1,247	1,420	155	1,575
<i>Other comprehensive income:</i>									
Currency translation adjustments regarding foreign entities			-22				-22		-22
Reclassification to Other comprehensive income on disposal of NKT Photonics			-1				-1		-1
Value adjustment of hedging instruments:									
Value adjustment				118	-8		110		110
Transferred to revenue				6	2		8		8
Actuarial gains/losses on defined benefit pension plans						-3	-3		-3
Tax on Other comprehensive income				-32	1	1	-30		-30
Total Other comprehensive income	0	0	-23	92	-5	-2	62	0	62
Net result						326	326	11	337
Comprehensive income	0	0	-23	92	-5	324	388	11	399
Deferred hedge gains and losses transferred to inventories, net of tax				-106	-5		-111		-111
<i>Transactions with owners:</i>									
Purchase of treasury shares		-2					-2		-2
Transfer of performance shares		3				-3	0		0
Share-based payment						3	3		3
Coupon payments, hybrid capital							0	-11	-11
Total transactions with owners		1	0	0	0	0	1	-11	-10
Equity, 31 December 2024	144	-3	-79	75	-10	1,571	1,698	155	1,853

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! Significant estimates and judgements

Significant estimates and judgements made by Management are included in the notes to which they relate with the purpose to increase readability.

§ Accounting policy

Accounting policies are included in the notes to which they relate in order to facilitate understanding of the contents and the accounting treatment applied. Accounting policies not relating directly to individual notes are stated in note 1.1 Material Accounting Policy Information.

1. Basis of preparation

1.1 Material accounting policy information

Introduction

The 2025 Annual Report for NKT Group, comprising both the consolidated financial statements for NKT A/S and its subsidiaries (NKT Group), and the separate financial statements for the parent company, has been prepared in accordance with IFRS® Accounting Standards, as adopted by the EU and additional Danish disclosure requirements for annual reports for listed companies.

The Annual Report has been approved by the Board of Directors and Executive Management on 25 February 2026, and will be presented for approval by the shareholders at the Annual General Meeting on 25 March 2026.

Basis for preparation

The Annual Report is presented in EUR rounded to the nearest EUR 1,000,000. The Annual Report is prepared according to the historical cost principle with the exception that derivatives and financial instruments, classified as fair value through profit loss (FVTPL), are measured at fair value.

The accounting policies described below and in the individual sections have been applied consistently during the financial year and for the com-

parative figures. For standards implemented prospectively, the comparative figures have not been restated.

Principles of consolidation

The consolidated financial statements comprise the financial statements of the parent company (NKT A/S) and the individual subsidiaries' financial statements prepared according to NKT Group's accounting policies. Subsidiaries are fully consolidated from the date of acquisition, being the date on which NKT obtains control, until the date that such control ceases.

All intercompany balances, income and expenses, unrealised gains and losses, and dividends resulting from intercompany transactions are eliminated in full.

Foreign currency translation

Transactions in foreign currencies are initially recognised in the Group entities at their respective functional currency rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate at the reporting date. All adjustments are recognised in the income statement.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

The assets and liabilities of foreign subsidiaries are translated into EUR at the rate of exchange prevailing at the reporting date, and their income statements are translated at average exchange rates. Exchange rate adjustments arising on translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that operation is recognised in the income statement.

Alternative performance measures (APMs)

The consolidated financial statements include financial performance measures, key figures and financial ratios that are not defined according to IFRS Accounting Standards.

These measures are considered to provide valuable information to stakeholders and Management. Since other companies might calculate these

differently from NKT Group, they may not be comparable to the measures applied by NKT Group. These financial measures should therefore not be considered a replacement for performance measures as defined under IFRS Accounting Standards, but rather as supplementary information. Alternative performance measures, key figures and financial ratios are defined in note 7.5 Definitions in more detail and some are reconciled to IFRS measures in note 2.1 Segment information and revenue.

Reporting under the ESEF regulation

The Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) has introduced a single electronic reporting format for the annual financial statements of issuers with securities listed on the EU regulated markets.

The applied tagging by the Group has been prepared in accordance with the ESEF taxonomy included in the ESEF regulation and developed based on the IFRS taxonomy published by the IFRS Foundation. The Annual Report submitted to the Danish Financial Supervisory Authority consists of the XHTML document together with the

technical files included in the ZIP file nkt-2025-12-31-en.zip.

Presentation in the notes

Apart from the more general Accounting policy items presented to the left, specific accounting policies are included in the notes to which they relate in order to facilitate a better understanding of the contents and the accounting treatment applied.

1.2 Implementation of new and amended accounting standards and interpretations

New standards, interpretations, and amendments adopted by NKT Group

As of 1 January 2025, NKT Group adopted all relevant new or revised IFRS® Accounting Standards and IFRIC® Interpretations with effective date 1 January 2025 or earlier.

The new or revised standards and interpretations did not affect recognition and measurement materially nor did they result in any material changes to disclosures in the notes.

Apart from this, the Annual report is presented in accordance with the accounting policies applied in previous years' annual reports.

New standards, interpretations, and amendments not yet adopted by NKT Group

IASB has issued a number of new or amended accounting standards and interpretations, some of which are not yet endorsed by the EU, and which are not mandatory for reporting periods ending at 31 December 2025. The NKT Group expects to implement these new and amended standards when they become mandatory.

Apart from IFRS 18 Presentation and Disclosure in Financial Statements none of the standards and interpretations are expected to have a material impact on the NKT Group.

The group's assessment of the impact of IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027) is set out below.

IFRS 18 will replace IAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, it is expected to impact presentation and disclosure and in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

From the preliminary assessment performed, the following potential impacts have been identified:

- IFRS 18 introduces a defined structure for the statement of profit or loss. The structure is composed of categories and required subtotals. Items in the statement of profit or loss will need to be classified into one of five categories: operating, investing, financing, income taxes,

and discontinued operations. The main change regarding subtotals is the mandatory inclusion of 'Operating profit or loss'. Additional subtotals can be presented in the statement of profit or loss.

- The Group expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit will be calculated and reported compared to the current EBIT subtotal. From the impact assessment that the group has performed, the following items will potentially impact the new operating profit compared to the current EBIT:
 - Foreign exchange differences currently included in financial items will need to be disaggregated, with some foreign exchange gains or losses included in operating profit.
 - IFRS 18 has specific requirements on the category in which derivative gains or losses are recognised – which is the same category as the income and expenses affected by the risk that the derivative is used to manage. The group currently recognises some gains or losses in operating profit (currently EBIT) and others in financial items, and there might be a

change to where these gains or losses are recognised, and the group is currently evaluating the need for change.

- Share of profit from associated companies currently included in EBIT needs to be presented as part of the investing category below Operating profit.
- For management-defined performance measures it will be required to include new disclosures and reconciliations to IFRS specified subtotals.
- From a cash flow statement perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows. Furthermore, the cash flow statement will start with operating profit or loss instead of EBITDA.

The group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with IFRS 18.

1.3 Significant estimates and judgements

When preparing this Annual Report, Management has made a number of judgements in applying the accounting policies, which form the basis for the recognition and measurement of assets, liabilities, and disclosures provided. Further, Management provides significant estimates regarding future developments. These are regularly reassessed based on historical experience and other factors, which Management assesses to be reliable, but which, by their nature, are associated with uncertainty and unpredictability.

Significant estimates and judgements are predominantly applied in relation

to the recognition of revenue from construction contracts, assessing the value of contract assets and liabilities, and assessing the value of deferred tax assets. These assumptions may prove incomplete or incorrect, and unexpected events or circumstances may arise, but the assumptions are considered reasonable and reliable under the circumstances.

From Management's perspective, the following estimates and judgements are considered significant and the applied estimates and judgements are further described in the respective notes.

Presentation in the notes

A description of the significant judgements and estimates provided by Management are included in the respective notes to which they relate.

Note	Significant estimates and judgements	Estimate/ judgement	Impact assessment ¹
2.1 Segment information and revenue	Determine revenue recognition for projects (PoC)	Judgement and estimate	■■■■■
4.5 Contract assets and liabilities	Valuation of construction contracts	Estimate	■■■■■
2.5 Tax	Valuation of deferred tax assets	Judgement and estimate	■■■■■
7.3 Contingent liabilities	Determine recognition and measurement of obligations	Judgement and estimate	■■■■■
3.4 Impairment of assets	Determination of cash generating units	Judgement	■■■
3.5 Provisions	Determine likelihood and value of provisions	Judgement and estimate	■■■

¹ The numbers of boxes in the above assessment indicate the level of estimates and judgement applied, where five is the highest.

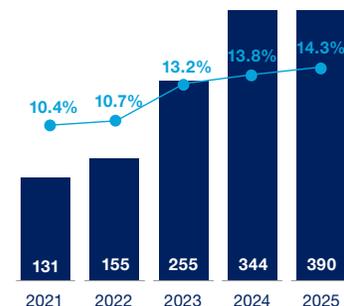
2. Profit for the year

The Group's businesses are managed in three operating segments: Solutions, Applications, and Service & Accessories. Selected financial data is presented on this basis.

Further, detailed in the sections below are the key amounts recognised when arriving at the Group's net results.

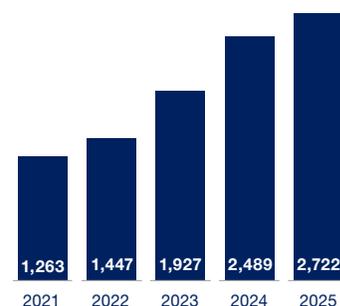
Operational EBITDA

EURm



Revenue* development

EURm



■ Operational EBITDA

■ Operational EBITDA margin (standard metal prices)

* Standard metal prices.

2.1 Segment information and revenue

EURm	Solutions	Applications	Service & Accessories	Non allocated	Intersegment transaction	Total NKT
2025						
Income statement						
Revenue	1,932	1,414	219	0	0	3,565
Intersegment revenue	17	35	98	0	-150	0
Revenue (market prices)	1,949	1,449	317	0	-150	3,565
<i>Adjustment of market prices to standard metal prices</i>	<i>-243</i>	<i>-607</i>	<i>0</i>	<i>0</i>	<i>7</i>	<i>-843</i>
Revenue (standard metal prices)¹⁾	1,706	842	317	0	-143	2,722
Costs of raw materials, consumables, and goods for resale	-1,296	-1,120	-114	-5	152	-2,383
Costs and other income, net (excluding one-off items)	-395	-240	-143	-12	-2	-792
Operational EBITDA¹⁾	258	89	60	-17	0	390
Depreciation, amortisation, and impairment	-89	-32	-10	-2	0	-133
Operational EBIT¹⁾	169	57	50	-19	0	257
Working capital^{1) 2)}	-1,587	102	29	-78	0	-1,534

Reconciliation to net result

Operational EBITDA

One-off items¹⁾

EBITDA

Depreciation, amortisation, and impairment

EBIT

Financial items, net

EBT

Tax

Net result - continuing operations

Net result - discontinued operations

Net result

390
0
390
-133
257
37
294
-19
275
0
275

¹⁾ Refer to note 7.5 Definitions, ²⁾ Refer to note 4.1 Changes in working capital in cash flow for a reconciliation.

2.1 Segment information and revenue – continued

EURm	Solutions	Applications	Service & Accessories	Non allocated	Intersegment transaction	Total NKT
2024						
Income statement						
Revenue	1,838	1,224	190	0	0	3,252
Intersegment revenue	-16	13	68	0	-65	0
Revenue (market prices)	1,822	1,237	258	0	-65	3,252
<i>Adjustment of market prices to standard metal prices</i>	<i>-224</i>	<i>-548</i>	<i>-1</i>	<i>0</i>	<i>10</i>	<i>-763</i>
Revenue (standard metal prices)¹⁾	1,598	689	257	0	-55	2,489
Costs of raw materials, consumables, and goods for resale	-1,206	-974	-114	10	69	-2,215
Costs and other income, net (excluding one-off items)	-364	-199	-119	-7	-4	-693
Operational EBITDA¹⁾	252	64	25	3	0	344
Depreciation, amortisation, and impairment	-71	-23	-6	-3	0	-103
Operational EBIT¹⁾	181	41	19	0	0	241
Working capital^{1) 2)}	-1,546	51	21	42	0	-1,432
Reconciliation to net result						
Operational EBITDA						344
One-off items ¹⁾						-1
EBITDA						343
Depreciation, amortisation, and impairment						-103
EBIT						240
Financial items, net						34
EBT						274
Tax						-38
Net result - continuing operations						236
Net result - discontinued operations						101
Net result						337

¹⁾ Refer to note 7.5 Definitions. ²⁾ Refer to note 4.1 Changes in working capital in cash flow for a reconciliation.

2.1 Segment information and revenue – continued

Geographical information

EURm	Revenue		Property, plant, and equipment and intangible assets	
	2025	2024	2025	2024
Denmark	123	124	88	26
Germany	1,020	906	434	363
Sweden	173	127	1,930	1,329
UK	628	448	18	19
Poland	289	295	29	24
USA	352	613	1	2
Norway	164	170	70	76
Czech Republic	72	72	100	96
France	202	71	0	0
Netherlands	88	75	6	8
Portugal	13	2	179	165
Other	441	349	6	2
Total	3,565	3,252	2,861	2,110

Intersegment transactions are performed on market terms. No customers comprised more than 10% of the Group's revenue in 2025 (one customer comprised more than 10% of the Group's total revenue amounting to 612m in 2024). The geographical disclosure of revenue is based on the country of delivery.

Revenue by type

EURm	Total NKT
2025	
Income statement	
Revenue goods ¹⁾	1,599
Revenue service, etc. ^{1) 2)}	43
Revenue construction contracts ²⁾	1,923
Revenue (market prices)	3,565
2024	
Income statement	
Revenue goods ¹⁾	1,371
Revenue service, etc. ^{1) 2)}	32
Revenue construction contracts ²⁾	1,849
Revenue (market prices)	3,252

¹⁾ Revenue recognised at a point in time.

²⁾ Revenue recognised over time.

§ Accounting policy

Segment information

The segment information is based on internal management reporting and is presented in accordance with the Group's accounting policies.

Segment income and expenses and segment working capital comprise those items that are directly attributable to the individual segment and those items that can be reliably allocated to it. Other items are shown as non-allocated.

The operating segments are generally referred to as business lines. The business lines consist of Solutions, Applications, and Service & Accessories. For further details please refer to the Business review section of each business line in the Management's review. The Board of Directors assesses the operating results of the business lines separately to enable decisions concerning allocation of resources and measurement of performance.

Revenue

Revenue from goods is recognised at a point in time while revenue from construction contracts and service contracts is recognised over time.

Other operating income comprises items of a non-ordinary nature relative to the operations of the Group, includ-

ing grant schemes, reimbursements, and gains on sale of non-current assets.

Costs of raw materials, consumables, and goods for resale refer to purchases and changes during the year in inventory levels, including shrinkage, waste production, and any write-downs for obsolescence.

Other costs comprise external costs relating to production, sale and administration, as well as losses on disposal of tangible and intangible assets. Write-downs of receivables from sales are also included.

Revenue from construction contracts with customers with a high degree of individual customisation and no alternative use, are recognised as revenue over time, provided that NKT Group has secured an enforceable right to payment for work performed at any time. The revenue therefore corresponds to the sales price of work performed during the year (the percentage-of-completion method). See note 4.5 Contract assets and liabilities for further information concerning construction contracts.

Revenue from sale of goods for resale and finished goods is recognised in the income statement when control of the goods has transferred to the

2.1 Segment information and revenue – continued

§ Accounting policy – continued

buyer, normally at delivery, and it is probable that the income will be received.

Revenue from services that include service packages and extended warranties relating to products and contracts is recognised over time with the supply of those services.

Revenue is measured at the fair value of the expected consideration excluding VAT and taxes charged on behalf of third parties. In determining the transaction price, revenue is reduced by probable penalties and other claims and discounts that are payments to the customers. The transaction price is further adjusted for any variable elements of the transaction price. The variable amount is estimated at contract inception and revisited throughout the contract period. Variable income is recognised as revenue when it is highly probable that a significant reversal will not occur.

Projects

Revenue from the sale of cable projects accounted for as construction contracts comprises sale of onshore and offshore highly customised cables in Solutions, and delivery of highly customised spare cables in Service.

Projects are usually significant in amount, have a long lead time affecting the financial statements of more reporting periods, and have a high degree of project management.

Each project is normally considered one performance obligation as each project comprises highly interrelated and interdependent physical assets and services, such as production, installation, and project management.

Cable projects are often sold as fixed price contracts and revenue from these are therefore recognised over time by applying the percentage of completion cost-to-cost method.

Payment terms of a cable project contract usually comprise the following payments:

- Prepayment from the customer at contract inception,
 - progress payments, linked to project milestones, and
 - final payment upon completion and customer acceptance.
- NKT Group will usually obtain payment guarantees to minimise counter party risk during the execution of cable projects.

Sale of products

Sale of products relates to the sale of smaller less customised cable projects, standardised cables, and equipment. Small cable projects with little or no customisation usually have a short lead time of less than one year. Each delivered product is considered one performance obligation. Most of the products are sold at a fixed price and revenue is recognised at the point in time when the control of the products transfers to the customers, usually upon delivery.

For standardised products, NKT Group is usually entitled to payment upon delivery, and payment terms vary by market but are usually between 0-60 days.

Service contracts

Service contracts comprise various service elements to support power cable efficiency and prevent or mitigate power cable failures and can include up to round-the-clock, 365 days/year support. Service delivered according to the contracts is considered as one performance obligation delivered over time. Revenue is accordingly recognised over the life of the contract using the the percentage of completion cost-to-cost method. NKT Group is either entitled to pay-

ment once the service has been provided or on a periodic basis.

Spare parts and other repair work contracts are determined as one performance obligation. The transaction price is usually variable, depending on the produced output, and revenue is recognised over time, using the cost-to-cost method. In case of significant uncertainties related to measuring the revenue reliably, revenue is recognised according to payments. NKT Group is entitled to payment once the work or spare parts are delivered.

Providing new highly customised spare cables is defined as one performance obligation. The transaction price is usually fixed and revenue is typically recognised over time using the percentage of completion cost-to-cost method.

The payment pattern for spare cables is similar to the pattern for cable projects described above and NKT Group will usually obtain payment guarantees to minimise the risk during the execution of the cable project.

¶ Significant estimates and judgements

Cable projects are to a certain degree measured based on management judgement in terms of when to recognise revenue and how to calculate the revenue in terms of percentage-of-completion and estimated profit on each project. The estimates include a risk provision, which is based on an assessment of the specific risks that each project is exposed to, as well as assessment of cost development over the project lifetime. The percentage of completion is based on costs incurred against estimated total project costs. Cost estimates include assessment of short and long term development of cost levels over the project lifetime. In essence, the total project costs are therefore to a large extent based on estimates.

Assumptions for the recognition of revenue over time regarding larger cable projects are determined contract by contract. Control is transferred as the project progresses, based on assumptions such as:

- Deliveries being approved on an ongoing basis,
- NKT Group's ability to provide products according to specification and the risk that the cable is rejected.

2.2 Staff costs

EURm	2025	2024
Wages and salaries	393	335
Social security costs	83	73
Defined contribution plans	20	19
Staff costs capitalised as assets	-14	-34
Total	482	393
Average number of full-time employees	6,154	5,409

EURk	2025	2024
Remuneration to Executive Management		
Salary	1,591	1,411
Short-term bonus	1,326	1,085
Pension	106	96
Long-term incentive programmes	489	962
Other benefits	144	120
Executive Management in total	3,656	3,674
Remuneration to Board of Directors	726	735
Total	4,382	4,409

Key management personnel consists of Executive Management which is the CEO and the CFO. Remuneration to Executive Management comprises fixed salary, short- and long-term incentive programmes and other customary benefits. Long-term incentive programmes consist of share-based payment programmes. The account-

ing for share-based payments is presented in detail in note 2.3 Share-based payment. For more information on the development, refer to the Remuneration Report available on NKT's website:

→ [Remuneration Report](#)

§ Accounting policy

Staff costs comprise wages and salaries, remuneration, pensions, etc., and share-based payment for NKT Group's employees, including Group Management. The Board of Directors does not receive share-based payment.

Wages and salaries, social security contributions, leave and sick leave, bonuses, and non-monetary benefits are recognised in the financial year in which services are rendered by the employee. When NKT provides long-term employee benefits, the costs are accrued to match the rendering of services.

Termination benefits are recognised when an agreement has been reached between NKT and the employee and no future service is rendered by the employee in exchange for the benefits.

2.3 Share-based payment

Long-term incentive programmes for Executive Management and Group Leadership Team

The decision to award performance shares to the Executive Management, the Group Leadership Team, and selected employees is made each year at the discretion of the Board of Directors after recommendation from the Remuneration Committee. The awarded shares represent a conditional right to receive shares after a three-year performance period at nil payment. The performance shares vest subject to continued employment and the achievement of certain performance targets over a three-year period.

For more information on the grant of performance shares, refer to the Group's Remuneration Report available on NKT's website.

In 2025, a new performance share programme was awarded to 26 participants (23 in 2024) with a vesting period of three years. All programmes contain two key performance targets, one relating to operational EBITDA, and one relating to Total Shareholder Return. The total market value at award date was EUR 3m (EUR 3m in 2024).

For the 2023 programme, both the Total Shareholder Return target and EBITDA target were met and 46,741 shares will vest in February 2026.

Costs relating to performance shares in 2025 was EUR 2m (EUR 3m in 2024).

Remaining value to be expensed relating to performance share programmes is EUR 3m (EUR 4m in 2024). The weighted average remaining contractual life of performance shares at the end of the period was 1.2 years (1.2 years in 2024).

Employee share programme

In 2025 an employee share programme was offered to all employees not participating in the performance share programmes. The programme offered employees the opportunity to acquire shares for up to 10% of their annual salary (investment shares). The purchase price for the shares was the average of the share price in the period 22 to 28 May 2025. For every two shares acquired by the employees, one share will be transferred to the employees after a three-year service period at nil payment (matching shares). 30,533 matching shares were granted and the total market value at the award date was EUR 2m (EUR 0m in 2024).

At 31 December 2025 30,122 matching shares were outstanding. Costs relating to the employee share programme in 2025 was EUR 0m (EUR 0m in 2024).

Assumptions

At grant date, the fair value of awarded shares has been calculated based on the number of awarded shares, the percentage of shares expected to vest, as well as the share price at grant date.

As dividends are not currently expected they have not been incorporated into the measurement of fair value.

Performance shares outstanding	Executive Management	Other employees	Total
1 January 2024	46,675	131,777	178,452
Shares granted	17,519	37,284	54,803
Shares vested and other movements	-8,642	-57,758	-66,400
31 December 2024	55,552	111,303	166,855
1 January 2025	55,552	111,303	166,855
Shares granted	22,432	42,725	65,157
Shares vested and other movements	-39,788	-52,622	-92,410
31 December 2025	38,196	101,406	139,602

§ Accounting policy

The share-based payments contain internal performance measures and external market return measures. At the grant date the value of services received in exchange for share-based payments are measured at the fair value. The fair value of share-based payments is estimated using a valuation model that takes into account the terms and conditions upon which granting took place. During the vesting

period, the costs related to the plans are recognised as staff costs and an equal amount is recognised in equity. For the internal performance targets, costs are recognised over the vesting period based on the number of shares expected to vest, whereas for the market return elements, costs are recognised over the vesting period disregarding any changes in the number of shares expected to vest.

2.4 Research and development

EURm	2025	2024
Research and development costs – staff costs	17	7
Research and development costs – other costs	36	36
Total research and development costs	53	43
<i>Recognised as follows:</i>		
Expensed in the income statement	16	11
Capitalised in the balance sheet	37	32
Total research and development costs	53	43

§ Accounting policy

Research costs are expensed in the income statement as they occur. Clearly defined and identifiable development projects are recognised as intangible assets provided that certain

requirements are met, refer to note 3.1 Intangible assets. Other development costs are expensed in the income statement as incurred.

2.5 Tax

EURm	2025	2024
<i>Tax recognised in the income statement:</i>		
Current tax	52	59
Current tax, adjustment prior years	1	-12
Deferred tax	-36	-20
Deferred tax, adjustment prior years	2	11
Total	19	38
Tax rate for the year	6%	14%
<i>Reconciliation of tax:</i>		
Calculated 22% tax on earnings before tax	65	60
<i>Tax effect of:</i>		
Foreign tax rates relative to Danish tax rate	-2	-4
Non-taxable income/non-deductible expenses, net	-7	0
Adjustment for prior years	3	-1
Value adjustment of tax assets	-40	-17
Total	19	38

EURm	2025	2024
Deferred tax, 1 January, net	-13	-24
Tax recognised in Other comprehensive income	-45	-31
Tax recognised on deferred hedge gains and losses transferred from equity to inventory	31	38
Addition from acquisitions	0	-6
Deferred tax recognised in the income statement	34	9
Foreign exchange adjustment	-2	1
Deferred tax, 31 December, net	5	-13
<i>Recognised deferred tax:</i>		
Deferred tax assets, 31 December	59	21
Deferred tax liabilities, 31 December	-54	-34
Deferred tax, 31 December, net	5	-13
<i>Specification on deferred tax assets and liabilities:</i>		
Intangible assets	-41	-40
Tangible assets	-32	-26
Other non-current assets	9	4
Current assets	-104	-50
Non-current liabilities	8	8
Current liabilities	5	8
Tax losses	186	155
Unrecognised tax assets	-23	-73
Other	-3	1
Deferred tax, 31 December, net	5	-13

Tax approach

NKT Group complies with the tax legislation of the countries in which it operates and seeks to pay the right amount of tax in the countries where it is applicable.

NKT Group only uses business structures that are driven by commercial consideration and have a genuine substance.

NKT Group does not operate in tax havens. In accordance with NKT Group's tax policy, any future operations in tax havens will be purely for commercial reasons.

NKT Group believes in collaboration and transparency regarding its tax matters and actively pursues opportunities to engage with tax authorities and other relevant stakeholders with the purpose of building trust through collaboration and openness.

NKT Group realised earnings before tax (EBT) of EUR 294m (EUR 274m in 2024), which resulted in a reported tax rate of 6% (14% in 2024).

The reported tax rate of 6% was primarily impacted by additional tax losses carried forward being capitalised in Germany and interest carried forward in Denmark not being capitalised.

OECD Pillar 2 had a limited impact on NKT Group in 2025 of around EUR 0m (around EUR 0m in 2024).

In 2025, NKT Group paid a net amount of EUR 68m in corporate income tax compared to paying a net amount of EUR 38m in 2024.

Earnings realised in NKT Group's Danish companies resulted a corporate tax payable of EUR 0m (Corporate receivable of EUR 4m in 2024).

The majority of the deferred tax assets relate to NKT Group's German tax unit. The business outlook and operational execution continued improving during 2025, which has led to further capitalisation of tax losses carried forward. The tax losses carried forward from the German tax unit increased from EUR 480m in 2024 to EUR 546m in 2025. The total deferred tax value amounts to EUR 164m. NKT Group has recognised a deferred tax asset of EUR 160m at year-end 2025 (EUR 87m in 2024). Tax losses in Germany have no expiry date.

NKT Group's Danish tax unit has generated tax losses carried forward in 2025. NKT Group has fully recognised a deferred tax asset of EUR 3m related to the tax losses carried forward. Further, NKT Group's Danish tax unit is subject to interest limitation in 2025. The deferred tax asset related

2.5 Tax – continued

to interest limitation is EUR 12m and has not been recognised.

NKT Group reported a net deferred tax asset of EUR 5m (a net deferred tax liability of EUR 13m in 2024). The development mainly relates to deferred tax liability related to hedge accounting recognised in other comprehensive income, the development of revenue recognition in Germany as well as recognition of deferred tax asset related to tax losses carried forward in Germany.

The measurement of deferred tax assets and liabilities is based on the corporate tax rate applicable in the years when the assets and liabilities are expected to be utilised. The measurement of the tax assets is based on budgets and estimates for the coming years, which by nature are subject to uncertainty. As a result, there can be a substantial difference between the expected use of the tax asset and actual use of the tax asset related to previous years in the consolidated income statement.

§ Accounting policy

Current income tax

Tax for the period, consists of the year's current tax, change in deferred tax, and adjustments related to previous years. Tax for the period is recognised in the income statement including the effect of coupon payments on the hybrid capital. Tax relating to other items is recognised in other comprehensive income.

Current tax payable and receivable is recognised in the balance sheet as tax estimated on taxable income for the year, adjusted for tax on taxable income for previous years, and for tax paid on account.

Deferred tax

Deferred tax is measured according to the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on taxable temporary differences relating to goodwill and on temporary differences arising on the initial recognition of an asset and liability which affects neither accounting profit nor taxable income

and does not result in a deductible and taxable temporary difference of the same amount. Where alternative taxation rules can be applied to determine the tax base, deferred tax is measured according to Group Management's planned use of the assets or settlement of the liabilities, respectively.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are recognised at their expected utilisation value within the foreseeable future.

Deferred tax assets and tax liabilities are offset if the company has a legal right to offset current tax assets and liabilities and intends to settle current tax assets and liabilities on a net basis or to realise the assets and liabilities simultaneously.

¶ Significant estimates and judgements

Management judgements and estimates regarding deferred tax assets

Deferred tax assets relating to tax losses carried forward are recognised when Management assesses that these can be utilised in the foreseeable future. The assessment of possible utilisation include significant estimates and judgements, and the assessment is based on budgets and business plans for the following years, including the development in revenues based on the high-voltage order backlog. Management considers a five-year horizon to be an appropriate and supportable definition of the foreseeable future for the purpose of tax accounting, i.e. for the assessment of the recoverability of deferred tax assets. This reflects NKT Group's long-term project cycles and the reliable visibility provided by the order backlog and production planning. The planning horizon does not go beyond five years, as forecast accuracy and reliability of estimates decline over longer periods. This judgement is reassessed annually and updated if changes in business conditions or market developments warrant a dif-

ferent conclusion. The assessment is performed at the reporting date considering local tax legislation and Management's business plans, and are only recognised if it is probable that future taxable profit will allow the deferred tax asset to be recovered.

3. Non-current assets and liabilities

NKT Group's investments in non-current assets form the basis of the Group's activities. Invested capital represents the Group's property, plant, and equipment and intangible assets.

Non-current assets are subject to impairment test either yearly or when a trigger event occurs.

3.1 Intangible assets

EURm	Goodwill	Trademarks, patents, and licences, etc.	IT software	Development projects completed	Intangible assets under development	Total Intangible assets
Cost, 1 January 2024	351	66	77	88	97	679
Additions	0	0	0	0	32	32
Additions through business combinations	66	37	2	0	0	105
Transferred between classes of assets	0	0	0	24	-24	0
Exchange rate adjustments	-12	-1	0	-2	-2	-17
Costs, 31 December 2024	405	102	79	110	103	799
Amortisation and impairment, 1 January 2024		-31	-53	-51	0	-135
Amortisation		-6	-7	-7	0	-20
Impairment		0	0	0	-1	-1
Exchange rate adjustments		1	1	0	1	3
Amortisation and impairment, 31 December 2024		-36	-59	-58	0	-153
Carrying amount, 31 December 2024	405	66	20	52	103	646
Cost, 1 January 2025	405	102	79	110	103	799
Additions	0	0	1	0	47	48
Transferred between classes of assets	0	0	4	3	-7	0
Exchange rate adjustments	23	4	1	4	4	36
Costs, 31 December 2025	428	106	85	117	147	883
Amortisation and impairment, 1 January 2025		-36	-59	-58	0	-153
Amortisation		-8	-7	-10	0	-25
Impairment		0	0	-2	0	-2
Exchange rate adjustments		-2	-1	-2	0	-5
Amortisation and impairment, 31 December 2025		-46	-67	-72	0	-185
Carrying amount, 31 December 2025	428	60	18	45	147	698

3.1 Intangible assets – continued

§ Accounting policy

Goodwill is initially recognised in the balance sheet at cost. Subsequently, goodwill is measured at cost less accumulated impairment losses and is not amortised.

The carrying amount of goodwill is allocated to NKT Group's cash-generating units at the acquisition date. Cash-generating units are based on the managerial structure and internal financial control. As a result of the integration of acquisitions in the existing NKT Group, and identification of operating segments based on the presence of segment managers, Group Management finds that the smallest cash-generating units to which the carrying amount of goodwill can be allocated during testing for impairment are identical to the operating segments.

Other intangible assets, which include IT software, trademarks, patents, and licences, are measured at cost less accumulated amortisation and impairment losses and are amortised on a straight-line basis over the remaining patent or contract period or the useful life, whichever is shorter.

Expected useful life is determined as follows:

Trademarks, patents, and licences, etc.	3 - 15 years
IT software	3 - 8 years
Completed development projects	2 - 8 years

Intangible assets under development consists of clearly defined and identifiable development projects where the following requirements are met: The technical feasibility, adequacy of resources, and a potential future market can be demonstrated, it is intended to manufacture, market or utilise the project, the cost can be reliably determined, and there is reasonable certainty that the future earnings or net selling prices can cover the carrying amount as well as the development costs necessary to finalise the project as incurred. Intangible assets under development are measured at cost less accumulated impairment losses. The cost includes wages, amortisation, and other costs relating to the Group's development activities. On completion the development work is transferred to Development projects completed or IT software.

3.2 Property, plant, and equipment

EURm	Land and buildings	Manufacturing plant and machinery	Fixtures, fittings, tools, and equipment	Property, plant, and equipment under construction	Total property, plant, and equipment
Cost, 1 January 2024	501	846	152	201	1,700
Additions	15	28	19	436	498
Additions through business combinations	14	0	34	5	53
Disposals	-2	-5	-3	0	-10
Transferred between classes of assets	10	35	25	-70	0
Exchange rate adjustments	-8	-9	-3	-7	-27
Cost, 31 December 2024	530	895	224	565	2,214
Depreciation and impairment, 1 January 2024	-124	-466	-96	0	-686
Depreciation	-18	-47	-17	0	-82
Disposals	2	5	3	0	10
Exchange rate adjustments	1	5	2	0	8
Depreciation and impairment, 31 December 2024	-139	-503	-108	0	-750
Carrying amount, 31 December 2024	391	392	116	565	1,464
Cost, 1 January 2025	530	895	224	565	2,214
Additions	35	21	35	649	740
Disposals	0	-7	-3	0	-10
Transferred between classes of assets	25	54	25	-104	0
Exchange rate adjustments	19	20	8	39	86
Cost, 31 December 2025	609	983	289	1,149	3,030
Depreciation and impairment, 1 January 2025	-139	-503	-108	0	-750
Depreciation	-23	-61	-22	0	-106
Disposals	0	6	3	0	9
Exchange rate adjustments	-1	-13	-6	0	-20
Depreciation and impairment, 31 December 2025	-163	-571	-133	0	-867
Carrying amount, 31 December 2025	446	412	156	1,149	2,163

§ Accounting policy

Property, plant, and equipment are measured at cost less accumulated depreciation and impairment losses.

The cost comprises the purchase price and any costs directly attributable to the acquisition. Borrowing costs directly attributable to assets under construction with a lengthy construction period are recognised in costs during the construction period. The cost of self-constructed assets comprises costs of materials, components, subcontractors, and wages. The cost is supplemented by the present value of estimated liabilities related to dismantling and removing the asset and restoring the site on which the asset was utilised.

Subsequent costs, e.g. relating to replacement of parts of an item of property, plant, and equipment, are recognised in the carrying amount of the asset if it is probable that the costs will result in future economic benefits for the Group. All other costs relating to ordinary repair and maintenance are recognised in the income statement as incurred.

Depreciation is done on a straight-line basis over the expected useful life of the assets, as follows:

Asset Class	Useful Life
Land	not depreciated
Buildings	10 – 50 years
Manufacturing plant and machinery	4 – 20 years
Fixtures, fittings, tools, and equipment	3 – 15 years
Vessel	20 years

If individual parts of an item of property, plant, and equipment have different useful lives, they are depreciated separately.

The basis of depreciation is calculated according to the residual value less impairment losses. The residual value is determined at the acquisition date and reviewed annually. If the residual value exceeds the carrying amount, depreciation is discontinued.

3.3 Leases

Right-of-use assets from leases included in property, plant, and equipment

EURm	Land and buildings	Manufacturing plant and machinery	Fixtures, fittings, tools, and equipment	Total property, plant, and equipment
Carrying amount, 1 January 2024	57	5	0	62
Additions through business combinations	12	0	0	12
Additions	3	20	0	23
Depreciation	-6	-1	0	-7
Exchange rate adjustments	-1	0	0	-1
Carrying amount, 31 December 2024	65	24	0	89
Carrying amount, 1 January 2025	65	24	0	89
Additions	22	1	12	35
Depreciation	-9	-2	-1	-12
Exchange rate adjustments	3	1	0	4
Carrying amount, 31 December 2025	81	24	11	116

Leases mainly consist of office buildings and production facilities. Lease additions in 2024 and 2025 are driven by the general increase in activity and investment in production capacity.

NKT has entered into a number of lease agreements that are not recognised as right-of-use assets due to the low-value or the short-term nature of the asset. The table below shows the total expense of low-value and short-term leases, together with the interest expense of lease debt. For specification of contractual maturity of lease liabilities refer to note 5.4 Net interest-bearing debt.

Amounts expensed in the income statement and total cash outflow

EURm	2025	2024
Interest expense on lease liabilities	4	0
Expenses for low-value assets and short-term leases	22	15
Cash outflow regarding lease liabilities	12	9

§ Accounting policy

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. Assets and liabilities arising from a lease are initially measured at present value. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable,
- Variable lease payment that are based on an index or a rate,

- Amounts expected to be payable by the lessee under residual value guarantees,
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. Right-of-use assets are measured at cost, comprising the following:

- The amount of the initial measurement of lease liability,
- Any lease payments made at or before the commencement date less any lease incentives received,
- Any initial direct costs, and
- Restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases have a lease term of 12 months or less. Low-value assets comprise e.g. IT equipment and small items of office furniture.

3.4 Impairment test

Result of the annual impairment test

During 2025, goodwill was tested for impairment. The impairment test did not identify any impairment (none in 2024).

Goodwill has been allocated to the cash-generating units according to the split presented below. In 2025, no additions were recorded to goodwill. Changes compared to 2024 are solely driven by currency changes. The carrying amount of goodwill was:

EURm	2025	2024
Solutions	306	289
Applications	75	72
Service & Accessories	47	44
Goodwill, 31 December	428	405

Cash-generating units

Cash-generating units identified in NKT Group are identical to the reporting segments, being Solutions, Applications, and Service & Accessories. These are considered to be the lowest level of cash-generating units as defined by Management.

The definition of cash-generating units is based on the smallest identifiable group of assets that together generate

cash inflows from continued use and which are independent of the cash flows from other assets or groups of assets.

The definition of cash-generating units aligns with the managerial structure and the internal financial reporting in NKT Group. For impairment test purposes, tangible assets and intangible assets are allocated to the respective cash-generating units.

Key assumptions

The recoverable amount of goodwill is based on a value-in-use calculation. For all cash-generating units, the calculation uses cash flow projections based on the financial budget for 2026 and financial forecasts for 2027–2030, hence a 5-year budget period. Key assumptions in these estimates are revenue growth, gross profits, conversion ratios, and future capital expenditures.

The discount rate before tax has been revised for each cash-generating unit to reflect the latest market assumptions for the risk-free rate based on a 10-year German government bond, the equity risk premium, and the cost of debt.

The long-term growth rate for the terminal period is based on the expected growth in the world economy as well as long-term development for the industries and markets in which the cash-generating units operate.

Group Management determines the expected annual growth rate in the budget period and in the terminal period based on historical experience and the assumptions about expected market developments.

Solutions

No reasonably possible change in assumptions could lead to an impairment in Solutions.

In 2025, Solutions was awarded high-voltage projects with a combined value of EUR 1.2bn, resulting in a high-voltage order backlog of EUR 10.2bn at the end of the year. The order backlog is therefore reduced slightly, as the order intake was less than the order execution of 1.9bn, however still maintained at a high level. NKT remains firmly entrenched as a key supplier of high-voltage DC technology, and will play a key role in enabling the transition to renewable energy, especially across Europe. The need for more modern and interconnected power grids, capable of meeting structurally higher demand for electricity, continues to be a key growth driver for Solutions. The investment programme has progressed

according to schedule and the expected timeline until the new capacity is operational remains unchanged and the new assets will be operational from 2027.

NKT anticipates that its average addressable high-voltage market in the period 2024–2030 will exceed EUR 10bn per year. Assessing future awards to NKT is by nature subject to uncertainty, and the value-in-use calculation of the Solution cash-generating unit is sensitive to changes in the actual share of projects awarded to NKT. However, the high-voltage order backlog at end-2025 provides higher certainty regarding future revenue and earnings.

Applications

No reasonably possible change in assumptions could lead to an impairment in Applications.

The Applications business line is also positively affected by the power and grid modernisation and extensions that drives growth in Solutions and Service & Accessories.

In 2025, the market development varied across segments and geographies. The medium voltage power cables segment remained robust, due to increased demand in the market, but building wires and 1kV power cables remained subdued in 2025. As a result, Applications reported 11% organic growth in 2025, following the completed expansions, in Sweden and Czech Republic in Q1 2025.

	2025			2024		
	Budget period		Terminal period	Budget period		Terminal period
	Average revenue growth rate	Discount rate before tax	Growth rate	Average revenue growth rate	Discount rate before tax	Growth rate
Solutions	10%	12%	2%	10%	12%	2%
Applications	6%	11%	2%	10%	11%	2%
Service & Accessories	8%	12%	2%	9%	12%	2%

3.4 Impairment test – continued

Service & Accessories

No reasonably possible change in assumptions could lead to an impairment in Service & Accessories.

Power cable services and accessories are crucial aspects of the power cable value chain. The Service & Accessories business line is to a large degree dependent on the same market drivers as Solutions. Power grid modernisation and extensions and growth in the installation of high-voltage power cable systems, as well as ageing infrastructure, are expected to drive demand for Service. In Accessories, the transition to renewable energy and the continued electrification of societies are driving strong demand for high- and medium-voltage power cable accessories. These trends are set to continue and the market outlook for the segment is positive in the years to come.

In 2025, organic growth for Service and Accessories was 22%, driven partially by high offshore repair activity, as well as increased capacity in Accessories. Operational EBITDA in the segment more than doubled compared to 2024, underlining the positive development from the recent completed investments in Accessories as well as the continued satisfactory order execution in Service on both onshore and offshore repair projects.

Other segments continued to perform positively, including NKT's onshore business, where NKT performed well across the majority of its addressable markets. This included onshore service repair work, as well as a steady level of maintenance projects throughout the year. Structural growth trends continue to positively impact NKT's Accessories business, leading to higher revenue and operational EBITDA in 2025.

It is Management's assessment that likely changes in the key assumption will not cause the carrying amount of goodwill to exceed the recoverable amount.

Other non-current assets

No trigger event indicating an impairment of other non-current assets has occurred in 2025. Therefore, no impairment test has been performed in 2025.

§ Accounting policy

Goodwill and intangible assets

Goodwill, intangible assets with indefinite useful lives, and development projects are tested at least annually for impairment, and furthermore when a trigger event occurs.

The carrying amount of goodwill is tested for impairment together with the other non-current assets in the cash-generating unit to which goodwill is allocated. The recoverable amount is generally computed as the present value of the expected future net cash flows from the business or activity (cash-generating unit) to which goodwill is allocated.

Other non-current assets

The carrying amount of other non-current assets is tested when a trigger event occurs which could indicate an impairment, in which case, the recoverable amount of the asset is determined. The recoverable amount is the fair value of the asset less anticipated cost of disposal, or its value-in-use, whichever is higher.

The value-in-use is calculated as the present value of expected future cash flows from the asset or the cash-generating unit of which the asset is part.

Recognition of impairment loss in the income statement

Impairment is recognised if the carrying amount of an asset or a cash-generating unit exceeds the respective recoverable amount. The impairment is recognised in the income statement and impairment of goodwill is recognised in a separate line item in the income statement.

Impairment of goodwill is not reversed. Impairment of other assets is reversed in the event of changes having taken place in the conditions and estimates on which the impairment calculation was based. Impairment is only reversed if the new carrying amount of the asset does not exceed the carrying amount that would have applied after amortisation if the asset had not been impaired.

¶ Significant judgements

The definition of cash-generating units (CGUs) is based on the operating segments as determined by Management's internal financial reporting structure in the NKT Group. Judgments are applied in defining the operating segments, as well as in combining certain operating segments into reportable segments. The identified cash-generating units correspond to the reportable segments: Solutions, Applications, and Service & Accessories.

3.5 Provisions

EURm	Warranty provision	Restructuring provision	Other provisions	Total
Provisions, 1 January 2025	11	3	49	63
Additions	4	0	37	41
Used	-1	-1	-11	-13
Reversed	-4	0	-11	-15
Provisions, 31 December 2025	10	2	64	76
Provisions are recognised in the balance sheet as:				
Non-current liabilities	0	0	40	40
Current liabilities	10	2	24	36
Total	10	2	64	76

Other provisions mainly include provisions for onerous contract, court cases, and asset retirement obligations. EUR 25m of Other provisions is related to the present value of retirement obligations related to buildings on leased land in Cologne. Of the additions in the year to Other provisions, EUR 8m relate to asset retirement obligations.

§ Accounting policy

The provisions recognised are Management's best estimate of the amount required to settle the obligation. Warranty provisions are recognised in connection with the sale of goods and services based on the level of warranty expenses incurred in previous years. Restructuring costs are recognised under liabilities when a detailed, formal restructuring plan is announced to the affected parties on or before the balance sheet date. A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the Group's unavoidable costs for meeting its contractual obligations. Provisions for dismantling are measured at the present value of the expected cost at the balance sheet date. The present value of the costs is included in the cost of the relevant tangible assets and depreciated accordingly. The addition of interests on provisions are recognised in the income statement under financial expenses.

¶ Significant estimates and judgements

Provisions, including contingencies and the likely outcome of pending and potential legal proceedings are continuously assessed. The outcome of such proceedings depends on future events, which are, by nature, uncertain. When considering provisions involving significant estimates, opinions and estimates by internal experts, external legal experts, as well as existing case law are applied in assessing the probable outcome. Refer to note 7.2 Contingent liabilities and pledges for further information.

3.6 Pension liabilities

EURm	Pension liabilities, net
Pension liabilities, 1 January 2024	40
Service cost and interest on obligation	1
Benefits paid to employees	-2
Actuarial gains/losses on defined benefit pension plans	3
Pension liabilities, 31 December 2024	42
Pension liabilities, 1 January 2025	42
Service cost and interest on obligation	1
Benefits paid to employees	-3
Actuarial gains/losses on defined benefit pension plans	-4
Pension liabilities, 31 December 2025	36

In NKT Group, most employees are covered by pension schemes, primarily in the form of defined contribution-based plans managed by independent pension funds.

NKT Group's defined benefit plans, primarily relating to the activities in Germany, are recognised at the present value of the actuarially measured obligations. If a plan is not fully covered by plan assets, a plan liability is recognised in the balance sheet. Expenses relating to pension benefits are recognised as staff costs in the income statement.

Actuarial gains related to the pension liabilities are recognised in Other comprehensive income. The pension liability also include other long term benefits relating to anniversary bonuses, etc., amounting to EUR 1m (EUR 2m in 2024). At the end of 2025, there were no plan assets to be offset in the present value of the liability.

Actuarial assumptions applied	2025	2024
Discount rate	4%	3%
Future pension increases	2%	2%

The table below shows the sensitivity of the liability to changes in key assumptions for the measurement of the pension liabilities, net. The analysis is based on the changes in the applied key assumptions considered reasonably likely provided the other parameters in the calculation are unchanged.

EURm	2025	2024
+0.5%-point in discount rate	-2	-2
-0.5%-point in discount rate	2	2
+0.5%-point in future pension increase	2	2
-0.5%-point in future pension increase	-2	-2

§ Accounting policy

For the Group's defined benefit plans, an annual actuarial calculation (the Projected Unit Credit Method) of the present value of future benefits payable under the plan is provided. The present value is determined based on assumptions about the future development in variables such as salary levels, interest rates, inflation, and mortality. The present value is determined only for benefits earned by employees from their employment within the Group. The actuarial present value less the fair value of any plan assets is recognised in the balance sheet under pension liabilities.

Pension expenses and other long-term employee benefits are recognised in the income statement based on actuarial estimates and financial expectations at the start of the year. Actuarial gains or losses are recognised in other comprehensive income.

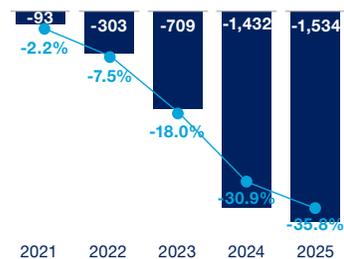
If a pension plan constitutes a net asset, the asset is only recognised if it offsets cumulative actuarial losses or future refunds from the plan, or if it will lead to reduced future payments to the plan.

4. Working capital

NKT Group's working capital represents the assets and liabilities necessary to support the day-to-day operations. Working capital is defined as current assets less current liabilities, excluding interest-bearing items and provisions.

Working capital (from continuing operations)

EURm



■ Working capital
■ Working capital ratio, LTM, %

4.1 Changes in working capital in cash flow

EURm	2025	2024
Inventories	-10	-65
Trade receivables and other receivables	13	-90
Contract assets and contract liabilities	197	569
Trade payables and other liabilities	-40	297
Total	160	711

The numbers in the table above cannot be derived directly from the balance sheet.

EURm	2025	2024
Working capital		
<i>Assets:</i>		
Inventories	439	424
Trade receivables	349	256
Other receivables	198	167
Derivative financial instruments	160	170
Contract assets	249	143
Income tax receivable	56	37
<i>Liabilities:</i>		
Trade payables	-554	-534
Other liabilities	-276	-291
Derivative financial instruments	-68	-102
Contract liabilities	-2,005	-1,642
Income tax payable	-82	-60
Working capital	-1,534	-1,432

4.2 Inventories

EURm	2025	2024
Raw materials, consumables, and goods for resale	186	165
Work in progress	123	124
Finished goods	130	135
Inventories, 31 December	439	424
Write-down of inventories, 1 January	11	14
Write-down of inventories	14	5
Reversal of write-down	0	-1
Scrapping	-3	-7
Write-down of inventories, 31 December	22	11

§ Accounting policy

Inventories are measured at cost in accordance with the FIFO (First In, First Out) method or at a weighted average. If the net realisable value is lower than cost, inventories are written down to this lower value.

Raw materials, consumables, and goods for resale are measured at cost, comprising purchase price plus delivery costs.

Finished goods and work in progress are measured at cost, comprising direct costs and production over-heads.

4.3 Trade receivables

Receivables are measured at amortised cost, which in all material respects corresponds to fair value and nominal value.

Trade receivables age profile

EURm	2025	2024
Not overdue	297	225
Overdue by less than 30 days	37	25
Overdue by between 30 and 60 days	9	2
Overdue by between 60 and 120 days	3	2
Overdue by more than 120 days	3	2
Total trade receivables	349	256

Development in the allowance for credit losses

EURm	2025	2024
Trade receivables, gross	353	258
<i>Allowance for credit losses:</i>		
Allowance for credit losses, 1 January	2	1
Additions	2	1
Allowance for credit losses, 31 December	4	2
Trade receivables, net	349	256

In 2025, credit losses recognised in the income statement correspond to 0% of total revenue (0% of total revenue in 2024).

§ Accounting policy

Trade receivables are at initial recognition measured at their transaction price less allowance for expected credit losses over the lifetime and are subsequently measured at amortised cost adjusted for changes to the expected credit losses. Expected credit losses at initial recognition are calculated for portfolios of receivables that share credit risk characteristics and is based on historical experience and, when applicable, adjusted for factors that are specific to the debtors and general economic conditions. The expected loss rates are updated at every reporting date. The portfolios are primarily based on the debtor's domicile and credit rating in accordance with NKT Group's credit risk management policy. See note 5.6 Financial risk management.

When there is an indication of impairment, expected credit losses are calculated at individual level and when there are no reasonable expectations of recovering, the receivable is written off in part or entirely.

The allowances for expected credit losses and write-offs for trade receivables are recognised in the income statement as Other costs.

4.4 Trade payables

One of NKT's suppliers has entered into a receivables purchase arrangement with a bank whereby the bank has agreed to buy invoices issued to NKT. Participation in the arrangement is at the supplier's sole discretion and provides the supplier with an option to receive early payment from the bank. This is conditional upon NKT's recognition and approval of the received goods and an irrevocable acceptance to pay the invoice on the due date via the bank. The early payment arrangement is a transaction exclusively between the supplier and the bank. Invoice payment terms are agreed between NKT and the supplier.

Trade payables under supplier finance arrangements

	2025	2024
Range of payment due dates		
Trade payables under supplier finance arrangements	90 - 120 days	90 - 120 days
Comparable trade payables that are not part of the supplier finance arrangement	0 - 45 days	0 - 45 days
Carrying amount of liabilities under supplier finance arrangement, 31 December (EURm)		
Trade payables under supplier finance arrangements	147	145
of which the supplier has received payment from the finance provider	147	145

The carrying amounts of liabilities under the supplier finance arrangements are considered to be reasonable approximations of their fair values, due to their short-term nature.

4.5 Contract assets and liabilities

Contract assets comprise the sale value of work performed on construction contracts, where NKT Group does not yet possess an unconditional right to payment, as the work performed has not been approved by the customer. Contract liabilities comprise contractual unconditional invoicing for work not yet performed.

EURm	2025	2024
<i>Construction contracts:</i>		
Contract value of work in progress	5,800	4,142
Progress billing	-7,556	-5,641
Total	-1,756	-1,499
Recognised as contract assets	249	143
Recognised as contract liabilities	-2,005	-1,642
Total	-1,756	-1,499
Construction contracts	1,737	1,201
Prepayments for construction contracts	253	427
Other prepayments from customers	15	14
Total contract liabilities	2,005	1,642

EURm	2025	2024
Contract assets, 1 January	143	107
Addition from revenue recognised	208	133
Transferred to receivables	-104	-95
Exchange rate adjustments	2	-2
Contract assets, 31 December	249	143
Contract liabilities, 1 January	1,642	1,037
Decrease from revenue recognised	-605	-616
Prepayments received	917	1,232
Exchange rate adjustments	51	-11
Contract liabilities, 31 December	2,005	1,642
Contract liabilities are recognised in the balance sheet as:		
Non-current liabilities	1,057	1,016
Current liabilities	948	626
Total	2,005	1,642

Expected execution of the remaining performance obligations in the awarded high-voltage contracts (order backlog):

	Market prices in EURm	Standard metal prices in EURm	Expected execution	
			1-2 years	More than 2 years
31 December 2025	10,150	8,938	36 - 37%	Remaining order backlog
31 December 2024	10,600	9,300	29 - 30%	Remaining order backlog

4.5 Contract assets and liabilities – continued

§ Accounting policy

Construction contracts

Construction contracts are measured at the selling price of the work performed less progress billings and anticipated contractual risks. If the value of work performed exceeds progress billings, the excess is recognised as contract assets. If progress billings exceed the value of work performed, the deficit is recognised as contract liabilities. Prepayments from customers are recognised under contract liabilities.

Construction contracts are characterised by a high degree of customisation in the design of the cables produced. Before commencement of the work, it is furthermore a requirement that a binding contract is signed which will

result in a fine or compensation in case of subsequent cancellation. The contract value is measured according to the percentage of completion, which is determined on the basis of an assessment of the work performed, calculated as the ratio of expenses incurred compared to total anticipated expenses for the contract concerned. When it is probable that the total contract costs will exceed the total contract revenue, the anticipated loss on the contract is immediately recognised as a provision.

When income and expenses on a construction contract cannot be determined reliably, the contract value is measured as the costs incurred that are likely to be recoverable.

¶ Significant estimates

The recognition of revenue and related contract assets and liabilities is subject to uncertainty. Construction contracts are measured based on Management's judgement in terms of percentage of completion and estimated profit on a project-by-project approach to estimate the expected selling prices which affect the value recognised in the balance sheet. The estimate includes a risk provision, which is based on an assessment of the specific risk that each project is exposed to. Management's estimates are based on the most likely outcomes of the projects.

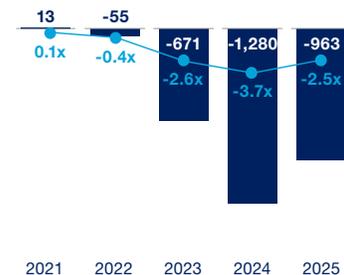
5. Capital structure and financial risk management

NKT's capital structure targets are related to solvency (minimum ratio of 30%) and NIBD relative to Operational EBITDA (ratio up to 0.0x).

Financial risk management primarily refers to managing risks associated with currency, commodities, and interest rates related to financing.

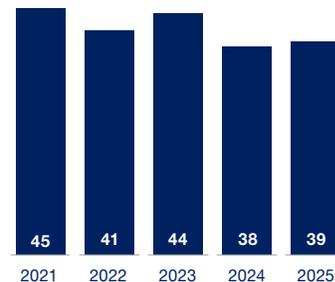
Net interest-bearing debt

EURm



Solvency ratio

%



■ Net interest-bearing debt
■ Net interest-bearing debt/operational EBITDA, LTM

5.1 Share capital

NKT A/S' share capital consists of shares with a nominal value of DKK 20 each. No shares carry special rights. NKT A/S' Articles of Association specify no limits in respect of ownership or voting right, and Group Management is unaware of any agreements in this regard.

Distribution of dividends to shareholders of NKT A/S has no tax consequences for the company.

The company's share capital as of 31 December 2025 amounts to DKK 1,074,400,900 (approximately EUR 144m) divided into 53,720,045 shares with a nominal value of DKK 20 each. As per 31 December 2025 the share capital compared to 31 December 2024 is unchanged.

During 2025, 268,949 treasury shares were purchased (31,000 during 2024) and 269,594 are held at 31 December 2025 (50,649 at 31 December 2024).

Accounting policy

Dividend is recognised as a liability at the date of adoption at the Annual General Meeting (declaration date). Proposed dividend payments for the year are disclosed as a separate item under equity.

Acquisition costs, consideration received, and dividends relating to treasury shares, are recognised directly in retained comprehensive income in equity.

5.2 Earnings per share

	2025	2024
Profit attributable to equity holders (EURm)	264	326
Number of shares issued	53,720,045	53,720,045
Weighted average number of own shares	-168,496	0
Weighted average number of outstanding shares	53,551,549	53,720,045
Dilutive effect of share programmes	87,159	74,160
Diluted weighted average number of shares	53,638,708	53,794,205
Basic earnings - continuing operations, EUR, per share (EPS)	4.9	4.2
Diluted earnings - continuing operations, EUR, per share (EPS-D)	4.9	4.2
Basic earnings per share, EUR	4.9	6.1
Diluted earnings per share, EUR	4.9	6.1

5.3 Hybrid capital

Hybrid capital comprises issued bonds from September 2022 of EUR 150m. The issued hybrid capital is accounted for as a hybrid capital reserve in equity. The classification is based on the special characteristics of the hybrid bond, where the bondholders are subordinate to other creditors, and NKT A/S may defer and ultimately decide not to pay the coupon. Any deferred coupons outstanding in 3022 will be cancelled. However, deferred coupon payments become payable if NKT A/S decides to pay dividends to shareholders. Coupon payments

are recognised in equity. For further details on the hybrid capital, please see table below.

As the principal of the securities ultimately falls due in 3022, its discounted fair value is zero due to the terms of the securities. Therefore, a liability of zero has been recognised in the balance sheet, and the full amount of the proceeds have been recognised as equity. Coupon payments are recognised in the statement of cash flows in the same way as dividend payments within financing activities.

Hybrid bonds	2025	2024
Nominal value of hybrid capital	EUR 150m	EUR 150m
Classification in financial statement	Equity	Equity
Issued	September 2022	September 2022
Maturing	July 3022	July 3022
First call date	1 July 2026	1 July 2026
<i>Interests:</i>		
For the first four years	7.24%	7.24%
For the following years	Resets to the 4-year EUR swap rate prevailing at that time plus 5%	Resets to the 4-year EUR swap rate prevailing at that time plus 5%

§ Accounting policy

Hybrid capital is treated in accordance with the rules on compound financial instruments based on the characteristics of the bonds. The notional amount, which constitutes a liability, is recognised at present value, and equity has been increased by the difference between the net proceeds received and the present value of the discounted liability. The part of the hybrid capital that is accounted for as a liability is measured at amortised cost. The carrying amount is zero on initial recognition and due to the 1,000-year term of the hybrid capital, amortisation charges will only have an impact on the income statement for the years at the end of the 1,000-year term of the hybrid capital.

Coupon payments are accounted for as dividends and are recognised directly in equity when the obligation to pay arises.

The obligation to pay coupon payments is at the discretion of Group Management and deferred coupon lapses upon maturity of the hybrid capital. Coupon payments are recognised in the statement of cash flows in

the same way as dividend payments within financing activities.

On redemption of the hybrid capital, the payment will be distributed between liability and equity, applying the same principles as used when the hybrid capital was issued. The difference between the payment on redemption and the net proceeds received on issue is recognised directly in equity as the debt portion of the existing hybrid issues will be nil during the first part of the life of the hybrid capital.

On the date on which the Board of Directors decides to exercise an option to redeem the hybrid capital, the part of the hybrid capital that will be redeemed will be reclassified to loans and borrowings. The reclassification will be made at the market value of the hybrid capital at the date the decision is made. Following the reclassification, coupon payments and exchange rate adjustments will be recognised in the income statement as financial income or expenses.

5.4 Net interest-bearing debt

EURm	2025	2024
<i>Net interest-bearing debt comprises:</i>		
Non-current borrowings and lease liabilities	229	221
Current borrowings and lease liabilities	22	17
Interest-bearing debt, gross	251	238
Demand deposits	504	668
Termed deposits (3 months or less)	710	850
Cash and cash equivalents	1,214	1,518
Net interest-bearing debt	-963	-1,280

Changes in current loans, non-current loans, and lease liabilities

EURm	1 January	Cash flows	Additions during the period	Additions from business combinations	Effect of changes in exchange rates	31 December
2025						
Borrowings	146	-15	0	0	1	132
Lease liabilities	92	-12	35	0	4	119
2024						
Borrowings	143	-8	0	12	-1	146
Lease liabilities	64	-6	23	12	-1	92

Contractual undiscounted cash flows

EURm	Carrying amount	Less than 1 year	1-3 years	3-5 years	More than 5 years	Total cash flows
2025						
Borrowings ¹	132	10	30	35	86	161
Lease liabilities ²	119	21	34	23	115	193
Trade payables	554	554	0	0	0	554
Derivative financial instruments	68	57	11	0	0	68
Other liabilities	276	276	0	0	0	276
Total	1,149	918	75	58	201	1,252
2024						
Borrowings ¹	146	11	26	38	99	174
Lease liabilities ²	92	15	21	16	82	134
Trade payables	534	534	0	0	0	534
Derivative financial instruments	102	51	50	1	0	102
Other liabilities	291	291	0	0	0	291
Total	1,165	902	97	55	181	1,235

The forward contracts are presented at fair value as the discount element is considered insignificant.

Borrowings are predominantly based on floating interest rates and are measured at amortised cost. The carrying amount therefore in all material aspects corresponds to fair value and nominal value.

Accounting policy

Borrowings are recognised at the amount of proceeds received at the date of borrowing, net of transaction costs paid. In subsequent periods the financial liabilities are measured at amortised cost using 'the effective interest method', and the difference between the proceeds and the nominal value is therefore being recognised in the income statement under financial expenses over the term of the loan.

¹ The principal of the hybrid capital is not included in the contractual maturities as it is due in year 3022.

² Lease liabilities are recognised in the balance sheet excluding short-term and low-value leases (refer to note 3.3 Leases).

5.5 Financial items

Financial income

EURm	2025	2024
Interest etc. relating to financial assets/liabilities measured at amortised cost	22	41
Foreign exchange gains/losses, net	0	8
Gains/losses on derivative financial instruments, net	47	0
Total financial income	69	49

Financial expenses

EURm	2025	2024
Interest etc. relating to financial assets/liabilities measured at amortised cost	-10	-8
Interest expenses on leases	-4	0
Foreign exchange gains/losses, net	-18	0
Gains/losses on derivative financial instruments, net	0	-7
Total financial expenses	-32	-15

§ Accounting policy

Financial income and expenses comprise interest income and expenses, dividends received, net exchange gains or losses on balances denominated in foreign currencies, amortisation of financial assets and liabilities, allowances under the Danish tax prepayment scheme, as well as changes in the fair value of derivative financial instruments not designated as hedges.

5.6 Financial risk management

Financial risk management policy

NKT is exposed to several financial risks due to its operations, investments and financing activities. NKT has centralised management of the Group's financial risks. The overall objectives and policies for financial risk management are outlined in the internal treasury policy, which is approved by the Board of Directors. NKT's treasury policy does not allow for speculation in financial risks.

The treasury policy is managed by Group Treasury. All reported financial risks are hedged, though with acceptance of an open position within a defined and monitored threshold. The risk thresholds are defined at a level that ensures NKT is sufficiently protected against risk, while providing Group Treasury room for managing risks efficiently.

NKT uses financial instruments, such as forwards, swaps, and options to hedge exposures relating to currency, interest rates, and commodities.

The financial risks, as described further below, are divided into:

- Currency risks
- Interest rate risks
- Raw material price risks
- Credit risks
- Liquidity risks

Currency risks

With presence in several countries NKT is exposed to currency risks which may have considerable influence on the income statement and balance sheet. Currency risks refer to the risks of losses (or opportunities for gains) resulting from changes in currency rates. Currency risks arise through transactions, financial assets and liabilities denominated in currencies other than the functional currency of the individual subsidiaries. Quantification and identification of existing and anticipated currency risks are the responsibility of the individual subsidiaries, while the actual hedging is executed by Group Treasury.

NKT does not hedge the currency risks related to net investments in foreign subsidiaries. Gains and losses relating to unhedged net assets in foreign subsidiaries are accounted directly in Other comprehensive income.

The principal currency exposure relates to sales and purchases in currencies other than the functional currency of the businesses. Hedging of these currency risks is based on an assessment of the likelihood of the future transaction being performed and materiality.

Expected cash flows with significant currency risk are hedged as they become known. Currency risks from project-related sales are considered on an individual basis. The fair value of the effective portion of the hedge is recognised in Other comprehensive income on a continuous basis.

Refer to note 5.7 Derivative financial instruments for an overview of cash flow hedges related to foreign exchange rates.

The fair value of the total portfolio of currency hedge contracts will impact Other comprehensive income if currency rates change. The effect of reasonably possible changes based on past experience in selected currency rates is shown in the table Liquidity resources on the next page.

As NKT largely uses forwards and spots to hedge the FX risks, and only designates the spot element, the likelihood of inefficiency is low, though possible if changes in expected cash-flows from projects are not reflected correctly in the hedges.

Interest rate risks

Interest rate risks refer to the influence of changes in market interest rates on future cash flows concerning interest-bearing assets and liabilities. NKT's exposure to interest rate risk is

considered to be low due to the capital structure.

An increase in variable interest rates of 1 percentage point would result in an increase in the earnings before tax of EUR 10m (2024 EUR 13m). Refer to note 5.4 Net interest-bearing debt for a specification of the interest bearing assets and liabilities.

Raw material price risks

Raw material price risks primarily relate to metals and plastics used in the cable production. When changes in raw material prices cannot be transferred to customers, NKT uses financial instruments to hedge the price risks. NKT has, due to the larger order backlog, a high amount of raw material derivatives to hedge the risks related to the large future purchases of copper in particular. Current and expected future raw material exposures are managed by the subsidiaries and hedging is managed by Group Treasury according to the Group's Treasury Policy. Hedging of awarded projects is done at the time of award and adjusted according to changes in production plans.

Changes in the fair value of the hedging instrument should offset changes in the value of the underlying item because the reference prices are the same for the hedging instrument and the hedged item. NKT applies cost of hedging, whereby the forward points are recognised in Other comprehensive income and transferred with the effective hedge when the hedged transaction occurs. For the hedge of plastic, ineffectiveness could arise as this is hedged via a gas-oil proxy hedge. Ineffectiveness because of differences in the change between gas-oil and plastic are considered insignificant.

As at 31 December 2025, NKT had financial hedging instruments relating to future raw material supplies with a net notional value of EUR 653m (EUR 650m in 2024).

Refer to note 5.7 Derivative financial instruments for an overview of the cash flow hedges related to raw materials.

Liquidity risks

It is NKT Group's policy to maintain

adequate liquidity resources to implement planned operating activities and to be able to operate effectively in the event of unforeseen fluctuations in liquidity. NKT Group's liquidity resources consist of cash, cash equivalents, and undrawn committed credit facilities, which have a maturity of more than 12 months.

The revolving credit facility of EUR 400m matures in May 2028. The mortgage loan portfolio matures in 2032, 2033, and 2037.

NKT has financial covenants and change of control clause on certain financial agreements. The latter comes into effect if a shareholder or shareholder group gains control over NKT A/S or if NKT A/S is no longer listed at Nasdaq Copenhagen.

It is Group Management's opinion that the financial headroom is sufficient to manage the level of activity expected in 2026 for the NKT Group.

5.6 Financial risk management – continued

Credit risks

Credit risk arises from the possibility that transactional counterparties may default on their obligations causing financial losses for the Group.

NKT's credit risks relate partly to receivables, contract assets and cash at bank and in hand, and partly to derivative financial instruments with positive fair value. The maximum credit risk attached to financial assets correspond to the values recognised in the balance sheet.

To manage credit risk regarding financial counterparties, NKT only enters into derivative financial contracts and money market deposits with financial counterparties possessing a long-term credit rating of 'A-' from at least one out of the following three selected rating agencies: Standard and Poor's, Moody's, or Fitch.

NKT has no material risks relating to a single customer or partner. NKT's policy for acceptance of credit risks entails ongoing monitoring and credit rating of important customers and other partners. NKT historically has had only very limited losses related to customers.

Liquidity resources

EURm	2025	2024
Committed facilities (1-3 years)	400	200
Committed facilities (<1 year)	0	0
Total committed facilities	400	200
Uncommitted facilities	0	0
Total facilities	400	200
Cash and cash equivalents	1,214	1,518
Utilised facilities	0	0
Liquidity resources	1,614	1,718

Credit exposure for cash at bank and derivative financial instruments (fair value)

EURm	Cash at bank	Derivative financial instruments	Total
2025			
AA range	247	43	290
A range	967	117	1,084
Total	1,214	160	1,374
2024			
AA range	413	42	455
A range	1,099	128	1,227
BBB range	4	0	4
Not rated or below BBB range	2	0	2
Total	1,518	170	1,688

Sensitivity analysis - financial instruments

EURm	Price change	2025		Price change	2024	
		Effect on earnings before tax	Effect on equity before tax		Effect on earnings before tax	Effect on equity before tax
SEK	+6%	69	-9	+7%	69	11
	-6%	-69	9	-7%	-59	-12
GBP	+5%	0	4	+5%	0	2
	-5%	0	-4	-5%	0	1
NOK	+8%	-9	4	+8%	-2	5
	-8%	9	-4	-8%	2	-4
USD	+6%	-3	-2	+8%	0	-17
	-6%	3	2	-8%	0	17
PLN	+5%	-5	0	+6%	-6	0
	-5%	5	0	-6%	6	0
CAD	+5%	0	-1	+7%	0	-2
	-5%	0	1	-7%	0	2
Copper	+25%	0	89	+21%	0	128
	-25%	0	-89	-21%	0	-128
Lead	+16%	0	7	+22%	0	14
	-16%	0	-7	-22%	0	-14
Aluminium	+16%	0	8	+18%	0	9
	-16%	0	-8	-18%	0	-9
Gas-oil	+27%	0	2	+28%	0	6
	-27%	0	-2	-28%	0	-6

The table above shows a sensitivity analysis of the exposures in currencies and commodities assuming effective hedge accounting continues to be applied. The presented effects are from the derivative financial instruments only (all things being equal). When also considering the development of the underlying exposure, the future income statement effects will be fully or partially offset as hedge accounting is applied.

5.7 Derivative financial instruments

Cash flow hedges related to currencies			Average exchange rate ¹		Notional value EURm	
			31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Hedged currency						
USD	Buy	Less than 1 year	1.085	1.074	673	777
		More than 1 year	1.078	1.068	34	507
	Sell	Less than 1 year	1.080	1.070	728	926
		More than 1 year	1.078	1.069	13	571
GBP	Buy	Less than 1 year	0.861	0.846	186	384
		More than 1 year	0.869	0.862	199	214
	Sell	Less than 1 year	0.859	0.844	261	548
		More than 1 year	0.856	0.846	46	76
NOK	Buy	Less than 1 year	11.381	11.452	30	43
		More than 1 year	11.548	11.512	38	48
	Sell	Less than 1 year	11.348	11.649	6	22
		More than 1 year	11.397	11.438	9	15
CAD	Buy	Less than 1 year	1.605	1.493	24	5
		More than 1 year	1.559	0	4	0
	Sell	Less than 1 year	1.594	1.481	36	31
		More than 1 year	1.501	0	4	0

¹ EUR/CCY, to make average exchange rate comparable a theoretical EUR/CCY have been calculated for hedges made against non-EUR currencies.

Cash flow hedges related to raw materials			Average rate EUR/ton		Notional value EURm	
			31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Commodity						
Copper	Buy	Less than 1 year	9,139	7,321	884	531
		More than 1 year	9,920	8,347	198	108
	Sell	Less than 1 year	9,794	8,367	-482	-116
		More than 1 year	10,051	7,326	-81	0
Aluminium	Buy	Less than 1 year	2,440	2,390	100	34
		More than 1 year	2,543	2,480	49	29
	Sell	Less than 1 year	2,492	2,420	-51	-23
		More than 1 year	2,521	0	-22	0
Lead	Buy	Less than 1 year	1,776	1,987	57	34
		More than 1 year	1,725	2,020	56	41
	Sell	Less than 1 year	1,676	1,979	-39	-5
		More than 1 year	1,637	0	-28	0
Gas-oil	Buy	Less than 1 year	581	523	18	16
		More than 1 year	598	617	1	4
	Sell	Less than 1 year	581	514	-8	-3
		More than 1 year	0	0	0	0

As of 31 December 2025 accumulated basis adjustments included in the carrying amount of inventory from fair value hedges was EUR 13m (EUR 0m in 2024). The ineffectiveness recognised in the statement of profit or loss was immaterial.

5.7 Derivative financial instruments – continued

Carrying amount of derivatives EURm	2025		2024	
	Assets	Liabilities	Assets	Liabilities
Currency derivatives				
Cash flow hedges	47	52	75	76
Economic hedges	33	6	17	16
Commodity derivatives				
Cash flow hedges	80	10	76	10
Economic hedges	0	0	2	0
Total derivatives	160	68	170	102

§ Accounting policy

NKT mainly applies hedge accounting for financial instruments related to currency, raw materials, and interest rates for loans. The hedges normally hedge the risk one-to-one with the hedged item. Only gas-oil hedges for the hedging of the price risk of plastic differ from this principle, as here Group Treasury determines the ratio necessary to hedge the price risk for plastic.

The Group designates the share of the fair value of a forward contract that is related to the spot price for metals and the spot price for FX hedges (i.e. excluding the forward elements) as the hedging instrument for all of its hedging relationships involving forward contracts. In accordance with the cost of hedging principle all fair values related to the forward element of the hedging contract are recog-

nised in other comprehensive income and accumulated in the cost of hedging reserve. As the hedged items are transaction-related, the forward element is reclassified to the income statement when the hedged item affects income statement, and in the same line item as the hedged item.

Fair value changes for cash flow hedges considered effective, are recognised in other comprehensive income in the hedging reserve. At each reporting date, effectiveness is considered and if the future cash flows are no longer expected to materialise, the accumulated value reported in the hedge reserve is reclassified to financial items in the income statement. In other cases the accumulated value is reclassified to the income statement in the same line as the hedged item.

Where the hedged item subsequently results in the recognition of a non-financial asset (such as inventory), both the deferred hedging gains and losses and the deferred forward points are included within the initial cost of the asset. The deferred amounts are ultimately recognised in the income statement, when the hedged item affects profit or loss (for example, through cost of goods sold).

Fair value changes of financial instruments used to hedge the change in

fair value of an asset or liability are recorded in the income statement in the same line item as the changes in value of the hedged asset or liability are recognised in.

In a fair value hedge where the hedged item is a non-financial item such as inventory, the changes in fair value attributable to the risk being hedged are adjusted against the carrying value of inventory. The basis adjustment remains part of the carrying value of inventory and is recognised in the income statement when the inventory is sold.

Hedging of currency risk is not performed for net assets (equity) in foreign subsidiaries. Gains and losses relating to unhedged net assets in foreign subsidiaries are accounted for directly in other comprehensive income.

EURm	Cash flow hedge reserve				
	Foreign exchange risk hedging	Interest rate risk hedging	Commodity risk hedging	Cost of hedging reserve	Total hedging reserve
Balance at 31 December 2023	21	5	63	0	89
Gain/(loss) arising from changes in fair value of hedging instruments	-35	0	153	-8	110
(Gain)/loss reclassified to income statement - hedged items have affected the Income statement	9	-3	0	2	8
Deferred hedging gains and losses transferred to inventory	-4	0	-138	-7	-149
Deferred tax	7	1	-4	3	7
Balance at 31 December 2024	-2	3	74	-10	65
Gain/(loss) arising from changes in fair value of hedging instruments	36	0	173	-25	184
(Gain)/loss reclassified to income statement - hedged items have affected income statement	-22	-2	0	10	-14
Deferred hedging gains and losses transferred to inventory	-1	0	-118	3	-116
Deferred tax	-2	0	-15	4	-13
Balance at 31 December 2025	9	1	114	-18	106

The fair values in the total hedging reserve (excluding tax) is expected to be recorded in the following line items in the income statement: Revenue EUR 13m (EUR -36m in 2024), Inventory/Cost of raw materials EUR 123m (EUR 115m in 2024), and Financial items EUR 1m (EUR 3m in 2024).

5.8 Financial assets and liabilities

Categories of financial instruments

EURm	2025	2024
Financial assets		
<i>Measured at amortised costs:</i>		
Trade receivables	349	256
Other receivables	198	167
Contract assets	249	143
Cash and cash equivalents	1,214	1,518
<i>Measured at fair value through Income statement:</i>		
Other investments and receivables	2	5
Derivative financial instruments	160	170
Financial liabilities		
<i>Measured at amortised costs:</i>		
Trade payables	554	534
Other liabilities	276	291
Borrowings	132	146
Lease liabilities	119	92
<i>Measured at fair value through Income statement:</i>		
Derivative financial instruments	68	102

In the table above, financial instruments are presented in the categories which determine how they will be measured in the financial statements.

Measuring fair value

Financial instruments measured at fair value in the balance sheet are designated as belonging to one of the following three categories (the 'fair value hierarchy'):

Level 1: Listed prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Input, other than listed prices on Level 1, which is observable for the asset or liability either directly (as prices) or indirectly (derived from prices).

Level 3: Input for the asset or liability which is not based on observable market data (non-observable input).

Financial instruments measured at fair value consist of derivative finan-

cial instruments. The fair value on 31 December 2025 and 2024 of NKT Group's forward transactions are measured in accordance with Level 2 as the fair value is calculated based on official exchange rates and forward rates at the balance sheet date.

The fair value of commodity forwards is measured as the present value of future cash flows based on forward rates and official exchange rates on the balance sheet date. The fair value of foreign currency forwards is measured as the present value of future cash flows based on the forward exchange rates at the balance sheet date.

No financial instruments were moved from one level to another during 2025 and 2024.

6. Group structure

6.1 Acquisition of companies

On 21 June 2024, NKT acquired 100% of SolidAI, a Portugal-based power cable manufacturer, from Njord Partners, adding medium- and high-voltage capacity to meet the growing

demand for power grid upgrades and renewable energy projects across Europe. The considerations were transferred in full and there are no contingent considerations.

Had the acquisition occurred on 1 January 2024, the impact for the period until 31 December 2024 on revenue and EBITDA would have been approximately EUR 138m and EUR 16m, respectively.

EURm	2024 Fair value
Intangible assets	39
Property, plant, and equipment	53
Other non-current assets	4
Inventories	37
Trade and other receivables	10
Cash and cash equivalents	5
Non-current liabilities	-22
Current liabilities	-43
Acquired net assets	83
Goodwill	66
Purchase price	149
Acquired cash and cash equivalents	-5
Net cash transferred to seller	144

The acquisition consists of net assets of EUR 83m predominantly related to property, plant, and equipment, intangible assets, and working capital. Acquired intangible assets are related to technology and customer relations. EUR 66m is recognised as goodwill reflecting expected synergies from the acquisition. The goodwill is not expected to be deductible for tax

purposes. Acquisition-related costs of EUR 1m were recognised in other costs.

From the acquisition date to 31 December 2024 the impact on revenue was EUR 75m while EBITDA was impacted by EUR 5m. EBITDA was negatively impacted by EUR 4m related to inventory purchase price allocation.

§ Accounting policy

Enterprises acquired during the year are recognised in the consolidated financial statements from the date of acquisition. The acquisition date is the date on which the parent company effectively obtains control of the acquired enterprise.

For acquisitions of new enterprises in which the parent company can exercise control over the acquired enterprise, the purchase method is used. The acquired enterprises' identifiable assets, liabilities, and contingent liabilities are measured at fair value at the acquisition date. Identifiable intangible assets are recognised if they are separable or arise from a contractual right. Deferred tax on revaluations is recognised.

Any excess of the cost over the fair value of the identifiable assets, liabilities, and contingent liabilities acquired is recognised as goodwill under intangible assets. Goodwill is not amortised but is tested at least annually for impairment. The first impairment test is performed by the end of the acquisition year. Upon acquisition, goodwill is allocated to the cash-generating units, which subsequently form the basis for the impairment test.

The cost of a business combination comprises the fair value of the consideration agreed upon. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the amount of that adjustment is included in the cost of the combination if the adjustment is probable and can be measured in a reliable manner. Subsequent changes to contingent considerations are recognised in the income statement. If uncertainties regarding measurement of identifiable assets, liabilities, and contingent liabilities exist at the acquisition date, initial recognition will take place based on preliminary fair values. If identifiable assets, liabilities, and contingent liabilities are subsequently determined to have different fair value at the acquisition date than first assumed, goodwill is adjusted up until twelve months after the acquisition. The effect of the adjustments is recognised in the opening balance of equity and the comparative figures are restated accordingly.

6.2 Discontinued operations

In June 2022, NKT entered into an agreement to divest NKT Photonics to Photonics Management Europe S.R.L, a 100%-owned subsidiary of Hamamatsu Photonics K.K. Closing of the transaction was subject to regulatory approvals which were obtained from Germany, the United Kingdom, and the United States; however, it was not approved in Denmark in May 2023. After refiling the application in July 2023, the sale was approved in April 2024 and NKT Photonics was sold with effect from 31 May 2024.

Discontinued operations and information on discontinued operations below solely relate to NKT Photonics.

EURm	2024
Profit for the year – discontinued operations	
Revenue	28
Costs and other income, net	-38
Earnings before interest, tax, depreciation, and amortisation (EBITDA)	-10
Depreciation, amortisation, and impairment	0
Earnings before interest and tax (EBIT)	-10
Financial items, net	2
Gain from sale of discontinued operations, net	107
Earnings before tax (EBT)	99
Tax	2
Net result - discontinued operations	101
NKT's share hereof	101
Basic earnings - discontinued operations, EUR, per share (EPS)	1.9
Diluted earnings - discontinued operations, EUR, per share (EPS-D)	1.9

EURm	2024
Cash flows from discontinued operations	
Cash flow from operating activities	-3
Cash flow from investing activities	241
Cash flow from financing activities	10
Net cash flow from discontinued operations	248
Balance sheet items comprise	
Non-current assets	0
Current assets	0
Assets held for sale	0
Non-current liabilities	0
Current liabilities	0
Liabilities associated with assets held for sale	0

EURm	2024
Consideration received or receivable:	
Cash	254
Total disposal consideration	254
Intangible assets	85
Property, plant, and equipment	41
Inventories	29
Trade and other receivables	19
Cash and cash equivalents	3
Trade payables	-5
Provisions	-10
Other liabilities	-19
Carrying amount of net assets sold	-143
Transaction costs	-3
Gain on sale before income tax and reclassification of foreign currency translation reserve	108
Reclassification of foreign currency translation reserve	-1
Gain on sale before income tax	107
Income tax expense on gain	0
Gain on sale after income tax	107
Cash effect:	
Cash received	254
Cost related to transaction	-3
Cash and cash equivalents disposed of	-3
Net cash effect	248

6.2 Discontinued operations – continued

§ Accounting policy

Discontinued operations represent a separate major line of businesses intended to be disposed of within 12 months. The results of discontinued operations are presented separately in the income statement and the cash flow statement with restatement of comparative figures.

Assets and liabilities held for sale from discontinued operations are presented as separate items in the balance sheet with no restatement of comparative figures. Elimination between continuing and discontinued operations is presented to reflect continuing operations as post-separation, which includes elimination of interest and loans.

Assets and liabilities from discontinued operations and assets held for sale are measured at the lower of carrying amount and fair value less cost of disposal. Impairment test is performed immediately before classification as held for sale. Non-current assets held for sale are not depreciated or amortised.

Enterprises disposed of are recognised in the consolidated income statement until the disposal date.

Gains and losses from disposal of activities are included in the income statement in the line item 'Net result - discontinued operations'.

6.3 Group companies

Group companies	Domicile	Ownership	Group companies	Domicile	Ownership
NKT Group			NKT S.A.	Poland	100%
Denmark			NKT HVC B.V.	Netherlands	100%
NKT A/S	Denmark		NKT HV Cables GmbH	Switzerland	100%
NKT Cables Group A/S	Denmark	100%	NKT Lithuania, UAB	Lithuania	100%
NKT (Denmark) A/S	Denmark	100%	NKT Cables Portugal, S.A.	Portugal	100%
NKT Invest A/S	Denmark	100%	Gandra Land, Sociedade Unipessoal, Lda.	Portugal	100%
Europe			Póvoa Land, Unipessoal, Lda.	Portugal	100%
NKT Group GmbH ¹	Germany	100%	Quintas & Quintas – Condutores Eléctricos, S.A.	Portugal	100%
NKT Verwaltungs GmbH	Germany	100%	Bobimade – Indústria de Bobines, S.A.	Portugal	100%
NKT GmbH & Co. KG	Germany	100%	SolidAI Group, S.A.	Portugal	100%
NKT GmbH	Germany	100%	North America		
Zweite NKT GmbH	Germany	100%	NKT, Inc	US	100%
NKT France SAS	France	100%	Câbles NKT JV Canada Inc.	Canada	80%
NKT s.r.o.	Czech Republic	100%	Middle East		
NKT (Ibérica) S.L.	Spain	100%	NKT Middle East DMCC	Dubai	100%
Solicabel, S.A.	Spain	100%	Asia/Pacific		
NKT (Sweden) AB	Sweden	100%	NKT Pty Ltd	Australia	100%
NKT HV Cables AB	Sweden	100%	NKT South Asia Private Limited	India	100%
NKT AS	Norway	100%	NKT Operations India Private Limited	India	100%
NKT HVC AS	Norway	100%	Walsin Energy Cable System Co. Ltd ²	Taiwan	10%
NKT (U.K.) Ltd.	UK	100%			
NKT HVC Ltd.	UK	100%			
Ventcroft Ltd.	UK	100%			

¹ The Group has applied Section 264 (3) of the German Commercial Code ("Handelsgesetzbuch") by which NKT Group GmbH is exempted from filing local financial statements.

² The entity is treated as an associated company in accordance with IAS 28.

Companies without material interest and dormant companies are omitted from the list.

7. Other notes

7.1 Fees to the auditor elected at the Annual General Meeting

EURm	2025	2024
PwC:		
Statutory audit	1	1
Other assurance	0	0
Other service	0	1
Total	1	2

Other services than the statutory audit provided by PwC Denmark in 2025 relate to sustainability assurance

and other accounting and advisory services.

7.2 Contingent liabilities and pledges

NKT Group is a party to various disputes and inquiries from authorities whose outcome is not expected to materially affect profit for the year and the financial position. In connection with the disposal of companies in previous years, guarantees have been provided which are not expected to materially affect the net result. Further, NKT Group is a party to various insurance claims as well as customer claims whose outcome is still uncertain and not recognised in the financial statement at the balance sheet date. Finally, NKT Group is from time to time a party to inquiries from public authorities and others related to competition laws and regulations.

It is the opinion of Management that, apart from items recognised in the financial statements, it is associated with a high degree of uncertainty to assess how the outcome of any of these inspections may affect NKT Group's business, financial conditions, and results of operations. NKT Group does not expect these to have a material impact on the financial statements.

NKT Group is jointly liable for Danish corporate taxes on dividend, interest, and royalties together with Photonics up until the sale in May 2024. In a few cases the NKT Group's foreign companies are subject to special tax schemes to which certain conditions

are attached. As of 31 December 2025 these conditions were complied with.

Contingent liabilities

As announced 28 August 2025, the NKT A/S (NKT) Czech subsidiary, NKT s.r.o. has received a "Request Before the Issuing of a Decision" (Request) from the Antimonopoly Office of the Slovak Republic, relating to an ongoing investigation into alleged anti-competitive practices in the Slovak cable market. In the Request, the Antimonopoly Office alleges that certain previous practices among several cable manufacturers, constitute infringements of Slovak and EU competition rules. The investigation involves a local cable association and 11 cable manufacturers, including NKT s.r.o. In its Request, the Antimonopoly Office has proposed fines for the parties involved, including NKT s.r.o., in relation to the activities under investigation in Slovakia. In February 2026, NKT received a first-instance decision from the Antimonopoly Office. This follows the Request and reflects the progression of the ongoing administrative proceedings.

NKT is appealing the decision to the Council of the Antimonopoly Office. Following the appeal, the Council will

issue a final administrative decision. NKT expects a final decision from the Antimonopoly Office during the second half of 2026. If the Council upholds the decision of the Antimonopoly Office, NKT is prepared to appeal to the Slovak court. In a related case, NKT s.r.o. is currently under investigation by the Office for the Protection of Competition in the Czech Republic along with five other cable manufacturers and is currently awaiting the outcome of the investigation. Additionally, along other cable manufacturers, NKT's two German entities also remain under investigation by the German Federal Cartel Office in Germany and is currently awaiting the outcome.

NKT regards these matters with the utmost seriousness, and the company remains committed to full cooperation with authorities and to upholding responsible and ethical business standards.

Guarantees

On 31 December 2025 the value of guarantees issued by financial institutions on behalf of Group companies was EUR 2,701m (EUR 2,570m in 2024). At the balance sheet date none of the issued guarantees are expected to materialise.

Pledges

Non-current assets with a carrying amount of EUR 1,580m (EUR 880m in 2024) have been pledged as security for mortgage loans of total EUR 131m

(EUR 138m in 2024). The development of pledged assets relates mostly to tangible assets at construction sites and the progression thereof.

EURm	2025	2024
<i>Carrying amount of assets pledged as collateral for credit institutions:</i>		
Land and buildings	247	254
Plant and machinery	243	121
Fixtures, tools, and equipment	59	50
Property, plant, and equipment under construction	1,031	455
Total	1,580	880
Liabilities related to pledged assets	131	138

1 Significant estimates and judgements

Disclosures for contingent assets and liabilities and when they must be recognised is derived from evaluations of the expected outcome of the individual issues. These evaluations

are based on legal opinions of the agreements contracted, which in significant instances also include opinions obtained from external advisors, including lawyers.

7.3 Events after the balance sheet date

Management is not aware of any subsequent matters that could be of material importance to NKT Group's financial position.

7.4 Related parties

NKT Group has no individuals or legal entities with control or any significant influence over the Group other than key management. Other related parties consist of associated companies.

Related party transactions

Transactions with related parties comprise remuneration of the Board of Directors and Executive Management. Moreover, transactions with related parties comprise of transactions with associated companies as follows:

EURm	2025	2024
Related-party transactions		
Fees, income	4	7
Receivables, current	1	1
Payables, current	1	0

7.5 Definitions

The Group operates with the following performance measures, key figures, and financial ratios.

Performance measures defined by IFRS Accounting Standards:

- Earnings, EUR per outstanding share (EPS)** – Earnings attributable to equity holders of NKT A/S relative the average number of outstanding shares.
- Diluted earnings, EUR per outstanding share (EPS)** – Earnings attributable to equity holders of NKT A/S relative to the average number of outstanding shares, including the dilutive effect of share-based payment programmes.
- Revenue at standard metal prices** – Revenue at standard metal prices for copper and aluminium is set at EUR/tonne 1,550 and EUR/tonne 1,350 respectively.

Furthermore, the Group presents the following performance measures, key figures, and financial ratios not defined according to IFRS Accounting Standards (non-GAAP measures) in the Annual Report:

- Organic growth** – Revenue growth (standard metal price) as a percentage of prior-year adjusted revenue (standard metal price). Organic growth is a measure of growth, excluding the impact of exchange rate adjustments, acquisitions and divestments.
- One-off items** – Consist of non-recurring income and costs related to acquisitions, divestments, integration, restructuring, severance, and other one-time items.
- Operational earnings before interest, tax, depreciation, and amortisation (Operational EBITDA)** – Earnings before interest, tax, depreciation and amortisation (EBITDA) excluding one-off items.
- Operational earnings before interest and tax (Operational EBIT)** – Earnings before interest and tax excluding one-off items.
- Net interest-bearing debt** – Cash and interest-bearing receivables less interest-bearing debt. Hybrid capital is not included in net interest-bearing debt.
- Capital employed** – Equity plus net interest-bearing debt.
- Working capital** – Current assets and non-current derivative financial instruments minus current liabilities, non-current contract liabilities and derivative financial instruments (excluding interest-bearing items and provisions).
- Gearing** – Net interest-bearing debt as a percentage of equity.
- Net interest-bearing debt relative to Operational EBITDA** – Calculated as net interest-bearing debt relative to LTM (last twelve months) of operational EBITDA for continuing operations.
- Solvency ratio (equity as a percentage of total assets)** – Equity including hybrid capital as a percentage of total assets.
- Return on capital employed (RoCE)** – Operational EBIT for continuing operations as a percentage of the average of the last five quarters of capital employed for continuing operations.
- Equity value, EUR per outstanding share** – Equity attributable to equity holders of NKT A/S per outstanding share at 31 December. Dilution effect of
- outstanding share programmes is excluded.
- Free cash flow** – Cash flow from operating and investing activities.
- Free cash flow excluding acquisition of subsidiaries** – Cash flow from operating and investing activities excluding cash flow used for acquisitions of subsidiaries.
- Order backlog** – Value of the uncompleted work on contracts within the Solutions business line. Contracts are included when they are signed and all significant conditions which may impact the value of the contracts have been agreed.



Parent company financial statements

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Income statement

1 January – 31 December

EURm	Note	2025	2024
Other costs	2	-6	-8
Earnings before interest, tax, depreciation, and amortisation (EBITDA)		-6	-8
Financial income	3	107	298
Financial expenses	3	-97	-72
Earnings before tax (EBT)		4	218
Tax	4	-1	-32
Net result		3	186

Statement of comprehensive income

1 January – 31 December

EURm	Note	2025	2024
Other comprehensive income			
<i>Items that may be reclassified to income statement:</i>			
Value adjustment of hedging instruments		-2	-3
Tax		0	1
Total Other comprehensive income		-2	-2
Comprehensive income		1	184

Balance sheet

31 December

EURm	Note	2025	2024
Assets			
Investments in subsidiaries	5	429	426
Receivables from subsidiaries	7/8	1,915	1,816
Deferred tax		1	0
Total non-current assets		2,345	2,242
Receivables from subsidiaries		30	14
Other receivables	8	459	351
Income tax receivables		11	0
Cash and cash equivalents		966	1,220
Total current assets		1,466	1,585
Total assets		3,811	3,827
Equity and liabilities			
Share capital		144	144
Reserves		-19	0
Retained earnings		1,866	1,874
Equity attributable to equity holders of NKT A/S		1,991	2,018
Hybrid capital		155	155
Total equity		2,146	2,173
Payables to subsidiaries	7/8	1,136	1,344
Trade payables and other liabilities	8	529	310
Total current liabilities		1,665	1,654
Total liabilities		1,665	1,654
Total equity and liabilities		3,811	3,827

Statement of changes in equity

1 January – 31 December

EURm	Share capital	Treasury shares	Foreign exchange reserve	Hedging reserve	Retained earnings	Total	Hybrid Capital	Total equity
Equity, 1 January 2025	144	-3	1	2	1,874	2,018	155	2,173
<i>Other comprehensive income:</i>								
Other comprehensive income				-2		-2		-2
Tax on Other comprehensive income				0		0		0
Total Other comprehensive income	0	0	0	-2	0	-2	0	-2
Net result					-8	-8	11	3
Comprehensive income	0	0	0	-2	-8	-10	11	1
<i>Transactions with the owners:</i>								
Purchase of treasury shares		-20				-20		-20
Transfer of performance shares		3			-3	0		0
Share-based payment					3	3		3
Coupon payments, hybrid capital						0	-11	-11
Total transactions with owners	0	-17	0	0	0	-17	-11	-28
Equity, 31 December 2025	144	-20	1	0	1,866	1,991	155	2,146

Statement of changes in equity

1 January – 31 December

EURm	Share capital	Treasury shares	Foreign exchange reserve	Hedging reserve	Retained earnings	Total	Hybrid Capital	Total equity
Equity, 1 January 2024	144	-4	1	4	1,699	1,844	155	1,999
<i>Other comprehensive income:</i>								
Other comprehensive income				-3		-3		-3
Tax on Other comprehensive income				1		1		1
Total Other comprehensive income	0	0	0	-2	0	-2	0	-2
Net result					175	175	11	186
Comprehensive income	0	0	0	-2	175	173	11	184
<i>Transactions with the owners:</i>								
Purchase of treasury shares		-2				-2		-2
Transfer of performance shares		3			-3	0		0
Share-based payment					3	3		3
Coupon payments, hybrid capital						0	-11	-11
Total transactions with owners	0	1	0	0	0	1	-11	-10
Equity, 31 December 2024	144	-3	1	2	1,874	2,018	155	2,173

Cash flow statement

1 January – 31 December

EURm	2025	2024
Earnings before interest and tax (EBIT)	-6	-8
Cost related to sale of subsidiary	0	3
Changes in working capital	32	-57
Cash flow from operations before financial items	26	-62
Financial income received	115	232
Financial expenses paid	-42	-72
Income tax paid/received	-24	-15
Cash flow from operations	75	83
Change in loans to/from subsidiaries	-298	294
Sales of subsidiaries	0	248
Cash flow from investing activities	-298	542
Changes in loans	0	-1
Purchase of treasury shares	-20	-2
Coupon payments on hybrid capital	-11	-11
Cash flow from financing activities	-31	-14
Net cash flow	-254	611
Cash and cash equivalents, 1 January	1,220	609
Net cash flow	-254	611
Cash and cash equivalents, 31 December	966	1,220

The above cannot be derived directly from the income statement and the balance sheet.

Notes

1 Accounting policies, estimates, and judgements

The financial statements for the parent company are included in the Annual Report in pursuance of the requirements of the Danish Financial Statements Act. The financial statements for the parent company have been prepared in accordance with IFRS Accounting Standards, as adopted by the EU and additional Danish disclosure requirements for annual reports for listed companies.

The changes, as described in the consolidated financial statements, have not influenced recognition and measurement in the financial statements of the parent company in 2025. See the description of the changes in note 1.2 Implementation of new and amended accounting standards and interpretations, in the consolidated financial statements.

In relation to the accounting policies described in note 1.1 Material Accounting Policy Information in the consolidated financial statements, the accounting policies of the parent company differ as follows:

Dividend from investments in subsidiaries

Dividends from investments in subsidiaries are recognised in the income statement of the parent company in

the year the dividends are declared. If the dividend distributed exceeds the comprehensive income of the subsidiaries in the period the dividend is declared, an impairment test is performed.

Investments in subsidiaries

Investments in subsidiaries are measured at cost. An impairment test is carried out, if indications of impairment exist. If indications of impairment no longer exist, any impairment will be reversed. Where the carrying amount exceeds the recoverable amount, the value is written down to the recoverable amount.

Tax

NKT A/S is jointly taxed with all Danish subsidiaries within the NKT Group. NKT A/S is the administration company for the joint taxation and settles all payments of tax with the tax authorities. Joint taxation contributions to/from subsidiaries are recognised under income tax related to net profit, and recognised separately in the balance sheet. Companies that use tax losses in other companies pay joint taxation contributions to NKT A/S equivalent to the tax base of the tax losses utilised. Companies whose tax losses are used by other companies receive joint taxation contributions

from NKT A/S equivalent to the tax base of the tax losses utilised (full absorption).

References to notes in the consolidated financial statements

The following notes in the consolidated financial statements provide further information:

- 1.2 Implementation of new and amended accounting standards and interpretations
- 5.1 Share capital
- 5.3 Hybrid capital
- 7.3 Events after the balance sheet date

NKT A/S operates as a holding company for the Group's activities and undertakes the tasks related thereto. For a description of the enterprise's activities, etc., please refer to the Management's review for the Group.

Significant estimates and judgements

When preparing the financial statements for NKT A/S, a number of estimates and judgements are made that affect the income statement and the balance sheet. Estimates are regularly reassessed by Management on the basis of historical experience and other relevant factors.

2 Other costs

EURm	2025	2024
Wages and salaries	1	1
Bonus	1	1
Long-term incentive programmes	1	0
Total staff costs	3	2
PwC:		
Statutory audit	1	1
Other assurance	0	0
Other services	0	0
Total fees to the auditor elected at the Annual General Meeting	1	1
Legal services	0	3
Other costs	2	2
Total other costs	6	8

Other services than statutory audit provided by PwC Denmark in 2025 relate to sustainability assurance and other accounting and advisory services.

Staff costs relates to Key Management which in NKT A/S is the current CEO. Average number of employees in 2025 was one person (one person in 2024), being the CEO.

For Remuneration for the NKT Group's Board of Directors, refer to the note 2.2 Staff Costs in the consolidated financial statements.

3 Financial income and expenses

Financial income

EURm	2025	2024
Interest, etc. relating to financial assets/liabilities measured at amortised cost	26	83
Interest from subsidiaries	77	93
Foreign exchange gains, net	4	11
Net gains on derivative financial instruments	0	45
Gains on shares sold	0	66
Total financial income	107	298

Financial expenses

EURm	2025	2024
Interest, etc. relating to financial liabilities measured at amortised cost	-26	-52
Interest to subsidiaries	-14	-20
Net loss on derivative financial instruments	-57	0
Total financial expenses	-97	-72

4 Tax

EURm	2025	2024
Current tax	0	32
Deferred tax	-1	0
Income tax	-1	32
<i>Reconciliation of tax:</i>		
Calculated 22% tax on earnings before tax	-1	48
<i>Tax effect:</i>		
Value adjustment of deferred tax assets	14	1
Non-deductible expenses	-14	-17
Total	-1	32

5 Investments in subsidiaries

EURm	2025	2024
Cost, 1 January	426	423
Addition from share-based payments	3	3
Cost, 31 December	429	426
Carrying value, 31 December	429	426

Subsidiaries	Domicile
NKT Cables Group A/S	Copenhagen, Denmark
NKT Invest A/S	Copenhagen, Denmark

The above subsidiaries are all owned 100% by NKT A/S.

For information regarding assets held for sale, refer to note 6.2 Discontinued operations in the consolidated financial statements.

6 Contingent liabilities

The parent company is jointly taxed with all Danish subsidiaries. As an administration company, the parent company is liable with the other companies in the joint taxation scheme for Danish corporate taxes on dividends, interest, and royalties within the joint taxation group. Any adjustments to the taxable joint taxation income may increase the amount for which the parent company is liable. The parent company is further liable for VAT under the joint registration with NKT (Denmark) A/S.

NKT Group is jointly liable for Danish corporate taxes on dividends, interest and royalties together with Photonics until the sale in May 2024. In a few cases the NKT Group's foreign companies are subject to special tax schemes to which certain conditions are attached. As of 31 December 2025 these conditions were complied with.

As part of NKT's commercial activities, parent company guarantees are provided towards customers and suppliers. These guarantees cover the risk relating to performance inherent in projects and contracts. On 31 December 2025 the value of parent company guarantees issued to customers and suppliers was EUR 5,098m (EUR 5,241m in 2024). At the balance sheet date none of the issued guarantees are expected to materialise.

Further, parent company guarantees have been provided towards financial institutions in relation to guarantee facilities, credit facilities, and mortgage loans. On 31 December 2025 the value of parent company guarantees issued to financial institutions was EUR 2,816m (EUR 2,703m in 2024). On the balance sheet date none of the issued guarantees are expected to materialise.

7 Related parties

NKT A/S has no individuals or legal entities with control or any significant influence over the company other than Management. Related parties consist of subsidiaries and their affiliates as listed in note 6.3 Group companies.

The transactions are shown in the table below. Further transactions relate to remuneration for Management as included in note 2.2 Staff costs to the consolidated financial statements.

EURm	2025	2024
Related-party transactions		
Interest received, net	63	73
Management fee	-3	-4
Hedging gain/loss, net	120	15
Paid joint tax contribution, net	-15	-9
Receivables, non-current	1,915	1,816
Receivables, current	30	14
Payables	1,136	1,344

8 Financial risks, financial instruments, and risk management

Management of capital structure at NKT A/S is performed for the Group as a whole and no operational targets or policies are therefore established independently for the parent company. See note 5.6 Financial risk management in the consolidated financial statements, and the 'Risk management' in the Business line sections.

The hybrid capital is accounted for as part of equity. For more information refer to note 5.3 Hybrid capital in the consolidated financial statements.

Categories of financial instruments:

EURm	2025	2024
Financial assets		
<i>Measured at amortised cost:</i>		
Receivables from subsidiaries	1,945	1,830
<i>Measured at fair value through profit/loss:</i>		
Derivative financial instruments ¹	459	351
Financial liabilities		
<i>Measured at amortised cost:</i>		
Payables to subsidiaries	1,136	1,344
Trade payables and other liabilities	10	14
<i>Measured at fair value through profit/loss:</i>		
Derivative financial instruments ²	519	296

¹ Included in Other receivables.

² Included in Trade payables and other liabilities.

Maturity of financial liabilities:

EURm	Less than 1 year	2-3 years	3-4 years	More than 5 years	Total
2025					
Payables to subsidiaries	1,136	0	0	0	1,136
Trade payables and other liabilities	529	0	0	0	529
Total financial liabilities	1,665	0	0	0	1,665
2024					
Payables to subsidiaries	1,344	0	0	0	1,344
Trade payables and other liabilities	310	0	0	0	310
Total financial liabilities	1,654	0	0	0	1,654

9 Payables to credit institutions and other liabilities

Payables to credit institutions, which predominantly are subject to floating interest rates, as well as Other liabilities are measured at amortised cost. The carrying amount therefore in all material respects corresponds to fair value and nominal value.

Changes in current and non-current loans:

EURm	1 January	Changes from cash flow	31 December
Current and non-current loans, 2025	0	0	0
Current and non-current loans, 2024	1	-1	0

Group Management's statement

The Board of Directors and Executive Board and the Executive Board have today considered and adopted the Annual Report of NKT A/S for the financial year 1 January – 31 December 2025.

The Consolidated Financial Statements and the Parent Company Financial Statements have been prepared in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act. Management's Review has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position on 31 December 2025 of the Group and the Parent Company and of the results of the Group and Parent Company operations and consolidated cash flows for the financial year 1 January - 31 December 2025.

In our opinion, Management's Review includes a fair review of the development in the operations and financial circumstances of the Group and the Parent Company, of the results for the year and of the financial position of the Group and the Parent Company as well as a description of the most significant risks and elements of uncertainty facing the Group and the Parent Company.

Additionally, the Sustainability Statement, which is part of Management's Review, has been prepared, in all material respects, in accordance with paragraph 99a of the Danish Financial Statements Act. This includes compliance with the European Sustainability Reporting Standards (ESRS) including that the process undertaken by Management to identify the reported information (the "Process") is in accordance with the description set out in the section titled "General information" in the Sustainability Statements and Double Materiality Assessment methodology in appendices. Furthermore, disclosures within "EU Taxonomy" in the Environmental Information section of the Sustainability Statement and EU Taxonomy tables in appendices are, in all material respects, in accordance with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation").

The Sustainability Statement includes forward-looking statements based on disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

In our opinion, the annual report of NKT A/S for the financial year 1 January to 31 December 2025 with the file name nkt-2025-12-31-en.zip is prepared, in all material respects, in compliance with the ESEF Regulation.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 25 February 2026

Executive Management

Claes Westerlind
President & CEO

Line Andrea Fandrup
CFO

Board of Directors

Jens Due Olsen
Chair

René Svendsen-Tune
Deputy Chair

Andreas Nauen

Anne Vedel

Nebahat Albayrak

Karla Lindahl

Akos Frank*

Jean Leif Iversen*

John Erik Andersen*

* Employee-elected member.

Independent auditor's reports

To the shareholders of NKT A/S

Report on the audit of the Financial Statements

Our opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the Group's and the Parent Company's financial position at 31 December 2025 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 January to 31 December 2025 in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

Our opinion is consistent with our Auditor's Long-form Report to the Audit Committee and the Board of Directors.

What we have audited

The Consolidated Financial Statements p. 114-157 and Parent Company Financial Statements of NKT A/S p. 158-166 for the financial year 1 January to 31 December 2025 comprise

the income statement, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the cash flow statement and notes, including material accounting policy information for the Group as well as for the Parent Company. Collectively referred to as the "Financial Statements".

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's responsibilities for the audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) as applicable to audits of financial statements of public interest entities, and the additional ethical requirements applicable in Denmark. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

To the best of our knowledge and belief, prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 were not provided.

Appointment

We were first appointed auditors of NKT A/S on 23 March 2023 for the financial year 2023. We have been reappointed annually by shareholder resolution for a total period of uninterrupted engagement of 3 years including the financial year 2025.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements for 2025. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter

How our audit addressed the key audit matter

Revenue recognition and construction contracts

The accuracy and valuation of work in progress of large construction contracts in Solutions and the timing of revenue recognition in the income statement is dependent on complex estimation methodologies of, amongst others, construction costs, percentage-of-completion and uncertainties in the construction phase.

We focused on this area because the revenue recognised over time as well as accuracy and valuation of construction contracts require significant judgements and estimates by Management.

Refer to notes (2.1) and (4.5) in the Consolidated Financial Statements.

We performed risk assessment procedures with the purpose of achieving an understanding of IT-systems, business procedures and relevant key controls regarding revenue recognition and construction contracts. In respect of key controls, we assessed whether they were designed and implemented effectively to address the risk of material misstatements. For selected controls that we planned to rely on, we tested whether they were performed on a consistent basis, primarily related to contract approvals, monitoring of project development and estimation of costs to complete projects.

We considered the appropriateness of the Group's accounting policies for revenue recognition and construction contracts and assessed compliance with IFRS 15.

On a sample basis, we reviewed the individual contracts in Solutions and

challenged the accounting treatment applied by Management. We tested whether revenue is recorded in the correct period and whether construction contracts are valued properly by challenging the estimated costs to complete related to the projects, including the assumptions used, and by performing retrospective review and considering the historical accuracy of the assessment of percentage-of-completion and of the assessment of risk provisions.

We also assessed how the project managers determined the degree of completion by obtaining their calculations and challenged assumptions and inputs used.

We assessed the completeness and accuracy of the disclosure of revenue recognition and construction contracts against the disclosure requirements in IFRS 15.

Key audit matter

How our audit addressed the key audit matter

Valuation and recognition of deferred tax assets

NKT has deferred tax assets from tax losses carried forward and other timing differences in foreign entities, especially in Germany. Significant judgement and estimates are applied when recognising and measuring the tax assets, including when and to which extent these can be utilised in the future.

We focused on this area because Management makes significant judgements and estimates when recognising and measuring the tax assets, including when and to which extent these can be utilised in the future.

Refer to note (2.5) in the Consolidated Financial Statements.

We considered the appropriateness of the accounting policies and valuation models utilised for tax accounting and assessed compliance with IAS 12. We also assessed Management's process for identifying and assessing deferred tax assets that might not be recoverable.

We assessed Management's judgements and estimates of tax balances and carrying amounts as well as the related applied tax rates when calculating these. We also assessed the reasonableness of the main data and assumptions used to calculate the taxable income forecasts used for recognition and measurement of the deferred tax assets relating to tax loss carryforward and other timing differences.

We obtained and evaluated Management's expectations for the generation of future taxable profits in Germany, and reviewed the Group's preliminary tax calculation. We verified that taxes recognised in the Financial Statements are in accordance with the preliminary tax calculation.

We performed a retrospective review and considered the historical accuracy of the valuation of deferred tax assets.

In assessing the valuation and recognition of deferred tax assets, we involved our tax specialists.

We assessed the completeness and accuracy of the disclosure of deferred tax assets against the disclosure requirements in IAS 12.

Statement on Management's Review

Management is responsible for Management's Review p. 1-112 and p. 174-184.

Our opinion on the Financial Statements does not cover Management's Review, and we do not as part of the audit express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Moreover, we considered whether Management's Review includes the disclosures required by the Danish Financial Statements Act. This does not include the requirements in paragraph 99 a related to the Sustainability Statement covered by the separate auditor's limited assurance report hereon.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements

and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act, except for the requirements in paragraph 99 a related to the Sustainability Statement, cf. above. We did not identify any material misstatement in Management's Review.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act, and 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 Group's and the Parent Company'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 Group or the

Parent Company 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 and the additional requirements applicable in Denmark 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 and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Finan-

cial 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 Group's and the Parent Company'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 Group's and the Parent Company's ability to 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 Group or the Parent Company 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 gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and review of the audit work performed for purposes

of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.



Report on compliance with the ESEF Regulation

As part of our audit of the Financial Statements we performed procedures to express an opinion on whether the annual report of NKT A/S for the financial year 1 January to 31 December 2025 with the filename nkt-2025-12-31-en.zip is prepared, in all material respects, in compliance with the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the Consolidated Financial Statements including notes.

Management is responsible for preparing an annual report that complies with the ESEF Regulation.

This responsibility includes:

- Preparation of the annual report in XHTML format;
- Selection and application of appropriate iXBRL tags, including extensions to the ESEF taxonomy and the anchoring thereof to elements in the taxonomy, for all financial information required to be tagged using judgement where necessary;

- Ensuring consistency between iXBRL tagged data and the Consolidated Financial Statements presented in human-readable format; and
- For such internal control as Management determines necessary to enable the preparation of an annual report that is compliant with the ESEF Regulation.

Our responsibility is to obtain reasonable assurance on whether the annual report is prepared, in all material respects, in compliance with the ESEF Regulation based on the evidence we have obtained, and to issue a report that includes our opinion. The nature, timing and extent of procedures selected depend on the auditor's judgement, including the assessment of the risks of material departures from the requirements set out in the ESEF Regulation, whether due to fraud or error. The procedures include:

- Testing whether the annual report is prepared in XHTML format;
- Obtaining an understanding of the company's iXBRL tagging process and of internal control over the tagging process;

- Evaluating the completeness of the iXBRL tagging of the Consolidated Financial Statements including notes;
- Evaluating the appropriateness of the company's use of iXBRL elements selected from the ESEF taxonomy and the creation of extension elements where no suitable element in the ESEF taxonomy has been identified;
- Evaluating the use of anchoring of extension elements to elements in the ESEF taxonomy; and
- Reconciling the iXBRL tagged data with the audited Consolidated Financial Statements.

In our opinion, the annual report of NKT A/S for the financial year 1 January to 31 December 2025 with the file name nkt-2025-12-31-en.zip is prepared, in all material respects, in compliance with the ESEF Regulation.

Hellerup, 25 February 2026

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Kim Tromholt
State Authorised Public Accountant
mne33251

Søren Ørjan Jensen
State Authorised Public Accountant
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Independent auditor's limited assurance report on the Sustainability Statement

To the stakeholders of NKT A/S

Limited assurance conclusion

We have conducted a limited assurance engagement on the sustainability statement of NKT A/S (the "Group") included in Management's Review p. 57 – 112 and p. 174– 184, for the financial year 1 January – 31 December 2025 (the "Sustainability Statement").

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Statement is not prepared, in all material respects, in accordance with the Danish Financial Statements Act paragraph 99 a, including:

- compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by Management to identify the information reported in the Sustainability Statement (the "Process") is in accordance with the description set out in the section Double Materiality Assessment p. 63-66 and Double Materiality Assessment Methodology p. 179-180; and
- compliance of the disclosures in the section "EU Taxonomy" within the

environmental section p. 84-85 and EU Taxonomy tables p. 181-184 of the Sustainability Statement with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation").

Basis for conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance engagements other than audits or reviews of historical financial information ("ISAE 3000 (Revised)") and the additional requirements applicable in Denmark.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under this standard are further described in the Audi-

tor's responsibilities for the assurance engagement section of our report.

Our independence and quality management

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Management's responsibilities for the Sustainability Statement

Management is responsible for designing and implementing a process to identify the information reported in the Sustainability Statement in accordance with ESRS and for disclosing this Process as identified in the section Double Materiality

Assessment p. 63-66 and Double Materiality Assessment Methodology p. 179-180 of the Sustainability Statement. This responsibility includes:

- understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

Management is further responsible for the preparation of the Sustainability Statement, which includes the information identified by the Process,

in accordance with the Danish Financial Statements Act paragraph 99 a, including:

- compliance with the ESRS;
- preparing the disclosures as included in the section "EU Taxonomy" within the environmental section p. 84-85 and EU Taxonomy tables p. 181-184 of the Sustainability Statement, in compliance with Article 8 of the Taxonomy Regulation;
- designing, implementing and maintaining such internal control that Management determines is necessary to enable the preparation of the Sustainability Statement that is free from material misstatement, whether due to fraud or error; and
- selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

Inherent limitations in preparing the Sustainability Statement

In reporting forward-looking information in accordance with ESRS, Management is required to prepare forward-looking information on the

basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

Auditor's responsibilities for the assurance engagement

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Sustainability Statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Sustainability Statement as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities in respect of the Process include:



- Obtaining an understanding of the Process, but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- Considering whether the information identified addresses the applicable disclosure requirements of the ESRS; and
- Designing and performing procedures to evaluate whether the Process is consistent with the Group's description of its Process, as disclosed in the section Double Materiality Assessment p. 63-66 and Double Materiality Assessment Methodology p. 179-180.

Our other responsibilities in respect of the Sustainability Statement include:

- Identifying where material misstatements are likely to arise, whether due to fraud or error; and
- Designing and performing procedures responsive to disclosures in the Sustainability Statement where material misstatements are likely to arise. 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.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Statement. The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise, whether due to fraud or error, in the Sustainability Statement.

In conducting our limited assurance engagement, with respect to the Process, we:

- Obtained an understanding of the Process by performing inquiries to understand the sources of the information used by Management; and reviewing the Group's internal documentation of its Process; and
- Evaluated whether the evidence obtained from our procedures about the Process implemented by the Group was consistent with the description of the Process set out in the section Double Materiality Assessment p. 63-66 and Double Materiality Assessment Methodology p. 179-180.

In conducting our limited assurance engagement, with respect to the Sustainability Statement, we:

- Obtained an understanding of the Group's reporting processes relevant to the preparation of its Sustainability Statement, including the consolidation processes, by obtaining an understanding of the Group's control environment, processes and information systems relevant to the preparation of the Sustainability Statement but not evaluating the design of particular control activities, obtaining evidence about their implementation or testing their operating effectiveness;
- Evaluated whether the information identified by the Process is included in the Sustainability Statement;
- Evaluated whether the structure and the presentation of the Sustainability Statement are in accordance with the ESRS;
- Performed inquiries of relevant personnel and analytical procedures on selected information in the Sustainability Statement;
- Performed substantive assurance procedures on selected information in the Sustainability Statement;

- Where applicable, compared disclosures in the Sustainability Statement with the corresponding disclosures in the Financial Statements and Management's Review;
- Evaluated the methods, assumptions and data for developing estimates and forward-looking information; and
- Obtained an understanding of the Group's process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability Statement.

Hellerup, 25 February 2026

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Kim Tromholt
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Appendix

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181 EU Taxonomy tables

Content index

A list of disclosure requirements complied with in preparing the sustainability statement, based on the outcome of the materiality assessment, can be found in the content index.

Disclosure requirement	Description	Pages
General disclosures		
ESRS 2		
BP-1	General basis for preparation of sustainability statement	68-69
BP-2	Disclosures in relation to specific circumstances	68-69
GOV-1	The role of the administrative, management, and supervisory bodies	46-53
GOV-2	Information provided to and sustainability matters addressed by the ASM bodies	46-53
GOV-3	Integration of sustainability-related performance in incentive schemes	69
GOV-4	Statement on due diligence	67
GOV-5	Risk management and internal controls over sustainability reporting	67
SBM-1	Strategy, business model, and value chain	61-62
SBM-2	Interests and views of stakeholders	65 179-180
IRO-1	Description of the process to identify and assess material IROs	63-65 179-180
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	175-176

Disclosure requirement	Description	Pages
Climate change		
E1		
E1-1	Transition plan for climate change mitigation	72-73
SBM-3	Material IROs and their interaction with strategy and business model	71
IRO-1	Description of the processes to identify and assess material climate-related IROs	64
E1-2	Policies related to climate change mitigation and adaptation	66
E1-3	Actions and resources in relation to climate change policies	75-78
E1-4	Targets related to climate change mitigation and adaptation	74
E1-5	Energy consumption and mix	79
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	80-83
Pollution		
E2		
SBM-3	Material IROs and their interaction with strategy and business model	86 93
IRO-1	Description of the processes to identify and assess material pollution-related IROs	64
E2-1	Policies related to pollution	66
E2-2	Actions and resources related to pollution	87, 89 94
E2-3	Targets related to pollution	89 94
E2-5	Substances of very high concern	92

Disclosure requirement	Description	Pages
Water and marine resources		
E3		
IRO-1	Description of the processes to identify and assess material water and marine resources-related IROs	64
E3-1	Policies related to water and marine resources	66
E3-2	Actions and resources related to water and marine resources	94
E3-3	Targets related to water and marine resources	94
Biodiversity and ecosystems		
E4		
E4	Summarised version as per BP-2 ESRS 2 paragraph 17	94
Resource use and circular economy		
E5		
SBM-3	Material IROs and their interaction with strategy and business model	86
IRO-1	Description of the processes to identify and assess material resource use and circular economy-related IROs	64
E5-1	Policies related to resource use and circular economy	66
E5-2	Actions and resources related to resource use and circular economy	87-89
E5-3	Targets related to resource use and circular economy	89
E5-4	Resource inflows	90
E5-5	Resource outflows	90-91



Disclosure requirement	Description	Pages
Own workforce		
S1		
SBM-2	Interests and views of stakeholders	65
SBM-3	Material IROs and their interaction with strategy and business model	96
S1-1	Policies related to own workforce	66
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	97
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	97
S1-4	Taking action on material impacts, and approaches to managing material risks and pursuing material opportunities, and effectiveness of those actions	97, 98, 99, 103
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	99
S1-6	Characteristics of the undertaking's employees	97, 100, 101
S1-9	Diversity metrics	100-101
S1-14	Health and safety metrics	104
S1-16	Remuneration metrics	101
S1-17	Incidents, complaints, and severe human rights impacts	102

Disclosure requirement	Description	Pages
Workers in the value chain		
S2		
S2	Summarised version as per BP-2 ESRS 2 paragraph 17	105
Affected communities		
S3		
S3	Summarised version as per BP-2 ESRS 2 paragraph 17	105
Business ethics		
G1		
GOV-1	The role of the administrative, supervisory and management bodies	69
IRO-1	Description of the processes to identify and assess material IROs	64
G1-1	Business conduct policies and corporate culture	66
G1-2	Management of relationships with suppliers	111-112
G1-3	Prevention and detection of corruption and bribery	109-110
G1-4	Incidents of corruption and bribery	110, 111

Data points deriving from other EU legislation

IRO-2

This section outlines a table of all the datapoints that derive from other EU legislation as listed in Appendix B in ESRS 2.

Disclosure requirement and related datapoint		SFDR (23) reference	Pillar 3 (24) reference	Benchmark regulation (25) reference	EU Climate Law (26) reference
ESRS 2 GOV-1	Board's gender diversity paragraph 21 (d)	Page 52		Page 52	
ESRS 2 GOV-1	Percentage of board members who are independent paragraph 21 (e)			Page 52	
ESRS 2 GOV-4	Statement on due diligence paragraph 30	Page 67			
ESRS 2 SBM-1	Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Not material	Not material	Not material	
ESRS 2 SBM-1	Involvement in activities related to chemical production paragraph 40 (d) ii	Not material		Not material	
ESRS 2 SBM-1	Involvement in activities related to controversial weapons paragraph 40 (d) iii	Not material		Not material	
ESRS 2 SBM-1	Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Not material	
ESRS E1-1	Transition plan to reach climate neutrality by 2050 paragraph 14				Page 72-83
ESRS E1-1	Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Page 72-83	Page 72-83	
ESRS E1-4	GHG emission reduction targets paragraph 34	Page 74	Page 74	Page 74	
ESRS E1-5	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Page 79			
ESRS E1-5	Energy consumption and mix paragraph 37	Page 79			
ESRS E1-5	Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Page 79			
ESRS E1-6	Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Page 81	Page 81	Page 81	
ESRS E1-6	Gross GHG emissions intensity paragraphs 53 to 55	Page 81	Page 81	Page 81	
ESRS E1-7	GHG removals and carbon credits paragraph 56				Not material
ESRS E1-9	Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Material (phase-in)	
ESRS E1-9	Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)		Material (phase-in)		
ESRS E1-9	Location of significant assets at material physical risk paragraph 66 (c).		Material (phase-in)		
ESRS E1-9	Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Material (phase-in)		
ESRS E1-9	Degree of exposure of the portfolio to climate-related opportunities paragraph 69			Material (phase-in)	
ESRS E2-4	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Not material			
ESRS E3-1	Water and marine resources paragraph 9	Page 94			
ESRS E3-1	Dedicated policy paragraph 13	Not material			
ESRS E3-1	Sustainable oceans and seas paragraph 14	Not material			
ESRS E3-4	Total water recycled and reused paragraph 28 (c)	Not material			
ESRS E3-4	Total water consumption in m3 per net revenue on own operations paragraph 29	Not material			
ESRS E4	Summarised version as per BP-2 ESRS 2 paragraph 17				
ESRS E5-5	Non-recycled waste paragraph 37 (d)	Not material			



Disclosure requirement and related datapoint – continued		SFDR (23) reference	Pillar 3 (24) reference	Benchmark regulation (25) reference	EU Climate Law (26) reference
ESRS E5-5	Hazardous waste and radioactive waste paragraph 39	Not material			
ESRS 2- SBM3 - S1	Risk of incidents of forced labour paragraph 14 (f)	Not material			
ESRS 2- SBM3 - S1	Risk of incidents of child labour paragraph 14 (g)	Not material			
ESRS S1-1	Human Rights Policy commitments paragraph 20	Page 98			
ESRS S1-1	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Page 98	
ESRS S1-1	processes and measures for preventing trafficking in human beings paragraph 22	Page 98			
ESRS S1-1	workplace accident prevention policy or management system paragraph 23	Page 103			
ESRS S1-3	grievance/complaints handling mechanisms paragraph 32 (c)	Page 97			
ESRS S1-14	Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Page 103		Page 103	
ESRS S1-14	Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Page 103			
ESRS S1-16	Unadjusted gender pay gap paragraph 97 (a)	Page 101		Page 101	
ESRS S1-16	Excessive CEO pay ratio paragraph 97 (b)	Remuneration Report			
ESRS S1-17	Incidents of discrimination paragraph 103 (a)	Page 102			
ESRS S1-17	Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Page 102		Page 102	
ESRS 2- SBM3 – S2	Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Page 97			
ESRS S2	Summarised version as per BP-2 ESRS 2 paragraph 17				
ESRS S3	Summarised version as per BP-2 ESRS 2 paragraph 17				
ESRS S4	Summarised version as per BP-2 ESRS 2 paragraph 17	Not material			
ESRS G1-1	United Nations Convention against Corruption paragraph 10 (b)	Not material			
ESRS G1-1	Protection of whistleblowers paragraph 10 (d)	Page 109			
ESRS G1-4	Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Page 110		Page 110	
ESRS G1-4	Standards of anti- corruption and anti- bribery paragraph 24 (b)	Page 110			



Double Materiality Assessment methodology

IRO-1, IRO-2, SBM-2

NKT conducted its first ESRS-aligned Double Materiality Assessment (DMA) in 2024 to understand the impacts, risks, and opportunities associated with its business. This assessment followed a structured approach, aligning with the European Financial Reporting Advisory Group (EFRAG) guidelines and the ESRS.

NKT's methodology for DMA follows six steps, outlined below:

1. Defining context and scope

NKT initiates the DMA process by establishing the context and scope. This foundational step involves mapping activities, products, services, and locations, and describing how these elements are interconnected within the business model. A comprehensive value chain mapping, including a spend analysis, is conducted to prioritise key suppliers and materials. Suppliers are categorised based on economic relevance and potential impact, enabling the identification of high-risk materials

such as copper, aluminium, steel, lead, XLPE, and PVC. This analysis informs the mapping of upstream value chains, focusing on key commodities, while the downstream value chain analysis targets key markets and customer segments.

→ For more information, see:
Value chain

2. Identifying IROs

The second step of the DMA involves identifying the Impacts Risks and Opportunities (IROs). Following EFRAG recommendations and guidelines of, the list of sustainability matters in ESRS 1 AR16 serves as foundation for covering ESG sustainability matters. The sustainability matters on the list were screened using an evaluation matrix where the key screening criteria are:

- Type of IRO
- Location in the value chain (upstream, own operations, or downstream)

The screening is informed by previous DMAs, desktop research, databases, reports, and stakeholder input.

3. Assessing IROs

In the third step, potential and actual negative and positive impacts—as well as financial risks and opportunities over various time horizons—are assessed and scored. Scoring follows EFRAG guidance and excludes mitigation actions, as recommended.

Impact severity is evaluated based on scale, scope, and irremediability (for negative impacts), while likelihood is considered for potential impacts. For potential negative human rights impacts, severity takes precedence over likelihood. NKT's human rights and climate risks assessments are used as inputs, reflecting the findings of the newest edition of these assessments.

Financial risks and opportunities are scored based on magnitude and like-

lihood, with financial effects quantified through integration with the Enterprise Risk Management (ERM) model. Scoring is partially aligned with ERM.

All characteristics are scored, creating a possible scale of 0 to 25, incorporating likelihood where applicable.

4. Calibrating with internal stakeholders

Scoring of IROs is calibrated and validated through internal workshops or through meetings with the relevant internal subject matter experts. IROs are prioritised based on relevance and impact. The calibration of topics includes discussions on dependencies and how to account for them during the assessment.

5. Determining materiality

Materiality is determined using a threshold set at 50% of the possible scale (12.5 out of 25) for both impact and financial materiality. The materiality threshold reflects two key aspects: transparency and

uncertainty. NKT aims to provide stakeholders with clear insights into its impacts, risks, and opportunities, ensuring that the threshold does not obscure transparency. Given the significant uncertainty associated with these assessments, the threshold is set to avoid deeming a topic material without sufficient knowledge. This balanced approach is established through collaboration with the assessment team, participants in calibration workshops, and senior management, and is confirmed through various stakeholder engagement discussions.

Disclosure requirements and data points are defined based on material matters at a sub-sub-topic level. Then, the materiality of information to define the scope of reporting is applied on metrics, establishing if a disclosure requirement is material information to the users of the sustainability reporting. Data points with transitional options are used. All significant information to meet users' decision-making needs is included for reporting.

Endorsement by board and management

The results of the DMA are presented to senior management for final validation and to the BoD for endorsement. The reporting phase ensures transparency and accuracy in addressing significant sustainability matters across NKT's operations and value chain.

DMA outcomes inform updates to the business strategy and guide supporting initiatives. The DMA is reviewed and updated annually.

Stakeholder involvement in the DMA

Stakeholder engagement forms an integral part of NKT's Double Materiality Assessment (DMA). To ensure relevance, accuracy, and robustness, the assessment process includes structured dialogues and consultations with suppliers, customers, and non-governmental organisations.

These engagements serve to validate and refine the understanding of impacts, risks, and opportunities across the value chain. The initial hypotheses on IROs are derived from the above-mentioned desktop research. Insights gathered through stakeholder input complement the internal analysis and desktop research, enabling the incorporation of context-specific details and enhancing the credibility of findings. The information from stakeholder engagement, is furthermore cross-verified against the initial research to ensure accuracy.

The engagement process also supports the prioritisation of material topics, ensuring that the assessment reflects both upstream and

downstream realities. By integrating diverse perspectives, the DMA process reinforces transparency and contributes to informed decision-making within the broader sustainability strategy.

The Board is informed about stakeholder engagement in the DMA process annually.

Stakeholders engaged

Engaging in dialogues with external stakeholders is crucial for NKT. These dialogues ensure that NKT remains transparent and responsive to the concerns of its suppliers, customers, and affected stakeholders.

Suppliers: Suppliers are engaged to identify potential and actual IROs in the upstream value chain, particularly in relation to key materials. Interviews across material supply chains provide data that complements desktop research, including perspectives on working conditions and social impacts.

Customers: Customers contribute input on potential and actual IROs in the downstream value chain. Engagement spans all business lines and key customer segments,

supporting a balanced view of market-facing sustainability matters.

Affected stakeholders: NKT recognises the importance of engaging with affected stakeholders such as affected communities and workers in the value chain, especially regarding human rights. To do so, NKT incorporates input from third-party organisations with expertise in human rights and multi-stakeholder structures. Organisations such as the Initiative for Responsible Mining Assurance (IRMA), the Copper Mark, and the Danish Human Rights Institute are consulted to provide representative insights into the perspectives of affected communities and stakeholders.

Employees: Employees participate in internal workshops designed to calibrate and validate the assessment of IROs. These sessions ensure that internal perspectives are reflected in the prioritisation of material topics. Employees with specific subject matter expertise are furthermore included on an ongoing basis to ensure correct understanding and assessment of specific IROs.





EU Taxonomy

EU Taxonomy FY 2025¹
Financial year (N)

KPI (1)	2025				Breakdown by environmental objectives of Taxonomy aligned activities						Proportion of enabling activities (12)	Proportion of transitional activities (13)	Not assessed activities considered non-material (14)	Taxonomy aligned activities in previous financial year (2024) (15)	Proportion of Taxonomy aligned activities in previous financial year (2024) (16)
	Total (2)	Proportion of Taxonomy eligible activities(3)	Taxonomy aligned activities (4)	Proportion of Taxonomy aligned activities(5)	Climate Change Mitigation (6)	Climate Change Adaptation (7)	Water (8)	Circular Economy (9)	Pollution (10)	Biodiversity (11)					
	EURm	%	EURm	%	%	%	%	%	%	%	%	%	%	EURm	%
Revenue	3,565	77%	1,791	50%	50%	N/A	N/A	N/A	N/A	N/A	50%	N/A	2%	1,600	49%
CAPEX	779	78%	538	69%	69%	N/A	N/A	N/A	N/A	N/A	69%	N/A	3%	341	56%
OPEX	-58	61%	-26	44%	44%	N/A	N/A	N/A	N/A	N/A	44%	N/A	15%	-23	44%

¹ Refer to page 85 of the sustainability statement for the applicable accounting policies



Revenue	Revenue 2025				Environmental objective of Taxonomy aligned activities								
	Code (2)	Taxonomy eligible KPI (Proportion of Taxonomy eligible Revenue / CAPEX / OPEX) (3)	Taxonomy aligned KPI (monetary value of Revenue / CAPEX / OPEX) (4)	Taxonomy aligned KPI (Proportion of Taxonomy aligned Revenue / CAPEX / OPEX) (5)	Climate Change Mitigation (6)	Climate Change Adaptation (7)	Water (8)	Circular Economy (9)	Pollution (10)	Biodiversity (11)	Enabling activity (12)	Transitional activity (13)	Proportion of Taxonomy aligned in Taxonomy eligible (14)
Economic Activities (1)		%	EURm	%	%	%	%	%	%	%	E	T	%
3.1 Manufacture of renewable energy technologies	CCM 3.1	17%	591	17%	17%	N/A	N/A	N/A	N/A	N/A	E	N/A	97%
4.9 Transmission and distribution of electricity	CCM 4.9	31%	1,001	28%	28%	N/A	N/A	N/A	N/A	N/A	E	N/A	91%
3.20 Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	CCM 3.20	29%	199	5%	5%	N/A	N/A	N/A	N/A	N/A	E	N/A	19%
Sum of alignment per objective					50%	N/A	N/A	N/A	N/A	N/A			
Total KPI (Revenue / CAPEX / OPEX)		77%	1,791	50%	50%	N/A	N/A	N/A	N/A	N/A	50%	N/A	66%



CAPEX		CAPEX 2025			Environmental objective of Taxonomy aligned activities								
Economic Activities (1)	Code (2)	Taxonomy eligible KPI (Proportion of Taxonomy eligible Revenue / CAPEX / OPEX) (3)	Taxonomy aligned KPI (monetary value of Revenue / CAPEX / OPEX) (4)	Taxonomy aligned KPI (Proportion of Taxonomy aligned Revenue / CAPEX / OPEX) (5)	Climate Change Mitigation (6)	Climate Change Adaptation (7)	Water (8)	Circular Economy (9)	Pollution (10)	Biodiversity (11)	Enabling activity (12)	Transitional activity (13)	Proportion of Taxonomy aligned in Taxonomy eligible (14)
		%	EURm	%	%	%	%	%	%	%	E	T	%
3.1 Manufacture of renewable energy technologies	CCM 3.1	50%	385	49%	49%	N/A	N/A	N/A	N/A	N/A	E	N/A	99%
4.9 Transmission and distribution of electricity	CCM 4.9	19%	138	18%	18%	N/A	N/A	N/A	N/A	N/A	E	N/A	92%
3.20 Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	CCM 3.20	9%	15	2%	2%	N/A	N/A	N/A	N/A	N/A	E	N/A	22%
Sum of alignment per objective					69%	N/A	N/A	N/A	N/A	N/A			
Total KPI (Revenue / CAPEX / OPEX)		78%	538	69%	69%	N/A	N/A	N/A	N/A	N/A	69%	N/A	89%



OPEX		OPEX 2025			Environmental objective of Taxonomy aligned activities									
		Code (2)	Taxonomy eligible KPI (Proportion of Taxonomy eligible Revenue / CAPEX / OPEX) (3)	Taxonomy aligned KPI (monetary value of Revenue / CAPEX / OPEX) (4)	Taxonomy aligned KPI (Proportion of Taxonomy aligned Revenue / CAPEX / OPEX) (5)	Climate Change Mitigation (6)	Climate Change Adaptation (7)	Water (8)	Circular Economy (9)	Pollution (10)	Biodiversity (11)	Enabling activity (12)	Transitional activity (13)	Proportion of Taxonomy aligned in Taxonomy eligible (14)
Economic Activities (1)		%	EURm	%	%	%	%	%	%	%	E	T	%	
3.1	Manufacture of renewable energy technologies	CCM 3.1	27%	-16	27%	27%	N/A	N/A	N/A	N/A	N/A	E	N/A	99%
4.9	Transmission and distribution of electricity	CCM 4.9	15%	-8	13%	13%	N/A	N/A	N/A	N/A	N/A	E	N/A	89%
3.20	Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	CCM 3.20	19%	-2	4%	4%	N/A	N/A	N/A	N/A	N/A	E	N/A	22%
Sum of alignment per objective						44%	N/A	N/A	N/A	N/A	N/A			
Total KPI (Revenue / CAPEX / OPEX)			61%	-26	44%	44%	N/A	N/A	N/A	N/A	N/A	44%	N/A	72%

Want to read more?

Find the full reporting for 2025 at nkt.com



Remuneration Report

Prepared in accordance with the EU Shareholder Rights Directive II and contains a transparent and comprehensive overview of the remuneration of our Board and Executive.

https://investors.nkt.com/files/Governance/Statutory_reports/NKT_Remuneration_Report_2025.pdf



Corporate Governance Report

Prepared in accordance with section 107b of the Danish Financial Statements Act. Describes our compliance with the Danish Committee on Corporate Governance recommendations.

https://investors.nkt.com/files/Governance/Statutory_reports/NKT_Corporate_Governance_2025.pdf

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NKT is signatory to:



Science Based Targets initiative.
A commitment to become a net zero emissions company.



United Nations Global Compact.
A pledge to implement universal sustainability principles.



Europacable Industry Charter.
A commitment towards superior quality.