

A photograph of a bright yellow Volkswagen SUV parked on a dirt path in a forest. A woman with her arm around a young girl stands by the car, and another young girl stands to the right. The scene is set in a sunlit forest with tall trees and a body of water in the background.

Annual report and
sustainability report
2020

Content

ANNUAL REPORT 2020

Møller Mobility Group	3
Green lights all the way for electric cars	4–5
CEO's statement	8
New strategy up to 2025	10
Sustainable business is our premise	13
Materiality and stakeholder analysis	14
Highlights 2020	16
Our value chain	18
The business areas	19–24
Contributing to a sustainable society	27
Owner and Chairman of the Board Øyvind Schage Førde	37

FINANCIAL STATEMENTS 2020

Møller Mobility Group key figures	38
Report of the Board of Directors	39
Møller Mobility Group Consolidated Financial Statements	45
Møller Mobility Group Financial Statements	64
Auditor's report	74
The Board of Møller Mobility Group	76
Corporate governance	77

CLIMATE-RELATED DISCLOSURES 2020

SUSTAINABILITY REPORT 2020

ESG Index	91
Environment and climate	92
Employees	100
Society	106
Mobility	109
United Nations Global Compact index	113

Facts 2020

Møller Mobility Group consolidates its leading role in the electrification of the Norwegian car fleet and contributes to the green shift with an overall reduction of greenhouse gas emissions of 18.5 percent. The group delivers solid results in a demanding year

After a turbulent spring with closed factories and reduced new car sales, there were positive developments in the Norwegian and Swedish parts of the business in new and used car sales and the aftersales market.

Møller Mobility Group consolidated its leading role in the electrification of the Norwegian car fleet, and a full 69% of the Group's passenger car sales in 2020 were electric. The Audi e-tron became the best-selling passenger car in Norway in 2020, and the launch of the ID.3 led

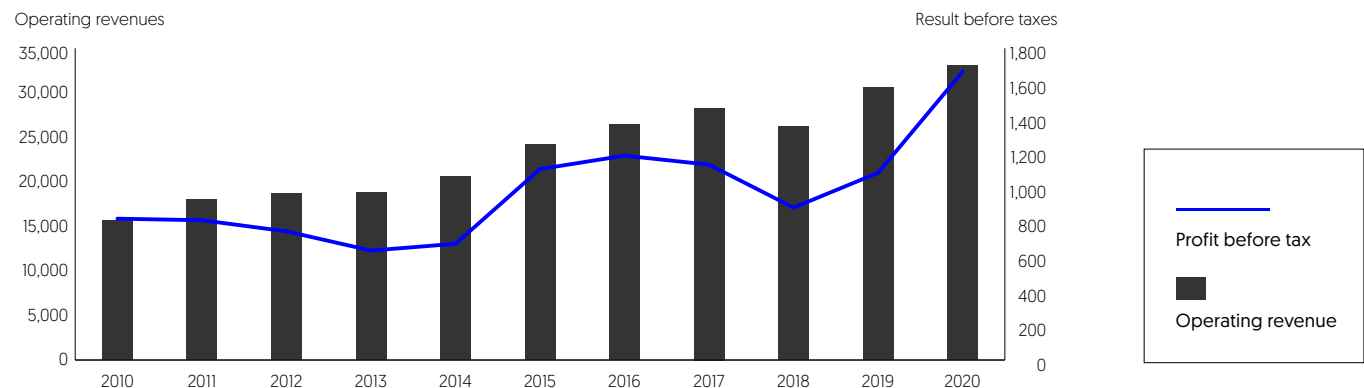
to Volkswagen being the largest passenger car brand in Norway for the eleventh year in a row.

The Group started the year with high inventory levels and good turnover. In the latter half of March, the car factories closed due to the COVID-19 pandemic, and strict infection control measures led to reduced activity in all markets in April and May. The Group experienced sharp sales fall-off in all parts of the business, except the Norwegian dealership business, which maintained high turnover thanks to an exten-

sive new car inventory, good used-car sales and a sound aftersales market.

Car factories restarted production from June, and sales growth was solid in the Norwegian and Swedish parts of the business throughout the second half of the year, while developments were weaker in the Baltics. In total, turnover for 2020 reached a record high of NOK 33 billion, compared with NOK 30.6 billion in 2019.

RESULTS 2010 – 2020 (figures in NOK million)



2020 in numbers

4,078

> Employees in Norway, Sweden and the Baltics

33

> Turnover for the year [NOK billions]

1,665

> Profit before tax [NOK millions]

53,476

> Number of imported cars
Applies to all brands in all our markets

39,389

> Number of new cars sold by Møller Bil and Møller Auto

31,863

> Number of used cars sold by Møller Bil and Møller Auto

Møller Mobility Group

Møller Mobility Group is a family-owned group involved in the import, sale, servicing and financing of Volkswagen, Audi, ŠKODA and SEAT cars. Møller Bil Sverige acquired the independent Porsche dealer Porsche Center Örebro in 2020. The company is represented in Norway, Sweden and the Baltic States. Through the Hyre company, the Group is represented in a leading-edge environment that is actively working to shape the sustainable mobility solutions of the future. The company was founded by Harald Aars Møller in 1936.

CAR IMPORTS

Harald A. Møller AS is Norway's largest car importer. The company is responsible for importing, distributing and servicing Volkswagen, Audi, ŠKODA and SEAT cars in Norway. Almost one in every four new cars sold in Norway has been imported by Harald A. Møller AS. Møller Baltic Import SE imports Volkswagen into Estonia, Latvia and Lithuania, and Audi into Latvia and Lithuania.

CAR DEALERS

Møller Mobility Group has a total of 71 car dealerships in Norway, Sweden and the Baltics. Møller Bil Norge is Norway's largest car dealer chain and has 45 dealerships and 12 specialised bodywork shops throughout the country. Møller Bil Sverige is Sweden's second largest Volkswagen, Audi, ŠKODA and SEAT dealership grouping with a total of 14 outlets. In 2020, the company acquired the independent Porsche dealer Porsche Center Örebro. Møller Auto Baltic has 12 outlets in Estonia, Latvia and Lithuania and a repair and paint workshop in Latvia.

FINANCIAL SERVICES

Volkswagen Møller Bilfinans AS is jointly owned by Møller Mobility Group (49%) and Volkswagen Financial Services AG (51%). The company offers loans, leasing products and insurance linked to the respective brands' sales of new and used cars. Volkswagen Møller Bilfinans is Norway's largest leasing company and a fully integrated part of the Volkswagen, Audi, ŠKODA and SEAT value chain in Norway.

MOBILITY SERVICES

Through the Hyre company, the Group is represented in a leading-edge environment that is actively working to shape the sustainable mobility solutions of the future.

Green lights all the way for the electric car

Norway intends to cut emissions from transport by 50-55 per cent by 2030. This will entail significant cuts in the use of fossil fuels – and electrification is the natural new main driving force. And we're already on our way.

“There is a growing diversity of individual-oriented business models, tailored for flexible sharing of mobility services. Digital solutions have triggered the development of a number of innovative services that mean that individuals no longer need to invest in their own vehicle to meet their transport needs.” – the Norwegian government’s expert committee on “Technology in the Transport Systems of the Future”

From the “Technology for sustainable freedom of movement and mobility” report

2020 was another successful year for the electric car. More than half of the passenger cars sold in Norway in 2020 were electric. In Møller Mobility Group, the share was even higher, with 69% of new car sales being electric cars. This provides inspiration for achieving our goal that as of 2025 we will no longer sell passenger cars that run on fossil fuels.

The discussions around electric cars and environmental benefits create a lot of interest, but the fact is that the electric car is the most environmental and climate-friendly option. It is not only about emissions, but also about energy efficiency. The car’s energy efficiency describes how much of the fuel energy reaches all the way to the drive wheels and provides propulsion. Soon we will need to get used to talking about energy consumption not as L/100km or mpg, but as kWh per 100km. As an example, we can compare a diesel-engine Golf and an e-Golf. The conventional Gulf uses 5 litres of diesel per 100km, the equivalent of 50 kWh/100km. By comparison,

an e-Golf only needs a quarter of that: approximately 12.5 kWh/100km. And when the charging current comes from renewable sources, the arguments for the electric car become even greener.

This is one of many good reasons why the Volkswagen factory is investing in electric. The most recent major initiative is the innovative concept of **Volkswagen Trinity**, which is both a new model and a restructuring that sets new industry standards for range, charging speed and digitalisation. The Trinity model is scheduled to be launched in 2026.

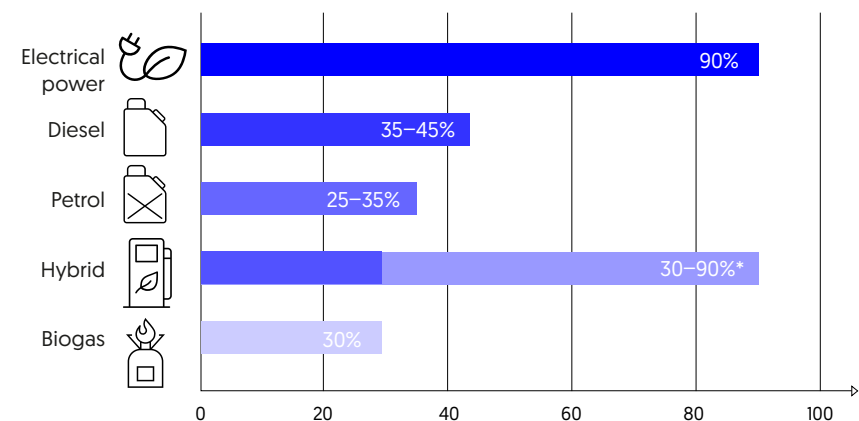
A MANAGED DEVELOPMENT

The electric car is also being given strong impetus by international and national targets for reduced emissions. Norway has endorsed the Paris Agreement’s goal of limiting the rise in global average temperatures to “well below” 2 degrees above pre-industrial levels. At the

same time, the EU has demanded that car manufacturers meet the requirement for 95 g/CO₂ emissions by 2021. Norway has followed up with the goal of all new cars having zero emissions in 2025. This will be impossible without electrifying as much of the vehicle fleet as possible, not excluding commercial vehicles.

At the same time, initiatives are being launched that will allow Norway to continue to be an international torchbearer for greener car fleets; for example, cheaper financing options – and in Oslo, the city council has advocated for the capital to have emission-free traffic by 2030. This is in line with the EU taxonomy, to be introduced on 1 January 2023 and which has set a target of 100 emission-free European cities by 2030. The taxonomy also stipulates that there should be at least 30 million zero-emissions cars on European roads – and that automated mobility should be introduced on a large scale by 2030.

ENERGY AND FUEL EFFICIENCY OF VEHICLES



* Depends on how long the hybrid car is driven by electric motor
Source: Møller Bil Skolen

The electric car is leading us into a world of new possibilities

Møller Mobility Group is in no doubt that a commitment to electrified mobility is the right course to follow. New technology, climate requirements and better battery solutions are drivers of new opportunities for progress.

Our mobility is changing and, as the Government's Expert Committee on Technology in the Transport System of the Future observes in its *Technology for sustainable freedom of movement and mobility* report: "There is a growing diversity of individual-oriented business models, tailored for flexible sharing of mobility services. Digital solutions have triggered the development of a number of innovative services that mean that individuals no longer need to invest in their own vehicle to meet their transport needs." This accords with Møller Mobility Group's commitment to the mobility of the future, in which we are promoting more opportunities for more sustainable transport solutions.

A SOUND AND SUSTAINABLE CHOICE

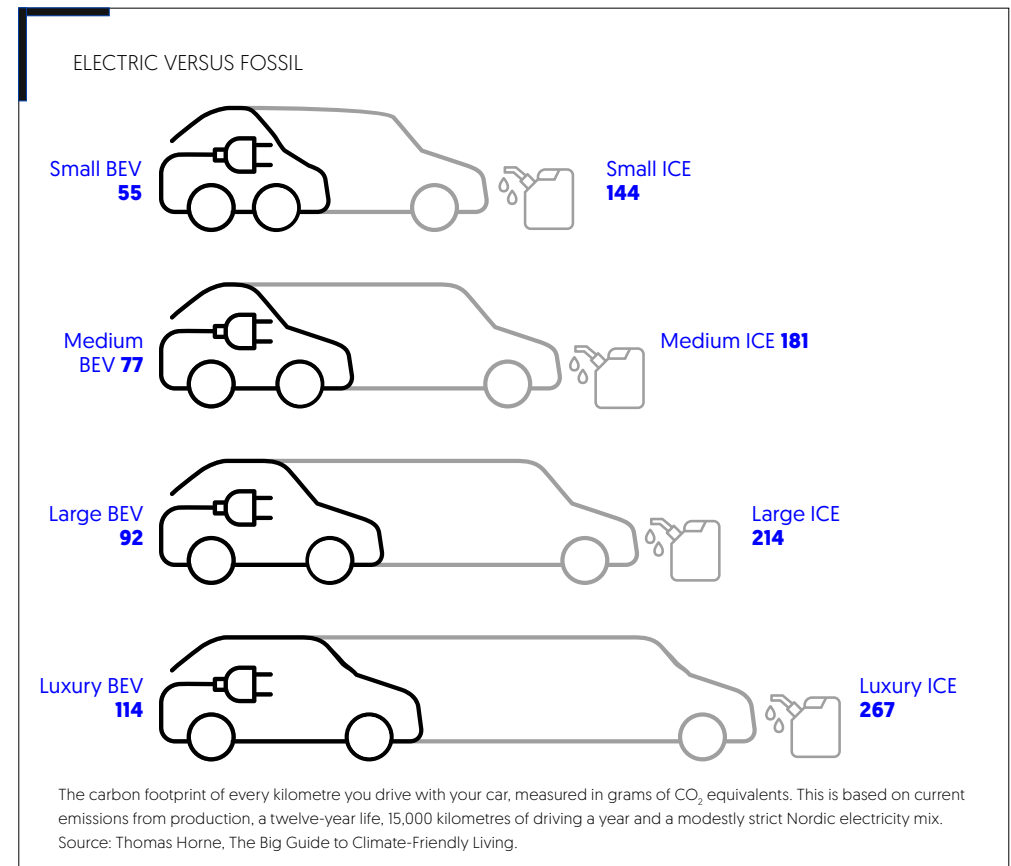
Thomas Horne, author of "The Big Guide to Climate-Friendly Living", confirms that electric cars are the sound choice. In an interview in D2 magazine, he was asked what many of us are asking:

If your internal combustion engine car is gnawing at your conscience, should you switch to electric? Horne's answer is clear: "Yes, a resounding yes. No might be the correct answer in a few cases, but let me put it this way: If you need a car, it's an electric car that you need – as long as it is possible to charge it where you drive."

Some people have queried the longevity of the batteries, but Frank Blome, head of Volkswagen's Center of Excellence for Battery Cells, promises: "Our goal is for the battery to last as long as the car, and we guarantee a minimum capacity of 70% after eight years or 160,000 kilometres."

A SUSTAINABLE INVESTMENT

The Volkswagen factory's strategy and investments have garnered widespread attention. Patrick Hummel, head of *European and US Auto & Mobility Research* at Swiss investment bank UBS, provides the following analysis: "ID.3 shows



that Volkswagen has developed a pure electric platform that is groundbreaking. This allows the Group to offer attractive electric vehicles across the entire product range. On this basis, UBS expects Volkswagen to be a market leader for pure electric vehicles as early as 2022."

The most important goal, however, is a sustainable future, where the car – and it will one not powered by fossil fuels – still has an important role. A commitment to infrastructure provides benefits for both cars and people. The

World Economic Forum notes that a €6 billion investment in electric car charging infrastructure could result in over 12 billion euros in health benefits due to reduced pollution. At the same time, they argue that by integrating electric cars into the cities' energy systems, car batteries can provide electricity as a supplement to, for example, solar and wind power.

This is yet another proof that the electric car offers a journey into a world of new, sustainable possibilities.

The Volkswagen factory's strategy powers our ambitions

Volkswagen Group is Møller Mobility Group's most important partner. The factory manufactures all the car brands we sell, which means that Volkswagen Group's strategic choices affect our business. For Møller Mobility Group, having the world's largest automaker as our partner is a strength. Volkswagen has the weight to be able to make choices that align with the need for increased sustainability and the challenges posed by the megatrends. Volkswagen Group has set specific goals for both climate and the environment, as well as future mobility. Central to both the business strategy and the Group's own commitments is a focus on increasing sustainability. These are goals we want to reach for and harmonize with our sustainability ambitions.

VOLKSWAGEN

AKTIENGESELLSCHAFT

CORPORATE STRATEGY

"TOGETHER 2025"

BUSINESS GOALS CLIMATE AND ENVIRONMENT

"GO TO ZERO"

SHAPING MOBILITY – FOR GENERATIONS TO COME

Volkswagen's goal is to develop sustainable mobility for us and future generations. With electric propulsion, digital networks and self-driving systems, the car will be emission-friendly, quieter, smarter and safer. This will allow the car to continue to occupy an important place in the mobility of the future.

CLIMATE CHANGE

- Has committed to work to meet the Paris Agreement's goal of limiting global warming to no more than 2°C.
- By 2050, Volkswagen Group's business will be climate neutral.
- By 2025, the total life-cycle emissions of greenhouse gases from passenger cars will be reduced by 30% compared with 2015.

USE OF RESOURCES

- Maximise resource efficiency and promote circular economy approaches in the areas of materials, energy and water.
- By 2025, production-related environmental externalities will be reduced by 45% per vehicle compared with 2010.

AIR QUALITY

- Invest in electric mobility to improve air quality.
- By 2025, the share of battery electric vehicles in the model portfolio will be 20–25%.
- This figure will be increased to 40% by 2030.

ENVIRONMENTAL COMPLIANCE

- Aim to be a role model for a modern, transparent, successful business.
- Prioritise management systems that best control the environmental impacts of our mobility solutions throughout their lifecycle.

”

We will continue to be an active driving force for ensuring that an ever-increasing share of the fleet becomes emission-free.



It's about people, business and sustainability

In last year's report, I wrote: "As I write this, we are all in the midst of a reality that seems unreal." Much has been said and written about the pandemic. For the first time, we had to lay off employees.



Group CEO
PETTER HELLMAN

Now, a year later, I would like to say this: The way the whole group, and especially the organisation within Møller Bil, has adapted and captured the most out of a market in mid-crisis, has been incredible to see up close.

Sales and customer experiences have been given due attention, but most important right now is the way proper infection control has been handled in every situation. I have also been impressed by an importer organisation that, in the same period and across all brands, has mobilized and launched some of our most important models ever. All in the midst of a pandemic.

Yes, 2020 was "the year of uncertainty", and at times a rollercoaster ride that really put us to the test. After the turbulent spring with factories closed and reduced new car sales, developments in the Norwegian and Swedish businesses were positive. We are very pleased to have generated the good results that we did. The Audi e-tron became the best-selling passenger car in Norway in 2020, and the launch of the ID.3 led to Volkswagen being the largest passenger car brand in Norway for the eleventh year in a row. This shows that our business

contributes significantly to the green shift. And not least, Møller Bil received recognition for its customer service in 2020. Our people have made a formidable effort to keep the wheels turning with good infection control, and it is very pleasing to be appreciated for the care we took of our customers at a difficult time.

And now that, in 2020, Møller Mobility Group has delivered its best-ever result, despite a challenging spring with closed factories, extensive infection control measures and reduced new car sales, we really have reason to rejoice. The depth of quality that our people possess has really been demonstrated.

SUSTAINABILITY IS OUR FUTURE STRENGTH

Møller Mobility Group will be implementing a new corporate strategy in 2021, to strengthen our position and guide us towards a more sustainable future. Sustainability will be our future strength. Combined with a forward-leaning organisation and a proactive factory that is investing heavily in zero-emissions cars, we are well prepared to meet the expectations of the market and society. Our new strategy focuses on the connections between people, business and sustainability.

Møller Mobility Group is the largest automotive group in the Nordic region and has a clear ambition to further strengthen its position as a leading player in mobility in the years ahead. The Group expects a positive development in 2021, not least in terms of electric vehicles sales. In 2020, a full 69% of sales of the Group's passenger car brands in Norway were electric, and, in 2021, the Group estimates this share to be about 85%.

Møller Mobility Group has a leading role in the green shift in Norway through the electrification of the Norwegian car fleet. We will continue to be an active driving force for ensur-

ing that an ever-increasing share of the fleet becomes emission-free.

DRIVEN BY PEOPLE AND SUSTAINABILITY

Good employees who believe in what they do are a prerequisite for our success. Møller Mobility Group will be known as an enterprising company that cares about its employees – and people in general. This is fundamental to our business. It is our skilled, dedicated employees who win us customers. Good business develops in good encounters between people.

An important part of our social mission is to create new opportunities for people who have fallen outside the employment market. This is also what sustainability is about, and here we can count Møller Medvind a success. Møller Medvind employees receive training in how to make used cars ready for sales in the Oslo area. The participants who complete the training receive a diploma. This provides the Group with a number of benefits. It helps us recruit important skills, the participants get documentation of their knowledge, and we do our part towards ensuring proper conditions in an industry that is unfortunately known for its black economy and poor working conditions. It is therefore very gratifying to note that, just before the end of the year, the Ministry of Labour and Social Affairs submitted for consultation a proposed legislative amendment to establish an approval scheme for car washes, tyre changes and tyre storage. We are equally pleased that Møller Medvind opened a new department in Trondheim in 2020.

We are also actively working on our climate reporting to map how our operations affect climate and the environment. These are important drivers of our approach to people, business and sustainability.

Record results in troubled waters

Møller Mobility Group increased its turnover by 8% to a record of NOK 33 billion, delivering a solid all-time high pre-tax profit of NOK 1,665 million in 2020.



Chief Financial Officer
ANNA NORD BJERCKE

“Throughout the year, the Group’s focus has been on keeping the wheels turning”

The profit increase of more than 60% is a full NOK 634 million better than in 2019 and well above the previous record result of NOK 1,180 million in 2016.

Throughout the year, the Group’s focus has been on keeping the wheels turning, and after a turbulent spring with closed factories and reduced new car sales, there were positive developments in the Norwegian and Swedish parts of the business in new and used car sales and the aftersales market. New car sales in Norway ended at the same level as 2019, and the overall market share for the Group’s passenger car brands increased from 23.7% in 2019 to 26.7% in 2020. The launch of ID.3 in the second half of the year helped Volkswagen retain its position as the largest brand in Norway, and the Audi e-tron became Norway’s best-selling model in 2020. The passenger car market in Sweden and the Baltics declined by 18% and 21% respectively.

The Group’s record profit is powered by a

strong performance in its dealership business in Norway and Sweden, as well as continued good results in its Norwegian import operations, while profits in the Baltics were halved as a result of steep market declines. Gross earnings from new car sales fell due to reduced margins compared with 2019, while gross profit from used car sales and the aftersales market rose, driven both by turnover growth and somewhat higher margins.

Costs are largely unchanged compared to last year. Increased warranty costs and property lease costs, as well as one-off restructuring costs, are partly offset by reduced marketing costs, as well as the effect of the strong steps taken to reduce personnel costs in 2020, both in the form of layoffs and total staffing reductions of about 330 man-years (8%). Furthermore, the provisions for repurchase obligations were reduced as a result of a very strong used car market in 2020. The net result from financial items improved substantially compared to last year due to positive currency effects.

RECORD PROFITS AND REDUCED INVENTORIES PROVIDE GOOD LIQUIDITY

New car inventories were high and increasing at the beginning of the year, but were sharply reduced in the period leading up to summer, and used car inventories were also reduced throughout the year due to strong demand in the market. The Group’s inventories have consequently been reduced overall by about 25% since the beginning of the year and, combined with a good result, this yields cash flow from operations of NOK 3,186 million for the year. The Group has a net positive cash balance of NOK 1,036 million at year-end and the liquidity and financing situation is very strong.

In order to optimise equity throughout the year, Møller Mobility Group normally distributes dividends three times a year. Due to uncertainty in connection with the COVID-19 crisis, no dividends were allocated for the first four-month period of 2020, but a dividend of NOK 300 million was allocated for the second, and a further NOK 700 million have been allocated to dividends and group contributions for the third period. The equity ratio is 40.7%.

OUTLOOK FOR 2021

The expectations for 2021 are characterised by optimism, but also considerable uncertainty. Solid GDP growth is expected in all of the Group’s markets, but not back to 2019 levels. There is still a high risk of new rounds of strict infection control measures, which can affect both access to and demand for the Group’s goods and services.

Møller Mobility Group expects total sales in Norway in 2021 to be strong, with up to 160,000 passenger cars and 36,000 vans. In Sweden, flat progress from 2020 is expected, while a market increase of 10-20% is anticipated in the Baltics if the lockdowns do not last too long.

Møller Mobility Group has a very strong financial position, a solid order book, and a model portfolio that is expected to fit the market well in 2021. In order to increase resilience and flexibility in the face of a volatile market, the Group carried out significant cost-cutting during 2020. Overall, this puts the Group in a good position to define a long-term strategy for further growth, even with the uncertainties associated with macro-economic developments and the framework conditions for electric vehicles.

New strategy up to 2025

The Group has implemented a strategy process for the business up to 2025. At the heart of the new strategy is that the Group must both develop its existing business and at the same time invest for the future in order to succeed.



Executive Vice President
Strategy and Business Development
HÅVARD ANDERSEN

“We will help society grow in a sustainable direction”

We have just launched our new vision: **“Dare to move”**.

Dare to move is about us being ready for what’s to come. Dare to move is about being open, inquisitive and playing as a team – no matter what your individual role. We shall dare to move and dare to take risks, even when the outside world does not demand it, but because we demand it of ourselves. It is clear that our new strategy perfectly supports this vision.

Møller Mobility Group delivers all-time best result despite a challenging spring 2020. We take pride in this, but, like others, we have to fight everyday to deliver good results. Competition going forward will be even tougher, with more widespread technological progress, changing markets and new competitors. Specifically, in our new strategy up to 2025, we must seize opportunities in five key areas if we are to succeed:

DEVELOP PEOPLE

Møller Mobility Group’s long-term ambition is to be among the best workplaces in the Nordic and Baltic countries – regardless of sector. Møller shall be a good place to be, a workplace



where everyone experiences being encouraged, where we have confidence in each other and where we win as a team. We shall be a place where we grow, and a workplace where everyone has the opportunity to become the industry’s foremost experts.

EXCITE THE CUSTOMER

This is about delivering the best customer encounters in the market. We shall have digital customer experiences as seamless as the Vipps payment system and physical customer experiences as smooth as the renowned Norwegian wine and spirits outlets. We shall be best at understanding the customer, learning from them and being curious about how to become even better.

TAP THE FULL POTENTIAL

We need to tune the business even better than we have done so far. We have already made great strides with our amazing brands and models, but in the future we will have to work even smarter. We have even more to go on: from customers at home online, before we meet them in-store, to accessory sales, financing, tyre storage and more self-service in the aftersales market. We are accustomed to saying that we have the best people. It is they who will be leading the way in exciting our customers.

INVEST AND TRANSFORM FOR THE FUTURE

Even if we cannot predict the future, we can help shape it! That is why we invested in Hyre and were the driving force behind establishing

MobilityLab. That is why we are investing heavily in digitalisation. Everyone will experience change, new products, new technology, and services delivered in new ways, even new colleagues who know things we are not even aware we need. If we do not seize these opportunities, it is certain that others will.

SUSTAINABLE CHOICES

We will help to develop society in a sustainable direction, whether in working life, by being a good, inclusive workplace, in the form of issues close to our heart such as Møller Medvind, or by acting for climate in being a driving force for electrification, efficient resource utilisation and

the sharing economy. Møller Mobility Group will contribute to the green shift for passenger cars leading up to 2025. It is gratifying to see that electrification of the fleet is accelerating as a technology shift drives the market towards electric cars. Eight of the top 10 best-selling passenger cars in the Norway were fully electric in 2020, the electric car share increased from 42% to 54% and fully 69% of the group's passenger car sales in Norway in 2020 were electric.

Møller Mobility Group's strategy going forward is a natural development of the company's tradition of putting corporate social responsibility on the agenda and taking a leading role in sustainable mobility solutions in our industry.



OUR VISION

Dare to move

OUR MISSION

We provide freedom to move

“Driven by a sustainable future, we develop our people and business, to excite our customers on their journeys.”

OUR STRATEGY

Develop people Excite the customer Tap the full potential Invest and transform for the future Make sustainable choices

OUR VALUES

Honest and trustworthy Proactive Clear Open-minded and caring

Møller Mobility Group's responsible ownership

Throughout Møller Mobility Group's nearly 90-year history, ethics and accountability have always been our guide. As early as in the 1990s, the Group took responsibility for putting the environment on its agenda, and the upcoming strategy period confirms that sustainable choices are a high priority.

1996–1999

COMMITMENT TO THE ENVIRONMENT

- The Group formally commits to improving its environmental performance.
- Measures are implemented to reduce our negative environmental impact.
- Introduction of reporting of environmental measures.

The Group is the initiator behind establishment of Eco-Lighthouse certification as a common standard for the automotive industry.



2000

CORPORATE SOCIAL RESPONSIBILITY

- The owners put corporate social responsibility on the agenda.
- Partnership agreements with BI Centre for Corporate Social Responsibility, projects with the Red Cross, the Church's City Mission, and SOS Children's Villages.
- Structured reporting from the collaboration projects.



2006

ENERGY EFFICIENT CARS

- Polo BlueMotion was launched as a separate model.
- Passat BlueMotion was launched as a separate model.
- HAM AS purchases climate quotas for CO₂ emissions for Passat, Polo and Golf.
- Golf BlueMotion bestseller with 99 g/km emissions launched.
- BlueMotion Technology introduced in the vast majority of TDI engines.

2016–2017

SOCIAL MISSION

- Move from support and sponsorship to active involvement through initiatives integrated with the core operations.
- Work is documented in integrated reporting.
- Mapping of our stakeholders' requirements and expectations for our business.
- Contributing to a sustainable society: energy-smart mobility, equality of opportunity and diversity, integration of people who have fallen outside the labour market.
- The analysis is endorsed by our owners, boards and management.

2017–2019

DIRECTION OF INITIATIVES

- Ambitions for a sustainable social mission:
 - > Be recognised for contributing to a greener everyday life for everyone.
 - > Take a central position within smart urban mobility solutions and urban concepts.
 - > Be known as an enterprising company that cares about its employees and society in general.

2017

- Established Mobility Lab together with StartUp Lab.

- Established the Hyre car-sharing service.

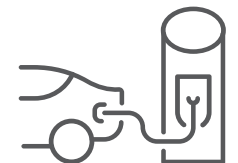
2018

- Møller Medvind opens its doors at Alnabru.

2020–2025

NEW STRATEGY PERIOD

- Be an active driving force in the transition to zero-emissions vehicles in our markets.
- Be recognised for our role in contributing to a greener everyday life for everyone.
- Take a pivotal role within smart urban mobility solutions and urban concepts.
- Be known as an enterprising company that cares about its employees and society in general.



Sustainable business is our premise

Sustainable business is a premise for Møller Mobility Group's operations. Our customers, employees, society and owners expect Møller Mobility Group to make a positive contribution to progress.

In recent years, the Group has laid a solid foundation for implementing and reporting on relevant sustainability initiatives. This also defines specific guidelines for our new corporate strategy, which was initiated in 2020.

Our foundation builds on the following sustainable interactions:

- Close dialogue with our stakeholders.
- Møller Mobility Group's prioritisation of sustainable development goals where our business can contribute to change.
- International and national principles for documenting our sustainability work.

Møller Mobility Group uses the following key tools to contribute to sustainable development:

STAKEHOLDER AND MATERIALITY ANALYSIS

In order to be able to focus on developing people and business, we need insight into our stakeholders' requirements and expectations of our operations. In 2020, the Group conducted a new stakeholder survey that provided valuable insight into how our social mission is being made reality. The stakeholders prioritised the

following focus areas:

- Electrification of the car fleet
- A good, safe workplace
- Diversity and equal opportunities
- Inclusive working life
- A green focus in procurement

This provides guidelines for our business and a targeted strategy and dedicated deliverables that respond to stakeholders' requirements and expectations. See more information on page 14.

OUR PRIORITISED SUSTAINABLE DEVELOPMENT GOALS

The United Nations' 17 Sustainable Development Goals are a global plan of action to end poverty, fight inequality and stop climate change by 2030. Achieving the objectives will require major business actors to contribute through their activities. As the largest importer and dealer of cars in the Nordic region, we can help make a difference through our active involvement. We have prioritised six of the UN Sustainable Development Goals where we aim to make a positive contribution.

MAIN PRINCIPLES



Good health:

Møller Mobility Group will at all times prioritise the company's values, competence-building and sustainability vis-à-vis our employees.



Innovation and infrastructure:

Møller Mobility Group aims to excite customers through investments in new mobility solutions.



Reducing inequality:

Møller Mobility Group will be characterised as a leading workplace where inclusion, diversity and equal opportunities are prioritised.



Sustainable cities and communities:

Møller Mobility Group will work systematically to instil the sustainability perspective throughout our value chain.



Responsible consumption and production:

Møller Mobility Group will work systematically to fulfil social criteria, act professionally and uphold our code of conduct.



Climate action:

Møller Mobility Group will play an active role in combating climate change by offering electric cars and supporting electrification of the transport sector.

ESG

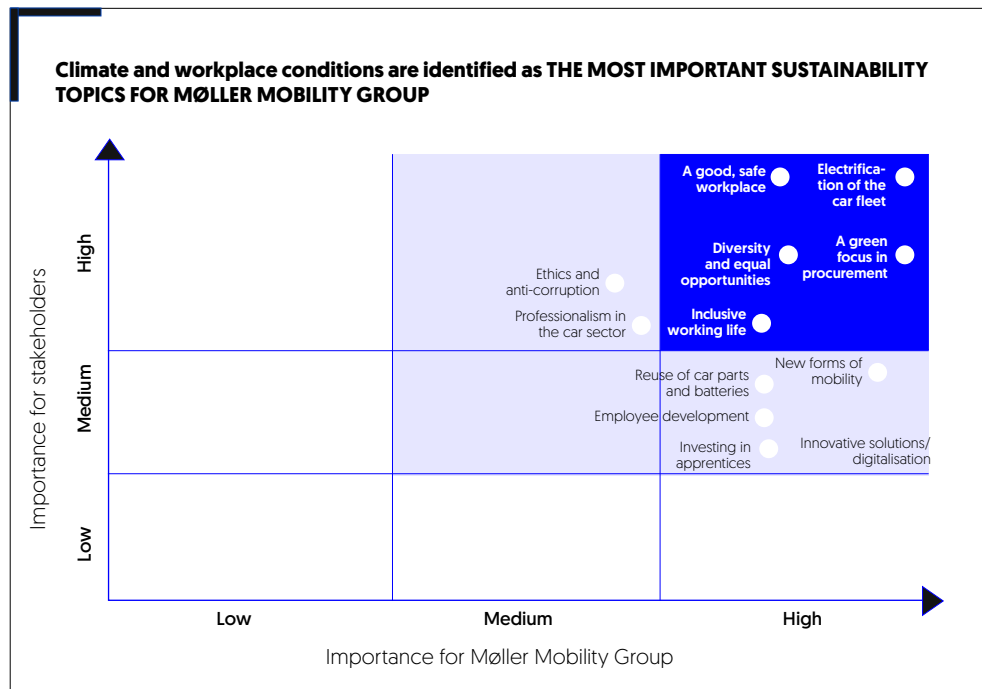
Investors and financial players are increasingly considering investment purposes in accordance with the ESG principle, which provides information on **environmental, social and governance** issues. Møller Mobility Group documents and covers this through its Code of Conduct, prioritised sustainable development goals and the UN Global Compact. See ESG Index on page 91.

UN GLOBAL COMPACT

Møller Mobility Group has signed up to the 10 principles of the UN Global Compact, which is an obligation to enact good practices for human rights, labour, the environment and anti-corruption.

A thorough dialogue for sustainable priorities

Møller Mobility Group's key stakeholders have spoken: Climate and workplace conditions are among the most important sustainability topics that the Group is expected to prioritise. This emerged from the stakeholder and materiality analysis carried out in 2020.



Sustainable business is a prerequisite for positive change. Møller Mobility Group works purposefully to both realize our own ambitions and meet our stakeholders' expectations. This is the reason why, in the autumn of 2020, we carried out a thorough materiality and stakeholder analysis in order to optimise our sustainability efforts.

In the autumn of 2016, the Group conducted its first materiality and stakeholder survey, but much has changed since then. In order to target our sustainability efforts to what we can actually influence, we need to gain insights into the requirements and expectations that our most important stakeholders place on our business.

IN-DEPTH STAKEHOLDER DIALOGUE

Møller Mobility Group's main stakeholders are employees, customers, partners, authorities and NGOs. Owners, the Board and managers have also participated actively in the work.

Such a thorough analysis has never been carried out for Møller Mobility Group before, and the conclusions of the work have provided concrete guidelines for our new strategy, "Make sustainable choices".

The basis for the analysis was in-depth interviews with representatives of all our key stakeholders, enabling them to offer their views and input on important sustainability topics. In addition, a questionnaire-based survey was conducted that went out to employees, customers, students and other external groups.

A thorough evaluation of how Møller Mobility Group already communicates and reports on its sustainability initiatives was also carried out.

INPUT TO OUTPUT

The analysis revealed many possibilities and challenges, and many topics were brought to

the fore. Nevertheless, the contributions led to a consistent conclusion. Sustainability topics had the highest priority:

- Electrification of the car fleet
- A good, safe workplace
- Diversity and equal opportunities
- Inclusive working life
- A green focus in procurement and the value chain

But other opportunities have been highlighted that we can help realise. Møller Mobility Group has a clear focus on ethics and anti-corruption and we are working actively to promote professionalism in the automotive industry. An important sustainability measure is increased reuse of car parts and batteries. The development of employees and investment in apprentices make valuable contributions, as do investments in innovative solutions centred on digitalisation. At the same time, we will realize our strategy by advancing new forms of mobility.

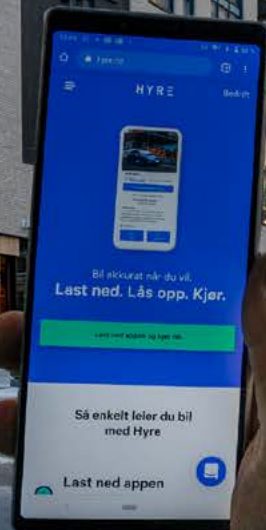
Our business can promote positive development and change within all the key topics, with these as some of the priority areas ahead:

- Strengthen our market share of electric car sales
- Set stronger environmental and sustainability requirements for our 8,000 suppliers
- Ensure good HSE work in all parts of our business
- Invest in Møller Medvind, our company that gives people a second chance and contributes to increased professionalism in the car care sector
- Conscious recruitment for equality and diversity
- Stimulate car subscriptions and increased car sharing

All of these opportunities fit naturally into our prioritised sustainable development goals.

”

We will deliver a seamless customer experience across products, services and channels.



HIGHLIGHTS 2020



Møller Mobility Group returned a record-high profit in 2020

Møller Mobility Group returned a pre-tax profit of NOK 1,665 million in 2020, which is NOK 634 million better than in 2019 and a solid all-time high for the Group.

After a turbulent spring with closed factories and reduced new car sales, there were positive developments in the Norwegian and Swedish parts of the business in new and used car sales and the aftersales market. Møller Mobility Group consolidated its leading role in the electrification of the

Norwegian car fleet, and a full 69% of the Group's passenger car sales in 2020 were electric. The Audi e-tron became the best-selling passenger car in Norway in 2020, and the launch of the ID.3 led to Volkswagen being the largest passenger car brand in Norway for the eleventh year in a row.

Møller Mobility Group brings the Baltic businesses together under common management

Tore Nilsen Breen (55) is appointed as Head of Baltic Operations for Møller Mobility Group's combined operations in the Baltics. Tore Nilsen Breen will report to the CEO and become part of the Group Management team of Møller Mobility Group.

"Møller Mobility Group is a significant player in the Baltic car market.

Our businesses have performed well, but we now see the need for even closer cooperation between our import and dealer activities to ensure further growth and development. Tore Nilsen Breen has extensive experience from operational, commercial and organizational development," says CEO Petter Hellman.



AUDI E-TRON WAS NORWAY'S BEST-SELLING PASSENGER CAR

Audi e-tron heads the list of the best-selling passenger cars in Norway in 2020, with deliveries of more than 10,000 units. Audi was also crowned importer of the year along with Toyota in Bilnytt's survey. ŠKODA and Volkswagen were ranked immediately below.

WORLD PREMIERE AND SALES LAUNCH FOR ŠKODA ENYAQ

1 September 2020 was a milestone in ŠKODA's 125-year history. Their all-electric family SUV, ENYAQ, had its world premiere on the home turf at Prague.

"It is a great pleasure to finally be able to announce that the ŠKODA ENYAQ will have its world premiere on 1 September. We are equally pleased to be starting to take orders," said Thomas Meiner, director of ŠKODA Norway at Harald A. Møller.



HIGHLIGHTS 2020



Møller Bil wins prestigious customer service award

Through over 40,000 interviews, Kantar's customer service centre survey measures customer satisfaction among Norwegian businesses. No one has shown greater progress in customer service than Møller Bil after the COVID-19 pandemic hit Norway.

As a result, Møller Bil has again emerged as the winner of the "Corona Prize", which the Customer Service of the Year organiser itself calls its most

prestigious award. Møller Bil was nominated together with Lyse and Coop in this category, and it was Møller Bil that ended up heading the polls.



ID.3 off the starting block – with ID.4 hot on its heels

Volkswagen ID.3 became Norway's 3rd most purchased passenger car model in 2020, having only been launched in September. On 28 August 2020, the ship carrying more than 700 ID.3 1st arrived at Møller Logistics, Bekkelaget.

"This is a historic day for all of us who work with Volkswagen in Norway. Seeing the first ID.3 1st being driven off the ship today marks a milestone for electric mobility", said Harald Edvardsen-Eibak, Director at Volkswagen.

Part of Volkswagen's "Way to zero" initiative, ID.3 is the very first model to be manufactured and delivered with complete CO₂ neutrality. And hot on its heels came its big brother, ID.4.

ID.4 had its world premiere on 23

September 2020, and was available for ordering on the very next day in Norway. This is a real car for Norway – right down to the rims. The ID.4 is a 100-percent family SUV, 100 percent electric, and our next step towards fully electric mobility. The electric SUV combines the best of both worlds; the space and flexibility of a large modern family SUV, with sustainable mobility and electric performance. A car to generate excitement!

PARTNERSHIP IN TYRE STORAGE

Møller Mobility Group and Mitt Dekkhotell entered into a strategic partnership, which also involves Møller Mobility Group acquiring a 15% interest in the tyre storage chain.

In the face of increased need and demand for tyre storage services, Møller Mobility Group is now entering into a closer collaboration with Mitt Dekkhotell. The agreement gives Møller Mobility Group an option to purchase a further 10%, in addition to the aforementioned 15% ownership interest.

"For us, strategically, this is about working more closely and with a long-term perspective with partners who can bring us strength in areas where we see a shared potential for value creation. Demand for tyre storage services is increasing, and Mitt Dekkhotell enables us to scale up our proposition more efficiently, to the benefit of our customers," says Petter Hellman, CEO of Møller Mobility Group.



Our value chain

The factory

Volkswagen Group is the world's largest automaker. With its new vision of "Shaping mobility – for generations to come", the company will provide answers to today's and tomorrow's challenges with its incisive TOGETHER 2025+ corporate strategy. The Volkswagen Group's goal is to make mobility sustainable for current and future generations. The Volkswagen Group has established a comprehensive decarbonisation programme with the goal of achieving full CO₂ neutrality in all areas, from the vehicle fleet via production to administration, by 2050: "Volkswagen Way To ZERO". Volkswagen has thus committed fully to implementing the climate goals of the Paris Agreement. Møller Mobility Group has collaborated with Volkswagen AG since 1948, and the factory's strategy has also inspired Møller Mobility Group's strategy and operations.

9.3 million

> Number of cars manufactured by Volkswagen Group in 2020.



The importers

Møller Mobility Group has two import companies: Harald A. Møller in Norway and Møller Baltic Import. Harald A. Møller imports the brands Volkswagen, Volkswagen Commercial Vehicles, Audi, ŠKODA and SEAT into Norway, while Møller Baltic Import imports Audi into Latvia and Lithuania and Volkswagen into Latvia, Lithuania and Estonia. Through their market expertise and financial strength, the importers provide the dealers with the power to succeed. From 2018, Harald A. Møller started importing and selling SEAT in Norway. This business will be based on a new sales model where the end customer buys a car directly from the importer via a digital platform.

53,476

> Cars imported in 2020.



The dealers

Møller Bil and Møller Auto are responsible for sales and aftersales service of our brands in Norway, Sweden, Lithuania, Latvia and Estonia. The goals for our 71 dealers are to increase customer satisfaction and fully exploit the potential of the Møller Bil brand. **NORWAY** Møller Bil is Norway's largest car dealer chain with 45 dealerships and 2,896 employees. **SWEDEN** Møller Bil is Sweden's second largest dealer group within Volkswagen, Audi, ŠKODA and Seat with 14 dealerships and 629 employees. **ESTONIA** Møller Auto has four dealerships and 142 employees. **LATVIA** Møller Auto has five dealerships and 254 employees. **LITHUANIA** Møller Auto has three dealers in Lithuania and 157 employees.

39,389

> Number of new cars sold in Norway, Sweden and the Baltics in 2020.



Financing

Volkswagen Møller Bilfinans contributes to the dealers' success by offering competitive financing products in Norway.

28,000

> cars financed.

40,000

> cars insured.

Mobility services

Through the Hyre company, the Group is represented in a leading-edge environment that is actively working to shape the sustainable mobility solutions of the future.

49,343

> Number of Hyre users in 2020.



Customers

Møller Mobility Group has more than 500,000 customer encounters each year. Our customers are our most important investment, meaning all Møller Mobility Group employees must create the best customer experiences every single day. Our core values translated into practice are an important foundation for creating positive experiences – for the customer and Møller Mobility Group alike. We shall always strive to provide our customers with the very best solutions, and it is important for us to address the customers' requirements for future mobility.

500,000

> Customer encounters in 2020.

Record turnover in broken terrain

The import business in Norway performed well throughout the second half of the year. A full 69% of the Group's sales of passenger cars were electric in 2020. With this achievement, we consolidated our leading role in the electrification of the Norwegian car fleet.



Managing Director
Harald A. Møller AS
ULF TORE HEKNEBY

Harald A. Møller (car imports Norway) achieved a pre-tax profit of NOK 730 million compared to NOK 869 million in 2019. The decline relative to last year is primarily due to somewhat weakened margins on new cars. The Audi e-tron ensured good sales growth for Audi, and Volkswagen maintained its overall sales level with good traction from e-Golf models in the first half of the year and ID.3 in the second half. ŠKODA also managed to keep turnover up with good sales of rechargeable Citigo-e and Superb models, while VW Commercial Vehicles fell off. Sales of parts and accessories increased by 12% and overall turnover increased 7% compared to 2019. Cost-reducing measures were implemented in 2020, particularly concerning personnel and marketing costs, while there was a significant increase in warranty costs.

Harald A. Møller AS achieved a market share of 26.7%, and imported more than one in four new passenger cars into the Norwegian market in 2020. In 2020, Volkswagen was



Norway's best-selling passenger car make for the 11th year running. Volkswagen Commercial Vehicles was Norway's best-selling van brand for the 16th year running. Customer satisfaction continues to be excellent for all brands in the aftersales market.

It is pleasing to record that we consolidated our leading role in the electrification of the Norwegian car fleet, and a full 69% of the Group's passenger car sales in 2020 were electric. The Group estimates that this share will increase to about 85% in 2021. For Norway as a whole, electric cars now account for more than 54% of sales. The Audi e-tron was the best-selling passenger car in Norway in 2020.

Everything is set for another good year for Audi in 2021, with the launch of the Audi e-tron GT and Audi Q4 e-tron, both of which are expected to find success on the Norwegian market. In the first half of 2021, deliveries of ID.4 will be starting, along with ŠKODA's first electric family car, the ŠKODA Enyaq. We also have

“Increased electric mobility is an important step on the road to CO₂ neutrality and the Volkswagen Group's strong commitment to electric cars”

high expectations of SEAT's performance brand Cupra, which is scheduled to launch in 2021.

SIGNIFICANT LOGISTICS BUSINESS

There was considerable activity in our logistics business in 2020. Møller Logistikk Biler at Bekkelaget in Oslo is responsible for the inbound and outbound logistics of new cars in Norway. In 2020, we processed the reception, customs clearance and dispatch of more than 44,000 new Volkswagen, Audi, ŠKODA and SEAT vehicles to the Norwegian dealers. In addition, preparation services were performed on

23,000 cars and partitions/floors were installed in approximately 9,000 commercial vehicles.

Møller Logistics Deler og Tilbehør in Leiraveien, Lillestrøm are responsible for the purchasing and logistics of spare parts and accessories for our car brands, with daily deliveries to 120 dealers in Norway from the central warehouse in Lillestrøm. The department handles approximately 3.3 million outbound order lines per year, with a service level of over 97 percent and a world-class quality level in the Volkswagen organisation.

Møller Biltilsning at Hvam north of Oslo is a dedicated department within Møller Logistics that converts vans/commercial vehicles for special requirements.

HIGHLIGHTS

Increased electric mobility is an important step on the road to CO₂ neutrality and the Volkswagen Group's strong commitment to electric cars. The company has established a compre-

hensive decarbonisation programme with the goal of achieving full carbon neutrality in all areas from the vehicle fleet via production to administration by 2050: "Volkswagen Way To ZERO". Volkswagen has thus committed fully to implementing the climate goals of the Paris Agreement. The company is investing EUR 35 billion in battery-electric cars and will be bringing out 20 new all-electric car models by 2025 and 70 new models by 2030.

Preliminary figures show that the Volkswagen Group's automotive division overfulfilled the ambitious European fleet emissions targets in 2020, generating around six million grammes less CO₂ than the level required by law.

The framework conditions for electric cars in Norway and the EU are key parameters for Møller Mobility Group. The Group expects that EU emissions targets will continue to drive up production of electric cars, and that the current road tax system will encourage access to, and demand for, new and used electric cars in Norway.



HARALD A. MØLLER AS

- > Norway's largest car importer
- > Excellent result in Norway of NOK 730 million
- > 69% of passenger car sales were electric in 2020
- > Volkswagen was Norway's best-selling passenger car make for the 11th year running
- > Volkswagen Commercial Vehicles was the best-selling van brand for the 16th year running
- > Audi e-tron – Norway's most purchased car model in 2020
- > New record for signed sales contracts for ŠKODA
- > SEAT with 975 registered passenger cars, more than double 2019
- > Turnover NOK 16,542 billion

All time high profit for Møller Bil

REPORT FROM MØLLER BIL AS

The Norwegian dealership business maintained excellent turnover thanks to an extensive new car inventory, good used-car sales and a sound aftersales market.



Managing Director
Møller Bil AS
SVERRE HELNO

MØLLER BIL 2020

Møller Bil (car dealerships in Norway and Sweden) achieved total pre-tax profit of NOK 886 million.

- > 34,406 new cars sold
- > 28,674 used cars sold
- > Record results for all divisions (new cars, aftersales market, used cars, and repairs and paint) – both margins and volume
- > 32% profit growth in Sweden from the previous record (2019), despite ~20 percent fall in the new car market
- > Pre-tax profit of NOK 886 million

Møller Bil (car dealerships in Norway and Sweden) achieved a pre-tax profit of NOK 886 million compared with NOK 211 million in 2019 – the best ever – and a very strong result given the decline in the overall market for new cars in both Norway and Sweden. Møller Bil largely managed to maintain car sales throughout the spring and summer thanks to good access to in-stock cars and this, together with very good used-car sales and increased turnover in the aftersales market, drove profit forward. Total turnover was 13% higher than last year, and gross profit was boosted in all segments. The strong trend in the used car market through 2020 led to the liquidation of some of the provisions made in 2019 for the repurchase portfolio. Cost-cutting was carried out in 2020, particularly in personnel costs, but the increase in turnover and increased guarantee and property leasing costs meant that total costs were somewhat higher than last year.

Møller Bil's mission is to create the best workplaces, the most satisfied customers and



the best results. All the regions in Møller Bil are well under way with the Great Place to Work scheme, and we are looking forward to the continuation. We believe that happy employees are a fundamental prerequisite for consistently satisfied customers over time. Only then can we create the best results.

HIGHLIGHTS

Møller Bil Sverige completed the purchase of the Swedish Porsche dealer Sportbilar i Örebro and the group's first Porsche dealership.

Møller Mobility Group entered into a strategic partnership with Mitt Dekkhotell. This also means that the group has acquired 15% of the shares in the tyre hotel chain and has an option to buy an additional 10%. In the partnership there is an agreement that several Møller Bil dealers will use Mitt Dekkhotell as an external supplier of tyre hotel services. Initially, this applies to dealers in Greater Oslo and Bergen.

On 3 February 2021, the Corona Prize 2020 was awarded by the Kantar data analytics

“The customer always comes first at Møller Bil”

agency. The prestigious award goes to the company that most improved customer service through 2020, and Møller Bil was the winner. It is very gratifying to receive positive recognition for a targeted effort to keep the wheels turning and take care of customers in the best possible way during a difficult time.

LOOKING FORWARDS

The customer always comes first at Møller Bil. We are currently working on establishing an even stronger interaction between the customers, digital solutions and Møller Bil in the sales and service processes going forwards. Although digital solutions simplify our everyday lives in many ways, the human communication between us and the customer remains fundamental to our success.

Norway's largest leasing company with record profit

REPORT FROM VOLKSWAGEN MØLLER BILFINANS

Volkswagen Møller Bilfinans is Norway's largest car leasing company, with almost 20% of the car leasing market.



Managing Director
Volkswagen Møller Bilfinans
ARNE LYSLO KRISTIANSEN

Car financing (Volkswagen Møller Bilfinans) achieved a pre-tax profit of NOK 372 million, which is a record high and an improvement of NOK 62 million from 2019. The Group's share of 49% after tax amounted to NOK 142 million. Significantly higher net interest contributed positively, driven by higher interest margins and a small increase in total assets. Higher sales yielded higher income from set-up fees and insurance. Operating costs rose somewhat and there was also an increase in loss provisions. 11% more contracts are one result of new car financing increasing from 38% last year to 42% this year. Both loans for and private leasing of new cars went up, while the financing of used cars fell slightly.

Volkswagen Møller Bilfinans is a fully integrated and important part of the Volkswagen, Audi, SEAT and ŠKODA value chain in Norway. With more than 28,000 vehicles financed in 2020 and more than 40,000 new and used vehicles insured, Volkswagen Møller Bilfinans is



very much part of the success that Volkswagen, Audi, SEAT and ŠKODA enjoy.

Volkswagen Møller Bilfinans is particularly dominant in private leasing. There is a clear trend in society away from owning and towards leasing. This trend applies to both private individuals and large companies that prefer to let professional partners manage their entire fleet with all the associated costs. This is the crux of car administration.

As mentioned, the financing ratio for new cars has increased from 38% last year to 42% in 2020, largely due to well-integrated campaigns timed for the launch of new electric vehicles. The financing ratio for used cars fell slightly, from 32% to 27%.

Volkswagen Møller Bilfinans is one of the largest players in car financing in Norway and provides insurance to some 40,000 Volkswagen, Audi and ŠKODA customers each year. In order to secure the best possible insurance offer, Volkswagen Møller Bilfinans carried out

“It's been a challenging year in which we've had to adapt to a different day-to-day life due to COVID-19, and where the measures deployed in 2020 still need to be worked on in 2021”

a comprehensive tendering process in 2019 in which many of the major insurers were invited to participate. An agreement was signed with Gjensidige and Enter.

GREAT PLACE TO WORK

The results from the employee survey in 2020 show that we still have well-satisfied employees. However, we observe a certain fall-off in some areas which we need to work on. It's been

a challenging year in which we've had to adapt to a different day-to-day life due to COVID-19, and where the measures deployed in 2020 still need to be worked on in 2021.

As one of the main objectives in its "Together 2025+" strategy, the Volkswagen Group aims to a model of integrity and compliance. They have introduced the "Together for Integrity" programme, which has been rolled out to the entire group and within Volkswagen Møller Bilfinans AS in 2020. The programme aims to raise awareness and provide information about integrity through information campaigns, dialogue and various measures aimed at all employees. Integrity is about being consistent in terms of what we believe in, what we say, what we do and what we are morally committed to; that there is a correlation between values, principles and actions. At Volkswagen Møller Bilfinans we have conducted two Ramp-up Sessions and two Perception Workshops during the year. The goal is for all employees to have completed Perception Workshops during 2021.

VOLKSWAGEN MØLLER BILFINANS

- > Volkswagen Møller Bilfinans is Norway's largest car leasing company with almost 20% of the car leasing market.
- > 81,000 contracts in the portfolio, 51% leasing and 49% loans.
- > In total, 28,000 new contracts were signed and up to 40,000 cars insured in 2020.



Difficult 2020 for the Baltics – optimism for 2021

BALTIC OPERATIONS REPORT

It was a challenging year for the Baltic Operations unit, although the business picked up well towards the end of the year. Uncertainty, but also optimism, characterises the expectations for 2021.



Managing
Director of Baltic
Operations
TORE NILSEN BREEN

BALTIC OPERATIONS

- > A significant player in the Baltics (Estonia, Latvia, Lithuania)
- > Comprises the companies Møller Baltic Import and Møller Auto Baltic. Merged under a single management at the start of 2020.
- > Pre-tax profit of NOK 78 million
- > The business achieved very good results on customer satisfaction
- > Implemented major cost reductions in 2020
- > Highly efficient organization – 100% productivity in the workshops

In the Baltics, the total market fell by 21% to 81,816 cars registered. The Group's car imports and car dealerships in the Baltics achieved a pre-tax profit of NOK 78 million compared with NOK 147 million in 2019. After a very demanding spring with sales falling by up to 80% in some parts of the business, the markets improved, but still ended significantly below 2019 levels. The result for the import business was NOK 49 million against NOK 94 million in 2019 due to a 29% fall in turnover that was only partially compensated by lower costs, as well as an insurance settlement in 2019 relating to a hailstorm in 2018.

Massive cost reductions were made in the Møller Auto Baltic dealership business, not least through a reduction of 160 personnel. This entailed extra winding-up costs and a fall in turnover of 24%. As a result, profit fell NOK 29 million, from NOK 54 million in 2019. The market shares of the Group's brands fell back in the Baltics. Overall, there was stable progress in used



car sales and a small decline in the aftersales market compared to 2019.

OUTLOOK FOR 2021

The expectations for 2021 are characterised by optimism, but also considerable uncertainty. Solid GDP growth is expected, but not back to 2019 levels. The market is expected to grow by 10-20%, if the lockdowns do not last too long. There is still a high risk of new rounds of strict infection control measures, which can affect both access to and demand for the Group's goods and services. The Group's car dealerships in Latvia and Lithuania have been subject to opening restrictions since December 2020 as a result of COVID-19 developments.

A press release in February 2020 gave notice that Møller Mobility Group is bringing its Baltic activities together under a single, joint management.

The Baltic business consists of Møller Baltic Import and Møller Auto Baltic and has a com-

bined turnover of just over NOK 6 billion and just under 600 employees after the staffing reductions. Møller Mobility Group is a significant player in the Baltic car market and the purpose of separating out the Baltics as a distinct group area was the need for even closer cooperation between our import and dealership activities in order to ensure further growth and development.

GREAT PLACE TO WORK

As elsewhere in the group, employees adopted the Great Place To Work tool in 2019. The pandemic has made work on this difficult, but improvement work continues. The response rate for 2020 was a full 96%, which demonstrates a high level of employee engagement. Overall, the results are at a good level, but there is still room for improvement.

We will create the industry's best customer experiences and increased customer loyalty

The expectations and behaviours of car industry customers are changing rapidly. We are in the midst of a major shift towards the use of electric vehicles and new types of mobility solutions.



Chief Digital Officer
Møller Digital

CATHRINE KLOUMAN

“Companies that are able to rethink their digital business models and operations will perform best in the 'next normal'”

In addition, the effects of the pandemic have accelerated the need for digital solutions, and we are seeing the emergence of digital sales and on-demand mobility that will increase customer flexibility. Companies that are able to rethink their digital business models and operations will perform best in the “next normal”.

Møller Mobility Group is now in a phase where digitalisation will be essential to enable a number of important future improvement measures. We will deliver a seamless and personalised customer experience across products and services, channels and interfaces, and we will develop integrated propositions that combine digital mobility services with physical products. The goal is to create the industry's best customer experiences and increased customer loyalty. In addition, we will simplify and streamline our business processes and day-to-



day work routines in our workshops and in the sales phase. To succeed, we will actively seek partnerships with others who wish to be part of a mobility services ecosystem. Everything we do going forward should increasingly be data-driven and insight-driven.

Møller Digital is responsible for developing and delivering IT services and digital solutions to the entire group across five countries. Work is currently underway to develop a digital roadmap up to 2025. This defines the overall digital ambition and how to succeed in a transformation of today's business model.

This entails identifying the next generation of digital initiatives, the future IT architecture and application landscapes, and the need for new competencies and forms of collaboration.

Our digital ambition places the customer at the centre. In addition, we aim to ensure a more straightforward working day for our employees, with seamless, efficient and automated processes. This, in turn, will ensure that we can devote more time to our customers' needs and to productive tasks. All this should be supported by an up-to-date service platform and upgrading of the existing work tools.

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Our social mission is an integral part of how we conduct long-term, profitable business.

Contributing to a sustainable society

A full 69% of the Group's passenger car sales were electric in 2020, which consolidates the Group's leading role in the electrification of the Norwegian car fleet.



Executive Vice President
Communication and Sustainability
PAUL HEGNA

Møller Mobility Group has a leading role in the green shift in Norway through the electrification of the Norwegian car fleet. We will continue to be an active driving force for ensuring that an ever-increasing share of the fleet becomes emission-free. At the same time, we see sustainability from a wider perspective, where the activities of the Møller family's company, Møller Medvind, also play an important role.

The purpose of Møller Medvind is to help solve one of the biggest societal challenges we face today: young people under the age of 30 who have fallen outside the labour market. We will also help to clean up an industry characterised by shameful working conditions.

OUR CONTRIBUTIONS TO A SUSTAINABLE SOCIETY CAN BE SUMMARISED IN THESE FOUR POINTS THAT SPECIFICALLY HAVE THE AIM:

- **To be an active driving force for zero-emissions vehicles in our markets.** We will be the market leader in the sales and servicing of electric vehicles in Norway and the Baltics and take an active role in safeguarding the car's

place in society in line with new expectations of resource utilisation, urban space use and sustainable mobility.

- **To be among the best workplaces in any industry.** We will ensure a high degree of trust among our employees through a continuous focus on our values, competence building and sustainability. We will be recognised as a leading workplace with a focus on inclusion, diversity and equal opportunities in the markets in which we operate. Møller Medvind aims to create new inclusive workplaces and help abolish the industry's use of undeclared work.
- **To work proactively for a sustainable value chain.** We will work systematically for a sustainability perspective along our entire value chain, and to ensure that our suppliers operate in a climate-friendly, green, socially responsible and professional manner, in full legal and regulatory compliance, while maintaining the ethical standards we have set.
- **To be an industry leader in new mobility solutions.** We will excite our customers through the further development of the Hyre proposition and investments in new mobility solutions.

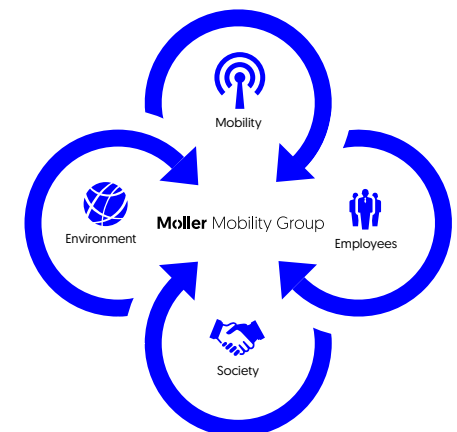
Møller Mobility Group's operations shall help promote human rights, good labour practices and environmental standards, and zero tolerance for corruption.

“Møller Mobility Group's activities shall contribute to promoting human rights, good labour and environmental standards and zero tolerance of corruption.”

A key element in this work is our Code of Conduct, which clarifies our basic ethical principles and provides guidelines – and our participation in the UN Global Compact.

CLIMATE-RELATED DISCLOSURES

For reporting year 2020, we have, for the first time, prepared external climate-related disclosures for our business, which meet the requirements of the GHG Protocol for the entire enterprise's operations, as well as expanded Scope 3 reporting that includes a lifecycle assessment for all cars sold. The full disclosures can be found on pages 79–88.

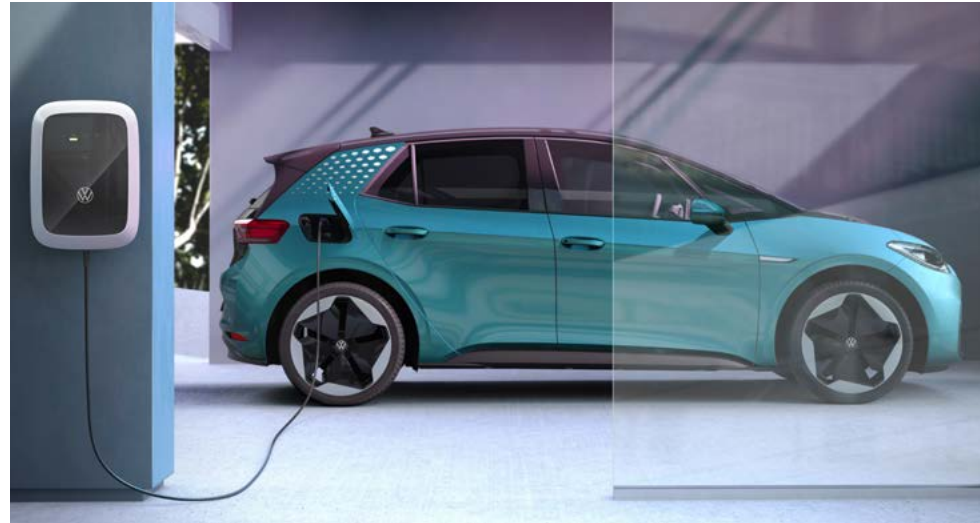


Environment and climate

Møller Mobility Group wants to be a respected resource on automotive and environmental issues and help our customers make good environmental choices. We also want to be an active driving force in the transition to zero-emissions vehicles in our markets.

The Volkswagen Group is maintaining its e-offensive in support of individual mobility, and consistently investing in electrified cars. Increased electric mobility is an important step towards CO₂ neutrality. The Volkswagen Group has established a comprehensive decarbonisation programme with the goal of achieving full carbon neutrality in all areas from the vehicle fleet via production to administration by 2050: "Volkswagen Way To ZERO". Volkswagen has thus committed fully to implementing the climate goals of the Paris Agreement.

The goal is to reduce life-cycle CO₂ emissions from the total vehicle fleet by 30% by 2025, compared to 2015. To that end, the Volkswagen Group is electrifying its range of models and maintaining its e-offensive in support of individual mobility, and consistently investing in electric cars.



Preliminary figures show that the Volkswagen Group's automotive division overfulfilled the ambitious European fleet emissions targets in 2020, generating around six million grammes less CO₂ than the level required by law. The CO₂ emissions of new cars sold in 2020 averaged 92 g/km. The statutory requirement for the brand is 97 g/km. As a result, CO₂ has been reduced by 22% from 2019.

The company is investing EUR 35 billion in battery-electric cars and will be bringing out 20 new all-electric car models by 2025 and 70 new models by 2030.

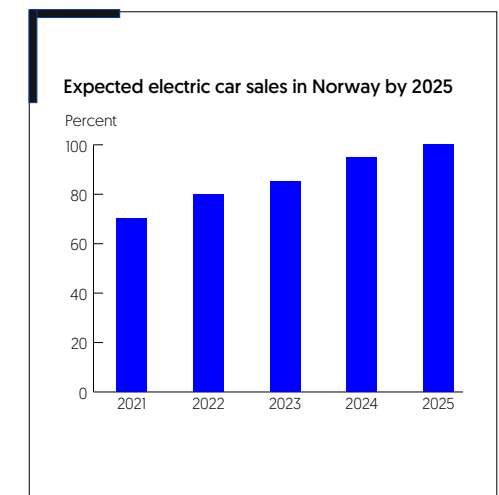
WE BELIEVE IN THE ZERO-EMISSIONS VISION FOR 2025

Volkswagen Group's massive investment in electric vehicles will benefit all our brands. Møller Mobility Group has a leading role in the electrification of the Norwegian car fleet and we will be continuing to contribute to this green shift. A

full 69% of the sales of the Group's passenger car brands in Norway were electric in 2020, and the Group estimates that this share is set to increase to around 85% in 2021, to reach 100% by 2025. Meanwhile, the electrification of commercial vehicles is five years behind passenger cars. The framework conditions for electric cars in Norway and the EU are key parameters for Møller Mobility Group. The Group expects that EU emissions targets will continue to drive up production of electric cars, and that the current road tax system will encourage access to, and demand for, new and used electric cars in Norway.

Our ambition is to make a major contribution to fulfilment of the Norwegian government's goal for all new passenger cars sold to be zero-emission by 2025. The longer range of new electric cars underpins our belief in the vision of zero-emissions by 2025. The 2025 goal is well within reach. At the same time, we would stress that EV incentives are still crucial. Further

"A full 69% of the Group's sales of passenger cars were electric in 2020."



enlargement of the charging infrastructure is also key to achieving this goal, especially now that four-wheel drive family EVs with increased range are readily available.

PIONEER IN CLIMATE-RELATED DISCLOSURES

Møller Mobility Group has always tried to be a trailblazer in areas that promise to help create a better society. As early as 1996, we instigated reporting of environmental efforts. In 1999, the Group initiated the establishment of Eco-Lighthouses as a common standard for the automotive industry. With our new climate-related disclosures, we are seeking to establish complete, externally prepared climate accounts for our activities. This entails climate-related reporting in accordance with the GHG Protocol for the entire enterprise's operations, as well as expanded Scope 3 reporting that includes a life-cycle assessment for all cars sold. In the Group's main strategy up to 2025, sustainability is one of five key action areas. The goal is for us to be recognised for our contribution to a sustainable society. Our ambition applies Group-wide, across all business areas and territories.

ELECTRIC SALES

Of 141,412 passenger cars sold in Norway in 2020, 54% were electric (2019: 42.4%). 89.9% of Audi sales were electric in 2020, and a full 94.2% if we include rechargeable hybrids. For Volkswagen, this figure was 73.1%. Overall, Audi and Volkswagen had a market share of 30.3% of electric passenger cars sold in Norway.

FOR OUR BRANDS, THE EMISSIONS VALUES WERE AS FOLLOWS IN 2020 (2019):

- Audi: 13 g/km [33 g/km]
- Volkswagen: 28 g/km [58 g/km]
- ŠKODA: 89 g/km [135 g/km]
- SEAT: 6 g/km [122 g/km]



Employees

Our ambition is to be one of the best places to work in the Nordics and Baltics – regardless of industry.



We are convinced that the most important foundation we have for developing our business is to ensure that our people thrive and develop – which in turn gives us job satisfaction. Simply put, we focus on “people and business” – in that order.

At year-end 2020, the Group had a total of 4,078 employees – down 204 on the previous year. Sweden had 629 employees, the three Baltics a total of 553 and Norway had 2,896.

VALUES AND CULTURE

The working environment and mindset within Møller are characterised by a trust-based performance culture. The trust-based relations between employees, managers and our customers are key in enabling us to fulfil the ambitious business goals we set ourselves. In an industry prone to fast-paced change, we have to be constantly on the offensive, and challenge the market and each other to find the best solutions for our customers. To succeed in this, we

are completely dependent on trust and high performance standards so that we are confident in our ability to excel together.

We are proud of our history, which dates back to 1936 when Harald Aars Møller established Strømmen Auto. That was the start of what is now one of Northern Europe’s leading car trading groups with more than 4,000 employees, but it also saw the birth of a mindset and a set of values that are alive and well today. For Møller, the Group’s core values are more than ink on paper – they inform the attitudes and practices we uphold in developing the trust-based culture we pride ourselves on.

GREAT PLACE TO WORK (GPTW)

With trust as the basis for employee welfare, an enjoyable worklife and solid employee performance, regular surveys are conducted concerning trust within the Group.

In 2019, Great Place to Work was rolled out as an organisation-wide resource. All employ-

ees in the Group were sent a questionnaire to survey the prevailing corporate culture, where the responses provide an indication of the level of trust in workplace relations.

In 2020, Møller Mobility Group improved its rating on all dimensions in the GPTW survey compared to the previous year. The survey was completed by 3,700 people in the Group, which corresponds to a record response rate of 91%. The results of the survey indicate that Møller Mobility Group as a whole improved its score on all five dimensions applied by GPTW for rating a trust-based culture.

SPECIAL MEASURES CONCERNING COVID-19

The year 2020 was heavily affected by the ongoing pandemic. A number of extraordinary measures were implemented to safeguard the health of employees. Over the course of the year, the following was implemented by HR and MMG:

- Regular news updates on the coronavirus situation.

- Online courses offered in cooperation with nurses from Volvat private healthcare on Covid-19 and infection control.
- Webinar hosted in association with a Lifekey psychologist on mental health during the pandemic.
- A webinar with Nordea Norway on how laid-off employees should deal with banks and credit institutions, as well as relevant government agencies including NAV, the Norwegian Labour and Welfare Administration. The webinar was entitled: “Being laid off from employment – what options and rights do I have?”

Møller Mobility Group also decided to award an extraordinary bonus to all employees throughout the Group, as Group Management’s appreciation of employees’ fantastic efforts in a demanding year. The bonus was equivalent to an extra half-month’s pay.

MANAGERIAL COURSES AND TRAINING

Change is the new normal. In 2019, we therefore created a tailored programme for change management: “What does it require of you as a manager and what does it take to get a group of people to move in the same direction?” Change can come on many different scales, and in today’s changing working life, adaptability is crucial for our competitiveness. This requires flexible leadership, but also the ability to work systematically. The programme provides the managers with a solid theoretical grounding and specific tools for dealing with change. The content is based on recent research and behavioural economics principles. A total of 90 managers completed the programme in 2019, and 27 in 2020.

“Our ambition is to be among the best workplaces in the Nordic countries and the Baltic countries – regardless of sector”

Our ambition is to be among the best workplaces in the Nordic countries and the Baltic countries – regardless of sector. We will further develop our corporate culture on the basis of our core values, our Code of Conduct, the Great Place to Work tool, and our internal motto “People and Business”.



Society

We believe that the best way to help young people who have been marginalised from the labour market is to offer them a job at one of our businesses. Young people under 30, and some seniors, recruited through the Norwegian Labour and Welfare Administration (NAV), are provided with a work experience placement and vocational training before being offered a permanent full-time job with the Møller Medvind programme, and eventually move on to one of our businesses or external companies.



Owner and CEO of Møller Medvind
MARI SCHAGE FØRDE

Here at Møller, we take our core values very seriously, and the core value “open-minded and caring” is evident in many areas – not least in the way we practise our corporate social responsibility. Møller Medvind was established in spring 2017 and opened its doors in Alnabru in April 2018. The company is helping to address one of the greatest challenges in society today: young people under the age of 30 who have been marginalised from the labour market. Møller Medvind aims to create workplaces for this target group – based on standard commercial principles. Møller Medvind’s ambitions to break even were not fulfilled in 2020, but we believe this will be achieved in 2021.

At year-end 2020, 60 young people were employed at Møller Medvind, split between new car preparation at the Bekkelaget site, logistics at Møller Logistikk Skedsmo and detailing of used cars at Alnabru. Since roll-out, 32 participants have progressed to a permanent,



full-time position, and this is precisely what sets Møller Medvind apart from many other similar programmes: that we offer permanent, full-time positions. For disadvantaged youth, a steady job is an important first step to getting their lives on track.

To achieve our objective, we must invest in our employees. They therefore undergo a thorough training programme, guiding them through the Møller Medvind method. On the first day at Møller Medvind, participants are told two things: you are going to deliver Norway’s finest cars, and you are going to be the best colleague in Norway. Møller Medvind is a perfect example of how profitability and compassion can go hand in hand. With employees who eventually become attractive propositions for other companies, whether within Møller or outside, Møller Medvind has the potential to be a large recruitment pool. Four of our employees have now been recruited externally.

“The company is helping to address one of the greatest challenges in society today: young people under the age of 30 who have been marginalised from the labour market.”

That the quality of our work is exemplary is illustrated by the fact that all of Møller Bil’s dealerships in Greater Oslo are now using Møller Medvind to prepare their used cars. The result is proud employees and satisfied customers.

Møller Medvind also had the pleasure of opening a new branch in Trondheim in 2020. Here, employees of Møller Medvind in Trondheim will be working with the rest of the detailing branch to ensure that the cars look their best when handed over to customers.

CLEANING UP THE INDUSTRY

With Møller Medvind, we also want to help clean up an industry where, all too often, corners are cut and things do not meet the standards we ought to have in Norway when it comes to working conditions – in the broadest sense. We cannot do this alone, but we can certainly do our part. Now it looks like an authorisation scheme for this sector is on the way, which we welcome very much. Møller Medvind has been a driving force behind this.

UNIQUE COLLABORATION WITH NAV

Møller Medvind has always had a unique collaboration with the Norwegian Labour and Welfare Administration (NAV), where a NAV representative follows up NAV's areas of responsibility across all the Oslo district offices. They also assist us and the employees with any necessary measures and expertise to make the road towards a permanent, fulltime position as smooth as possible. NAV is familiar with Møller Medvind and our needs, and this partnership, which is subject to continuous evaluation and improvement, has now been identified as a pilot for inclusion partnerships between businesses and NAV in the rest of Norway too.

We are now also working towards establishing a trade certificate linked to the preparation of cars so we can provide our "graduates" with a formal qualification.

Far too many young people find that the door to ordinary employment is closed to them. Troubles at school, health problems, a difficult adolescence, prejudice or simply bad luck may have placed obstacles on the road to a permanent job. This is frustrating for the individual – and a costly waste of talent, productivity and revenue for society.



Mobility

Møller Mobility Group's ambition is to play a central role in urban, smart mobility solutions and other urban concepts.



Through Hyre, the car-sharing company, we are represented in a trail-blazing environment that is actively engaged in shaping the sustainable mobility solutions of the future.

Mobility is an increasing priority for cities as a result of having to move an ever-increasing number of people and goods, while actively working to reduce congestion and pollution. In addition, we are seeing a change in customer preferences. Advances in zero-emissions technology combined with new ways of organising mobility and car ownership mean that car-based mobility will be an important part of the solution to reducing greenhouse gas emissions in the future.

POSITIVE RESULT FOR HYRE

Hyre has established itself as one of the leading car-sharing services in the Norwegian market and in 2020 was able to present its first profitable return for the company as a whole with revenue fourfold that of the previous year. An

effective, hard-working team, a continuous focus on achieving customer satisfaction as well as a scalable technology platform are the main reasons for a positive financial performance exceeding the original business plan.

The Hyre technology company was founded in 2017 when Møller Mobility Group teamed up with talented entrepreneurs with the aim of making it easier to rent/lease, rather than own, a car. Already in the spring of 2018, the company went live with the Hyre car-sharing service, which was the first to provide a fully digitalised customer journey on the Norwegian market. Using only an app, users can book, open and pay for their car rental, without having to meet anyone in person. Tolling, fuel/charging and the rental fee are calculated automatically in real time, to provide a full cost overview and eliminate administration time. The aim is to never be more than 5 minutes away from the nearest Hyre vehicle, and the company is now working to realise a vision

“With increasing availability of car-sharing services, we are also seeing growing demand from consumers. From 2019 to 2020, Hyre achieved growth of more than 110% in the number of users and a greater than 60% increase in the number of rentals”

of an urban future where car ownership is no longer necessary.

Today, Hyre has more than 500 cars available in Oslo at 250 locations, and offers a wide range of vehicles to meet customers' varying and changing needs. Hyre also provides car-as-a-service (CaaS) to the public transport and mobility company Kolumbus and to Sola Municipality, which have access to their own electric cars that are shared between employees during working hours. In 2020, the service in Sola was also made available to local residents in the evenings and at weekends, which helps to maximise use of the cars and ensure that residents who do not own a car have

the option of booking and using a ride at an affordable rate.

With increasing availability of car-sharing services, we are also seeing growing demand from consumers. From 2019 to 2020, Hyre achieved growth in excess of 110% in the number of users and more than 60% in the number of rentals, and that in a competitive market with tens of operators already.

MOBILITY LAB

In 2017, we took the initiative for establishing **MobilityLab** in association with StartupLab and a number of influential corporates. MobilityLab aims to help foster more dynamic tech compa-

nies capable of generating solutions to future transport challenges, and creating new jobs and new socially and economically beneficial mobility solutions in Norway. Facilitating knowledge sharing and partnering across new start-ups and established operators in the mobility industry is an important part of this work.

Møller Mobility Group is also involved in Oslo Mobility Company (OMC) as a financial partner. OMC's goal is to become "this decade's global arena for the leaders of the mobility revolution and the inventors of a better future." McKinsey and Antler are content partners and Møller Mobility Group's business partners in the company.

THE FACTORY'S MOBILITY PLANS

Volkswagen Group has adopted a strategy, "TOGETHER 2025", highlighting its e-offensive on new mobility solutions – across all brands.

The Volkswagen Group itself states that this is the biggest change process in the company's history, with a focus on transforming the Group's core business and tapping potential new revenue streams. The Volkswagen group has also established the company MOIA, which will be developing mobility services.



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Sustainability means we must harvest and sow in a way that ensures that future generations have as good a starting point as we had.



Sustainability at every level

It is gratifying to see that the Volkswagen Group continues to push for a fundamental change in individual mobility, focusing consistently on electrified cars and CO₂ neutrality at all stages of the business.



Chairman of the Board and owner of Møller Mobility Group and the holding company Aars
Øyvind Schage Førde

Sustainability means we must harvest and sow in a way that ensures that future generations have as good a starting point as we had. It is a matter of economic, social and environmental security. In practice, for us this means the following: new customers are increasingly demanding and requesting sustainable products and services. Employees want to work for companies that are involved in helping resolve our era's challenges. Suppliers are expected to meet specific requirements set by private and public enterprises, which want to buy sustainable products from their subcontractors. Investors and lenders are increasingly demanding sustainability in their financing. These are the reasons why we at Møller Mobility Group have also placed sustainability at the top of the agenda, together with our genuine desire to be part of the solution, not the problem, in the future.

Concerning the pandemic, I wrote last year that we have the best preconditions for coming out on the other side unharmed, if we do what is required of us along the way. I would like to commend the entire Møller organisation for their impressive effort, so far. The fact that Møller Bil has also won Kantar's prestigious customer service award just shows the excellence that thrives in this organisation. Thank you all!

AARS

> Aars is currently one of Norway's largest family-owned businesses, with roots stretching back to 1936 when Harald Aars Møller set up his business. Over the past 15 years, the business as a whole has seen strong growth and value creation.

2025 TARGET WITHIN RANGE

Increased electric mobility is an important step towards CO₂ neutrality and sustainability. The Volkswagen Group has established a comprehensive decarbonisation programme with the goal of achieving full carbon neutrality in all areas from the vehicle fleet via production to administration by 2050: "Volkswagen Way To ZERO". Volkswagen has thus committed fully to implementing the climate goals of the Paris Agreement.

Volkswagen Group's massive investment in electric vehicles will benefit all our brands. Our ambition is to make a major contribution to fulfilment of the Norwegian government's goal for all new passenger cars sold to be zero-emission by 2025. The longer range of new electric cars underpins our belief in the vision of zero-emissions by 2025. The 2025 goal is well within reach.

Møller Mobility Group has a leading role in the ongoing electrification of the Norwegian car fleet. A full 69% of the sales of the Group's passenger car brands in Norway were electric in 2020, and the Group estimates that this share is set to increase to around 85% in 2021.

INVESTING IN "DROP-OUTS"

"In a good and safe job, many of us find the joy of being able to contribute something that is valuable and useful to others. Far too many young people find that the door to ordinary employment is closed to them. Troubles at school, health problems, a difficult adolescence, prejudice or simply bad luck may have placed obstacles on the road to a permanent full-time job. This is frustrating for the individual – and a costly waste of talent, productivity and revenue for society." This is how Møller Medvind describes the situation on its website.

We have chosen to engage to help solve

"Our long-term ambition is to be among the best workplaces in the Nordic and Baltic countries – regardless of sector."

one of the most important societal challenges we face: to get people who are out of work into a job. Young people – and some seniors – recruited through the Norwegian Labour and Welfare Administration (NAV) are given practical work experience and vocational training before being offered a permanent full-time job in the Møller Medvind programme, and eventually moving on to one of our businesses or another company. Through our involvement in Møller Medvind, we are also helping to clean up an industry in which many people have shameful working conditions.

PEOPLE AND BUSINESS

Our long-term ambition is to be among the best workplaces in the Nordic and Baltic countries – regardless of sector. We have adopted the Great Place to Work tool throughout the company and are seeing a strong local commitment and desire to build a trust-based culture. One of the most important parts of the founder Harald Aars Møller's legacy is the core values he based the company on. We were therefore especially keen to include a quote from him in the formation of the Aars family company, as a platform for further operations: It is important to stick to the rules. This statement also entails a promise of sustainability. We have a living and durable corporate history and culture that are rooted in our fundamental values; Honest and Trustworthy, Clear, Proactive and Open-minded and Caring.

Key figures Møller Mobility Group

(Amounts in NOK millions)	2020	2019	2018	2017	2016	
Operating revenue	33 017	30 561	26 173	28 273	26 387	
Profit						
Operating profit	1 393	1 001	762	1 038	1 069	
EBITDA	1	1 877	1 417	1 179	1 408	
Profit before tax	1 665	1 031	880	1 121	1 180	
Profit for the year	1 326	826	689	861	912	
Capital						
Equity at 31 Dec.	4 076	3 704	3 286	3 225	2 934	
Total assets at 31 Dec	10 025	9 787	8 172	8 050	7 267	
Equity ratio	40,7	37,8	40,2	40,1	40,4	
Profitability						
Return on equity in %	2	36,0	23,8	23,3	29,4	32,8
Return on total assets in %	3	16,8	11,5	11,4	14,6	17,2
Number of employees						
Number of employees	4 078	4 282	4 260	4 345	4 274	
Total payrolland personnel costs	3 288	3 097	2 829	2 812	2 616	

1) Including results in associated companies

2) Return on equity: profit for the year as a percentage of average equity

3) Return on total assets: the result before tax plus financial costs as a percentage of average total assets.

Report of the Board of Directors

THE NATURE, SCOPE AND LOCATION OF THE GROUP

The core business of Møller Mobility Group is the import, sale, servicing, financing and repair of the Volkswagen, Volkswagen Commercial Vehicles, Audi, ŠKODA and SEAT automotive brands. The business is located in Norway, Sweden, Estonia, Latvia and Lithuania. Møller Mobility Group's ambition is to be a leading provider of sustainable mobility, and its goal is to create value for its customers, employees, owners and partners. Ever since Harald Aars Møller started his own car company in 1936, the core values, Honest and Trustworthy, Clear, Proactive, and Open-minded and Caring, have played a central role in the company.

Møller Mobility Group is owned by Aars AS. Aars AS is a holding company focusing on asset management and allocation of capital to its subsidiaries. Aars AS also owns Møller Eiendom, which owns a large percentage of Møller Mobility Group's car facilities. Møller Mobility Group leases the premises on long-term contracts.

Møller Mobility Group is managed through a corporate management consisting of the business areas Harald A. Møller (car imports Norway), Møller Bil (car dealerships in Norway and Sweden), VW Møller Bilfinans (car finance) and the Baltics, which includes imports and dealerships in the three Baltic countries. The Group also has stakes in mobility and vehicle-servicing companies which are currently managed by the Group's Strategy and Business Development

division. Each business area is cultivated with an emphasis on independent responsibility and authority within the agreed framework of strategies and targets, to achieve long-term value creation. Where appropriate, shared services are used to exploit economies of scale across the business areas.

Harald A. Møller (car imports Norway)

Harald A. Møller AS is Norway's largest car importer with a total market share of over 20% in recent years. The four brands – Volkswagen passenger cars, Volkswagen Commercial Vehicles, Audi and ŠKODA – all have very strong positions in the Norwegian market. From 2018, Harald A. Møller also sells SEAT in Norway through a new sales model where the end customer buys a car directly from the importer via a digital platform. Harald A. Møller AS is the chain leader for all the car brands and is also in charge of logistics for vehicles, parts and accessories for all the dealers in Norway.

Møller Bil (car dealerships in Norway and Sweden)

The car dealerships in Norway and Sweden are organised as a single business area with joint management and programme functions for new cars, used cars, the aftersales market, marketing and property across the markets. Møller Bil is subdivided into four regions: Oslo, Western Norway, Central Norway and Sweden. The dealerships are engaged in the sale of new and used cars and the operation of mechanical workshops

and bodywork shops. The dealerships operate as independent units, but work is coordinated and experience is shared where appropriate – including across national borders.

In Norway, Møller Bil AS owns a significant part of the Norwegian dealer network. With 45 dealerships and 12 specialised repair shops spread across the country, Møller Bil is Norway's largest car dealership chain. Møller Bil covers around 60% of the Norwegian market for Volkswagen and Audi, with a primary focus on the largest cities. The market share for ŠKODA is around 50%.

The Group's dealerships in Sweden are also organised as a chain under the name Møller Bil. The chain consists of 13 dealers in Volkswagen, Audi, ŠKODA, SEAT and Volkswagen Commercial Vehicles, and a Porsche dealership acquired in 2020. With the exception of an Audi dealer in Gothenburg, the dealerships are located in Mälardalen, and all have a shared administration in Uppsala. Møller Bil Sverige accounts for about 10% of the Swedish importer's sales.

Car financing and mobility

The car financing division operates in Norway and is run by Volkswagen Møller Bilfinans AS, which is a company jointly controlled with Volkswagen Financial Services AG. Møller Mobility Group owns 49% of the company, which offers loans, leasing products, and insurance linked to the respective brands' sales of new and used cars.

Through Hyre, the car-sharing company, we are represented in a trail-blazing environment that is actively engaged in shaping the sustainable mobility solutions of the future. The technology company Hyre was founded in 2017 when Møller Mobility Group teamed up with talented entrepreneurs with the aim of making it easier to rent/lease, rather than own, a car. Møller Mobility Group currently owns 77.5% of the company. Hyre has more than 500 cars available in Oslo in 250 locations, and offers a wide range of vehicles to meet customer needs. With increasing availability of car-sharing services, we are also seeing growing demand from consumers. From 2019 to 2020, Hyre achieved growth of more than 110% in the number of users and a greater than 60% increase in the number of rentals.

Baltics

The Group's import and dealership activities in the Baltic countries are consolidated under a single joint management. Møller Baltic Import imports Volkswagen passenger cars and Volkswagen Commercial Vehicles into all three Baltic countries and Audi into Latvia and Lithuania. The importer is located in Riga. The dealerships in the Baltics are organised in the same way as in Norway and Sweden under the name Møller Auto. The chain has shared management for the three countries, located in Riga. Møller Auto consists of 12 dealerships, which are mainly located in the three capitals: Riga, Tallinn and Vilnius.

MACRO-ECONOMICS AND FRAMEWORK CONDITIONS

Macro-economic trends were heavily influenced by the COVID-19 pandemic in all the Group's markets in 2020, with reduced GDP and higher unemployment. At the same time, interest rates remained low, and together with travel restrictions, this helped keep the wheels turning, especially in the automotive sector in Norway. The year was characterised by uncertainty and large volatility, but overall new car sales were almost unchanged compared to 2019, and both the used car market and the aftersales market grew in 2020. The situation was different in Sweden and the Baltics, where new car sales fell by about 20% compared to 2019.

An increased focus on the environment has resulted in major changes in the framework conditions for the automotive industry. From 1 January 2020, automakers will have to comply with the EU's new emissions targets. This means that the average CO₂ emissions per registered car from a manufacturer must not exceed 95 g/km. This has intensified the development of low-emissions vehicles, as failure to meet the emissions target will incur substantial additional costs for the manufacturers in the form of penalties.

Norway has Europe's most favourable tax system for electric cars. The government has indicated that this will continue for a few more years. There are also a number of tax discounts for rechargeable hybrids. Thanks to the tax system, sales of electric cars in Norway have been very high. They increased from 42% of the total market for passenger cars in 2019 to 54%

in 2020. Møller Mobility Group has a leading role in the electrification of the Norwegian car fleet, and a full 69% of the Group's passenger car sales in 2020 were electric cars.

In Sweden, tax benefits are also available for low-emissions cars, and the proportion of rechargeable cars is rising sharply, but is still far behind Norway. In 2020, 32% of new car sales in Sweden were rechargeable cars, up from 11% in 2019. Plug-in hybrids dominate, while electric cars accounted for 10% of total passenger car sales. In the Baltics, there are no tax benefits for low-emissions cars, and rechargeable cars account for only 2% of total passenger car sales.

The Volkswagen Group is investing heavily in electric cars. By 2022, Volkswagen AG will invest over EUR 35 billion in the development of electric vehicles and technology for autonomous vehicles, digitalisation and mobility solutions. The Group's brands will launch 20 electric models by 2025 and 70 new electric models by 2030, and the plan means that Volkswagen will have electric versions of its entire model portfolio no later than 2030.

Mobility, digitalisation and sustainable solutions are the industry's main drivers going forwards – in addition to conventional car sales. The fact that the factory is among the first to adopt this new heading means Møller Mobility Group is well equipped to meet the changes.

The car market

The Norwegian car market maintained a good level of sales during a year marked by the COVID-19 pandemic. A total of 141,412 new passenger cars were sold in Norway in 2020, a decline of

0.7% compared with 2019. Some 32,051 commercial vehicles under 3.5 tonnes were sold, a decline of 15% from 2019. Electric car sales increased by 31% and accounted for 54% of new car sales, compared with 42% in 2019. Of the 10 best-selling car models in 2020, 8 were electric.

In Sweden, the pandemic left a deeper mark on the automotive market, and the total market for passenger cars fell by 18% in 2020, finishing at 292,024 cars, while the market for commercial vehicles under 3.5 tonnes dropped by 42% to 31,015 vehicles. The Baltics were also hit hard by the pandemic, and the total market for passenger cars fell by 21% to 73,132 passenger cars, while commercial vehicles under 3.5 tonnes fell by 27% to 8,684.

ANNUAL FINANCIAL STATEMENTS

The consolidated profit before tax for 2020 amounted to NOK 1,665 million, compared with NOK 1,031 million in 2019. This is unambiguously the best result in the Group's history. After a turbulent spring with closed factories and reduced new car sales, there were positive developments in the Norwegian and Swedish parts of the business in new and used car sales and the aftersales market.

Turnover was NOK 33 billion, which is NOK 2.4 billion higher than in 2019. High sales of electric car models such as the Audi e-tron, Volkswagen e-Golf and Volkswagen ID.3 made good contributions to progress, along with positive movement in both the used car market and the aftersales market in Norway and Sweden. Developments in the Baltics were weaker.

A total of 46,098 cars were registered for

the Group's brands in Norway, which is 1,746 more than in 2019. In Sweden, the number of delivered new cars fell by 16% to 8,581, and the number of registered cars from Møller Baltic Import was 7,377, corresponding to a reduction of 39%. The total number of used cars sold rose by 1.4%. A slight decline in Sweden and the Baltics was compensated by an increase in the Norwegian market. A total of 31,863 used cars were sold in 2020. The aftersales market turnover also increased in Norway, while Sweden and the Baltics saw a slight decline in 2020.

The result from the car dealership businesses in Sweden and Norway is at an all-time high, and the import business in Norway delivered a strong result, although somewhat reduced from 2019. The results from the import and dealership operations in the Baltics were down sharply from the previous year. In addition to good sales of electric vehicles as well as sales growth in both the used car market and the aftersales market, targeted and successful measures helped to increase productivity in the aftersales market and the turnover rate of used cars. Total gross profit for the Group increased compared to the previous year. Gross earnings from new car sales fell due to somewhat reduced margins compared with 2019, while gross profit from the used car market and the aftersales market increased, driven by both turnover growth and somewhat higher margins.

Costs are largely unchanged compared to last year. Increased warranty costs and property lease costs, as well as one-off restructuring costs, are partly offset by reduced marketing costs, as well as the effect of the strong steps

taken to reduce personnel costs in 2020, both in the form of layoffs and total staffing reductions of about 330 FTE's (8%). Furthermore, some of the provision for repurchase agreements was released as a result of a very strong used car market in 2020.

The financing ratio for new cars sold increased from 38% in 2019 to 42% in 2020, and the profit share from Volkswagen Møller Bilfinans reached a record NOK 142 million. Significantly higher net interest rates contributed positively, driven by higher interest margins and somewhat higher total assets. Combined with significant positive currency effects, the Group's net financial result was NOK 241 million better in 2020 than in 2019.

Investments, liquidity and financing

Cash flow from investment activity amounted to NOK 284 million in 2020, compared with NOK 304 million in 2019. The investments went primarily to minor upgrades of dealer facilities and offices, digital solutions, the acquisition of a Porsche dealership in Sweden and a stake in Mitt Dekkhotell.

New car inventories were high and increasing at the start of the year, but were sharply reduced leading up to summer, and by year-end they were NOK 949 million lower than last year. The used car market was very strong throughout the year, and despite large volumes of buy-back cars, the used car inventory was reduced by NOK 261 million compared to 31 December 2019. The Group's inventories were thus reduced by about 25% since the beginning of the year, and are the reason why working capital fell sharply

compared to 31 December 2019. Together with a good profit, this results in cash flow from operations of NOK 3,132 million for the year, and net interest-bearing debt has been reduced from NOK 1,470 million as at 31 December 2019 to a net positive cash balance of NOK 1,035 million at year-end.

The financing structure of Møller Mobility Group has changed somewhat. In December 2020, the Group established a new bond loan of NOK 300 million falling due in December 2023. This is in addition to the NOK 400 million bond loan due in March 2022. The bonds are listed on the Nordic ABM exchange to ensure liquidity for investors. The Group also has a syndicated loan of NOK 1 billion falling due in March 2022, as well as three one-year loan agreements totalling NOK 1.1 billion due in the period March-June 2021. The syndicated loan and the three one-year loan agreements are framework agreements with flexible drawing to finance ongoing fluctuations in working capital. Liquidity and the financing situation are very good.

In order to optimise equity throughout the year, Møller Mobility Group normally distributes dividends three times a year. Due to uncertainty in connection with the COVID-19 crisis, no dividends were allocated for the first four-month period of 2020, but a dividend of NOK 300 million was allocated for the second, and a further NOK 700 million have been allocated to dividends and group contributions for the third period. The equity ratio is 40.7%, and the financial position is regarded as very solid.

The Group's dealerships have liabilities totalling NOK 7.1 billion linked to the future repur-

chase of cars from financing companies. This is a decrease of 7% from 2019. The Group is exposed to market-based risk in that the market price for cars could fall below the guaranteed repurchase value. Continuous assessments are therefore made of the expected market price of the cars that are in the repurchase portfolio at all times, and provisions are made for losses where relevant. Overall, a release of loss provisions was made in 2020 as a result of beneficial developments in the used car market and reduced repurchase agreements, and the Board is of the opinion that the risk is under control, based on the current financial position and market conditions.

The constant increase in the sale of battery-electric cars entails a greater need for provisions related to the collection and processing of lithium batteries. For new cars sold from 2020 onwards, the Volkswagen Group takes responsibility for this, but for all sales before 2020, this responsibility lies with Møller Mobility Group. The Group makes continuous assessments of this liability, and as of 31 December 2020 has a total provision of NOK 216 million for it, which is a marginal increase from NOK 208 million at the end of 2019.

When importing cars and parts, the transaction currency used is the euro, except for imports of ŠKODA, where payment is made in Norwegian kroner. Prices in euro are regulated according to currency agreements with the factory, where most of the risk is borne by the factory. Møller Mobility Group bears the transaction risk during the credit period, as well as a long-term strategic risk associated with the eurozone's competitive-

ness. Currency spot and forward contracts and options are used to reduce the settlement risk. The Group's investments in Sweden and the Baltic States are also subject to currency fluctuations. This risk is reduced by these businesses being funded in local currency. Equity is not hedged beyond the expected one-year dividend, which is secured by currency forward contracts until payment.

THE BUSINESS AREAS

Harald A. Møller (car imports Norway)

Harald A. Møller achieved pre-tax profit of NOK 730 million compared to NOK 869 million in 2019. The reduction relative to last year is primarily due to somewhat weakened margins on new cars. The Audi e-tron ensured good sales growth for Audi, and Volkswagen maintained its overall sales level with good traction from e-Golf models in the first half of the year and ID.3 in the second half. ŠKODA also managed to keep turnover up with good sales of rechargeable Citigo-e and Superb models, while VW Commercial Vehicles fell off. Sales of parts and accessories increased by 12%, and overall sales by 7% over 2019. Cost-reducing measures were implemented in 2020, particularly concerning personnel and marketing costs, while there was a significant increase in warranty costs.

Volkswagen was the no. 1 brand in Norway for the eleventh consecutive year and finished with a 13.6% market share, up from 13.3% in 2019. For Audi, 2020 was a historically good year with over 10,000 cars sold and a market share of 7.3% compared to 5.2% in 2019. The year was marked by very good sales of the electric Audi e-tron, which became the best-selling passenger car

model in the Norwegian market in 2020. ŠKODA had a good year given that the brand still had limited rechargeable models on offer. Its market share was 5.1%, up from 4.9% in 2019. Volkswagen Commercial Vehicles achieved a market share of 26.1% in 2020, making it the best-selling commercial vehicle make for the 16th consecutive year. SEAT also increased its market share in 2020.

Møller Bil (car dealerships in Norway and Sweden)

Møller Bil achieved a pre-tax profit of NOK 886 million compared to NOK 211 million in 2019, a very strong result given the decline in the total market for new cars in both Norway and Sweden. Møller Bil largely managed to maintain car sales throughout the spring and summer thanks to good access to in-stock cars and this, together with very good used-car sales and increased turnover in the aftersales market, drove profit forward. Total turnover was 13% higher than last year, and gross profit was boosted in all segments. The rising trend in the used car market through 2020 led to the liquidation of some of the provisions made in 2019 for the repurchase portfolio. Cost-cutting was carried out in 2020, particularly in personnel costs, but the increase in turnover and increased warranty and property leasing costs meant that total costs were somewhat higher than last year.

Baltics (Car imports and car dealerships in the Baltics)

Overall, operations in the Baltics achieved a pre-tax profit of NOK 78 million compared with NOK 147 million in 2019. After a very demanding spring

with sales falling up to 80% in some parts of the business, the markets improved, but still ended significantly below 2019 levels. The result for the Moller Baltic Import business was NOK 49 million against NOK 94 million in 2019, due to a 29% fall in turnover that was only partially compensated by lower costs, as well as an insurance settlement in 2019 relating to a hailstorm in 2018. Volkswagen passenger cars had a market share of 7.8%, Audi had a market share of 1.2%, and Volkswagen Commercial Vehicles had a market share of 11.3%. The market shares for all our brands declined somewhat from 2019. Massive cost reductions were also made in the Moller Auto Baltic dealership business, but, given a 24% fall in turnover, the result was NOK 29 million compared to NOK 54 million in 2019.

Car financing

Volkswagen Møller Bilfinans achieved pre-tax profit of NOK 372 million, which is a record high and an improvement of NOK 62 million over 2019. The Group's share of 49% after tax amounted to NOK 142 million. Significantly higher net interest contributed positively, driven by higher interest margins and a small increase in total assets. Higher sales yielded higher income from arrangement fees and insurance. Operating costs rose somewhat and there was also an increase in loss provisions. 11% more contracts are one result of new car financing increasing from 38% last year to 42% this year. Both loans for, and private leasing of, new cars went up, while the financing of used cars fell slightly.

PERSONNEL, WORKING ENVIRONMENT, THE ENVIRONMENT AND CORPORATE SOCIAL RESPONSIBILITY

At the end of 2020, the total number of employees in the Group was 4,078, a reduction of 6% compared with 2019 as a result of firm measures to reduce costs and vulnerability. Sweden had 629 employees, the three Baltics a total of 553 and Norway had 2,896.

The proportion of women in the Group was approximately 15% at the end of 2020. There are two women in Group Management and a growing number of women in senior positions in the Group in general. There is an ambition to further increase diversity in the Group.

The working environment in the Group is considered to be good, despite a demanding year with considerable uncertainty, layoffs, staffing reductions, imposed home office working and a strong focus on infection control due to the pandemic. The Group conducts annual employee surveys and works continuously on measures to improve the working environment. Occupational health and safety and the working environment are monitored on an ongoing basis, in collaboration with the occupational health service.

The upgrading of cars affected by Volkswagen's 2015 diesel issue continued during 2020, but, as expected, it is taking longer to upgrade the remaining affected cars, because it is more difficult to access them. 91% of all affected cars in Norway and about 65% of those in the Baltics have been upgraded. The upgrades are being carried out as warranty work under normal coverage.

Møller Mobility Group is a member of the UN Global Compact. This is described in a separate sustainability report, which covers personnel, the working environment, the external environment and corporate social responsibility. For a more detailed description of these areas, please see this report.

MØLLER MOBILITY GROUP AS

The parent company, Møller Mobility Group AS, is in a solid financial position. The financial statements for 2020 have been prepared on the assumption that the parent company and the Group are going concerns, and the Board confirms that the basis for this assumption exists. It is the Board's opinion that the annual financial statements and accompanying notes provide comprehensive information about the company's operations and financial position at 31 December 2020. There have been no events following the end of the year that would affect an assessment of the company. In 2020, Møller Mobility Group AS had a profit after tax of NOK 1,184 million, which the Board proposes be allocated as follows:

Dividends and group contributions	NOK 700 million
Transferred to other equity	NOK 557 million
Total allocated	NOK 1,184 million

In addition to this, an additional dividend of NOK 300 million was distributed in 2020. The company had book equity of NOK 3,242 million at the end of 2020, up from NOK 3,055 million in 2019. The

company had 35 employees at 31 December 2020. The working environment is good, and the company does not pollute the external environment. The company's head office is in Oslo.

PROSPECTS FOR 2021 AND BEYOND

The expectations for 2021 are characterised by optimism, but also considerable uncertainty. Solid GDP growth is expected in all of the Group's markets, but not back to 2019 levels. There is still a high risk of new rounds of strict infection control measures, which can affect both access to and demand for the Group's goods and services. The Group's car dealerships in Latvia and Lithuania have been

subject to opening restrictions since December 2020 as a result of COVID-19 developments, and early in the year there were also scattered viral outbreaks in Norway, resulting in temporary regional opening restrictions. There are also shortages of some electrical components for the automotive industry due to the COVID-19 crisis, and this may cause delivery delays and thereby affect the Group's turnover figures in the short term.

Møller Mobility Group expects total sales in Norway in 2021 to be strong, with up to 160,000 passenger cars and 36,000 light commercial vehicles. In Sweden, flat development in 2020 is expected, while a market increase of 10-20% is

anticipated in the Baltics if the lockdowns do not last too long. Møller Mobility Group has a leading role in the electrification of the Norwegian car fleet. A full 69% of the sales of the Group's passenger car brands in Norway were electric in 2020, and the Group estimates that this share is set to increase to around 85% in 2021. The framework conditions for electric cars in Norway and the EU are key parameters for Møller Mobility Group. The Group expects that EU emissions targets will continue to drive up production of electric cars, and that the current road tax system will encourage access to, and demand for, new and used electric cars in Norway.

Møller Mobility Group has a very strong financial position, a solid order book, and a model portfolio that is expected to make an impact on the markets in 2021. In order to increase resilience and flexibility in the face of a volatile market, the Group carried out significant cost-cutting during 2020. Overall, this puts the Group in a good position to define a long-term strategy for further growth, even with the uncertainties associated with macro-economic developments and the framework conditions for electric vehicles.

The Board of Møller Mobility Group AS Oslo, 15 April 2021



Øyvind Schage Førde
Chairman of the Board




Harald Møller
Board member



Jon Morten Møller
Board member



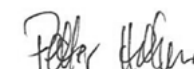
Jacob Schram
Board member



Kristin Solheim Genton
Board member



Laxmi Akkaraju
Board member



Petter Hellman
CEO

Financial statement and notes 2020

Consolidated financial statements Møller Mobility Group

Consolidated income Group	45
Group assets at 31. Dec.	46
Group equity and liabilities at 31 Dec.	47
Consolidated cash flow statement	48
Accounting principles	49
Notes to the consolidated financial statement	
Note 1 Segment information	52
Note 2 Payroll and other personnel costs	53
Note 3 Other operating costs	53
Note 4 Investments in associated companies	54
Note 5 Other financial income and financial costs	54
Note 6 Tangible fixed assets, intangible assets and goodwill	55
Note 7 Investments in other shares and units	55
Note 8 Pensions	56
Note 9 Stock	56
Note 10 Account receivable	57
Note 11 Other receivables	57
Note 12 Bank deposits	57
Note 13 Share capital and shareholder information	57
Note 14 Other current liabilities and other non-current liabilities	58
Note 15 Related parties	58
Note 16 Pledges, guarantees and commitments	59
Note 17 Share capital	59
Note 18 Debt, financing and financial risk	60
Note 19 Taxes	61
Note 20 Significant transactions in the financial year	63
Note 21 Covid-19	63

Financial statements Møller Mobility Group AS

Income Statement Møller Mobility Group AS	64
Assets Møller Mobility Group AS at 31 Dec.	65
Equity and liabilities Møller Mobility Group AS at 31 Dec.	66
Cash flow statement	67
Notes Møller Mobility Group AS	
Note 1 Other operating revenues	68
Note 2 Payroll and other personnel cost	68
Note 3 Income from investments in subsidiaries	68
Note 4 Other financial income and financial costs	68
Note 5 Tangible fixed assets and intangible assets	69
Note 6 Investments in subsidiaries	69
Note 7 Investments in associated companies	69
Note 8 Pensions	70
Note 9 Balances with companies in the Aars Group	70
Note 10 Related parties	71
Note 11 Bank deposits	71
Note 12 Guarantees and commitments	71
Note 13 Share capital	72
Note 14 Liabilities, financing and financial risk	72
Note 15 Taxes	73
Autor's report	74

Consolidated income statement (Møller Mobility Group)

<i>(Amounts in NOK millions)</i>	Note	2020	2019
OPERATING REVENUE			
Sales revenue		32 489	30 061
Other operating revenue		528	500
Total operating revenue	1	33 017	30 561
OPERATING COSTS			
Cost of goods		26 018	23 954
Payroll and other personnel costs	2	3 288	3 097
Depreciation and write-downs	6	331	308
Other operating costs	3	1 987	2 202
Total operating costs		31 624	29 560
OPERATING PROFIT		1 393	1 001
FINANCIAL ITEMS			
Income from investments in associated companies	4	153	108
Other financial income	5	341	214
Other financial costs	5	(222)	(292)
Total financial items		272	31
PROFIT BEFORE TAX		1 665	1 031
Taxes	19	339	206
NET PROFIT		1 326	826
Majority		1 292	825
Minorities		34	1

Assets

(Møller Mobility Group)

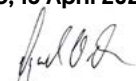
<i>(Amounts in NOK millions)</i>	Note	2020	2019
ASSETS			
Deferred tax asset	19	380	370
Intangible assets	6	112	224
Goodwill	6	61	20
Total intangible assets		554	614
Tangible fixed assets	6	695	672
Investments in associated companies	4	1 491	1 410
Investments in shares	7	24	3
Other receivables	11	8	10
Total financial fixed assets		1 523	1 424
TOTAL FIXED ASSETS		2 772	2 710
Stock	9	3 417	4 595
Accounts receivable	10	1 678	1 519
Other receivables	11	614	728
Total receivables		2 291	2 247
Cash and cash equivalents	12	1 545	234
TOTAL CURRENT ASSETS		7 253	7 076
TOTAL ASSETS		10 025	9 787


Equity and liabilities

(Møller Mobility Group)


<i>(Beløp i MNOK)</i>	Note	2020	2019
EGENKAPITAL			
Aksjekapital	13	48	48
Annen egenkapital		3 919	3 582
Minoritetens egenkapital		109	75
SUM EGENKAPITAL	17	4 076	3 704
GJELD			
Utsatt skatt	19	55	56
Pensjonsforpliktelser	8	57	50
Andre avsetninger og betingede forpliktelser		25	25
Sum avsetninger for forpliktelser		136	131
Gjeld til kredittinstitusjoner		509	400
Annen langsiktig gjeld	14	401	373
Sum langsiktig gjeld	16, 18	910	773
Gjeld til kredittinstitusjoner	18	-	800
Sertifikatlån	18	-	500
Leverandørgjeld		791	675
Betalbar skatt	19	297	249
Skyldige offentlige avgifter		669	739
Utbytte og konsemdrag		729	64
Annen kortsiktig gjeld	14	2 418	2 151
Sum kortsiktig gjeld		4 903	5 178
SUM GJELD		5 950	6 082
SUM EGENKAPITAL OG GJELD		10 025	9 787

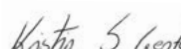
The Board of Directors of
Møller Mobility Group AS
Oslo, 15 April 2021


Øyvind Schage Førde
Chairman of the Board


Harald Møller
Board member


Jon Morten Møller
Board member


Jacob Schram
Board member


Kristin Solheim Genton
Board member


Laxmi Akkaraju
Board member


Petter Hellman
CEO

Consolidated cash flow statement (Møller Mobility Group)

<i>(Amounts in NOK millions)</i>	Note	2020	2019
CASH FLOW FROM OPERATIONS			
Profit before tax		1 665	1 031
Depreciation and write-downs	6	331	308
Gains from sale of fixed assets / companies		70	(10)
Tax payable		(310)	(200)
Own financing		1 755	1 129
Change in stock		1 200	(948)
Change in accounts receivable and payables		(36)	(266)
Change in other items		213	(215)
NET CASH FLOW FROM OPERATIONS		3 132	(301)
CASH FLOW FROM INVESTMENTS			
Investments in tangible and intangible assets		(273)	(411)
Sale of business assets (sales sum)		70	108
Payments in connection with purchase of shares in subsidiaries and businesses		(62)	(7)
Proceeds and payments associated with financial fixed assets		(19)	6
NET CASH FLOW FROM INVESTMENTS		(284)	(304)
CASH FLOW FROM FINANCING			
New loans		124	1 461
Repayment of loans		(1 300)	(210)
Dividends paid		(364)	(663)
NET CASH FLOW FROM FINANCING		(1 540)	589
Change in cash and cash equivalents during year		1 309	(16)
Cash reserve at 1 Jan.		236	252
Cash reserve at 31 Dec.		1 545	236
Specification of cash reserve at 31 Dec.			
Means of payment	12	1 545	234
Overdraft / current market loans	18	-	2
Cash reserve at 31 Dec.		1 545	236

Accounting policies (Møller Mobility Group)

The consolidated financial statements present financial information about the Group when group companies are treated as a single accounting unit. The companies that Møller Mobility Group has a controlling influence over are consolidated. The consolidated financial statements include the parent company Møller Mobility Group AS and the companies listed in note 5 to Møller Mobility Group AS's accounts, and their subsidiaries. Subsidiaries are consolidated from the moment control is transferred to the Group (acquisition date), and consolidation ceases when control of the subsidiary ceases.

Elimination of internal transactions

All transactions and balances between group companies are eliminated. Stock and other business assets are adjusted for unrealised internal profit.

Elimination of shares in subsidiaries

Shares in subsidiaries are consolidated using the acquisition method. The cost price of the shares in the individual subsidiary is eliminated against the subsidiary's equity on the acquisition date. The subsequent increase or decrease in value is added to the assets and liabilities on the balance sheet as increased / reduced value associated with and accounted for during the asset's remaining lifetime. Increased / reduced values that cannot be attributed to specific assets or liabilities are recognised as goodwill / badwill in the balance sheet and depreciated over their financial lifetime.

In the case of acquisitions of subsidiaries with a minority, 100 percent of identifiable assets and liabilities are recognised in the balance sheet, while for goodwill only the majority share is recognised.

Disposal of subsidiaries

Where the Group reduces its stake to 50 percent or lower, profit/ (loss) is recorded as though the entire company had been sold. This means that the remaining stake is measured at fair value.

Conversion of foreign subsidiaries

Balance sheet items in foreign subsidiaries are converted using the closing rate (SEK 104,35 and EUR 10,4703), while earnings are converted using the weighted average exchange rate. Foreign exchange differences relating to foreign subsidiaries are charged to equity.

Minority interests

Minority interests are extracted as separate items in the income statement and on the balance sheet. In the income statement the minorities' share of the result after tax is calculated and shown.

Minority interests on the balance sheet represent the minorities' share of the companies' equity, taking into account the minorities' share of increased / reduced values and internal profits.

Associated companies and joint ventures

Shares in companies in which the Group holds between 20 and 50 percent, and over which the Group has significant influence and where the investment is long term in nature are consolidated in accordance with the equity method in the consolidated financial statements. This means the Group's share of the net profit after tax and depreciation of any excess values are recognised under financial items and added to the carrying amount of the share. Internal sales of the business assets of associated companies are corrected for unrealised internal profit.

Shareholdings in joint ventures are treated according to the same policy. In the company accounts, associated companies are accounted for using the cost method. The investment is valued at the lower of cost and fair value. Impairment

Individual shareholdings in smaller companies with limited value and profit are treated as ordinary share investments, which are assessed at the lower of cost price and fair value.

ACCRUALS, CLASSIFICATION AND MEASUREMENT POLICIES

Fundamental accounting policies

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting policies based on the fundamental principles of historical

cost, comparability, going concern, congruence and prudence. Transactions are recognised at the value of the remuneration on the transaction date. Income is recognised when earned, and costs are matched with earned income.

Classification of assets and liabilities

Goods, current receivables and current liabilities include items due for payment within one year of their acquisition, and items related to the value chain. The current portion of non-current liabilities due within one year is classified as non-current liabilities. Other items are classified as non-current assets or non-current liabilities.

Estimates

Estimates are used to measure income, costs, balance sheet items and other liabilities for which there are no market values. This applies to the measurement of warranty liabilities, impairment in stock, pensions, and goodwill, other long-term provisions and deferred losses on repurchase liabilities. Future events may lead to changes in the estimates. Estimates and underlying conditions are assessed continually. Changes to accounting estimates are recognised in the period the change occurs.

Income recognition

The Group sells products and services, which are recognised on delivery. For sales of new cars with repurchase agreements, the sale is recognised on delivery. Subsequent repurchases and

sales of repurchased cars are recognised as separate transactions. Total repurchase liabilities are detailed in note 16.

For sales of new cars, vehicle import tax to the State is not shown as revenue, but is only included as current liabilities in the financial statements. The proportion of sales revenue related to future aftersales contracts is recognised as unearned income upon the sale and is recognised as income as the services are provided.

Tangible and intangible fixed assets

Tangible fixed assets and intangible assets on the balance sheet are stated at cost less ordinary depreciation. Ordinary depreciation and amortisation in the income statement are on a straight-line basis and is based on estimates of the financial and technical lifespan.

On indication that the carrying amount of a fixed asset is higher than its fair value, a test for impairment will be conducted. The test is conducted for the lowest level of the fixed assets that have independent cash flow. If the carrying amount is higher than both the value and the recoverable amount (present value of continued use or ownership), the asset is written down to the higher of sales value and recoverable amount. Write-downs are reversed if the basis for the write-down no longer exists.

Lease agreements that are not recognised (operational leasing) are presented in the financial statements as an operational cost and the annual leasing amount is presented in note 6. Leased assets are recognised on the balance sheet if the lease transfers substantially all the risks and rewards incidental to ownership of the assets.

Shares and investments

Shares in subsidiaries of a strategic nature and other long-term investments are classified as fixed assets and recognised at the lower of cost price and fair value. Dividends from subsidiaries are recognised in the same year as the company sells them. Dividends from other companies are recognised as income when the dividends are paid.

Short-term investments are classified as current assets and are measured at the lower of cost price and fair value.

Stock

Stocks of cars are assessed at the lower of cost price and assumed retail price after sales costs. An individual assessment is made of each car. Parts and equipment are recognised at average procurement cost (in accordance with the FIFO principle). Write-downs are made for impairments.

Accounts receivable and other receivables

Accounts receivable and other receivables are recognised on the balance sheet at their nominal rate after the deduction of confirmed and expected losses.

Other financial investments

Short-term financial investments are recognised at market value.

Taxes

Taxes consist of tax payable and changes to deferred tax. Tax payable is fixed based on the year's taxable result. Deferred tax on the balance sheet is calculated based on temporary differences between taxable and accounting

values and tax losses carried forward. Deferred tax assets where future use is uncertain are not included. Deferred tax and deferred tax assets are presented net on the balance sheet when there is a basis for offsetting. If the tax rate has changed since the previous year, the new tax rate is used to calculate deferred tax.

Deferred tax and deferred tax assets on acquisitions are calculated based on the difference between fair value and book value in acquired companies for identifiable assets and liabilities. Deferred tax is not calculated on goodwill and increased value of properties upon acquisition. Deferred tax on temporary differences associated with investments in subsidiaries is included, unless the temporary difference is unlikely to be reversed in the near future.

Pensions

The Norwegian companies have a defined-contribution group pension scheme, which is covered by insurance companies.

In addition, the Norwegian companies have a few unfunded pension liabilities, which are charged directly to operations and calculated by an actuary. Most of the Norwegian companies are covered by the contractual early retirement scheme (the "AFP" scheme) through the Norwegian Federation of Trade Unions (LO) and the Confederation of Norwegian Enterprise (NHO). Although this is a defined-benefit scheme, there is no direct allocation of assets and liabilities for each individual company. The scheme is therefore treated as a defined-contribution plan for accounting purposes where premiums are charged as a cost as they are incurred.

The Swedish companies have group pension schemes (defined-benefit and defined-contribution schemes), which are governed by collective agreements. The companies in Lithuania, Latvia and Estonia do not have pension plans.

The accounting for pensions has now changed from following the Norwegian Accounting Standard (NRS 6) to accounting in accordance with IAS 19. This means that on the transition date actuarial gains and/or losses were set to zero and charged to equity. In accordance with the new policy, the year's actuarial gains and/or losses were charged to equity.

Defined-contribution pensions are calculated on an ongoing basis in the financial statements, with the Group contributing a certain percentage share of the employee's salary to the insurance company. The contributions are invested in funds, and employees can choose between various savings profiles. Apart from this, the Group has no other liabilities to its employees in this scheme.

Financial instruments

When hedging future interest costs, where the hedging instruments are intended to protect the Group from variations in future cash flows, the hedging instrument is not recorded in the balance sheet as long as the hedging is considered effective. Gains or losses are recorded at net in line with the result for the hedged item. For interest rate swap agreements where the hedging is not considered effective, the hedging instrument is recorded at market value in the balance sheet. Changes in market value are recorded in the income statement as they arise.

For currency forward contracts, the intention of which is to hedge assets and liabilities, where the hedge is considered to be effective, both the hedging instrument and the hedged item are evaluated at fair value, and gains and losses are recognised. When hedging net investments in foreign currency and where the hedge is considered effective, the currency forward contract is evaluated at fair value. Changes to fair value are charged directly to equity.

Foreign currency

Monetary items denominated in foreign currencies are measured at the balance sheet date, and related foreign exchange gains/(losses) are recognised as financial items. This applies to cash and cash equivalents, receivables and liabilities. For non-cash items, the price at the transaction date is used as a basis for the acquisition cost and is not translated later. This applies mainly to stock and tangible fixed assets. The sale and purchase of goods and services in foreign currencies is calculated at the exchange rate on the date of the transaction.

The Group uses Norwegian kroner (NOK) as its common currency. The Group is exposed to changes in currency in SEK and EUR. Within the Group loans are granted in SEK and EUR.

Warranty liabilities

The Group incurs warranty liabilities through sales of new cars in accordance with the warranties provided by the various manufacturers and regulations in the individual country. The manufacturers normally provide warranties according to applicable guidelines, but importers and dealers provide warranties in addition to these in accordance with local laws and any goodwill payment. Warranty periods vary from one to 12 years.

With the sale of used cars, the dealer generally handles the warranty liabilities, in addition to the remaining manufacturer's warranty.

Ongoing provisions and assessments are made for future liabilities.

Contingent liabilities

Contingent liabilities are not recognised in the financial statements. Contingent liabilities are recognised when it is more than 50% likely that a liability will be incurred, and the liability can be measured reliably.

Repurchase agreements

The Group has a portfolio of sold new cars with guaranteed repurchase prices. The repurchase

prices vary depending on the rental period, mileage and car model. The agreements are not recognised on the balance sheet. The liabilities are continuously assessed, and provisions are made for any expected losses.

Cash flow statement

The indirect method is used when preparing the cash flow statement. Liquid assets include cash, cash equivalents, financial investments (money market funds) and bank overdrafts.

LONG-TERM PARTNERSHIP CONTRACTS

Volkswagen AG, Audi AG, Škoda Automobilava AS, and SEAT S.A (companies in the Volkswagen Group)

Harald A. Møller AS's contracts with Volkswagen, Volkswagen Commercial Vehicles, Škoda and Audi have a mutual notice period of two years.

All agreements can be terminated with 12 months' notice if the factories are to change the entire distribution model. No agreements can be terminated until 2024 at the earliest. The agreement with SEAT is a 5-year pilot agreement that can be renewed.

The agreements with Audi and Volkswagen in the Baltics have a mutual notice period of two

years. The Volkswagen agreement applies to Estonia, Latvia and Lithuania, while the Audi agreement applies to Latvia and Lithuania.

Volkswagen Financial Services AG (company in the Volkswagen Group)

In 2009, Volkswagen Financial Services AG and Møller Mobility Group AS set up the company Volkswagen Møller Bilfinans AS to sell car financing products in Norway. Volkswagen Financial Services AG owns 51 % and Møller Mobility Group AS 49% of the company. The current shareholders have preferential rights if shares are put up for sale.

Volkswagen Møller Bilfinans AS is treated as an associated company and incorporated using the equity method.

Notes

(Møller Mobility Group)

All figures are in NOK millions.

Note 1 - Segment information

The business consists of the following business areas: Harald A. Møller (car import Norway), Møller Bil (car dealers Norway and Sweden), Baltic Operations (car import and dealers in the Baltic States) and Car Finance (Norway).

The business areas report the following key figures:

	Harald A. Møller	Møller Bil	Baltic Operations	Car Finance	Other companies	Eliminations	Group
Operating revenue	16 542	22 881	2 863	-	422	(9 691)	33 017
Operating profit/(loss)	724	920	81	-	(330)	(2)	1 393
Depreciation and write-downs	26	129	16	-	158	1	331
Income from investments in ass.comp.	-	-	-	142	11	-	153
EBITDA	750	1 049	98	142	(161)	(1)	1 876
Other financial results	7	(34)	(3)	-	150	-	119
Profit/(loss) before tax	730	886	78	142	(169)	(2)	1 665
Assets	3 389	5 689	914	892	5 360	(6 219)	10 025

	Baltic Operation		Møller Bil - Car Dealers			
	Car import	Car Dealers	Oslo	West-Norway	Mid-Norway	Sweden
Operating revenue	2 017	2 290	7 854	5 739	4 551	4 665
EBITDA	52	45	417	344	207	169
Profit/(loss) before tax	49	29	381	298	181	135
Assets	416	497	1 648	1 227	990	852

2019

	Harald A. Møller	Møller Bil	Baltic Operation	Car Finance	Other companies	Eliminations	Group
Operating revenue	15 532	20 281	3 678	-	393	(9 323)	30 561
Operating profit/(loss)	859	269	155	-	(256)	(27)	1 001
Depreciation and write-downs	41	111	14	-	133	9	308
Income from investments in ass.comp.	-	-	-	118	(10)	-	108
EBITDA	901	380	169	118	(133)	(18)	1 416
Other financial results	10	(58)	(8)	-	(22)	-	(77)
Profit/(loss) before tax	869	211	147	118	(288)	(27)	1 031
Assets	3 290	4 973	1 078	750	5 199	(5 505)	9 787

	Baltic Operation		Møller Bil - Car Dealers			
	Car import	Car Dealers	Oslo	West-Norway	Mid-Norway	Sweden
Operating revenue	2 834	3 029	6 962	4 945	4 079	4 229
EBITDA	99	70	166	112	55	131
Profit/(loss) before tax	94	54	126	66	24	103
Assets	490	588	1 661	1 160	1 117	717

Note 2 - Payroll and other personnel costs

	2020	2019
Salaries	2 658	2 471
Employer's NI contributions	359	362
Pension costs	175	162
Other personnel costs	96	102
Total payroll and other personnel costs	3 288	3 097
Average number of employees	4 180	4 271
Loans to employees	7	7
	2020	2019
Salaries, bonuses, pension costs and other remuneration for the previous CEO	-	18
Salaries, bonuses, pension costs and other remuneration for the current CEO (from May 2019)	7	2
Board remuneration	5	5
Total remuneration of senior executives	12	25

The group CEO is the CEO of Møller Mobility Group AS and is employed and paid by the parent company. Bonus schemes have been established here where the size of the payment depends on the results achieved for the year, combined with other qualitative assessment criteria, and where the bonus is considered to be part of the normal remuneration for this type of position. Bonuses are also allocated to a long-term incentive scheme from 2019. The bonus amount corresponds to a proportion of fixed salary for the CEO, and will be adjusted annually based on the development of the value of the Møller Mobility Group, as measured by an annual valuation of the Group. The allocation adjusted for value development will be paid as salary after three years. As of 31 December, the CEO and board members have a 0.5 percent ownership interest in Møller Mobility Group MI AS. Møller Mobility Group MI AS is an investment company where senior executives have the opportunity to invest. The CEO is entitled to up to 18 months of severance pay and a share of previously earned bonus in the event of significant reorganizations.

Loans to employees are mainly interest-bearing car loans where the companies have security in a car. The interest rate on these loans is 1.5 percent. In the event of sale, liquidation or other reorganisation, general managers in the Group are entitled to salary for one year, under certain terms.

	2020	2019
Audit fees and audit-related services	4	4
Tax, fees and other consultancy services	1	-
Total auditor's fees (excl. VAT)	5	4

Note 3 - Other operating costs

	2020	2019
Operating costs (rent, electricity, maintenance, car costs, etc.)	1 107	1 052
Sales costs (advertising, warranties, etc.)	506	899
Administration costs (IT services, fees, travel expenses, gifts, bad debts)	374	251
Total other operating costs	1 987	2 202

Note 4 - Investments in associated companies

Company name	Voting rights/ stake	Equity in company 31.12.20	Carrying amount 01.01.20	Internal profit	Share of profit after tax 2020	Carrying amount 31.12.20
Volkswagen Møller Bilfinans AS *	49,00 %	3 536	1 346	3	142	1 491
UIP Holding AS- sold 2020	20,55 %		64	-	11	-
Total			1 410	3	153	1 491

Investments in associated companies are incorporated in accordance with the equity method.

*The main rule is that uniform accounting principles are used for similar transactions and events, to provide the most accurate information about the investor's overall operations. Volkswagen Møller Bilfinans switched to IFRS on 1 January 2018. It is not practicable to restate the entire financial statements such that they are in accordance with the Norwegian Accounting Act and generally accepted accounting policies. We have therefore chosen to apply different principles, in accordance with Norwegian accounting standard NRS (F) Investments in associates and joint ventures (June 2018), section 3.8. The main difference in the accounting policies relates IFRS 9 and IFRS 16. The conversion effect in Volkswagen Møller Bilfinans was posted in 2018.

Note 5 - Other financial income and financial costs

	2020	2019
Interest income	2	4
Currency gains	332	207
Other financial income	6	4
Total other financial income	341	214
Interest costs	29	35
Currency losses	177	248
Other financial costs	15	10
Total other financial costs	222	292

Note 6 - Tangible fixed assets, intangible assets and goodwill

	Machinery and fixtures	Vehicles	Buildings	Intangible assets	Goodwill*	Total
Acquisition cost at 1 Jan.	1 088	145	511	782	102	2 628
Disposals in connection with purchase of companies	7	-	-	-	48	55
Additions	81	96	59	36	-	272
Disposals	(42)	(88)	(3)	(20)	-	(153)
Currency translation difference	29	-	2	-	1	32
Acquisition cost at 31 Dec.	1 163	153	569	799	152	2 835
Accumulated depreciation at 1 Jan.	755	20	296	557	83	1 712
Disposals in connection with purchase of companies	3	-	-	1	-	4
Year's depreciation and write-downs	97	33	46	147	9	331
Disposals	(43)	(31)	(2)	(19)	-	(94)
Currency translation difference	14	-	1	-	-	16
Depreciated at 31 Dec.	826	22	341	687	92	1 968
Carrying amount at 31 Dec.	337	130	228	112	61	868

* Goodwill in connection with acquisition of new companies, and goodwill in company financial statements.

Straight-line depreciation plan	3-7 years	3-7 years	20-50 years	3-10 years	5-10 years	
Annual rental of off balance sheet business assets	31		491			521
Duration of rental of business assets	1-5 years	1-5 years	1-15 years			

The amortization period for goodwill that is strategic investments is normally 10 years. These are investments where Møller Mobility Group has a long-term perspective and which is within the Group's core business. Other items are amortized over 3-10 years. Intangible assets of NOK 112 million relate to software and development costs for IT systems.

Specification of goodwill in connection with acquisitions:

Business unit	Acquisition date	Depreciation period	Acquisition cost*	Accumulated depreciation*	Carrying amount*	Year's depreciation
Car Dealers Norway	2020	10 years	5	-	5	-
Car Dealers Sweden	2020	10 years	43	2	41	1
Car Dealers Norway	2016	10 years	4	2	2	-
Car Dealers Sweden	2014	10 years	66	54	11	4
Car Dealers Baltics	2011	10 years	34	33	1	4
Total goodwill in connection with acquisitions			152	92	61	9

* Incl. currency translation difference

Note 7 - Investments in other shares and units

Company	Ownership	Value
Mitt Dekkhotell AS, Oslo	15 %	20
Other investments in body and repair workshops and tyre hotels.		4
Sum		24

Some subsidiaries in Møller Mobility Group have a number of minor equity investments with holdings of 20-35 percent, such as body and repair workshops and tyre hotels. These are not treated as associated companies since the values are limited.

Note 8 - Pensions

The Norwegian and Swedish companies in the Group have secured collective pension agreements. The companies in the three Baltic states do not have pension plans. In Norway we have an ongoing defined-contribution scheme. The defined-contribution plan is charged as a cost on an ongoing basis in the financial statements as the Group pays an amount of savings to the insurance company based on the individual employee's salary. The scheme has been adapted to comply with the new Act on occupational pensions, and the threshold between the lower and the higher savings rate is 7.1 x the National Insurance basic amount ("G"). In addition to saving for a retirement pension, disability pension and surviving children's pension are also covered. These payments do not have a paid-up policy element, meaning there is no future liability related to disability and children's pensions beyond the current premium payments.

The Group is a member of the contractual early retirement scheme (the "AFP" scheme) through the Norwegian Federation of Trade Unions (LO) and the Confederation of Norwegian Enterprise (NHO). The AFP scheme provides a life-long supplement to the standard pension. Employees can choose to start drawing on the AFP pension scheme from the age of 62. The pension scheme is a defined-benefit, multi-employer pension plan funded by premiums that are determined as a percentage of the individual's salary. There is no reliable measurement and allocation of liabilities and assets in the scheme. Therefore, in the financial statements the scheme is treated as a defined-contribution pension scheme where the premium payments are charged as a cost on an ongoing basis and no provisions are made in the financial statements.

Our Swedish companies have pension plans in accordance with a collective agreement. The scheme in Sweden is a combination of defined-benefit and defined-contribution plans based on job category, age and income. The defined-benefit plan is partially financed by means of premium payments, while the rest is financed through the accumulation of pension liabilities in the balance sheet. The pension liabilities related to the part of the scheme that is not insured are calculated by an actuary. These liabilities will be reduced in line with the ongoing pension payments. All future pension savings are now insured, but these amounts are not calculated by an actuary, as the scheme is such that assets and liabilities are not allocated directly to the individual company in the collective pension fund. Møller Mobility Group bases its accounting of defined-benefit pensions on IAS 19 (see the note on accounting policies). This entails that the year's actuarial gains and/or losses are charged to equity.

	2020	2019
Interest cost of pension liabilities	2	1
Year's pension costs for funded and unfunded pensions	2	1
Defined-contribution pension	121	112
Defined-benefit pension not calculated by an actuary	52	48
Total pension costs	175	162
Carrying amount pension obligations calculated by an actuary		
Calculated pension liabilities at 1 Jan. 2019	(50)	(53)
Actuarial gains and/or losses are charged to equity	0	-
The year's pension costs	(3)	(1)
The year's pension payments	2	2
Currency translation difference	(6)	2
Pension liabilities	(57)	(50)
Number of people covered by all pension plans	3 536	3 517
Financial assumptions		
Return on pension assets	-	0,0 %
Discount rate	1,7 %	1,8 %
Annual salary growth / annual G adjustment	2,0 %	0,0 %

The actuarial assumptions relating to demographic factors are the normal assumptions used by the insurance industry, adapted to the Group's age structure and retirement. All pension liabilities include the employers' National Insurance contribution.

Note 9 - Stock

	2020	2019
New cars	1 689	2 638
Used cars and demo cars	1 348	1 608
Spareparts and accessories	323	288
Other stock	57	60
Total stock	3 417	4 595

Note 10 - Account receivable

	2020	2019
Account receivable	1 685	1 525
Provisions for bad debt	(10)	(9)
Account receivable Aars Group	2	2
Total account receivable	1 678	1 519

Note 11 - Other receivables

	2020	2019
Loans to employees*	1	2
Loans to associated companies	-	6
Other long term receivables	7	2
Total non-current receivables	8	10

	2020	2019
Pre-payment to suppliers	10	13
Loans to employees*	5	5
Net VAT credit	3	2
Other prepaid expenses	100	101
Accrued income	354	403
Other current receivables	141	204
Total current receivables	614	728

* note 2

Note 12 - Bank deposits

The Group has bank deposits totalling NOK 1 545 million. There are no restricted funds to cover tax owed. Tax deductions are secured by a bank guarantee (see note 16).

Note 13 - Share capital and shareholder information

Shareholders in Møller Mobility Group AS at 31 Dec. 2020	A-shares	B-shares	Number	Stake
Jan H. Møller	103	1	104	0,378 %
Aars AS	-	26 637	26 637	96,862 %
Møller Mobility Group MI AS	-	759	759	2,760 %
Total	103	27 397	27 500	100,00 %

The share capital consists of 27,500 shares with a nominal value of NOK 1,734, in total NOK 48 million. There are two classes of shares. All shares have equal voting rights. Aars AS votes for 98.94 percent of the shares, 2.07 percent is indirectly through Møller Mobility Group MI AS. Møller Mobility Group MI AS is an investment company where senior executives have the opportunity to invest. Class A shares are guaranteed an annual dividend of NOK 5 million, collected from Møller Mobility Group AS and Møller Eiendom Holding AS.

Note 14 - Other current liabilities and other non-current liabilities

	2020	2019
Provision for warranties and other liabilities	915	959
Accrued costs and prepaid income	889	613
Vacation pay and accrued salary	460	366
Advances from customers	154	213
Total other current liabilities	2 418	2 151
Provision for liabilities	318	287
Provision for bonuses to employees (LTI)innlån pr	83	80
Loans private	-	6
Total other non-current liabilities	401	373

Provision for warranties and other liabilities

The warranties is an estimate based on historical warranty costs and and expectations of future developments in warranty costs on cars sold and delivered by Harald A. Møller AS. The warranty schemes against the different suppliers varies. The company is a self-insurer for a 5-year warranty for one of the car brands. From 2017 to 2019, the importer has made a provision of "end of life" handling of lithium batteries, from 2020 Volkswagen AG will take this responsibility.

Note 15 - Related parties

Company	Company relationship	Transaction type	2020	2019
Volkswagen Møller Bilfinans AS	Associated company	Sale of cars	3 247	2 800
Total sales			3 247	2 800
Volkswagen Møller Bilfinans AS	Associated company	Purchase of cars	2 130	2 036
Møller Eiendom AS	Associated group	Rent costs	235	231
Total purchases			2 366	2 267
Volkswagen Møller Bilfinans AS	Associated company	Balances at 31 December	55	90
Møller Eiendom AS	Sister	Balances at 31 December	-	1
Katalysator AS	Sister	Balances at 31 December	77	48
Medvind AS	Sister	Balances at 31 December	20	-
MMG MI AS	Sister	Balances at 31 December	19	1
Aars AS	Parent	Balances at 31 December	607	8

Note 16 - Pledges, guarantees and commitments

	2020	2019
Fixtures	50	51
Accounts receivable and stock	156	244
Total carrying amount of assets with encumbrances	206	295

Guarantees	2020	2019
Repurchase agreements for cars	7 139	7 675
Vehicle import duty, Customs Region Oslo and Akershus	176	177
Withholding tax	143	119

Møller Mobility Group has long-term financing through bond issues of total NOK 700 million, a committed credit facility totalling NOK 1,000 million, and three separate loan facilities with three Norwegian banks totaling NOK 1.100 million. At 31 December 2020 no withdrawals had been made from this facility. Subsidiaries that comprise more than 80 percent of the gross turnover and equity in the Group are guarantors. In addition, Møller Mobility Group also has an overdraft facility of NOK 100 million, which is secured through joint and several liability (cashpool). At 31 December 2020 no withdrawals had been made from this facility.

The group has a total of 41.000 buyback cars. Of these cars, 29 percent will return in 2021, 26 percent will return in 2022 and 45 percent will return in 2023 or later.

The Group companies included in the joint registration of VAT have joint and several liability for any debt. At 31 December 2020 Møller Mobility Group AS owes NOK 285.8 million in VAT, via the joint registration registered in Aars AS.

In 2014 the Group's companies in Latvia were imposed a corporate fine totalling EUR 7 million because of alleged price-fixing. Møller Mobility Group strongly disagrees with the grounds for the fine and holds that the fine is disproportionate and discriminatory in relation to the alleged violations. The case has been brought before the Latvian courts, and the Administrative Regional Court pronounced its judgment in October 2018. Two of the companies have been fully acquitted, representing EUR 5.2 million of the fines, while two of the companies have been found partially guilty, but to a less serious degree than in the original ruling. The Latvian Competition Authority has appealed this judgment to the Supreme Court of Latvia. The Supreme Court will hear this case. No provisions have been made for this in the financial statements for 2020.

Note 17 - Share capital

2020	Majority	Minorities	Total
Equity at 1 Jan. 2020	3 629	75	3 704
Profit/(loss) for the year	1 292	34	1 326
Annual dividend*	(900)	-	(900)
Group contributions	(100)	-	(100)
Currency translation differences this year, etc.	46	-	46
Equity at 31 Dec. 2020	3 967	109	4 076

* Includes an additional dividend of NOK 350 million

Accumulated translation differences at 31 December 2020 amounted to NOK 139,9 million.

2019	Majority	Minorities	Total
Equity at 1 Jan. 2019	3 225	61	3 286
Profit/(loss) for the year	825	-	826
Annual dividend*	(356)	-	(356)
Group contributions	(45)	-	(45)
Currency translation differences this year, etc.	(20)	-	(7)
Equity at 31 Dec. 2019	3 629	61	3 704

* Includes an additional dividend of NOK 350 million

Note 18 - Debt, financing and financial risk

	2020	2019
Withdrawals from committed credit facilities	-	800
Certificate	-	500
Total current interest-bearing liabilities	0	1 300
Bond issue	510	400
Arrangement costs	(1)	-
Total bond issue	509	400
Other long-term interest-bearing liabilities	-	6
Total non-current interest-bearing liabilities	509	406
Maturity		
Due in less than 2 years	210	1 300
Due in 2-5 years	300	406
Total	510	1 706
Key figures		
Unused committed credit facilities	2 200	300

LIABILITIES

Current liabilities

Møller Mobility Group has a committed credit facility of NOK 1,000 million that expires in 2022 and three separate loan facilities with three Norwegian banks totaling NOK 1.100 million. The credit facilities are not secured, but all significant companies in Møller Mobility Group are jointly and severally liable for the liabilities. Møller Mobility Group AS is the registered borrower. At 31 December 2020 no withdrawals had been made from these facilities. There are covenants concerning financial key figures in the contracts, linked to equity and cash flow, which are fulfilled at the end of the year. These liabilities are classified as current liabilities since all withdrawals from the facility will be of a short-term nature. In addition, Møller Mobility Group has a committed credit facility of NOK 100 million linked to the company's cash pool structure. For further information, see note 16.

Non-current liabilities

Møller Mobility Group has long-term financing through bond issues of total NOK 700 million. The bond of NOK 400 million will mature in March 2022 and the bond of NOK 300 million will mature in December 2023. The bond of 400 million, Møller Mobility Group AS has NOK 190 million in its own book. The bond issue is not secured, but is coordinated with the syndicated bank loan in terms of joint and several liability within the Group, and has the same equity ratio requirements. Other long-term interest-bearing liabilities are deposits from employees.

FINANCIAL RISK

The Group has companies involved in selling, financing and servicing cars. The Group's activities involve financial risk associated with currency, rates, credit and liquidity. The Group manages risk with the objective of ensuring predictable cash flows and sufficient liquidity to meet natural fluctuations in working capital.

Currency risk

The Group sells products in local currency. In Norway, the Group is exposed to short-term currency risk relating to imports of products in EUR. Car manufacturers bear significant long-term currency risk through agreements. Short-term currency risk is hedged in the spot and forwards market. The forward contracts are market-assessed (mark-to-market) and the value is recorded as foreign exchange gains at year-end. Unrealised exchange gain of NOK 4.3 million were recognised in the income statement at year-end.

In addition the Group has currency risk associated with the Swedish and Baltic companies. The risks are mitigated by having local external liabilities in the local currency. Møller Mobility Group does not generally hedge equity in foreign companies, but does strive to secure the expected dividend with a horizon of one year. Møller Mobility Group's total secured amount at year-end was SEK 56 million and EUR 8.2million. Unrealised exchange gain amounted to NOK 2.8 million at year-end.

Interest rate risk

Møller Mobility Group is largely financed through two long-term bond issues with a floating interest rate. This entails a risk related to developments in interest costs. This risk is partially hedged by a portion of the debt being swapped to fixed interest rates through interest rate swaps. At 31 December 2020 the Group had interest rate swap agreements of NOK 350 million with a fixed interest rate of 1.9 percent and a remaining term matching the underlying loans. The interest swap agreements hedge 50 percent of the interest costs related to the bond issue at year-end. The date for determining the liquid element in the hedging contract is adapted according to the rollover of the underlying loans. The agreements were signed with a view to running until maturity. In light of this, Møller Mobility Group has chosen to record the agreements as hedge agreements, which means that ongoing changes in market value are not recorded in the income statement. At the balance sheet date, the market value of the contract was negative in the amount of NOK 1.9 million.

Credit risk

A significant part of the Group's turnover is cash-based. There will be a temporary credit risk associated with sales by importer companies to external dealers and in cases where cars or workshop services are sold on credit. The risks are hedged with tight credit procedures and close monitoring of accounts receivables. Historically, losses have been low. At 31 December 2020, NOK 9.6 million has been allocated for losses on claims and actual losses in 2020 were NOK 7 million.

Liquidity risk

The Group operates in a cyclical industry with relatively large fluctuations in working capital. There is therefore a risk associated with short-term access to liquidity. This is hedged by having flexible and committed framework financing of NOK 2.200 million where withdrawals are regulated according to need.

Buy back agreements

The Group has risk associated with buy back agreements. Total buy back agreement liabilities were NOK 7.1 billion at 31 December 2020. The risk is associated with future market prices for used cars. The risk is hedged through certain procedures for entering contracts and returning cars. A continuous assessment of the liabilities is conducted, and provisions are made for any anticipated losses.

Note 19 - Taxes**Taxes in the income statement**

	2020	2019
Profit before tax	1 665	1 031
Tax payable in Norway	275	247
Tax payable abroad	54	28
Tax on paid group contributions	28	13
Total tax payable	357	287
Change in deferred tax	(10)	(95)
Change in deferred tax abroad	(8)	13
Effect of change in tax rate in Norway from 23% to 22%	0	-
Tax cost	339	205
Profit for the year	1 326	826
Effective tax rate	20,4 %	19,9 %
22% of the profit before tax (23% in 2018)	366	227
Actual tax cost	339	205
Deviation tax cost	27	22
<i>The deviation comprises:</i>		
Permanent differences (including tax-free gains and dividends)	1	2
Profits in associated companies	(34)	(24)
Loss/gain on sales of shares	18	1
Amortisation goodwill / excess value buildings	1	1
Foreign companies (lower tax rate)	(3)	(15)
Write-down of group shares	-	13
Shortfall / excess calculated tax in previous years	(11)	1
Total	(27)	(22)

Tax on balance sheet

The calculation of deferred tax takes into account the following temporary differences:	2020	2019
Accounts receivable and other receivables	6	11
Stock	295	310
Tangible fixed assets	(133)	(86)
Current and non-current liabilities	1 250	1 284
Liabilities	120	28
Deferred losses	3	2
Latent dividend tax – Estonia	(75)	(134)
Total deferred tax	1 467	1 415

Norway 22%	377	367
Sweden 21,4%	(38)	(28)
Lithuania 15%	1	2
Estonia 18 %	(1)	(2)
Latvia 20 %	(14)	(25)
Net deferred tax	326	314

Deferred tax asset on balance sheet	380	370
Deferred tax liability on balance sheet	(54)	(56)
Carrying amount net deferred tax	326	314

Deferred tax is included on the balance sheet as net within the various tax groups.

Change in deferred tax on the balance sheet is arrived at as follows:

Deferred tax at 1 Jan.	314	228
Deferred tax linked to internal profits in AC during the year*	1	4
Year's recognised change in deferred tax	19	83
Currency translation differences	(8)	(1)
Net deferred tax at 31 Dec.	326	314

* Deferred tax linked to internal profits in AC (associated companies) is recognised on the balance sheet as part of the investment.

The tax payable on the balance sheet is arrived at as follows:

Tax payable on the income statement	357	287
Prepaid tax abroad	(32)	(26)
Tax on paid group contributions	(28)	(13)
Tax payable owed	297	249

The income tax rate in Norway is 22 percent, Sweden 21.4 percent and Lithuania is 15 percent. From 2021, the tax rate in Sweden is 20.6 percent. Estonia and Latvia does not have income tax, they have dividend tax. Latent tax has been allocated for dividends.

Note 20 - Significant transactions in the financial year

Transactions in 2020

On January 1st 2020 Møller Mobility Group bought 100 percent of the shares in Skaansar Auto AS and on September 1st 2020 100 percent of the shares in Sportbilar i Örebro AB. The profit and loss in Sportbilar i Örebro AB is only recognized in the group's ownership period.

This transaction had the following effect on the consolidated financial statements at 31 December 2020:

	Amount	Goodwill	Total
Cash	12	-	12
Accounts receivable	11	-	11
Business assets	4	-	4
Stock	22	-	22
Other assets	3	-	3
Accounts payable	(15)	-	(15)
Other interest-free liabilities	(8)	-	(8)
Interest-bearing liabilities	(1)	-	(1)
Net identifiable assets	26	0	26
Goodwill	-	48	48
Sales sum	26	48	74
Paid in cash			74
Acquired cash			12
Net cash out			62

Transactions in 2019

No significant transactions in 2019.

Note 21 - Covid-19

The COVID-19 pandemic has of course impacted the automotive sector and Møller Mobility Group through periods of factory closures and strict infection control measures. Overall, the Norwegian new car market nevertheless maintained a stable level in 2020, and both the used-car and aftersales markets improved on 2019. Low interest rates combined with 'staycations' are factors contributing to increased demand for the Group's goods and services. The Group also undertook significant cost-cutting during 2020 in order to reduce its vulnerability, and finished the year with a record-high turnover, record profits and a very sound liquidity position. This strong financial position, together with a large order book, a good programme of car models and a more robust organisation, which has also learned a lot about handling such crises, means that the Group is anticipating less disruption than previously feared from any potential new waves of infection. The COVID-19 situation is also referred to in the annual report.

Income statement

(Møller Mobility Group AS)

<i>(Amounts in NOK millions)</i>	Note	2020	2019
OPERATING REVENUE			
Other operating revenue	1	78	57
Total operating revenue		78	57
OPERATING COSTS			
Payroll and other personnel costs	2	107	110
Depreciation and write-downs	5	8	8
Other operating costs		145	44
Total operating costs		259	162
OPERATING PROFIT		(181)	(105)
FINANCIAL ITEMS			
Income from investments in subsidiaries	3	1 521	1 113
Interest income from group companies		49	75
Other financial income	4	317	180
Interest costs from group companies		(2)	(8)
Other financial costs	4	(207)	(260)
Total financial items		1 677	1 101
PROFIT BEFORE TAX		1 495	996
Taxes	15	312	165
NET PROFIT		1 184	831
<i>Proposed allocations in Møller Mobility Group AS:</i>			
Group contributions after tax		(100)	(45)
Dividends		(600)	(6)
Transferred to/(from) other equity		(484)	(780)
Allocated		(1 184)	(831)
Additional dividends decided before AGM date		(300)	(350)
From other equity		300	350

Assets

(Møller Mobility Group AS)


<i>(Amounts in NOK millions)</i>	Note	2020	2019
ASSETS			
Intangible assets	5	5	8
Total intangible assets		5	8
Tangible fixed assets	5	37	39
Investments in subsidiaries	6	1 151	900
Investments in associated companies	7	840	915
Investments in shares		21	1
Group receivables	9	1 168	2 496
Other receivables		5	6
Total financial fixed assets		3 185	4 318
TOTAL FIXED ASSETS		3 228	4 364
Other receivables		13	7
Group receivables	9	1 428	1 099
Total receivables		1 440	1 107
Cash and cash equivalents	11	1 344	190
TOTAL CURRENT ASSETS		2 784	1 297
TOTAL ASSETS		6 012	5 661

Equity and liabilities

(Møller Mobility Group AS)

(Amounts in NOK millions)	Note	2020	2019
EQUITY			
Share capital		48	48
Other paid-in equity		1	1
Other equity		3 193	3 006
TOTAL EQUITY	13	3 242	3 055
LIABILITIES			
Pension liabilities	8	1	1
Total provisions for liabilities		3	2
Bond loans		509	400
Liabilities to group companies	9	783	343
Other non-current liabilities		14	13
Total non-current liabilities		1 306	756
Liabilities to financial institutions	-		1 300
Accounts payable		8	4
Tax payable	15	248	120
Public duties payable		6	6
Dividends and group contributions	9	728	64
Other current liabilities		48	35
Liabilities to group companies	9	424	320
Total current liabilities		1 461	1 848
TOTAL LIABILITIES		2 770	2 606
TOTAL EQUITY AND LIABILITIES		6 012	5 661

**The Board of Directors of
Møller Mobility Group AS**
Oslo, 15 April 2021



Øyvind Schage Førde
Chairman of the Board



Harald Møller
Board member



Jon Morten Møller
Board member



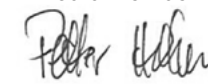
Jacob Schram
Board member



Kristin Solheim Genton
Board member



Laxmi Akkaraju
Board member



Petter Hellman
CEO

Cash flow statement

(Møller Mobility Group AS)

<i>(Amounts in NOK millions)</i>		2020	2019
CASH FLOW FROM OPERATIONS			
Ordinary profit before tax		1 495	996
Recognised dividends / group contributions	3	(1 521)	(1 113)
Gains from sale of fixed assets / companies		80	-
Depreciation	5	8	8
Taxes paid during the period		(120)	(147)
Change in accounts receivable and payables		5	-
Change in intra-group receivables / liabilities		2 063	(1 356)
Change in other items		4	8
Net cash flow from operations		2 014	(1 604)
CASH FLOW FROM INVESTMENTS			
Investment in tangible fixed assets		(14)	(19)
Sales of tangible fixed assets		11	8
Sales of subsidiaries		-	-
Investments in subsidiaries		-	(50)
Received dividends / group contributions		1 029	1 455
Net cash flow from investments		1 005	1 394
CASH FLOW FROM FINANCING			
Group contributions paid		(370)	(97)
Annual dividend		(6)	(278)
Additional dividends		(300)	(350)
Payment / repayment of private long-term borrowings		7	(10)
New / repayment of long-term debt		103	1 300
		(1 300)	(393)
Net cash flow from financing		(1 866)	172
Net change in cash and cash equivalents during year			
		1 153	(38)
Cash reserve at 1 Jan.		190	228
Cash reserve at 31 Dec.		1 344	190
Specification of cash reserve at 31 Dec.			
Means of payment	11	1 344	190
Cash reserve at 31 Dec.		1 344	190

Notes

(Møller Mobility Group AS)

All figures are in NOK millions.

Note 1 - Other operating revenue

	2020	2019
Income from management fees in the group	73	54
Other operating revenue	5	3
Total other operating revenue	78	57

Note 2 - Payroll and other personnel costs

	2020	2019
Salaries	90	93
Employer's NI contributions	10	11
Pension costs	4	3
Other personnel costs	3	3
Total payroll and other personnel costs	107	110

Average number of employees	37	33
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For information about the remuneration of senior executives, including the salary of the CEO of Møller Mobility Group, see note 2 to the consolidated financial statements.

Remuneration to the auditors in 2020 amounted to NOK 436.600 for auditing and NOK 544.742 for other services. All amounts are stated exclusive of VAT.

Note 3 - Income from investments in subsidiaries

	2020	2019
Harald A. Møller AS	873	945
Møller Bil AS	648	168
Total income from investments in subsidiaries	1 521	1 113

Note 4 - Other financial income and financial costs

	2020	2019
Currency gains	316	178
Other financial income	1	2
Total other financial income	317	180

Currency losses	172	230
Other financial costs	36	30
Total other financial costs	207	260

Note 5 - Tangible fixed assets and intangible assets

	Tangible fixed assets*	Intangible assets	Total
Acquisition cost at 1 Jan.	45	18	63
Additions	14	-	14
Disposals	(14)	-	(14)
Acquisition cost at 31 Dec.	45	18	63
Accumulated depreciation at 1 Jan.	6	10	16
Year's depreciation and write-downs	5	3	8
Disposals	(3)	-	(3)
Depreciated at 31 Dec.	8	13	21
Carrying amount at 31 Dec.	37	5	43
Straight line depreciation plan	3-7 years	3-10 years	

* Cars, fixtures and furnishings

Note 6 - Investments in subsidiaries

Company name	Business office	Stake/ voting rights	Equity 31.12.2020	Profit/(loss) for the year 2020	Carrying amount
Harald A. Møller AS	Oslo	100 %	525	677	472
Møller Bil AS	Oslo	100 %	370	638	313
Møller Digital AS	Oslo	100 %	69	(120)	297
Møller Synergi AS	Oslo	100 %	3	(4)	14
Hyre AS	Oslo	78 %	28	3	55
Total investments in subsidiaries			995	1 194	1 151

* Includes dividends received / group contributions from subsidiaries totalling NOK 318 million.

The above table only shows shares owned directly by Møller Mobility Group AS. In total, the Group consists of 31 companies directly and indirectly owned by Møller Mobility Group AS.

Note 7 - Investments in associated companies

Company name	Business office	Voting rights/ stake	Equity in company 31.12.2020	Profit/(loss) after tax 2020	Carrying amount 31.12.2020
Volkswagen Møller Bilfinans AS	Oslo	49,00 %	3 536	290	840
Total investments in associated companies			3 536	290	840

The share of the profit/(loss) is not incorporated into the company financial statements; it is only incorporated into the consolidated financial statements of Møller Mobility Group.

Note 8 - Pensions

The company currently has a defined-contribution pension that has been adapted to comply with the new Act on occupational pensions. The defined-contribution pension is covered by the company through ongoing payments to an insurance company. The company has no further obligations beyond this.

The company is affiliated with the contractual early retirement scheme (the "AFP" scheme) through the Norwegian Federation of Trade Unions (LO) and the Confederation of Norwegian Enterprise (NHO). The new AFP scheme is a defined-benefit, multi-employer pension plan, and since the assets cannot be attributed to individual members, the scheme is treated as a defined-contribution pension scheme in the financial statements, and future obligations are not recognised on the balance sheet. The remaining pension liabilities in the balance sheet relate to a handful of unfunded pensions paid through operations.

	2020	2019
Pension costs		
Defined-contribution pension	3	3
Pension costs	3	3
Carrying amount net pension obligations		
Calculated pension liabilities	(1)	(1)
Net carrying amount pension liabilities	(1)	(1)
Number of people covered by all pension plans	36	39
Financial assumptions		
Return on pension assets	0,0 %	0,0 %
Discount rate	1,8 %	1,8 %
Annual salary growth / annual G adjustment	0,0 %	0,0 %

All pension liabilities include the employers' National Insurance contribution.

Note 9 - Balances with companies in the Aars Group

	2020	2019
Møller Bil Norge	741	1 714
Møller Digital	214	261
Møller Bil Sverige	-	183
Møller Auto Baltic	214	338
Total non-current receivables	1 168	2 496

The receivables consist of operating capital and loans to group companies (cashpool). The receivables are long-term financing of subsidiaries and have no specified repayment structure. The items must, in their entirety, be regarded as continuing for more than one year after the closure of the financial year.

	2020	2019
Bank deposits in subsidiaries (cashpool)	783	343
Total non-current liabilities	783	343

	2020	2019
Receivables from group companies – dividends / group contributions	1 360	868
Accounts receivable group	33	231
Other receivables group	35	-
Total current receivables	1 428	1 099

	2020	2019
Group contributions	128	57
Dividends	600	6
Total group contributions and dividends	728	64
Group contributions to group companies	375	313
Accounts payable group	42	7
Total current liabilities to group companies	514	320

Note 10 - Related parties

Company	Company relationship	Transaction type	2020	2019
All subsidiaries	Subsidiary	Financial income	49	75
All subsidiaries	Subsidiary	Sale of administrative services	73	54
Møller Bil AS	Subsidiary	Sale of shares in subsidiary	-	199
Total sales			122	328
All subsidiaries	Subsidiary	Financial costs	2	8
Møller Synergi AS	Subsidiary	Purchase of accounting services, etc.	8	1
Møller Digital AS	Subsidiary	Purchase of IT-, telephonservices	3	2
Total purchases			13	11

Note 11 - Bank deposits

Møller Mobility Group AS has bank deposits totalling NOK 1.344 million. The company has provided guarantees for tax owed by the subsidiaries amounting to NOK 143 million.

Note 12 - Guarantees and commitments

Guarantees and commitments	2020	2019
Car import tax, Customs Region Oslo and Akershus	176	177
Withholding tax	143	119
Parent company guaranty	60	60

The guarantees applies to subsidiaries.

Note 13 - Share capital

	Share capital	Other paid-in equity	Other equity	Total
Equity at 1 Jan. 2020	48	1	3 006	3 055
Group contributions paid	-	-	(100)	(100)
Additional dividends	-	-	(300)	(300)
Profit/(loss) for the year	-	-	1 184	1 184
Currency hedging of equity in foreign subsidiaries	-	-	3	3
Allocated to dividend	-	-	(600)	(600)
Equity at 31 Dec. 2020	48	1	3 193	3 242

	Share capital	Other paid-in equity	Other equity	Total
Equity at 1 Jan. 2019	48	1	2 573	2 622
Group contributions paid	-	-	(45)	(45)
Additional dividends	-	-	(350)	(350)
Profit/(loss) for the year	-	-	831	831
Currency hedging of equity in foreign subsidiaries	-	-	3	3
Allocated to dividend	-	-	(6)	(6)
Equity at 31 Dec. 2019	48	1	3 006	3 055

For information about share capital and shareholder information, see note 13 to the consolidated financial statements.

Note 14 - Liabilities, financing and financial risk

Non-current liabilities

Bond loans	510	400
Arrangement costs	(1)	-
Total bond issue	509	400
Other long-term interest-bearing liabilities	-	6
Other long-term liabilities	14	7
Debt to other companies in Møller Mobility Group	783	343
Total non-current liabilities	1 306	756

Maturity

Due in less than 2 years	300	-
Due in 2-5 years	1 006	1 156
Total	1 306	1 156

Key figures

Unused committed credit facilities	2 100	300
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Møller Mobility Group AS is Møller Mobility Group's internal bank.

Note 15 - Taxes

Taxes in the income statement

	2020	2019
Profit before tax	1 495	996
Tax payable in Norway	283	152
Tax on paid group contributions	28	13
Total tax payable	311	164
Change in deferred tax	1	1
Tax cost	312	165
Profit for the year	1 184	831
Effective tax rate	20,9 %	16,6 %
22% of the profit before tax	350	219
Actual tax cost	332	165
Deviation tax cost	18	54
<i>The deviation comprises:</i>		
Permanent differences	(36)	(54)
Total	(18)	(54)

Tax on balance sheet

The calculation of deferred tax takes into account the following temporary differences:	2020	2019
Tangible fixed assets	4	4
Unrealised exchange rate losses on forward contracts	7	1
Amortised borrowing costs	1	-
Pension	(4)	(1)
Total deferred tax	8	4
Norway 22%	2	1
Net deferred tax	2	1

Change in deferred tax on the balance sheet is arrived at as follows:

Deferred tax at 1 Jan.	(1)	-
Year's change in deferred tax	(1)	(1)
Net deferred tax at 31 Dec.	(2)	(1)

The tax payable on the balance sheet is arrived at as follows:

Tax payable on the income statement	311	164
Tax on capital deposits	(35)	(31)
Tax on paid group contributions	(28)	(13)
Tax payable	(248)	(120)

Auditor's report



To the General Meeting of Møller Mobility Group AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Møller Mobility Group AS, which comprise:

- The financial statements of the parent company Møller Mobility Group AS (the Company), which comprise the balance sheet as at 31 December 2020, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The consolidated financial statements of Møller Mobility Group AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2020, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- The financial statements are prepared in accordance with the law and regulations.
- The accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.
- The accompanying consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by laws and regulations, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

PricewaterhouseCoopers AS, Dronning Eufemias gate 71, Postboks 748 Sentrum, NO-0106 Oslo
 T: 02316, org. no.: 987 009 713 VAT, www.pwc.no
 State authorised public accountants, members of The Norwegian Institute of Public Accountants, and
 authorised accounting firm

Independent Auditor's Report - Møller Mobility Group AS



Other information

Management is responsible for the other information. The other information comprises information in the annual report, except the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director (Management) are responsible for the preparation in accordance with law and regulations, including a true and fair view of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, 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 Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

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 laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to <https://revisorforeningen.no/revisionsberetninger>

(2)

Independent Auditor's Report - Møller Mobility Group AS



Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements, the going concern assumption and the proposed allocation of the result is consistent with the financial statements and complies with the law and regulations.

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Oslo, 15 April 2021

PricewaterhouseCoopers AS

Vidar Lorentzen
State Authorised Public Accountant

Note: This translation from Norwegian has been prepared for information purposes only.

(3)

The Board of Møller Mobility Group



Øyvind Schage Førde [1973]
Chairman of the Board and owner



Harald Møller [1958]
Board member and owner



Jon Morten Møller [1960]
Board member and owner



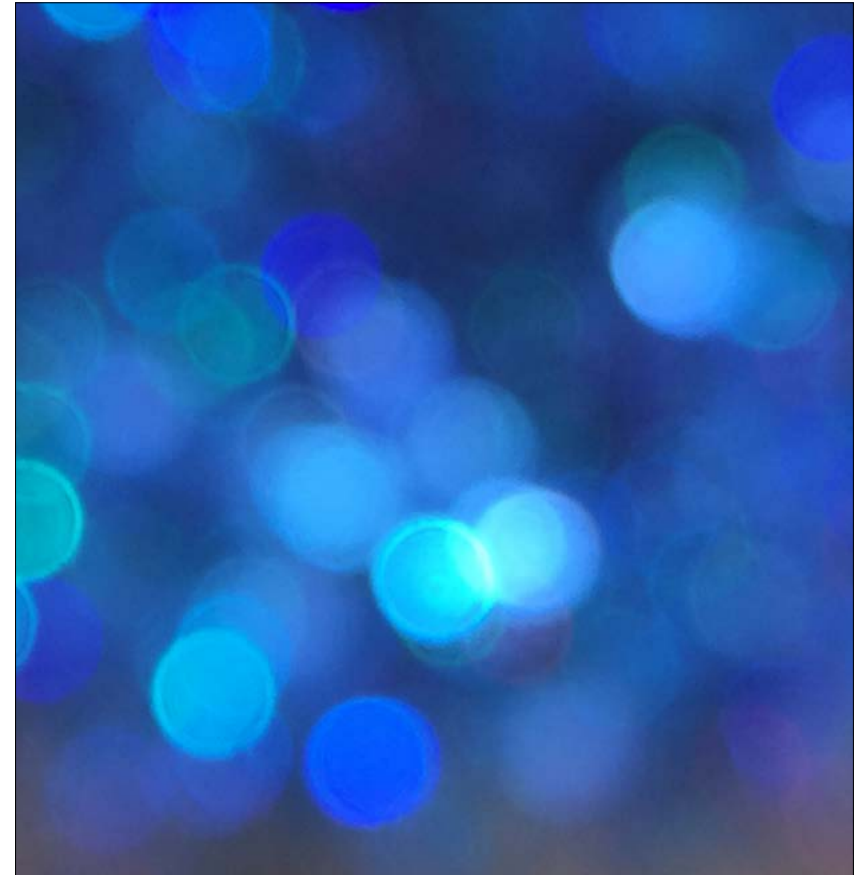
Jacob Schram [1962]
CEO Norwegian
Board member



Kristin S. Genton [1971]
CFO, Reitangruppen AS
Board member



Laxmi Akkaraju [1969]
Senior Vice President Strategy Cognite
Board member



Corporate governance

Good corporate governance strengthens confidence in Møller Mobility Group and will contribute to the greatest possible value creation over time, for the benefit of owners, employees and other stakeholders. Good relations with society and the stakeholders affected by the business are also of great importance to the company.

Møller Mobility Group has private owners, and follows the Norwegian code of practice for corporate governance where relevant and in line with best practice.

The “Policy for Governance and Control” was adopted by the Board in the autumn of 2020 and describes the organisation of the Group, clarifies roles and responsibilities between the governing bodies, and defines the most important processes for ensuring good corporate governance.

ORGANISATION

Board

Møller Mobility Group’s Board of Directors has overall responsibility for the management of Møller Mobility Group AS. The Board also supervises the day-to-day management delegated to the CEO and the business in general. The owners exercise their ownership through the Board. The main tasks of the Group’s Board of Directors and the framework for addressing the Board’s activities are documented in “Board instructions for Møller Mobility Group”.

The purpose of the board instructions is to regulate the board’s work, case processing and legal capacity, as well as the CEO’s duties and obligations vis-à-vis the board. The instructions are based

on best practices. The members of the Board shall exercise their directorships loyally and, in the performance of their offices, safeguard the company’s interests. Board members are expected to act independently of special interests.

The Board of Directors of Møller Mobility Group is composed of representatives from the owners as well as external board members with relevant expertise and experience. The Chairman and two directors represent the Group’s owners and are not part of the company’s administration.

CEO and Group Management

The CEO is appointed by the Board of Directors. The CEO is responsible for exercising day-to-day management of Møller Mobility Group AS. The CEO shall lead and coordinate Møller Mobility Group’s overall activities within the guidelines, authorities and instructions issued by the Board in accordance with statutory provisions, regulations and articles of association.

Group Management is an advisory and executive body for the CEO, appointed by the CEO. Group Management shall contribute to ensuring that the CEO’s decisions are made on a sound basis and ensure implementation within their respective areas of responsibility.

Management of subsidiaries

The management and control of all the companies included in the Group shall be based on the same principles of governance, regardless of organisation.

In wholly owned subsidiaries of Møller Mobility Group, ongoing management of the company’s values takes place primarily through the line. The Board’s task in wholly owned subsidiaries is to fulfil the requirements of the Norwegian Limited Liability Companies Act, as well as to ensure good involvement of, and engagement with, employee representatives, where appropriate.

General meeting

Møller Mobility Group holds general meetings in accordance with the provisions of the Norwegian Limited Liability Companies Act.

Internal auditor

Internal auditing is an independent, objective verification and advisory function that assists the Board and Group Management in fulfilling their responsibilities in respect of the supervision of corporate governance, risk management and internal control.

External auditor

All companies in Møller Mobility Group shall have an independent external auditor elected by the general meeting at the recommendation of the company’s Board of Directors. As far as possible, the same firm of auditors will be used in all the companies in Møller Mobility Group.

The Board of Directors shall ensure that, each year, the auditor presents the main features of a plan for performing the audit work. The Board of Directors shall summon the auditor to meetings for a review of annual financial statements. In addition, the Board of Directors shall review the company’s internal control in conjunction with the auditor.

Factory auditing

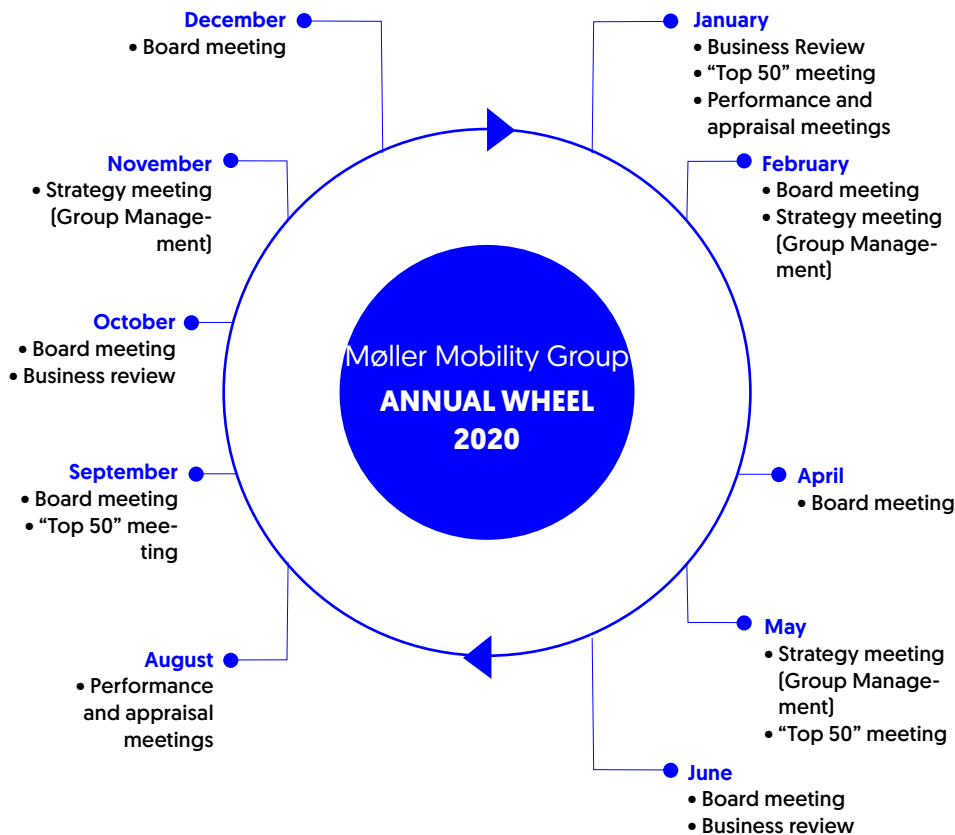
The car imports division and all car dealerships are subject to factory certification requirements and brand standards. Regular audits and reviews are carried out by the factories.

MANAGEMENT PROCESSES

Strategy development

It follows from the Board’s instructions that the Board, together with the CEO, shall establish overall objectives and set the course for achieving the objectives by determining strategy, action plans and performance management. An overall strategy process shall be conducted at least every five years, setting long-term strategic and financial objectives for the Group. Risk assessment shall be an integral part of the strategy development process.

MANAGEMENT PRACTICE IN MØLLER MOBILITY GROUP ANNUAL WHEEL 2020



In addition, Group Executive Management meetings and Department meetings are held every other week throughout the year.

Annual strategic sub-goals and action plans are to be defined within the adopted long-term strategy. The overall strategy plan and the annual sub-goals for the Group are voted on by the Board of Directors.

Performance management and follow-up

Performance management in the Group entails setting annual financial and operational objectives for the Group as a whole and for the various business divisions. Furthermore, action plans are drawn up for achieving the objectives. The factories provide clear frameworks and requirements that must be incorporated into the performance management and action plans. The overall annual financial objectives of the Group are adopted by the Board of Directors, and the objectives per business area are determined by the CEO together with the CFO. The objectives are further broken down within the respective business areas as appropriate.

Continuous monitoring of the financial position of the enterprise is maintained through regular KPI reporting, monthly financial reporting and rolling 16-month forecasts that are updated every four months. Planning of long-term financing and liquidity management is an integral part of the four-monthly forecasting process.

Four-monthly Business Reviews are conducted in all of the Group’s business areas. The purpose of the Business Reviews is corporate governance in the form of verification of the accounting position relative to objectives, updated forecasts relative to objectives, risk management and internal control, strategic projects as well as organisational development. Business Reviews are intended to ensure the Group has good action plans for achieving its objectives and managing risk.

Organisational development

Møller Mobility Group aims to have good development programmes for managers and employees. Relevant common rules and routines for management and employeeship shall be described and made available to the users.

Møller Mobility Group shall endeavour to ensure that internal processes are quality assured in relation to the exercise of good leadership and employeeship.

A sustainable social mission

Møller Mobility Group shall transparently provide internal and external information on all essential matters that determine how the Group operates and is judged by the outside world. The ethical guidelines describe the use and handling of internal and external information.

Møller Mobility Group shall endeavour to integrate a sustainable social mission into how the company conducts long-term, profitable business.

Guidelines for reporting financial information

Møller Mobility Group publishes interim reports every four months, in addition to the annual report. The interim reporting also represents a stock exchange announcement, and this is a requirement as a result of the Group being partly financed through bond loans. Furthermore, stock exchange announcements are published when there are significant changes in the company.

Risk management and internal control

The Board of Directors has overall responsibility for Møller Mobility Group’s organisation, risk management and internal control. The Board shall continuously assess the content of governing documents with a view to continuous improvement, and shall adapt governing documents as well as possible to the activities carried out at all times and to changes in prevailing market conditions.

Climate-related disclosures 2020

The purpose of this report is to present the overview of the organisation's greenhouse gas (GHG) emissions, as an integral part of an overall climate strategy. Climate-related disclosures are an important tool in identifying specific measures to reduce energy consumption and associated GHG emissions. This annual report enables the organisation to measure key performance indicators and thereby evaluate itself over time.

This report covers Møller Mobility Group (Norway, Sweden and the Baltics).

The information used in the climate-related disclosures comes from both external and internal sources, and has been converted into tonnes of CO₂ equivalents (tCO₂e.). The analysis is based on "A Corporate Accounting and Reporting Standard", which is developed by the Greenhouse Gas Protocol Initiative. This is the most commonly used method worldwide for measuring GHG emissions.

The analysis was prepared by the consultancy firm CEMAsys.com.

CEMAsys.com
sustainability management

In 2020, Møller Mobility Group GHG emissions totalled 1,694,443 tCO₂e. Compared to emissions in 2019, at 2,078,556.1 tCO₂e, our GHG emissions decreased by 18.5% in 2020. The reduction was 384,113 tCO₂e compared to 2019.

For perspective, 384,113 tCO₂e equates to, for example:

- CO₂e emissions from 297,162 passenger cars in one year¹⁾
- CO₂e emissions from the production of 26,675 new electric cars²⁾
- CO₂e emissions of 48,684 Norwegian residents in one year³⁾

The direct and indirect emissions in Scope 1 and 2 amounted to 0.5% in 2020, while emissions related to the supply chain in Scope 3 accounted for 99.5%.

Greenhouse gas emissions had the following distribution in 2020:

Scope 1	5,529.1 tCO ₂ e	[0.3%]
Scope 2	3,952.0 tCO ₂ e	[0.2%]
Scope 3	1,684,961.9 tCO ₂ e	[99.5%]

SCOPE 1

The total emissions from stationary combustion have been reduced by 57.3%, from 221.2 tCO₂e in 2019 to 94.4 tCO₂e in 2020. There were reductions in all countries. In Norway in particular, there was a significant emissions reduction from stationary combustion from 2019 to 2020, as a direct result of the ban on the use of fossil-fuel heating oil

from 1 January 2020⁴⁾. GHG emissions from stationary combustion in Norway went from 112.6 tCO₂e in 2019, down to 2.4 tCO₂e in 2020.

The consumption of fossil fuels by corporate and demonstration cars has been reported as actual consumption figures for Sweden and the Baltics, and an estimate based on the composition of the fleet in the reporting year for Norway. The total emissions from mobile combustion went from 8,255 tCO₂e in 2019 to 5,434.7 tCO₂e in 2020. This corresponds to an emissions reduction of 34.2% in 2020. Sweden and the Baltics had emissions reductions of 21.5% and 22.5% respectively for mobile combustion. In Norway, there was a 44.2% reduction from mobile combustion, which corresponds to 2,027.7 tCO₂e. The share of fossil-fuel-powered corporate and demonstration cars in Norway was 76% in 2019, which fell to 45% in 2020.

1) Calculated based on average distance travelled per passenger car in 2020 (<https://www.ssb.no>) and average CO₂e emissions per passenger car in Norway from 2002–2020 (<https://ofv.no>).

2) Calculated with an average production emission of 14.4 tCO₂e per electric car (Xiong & Ma, 2019).

3) Annual CO₂e emissions per capita (Norway) are taken from the Global Carbon Project 2020 (<https://www.globalcarbonproject.org>).

4) <https://lovdata.no/dokument/SF/forskrift/2018-06-28-1060>.

SCOPE 2

Energy management and active energy follow-up are key factors for Møller Mobility Group⁵⁾. Electrical energy consumption decreased by a total of 7.8%, from 66,166.2 MWh in 2019 to 61,022.6 MWh in 2020. The emission factors used to calculate CO₂e emissions related to electricity are updated annually based on changes in regional energy compositions. From 2019 to 2020, there was an increase in the emission factor for the Nordic electricity mix, while there was a reduction in the emission factor for the electricity mix in the Baltics⁶⁾. In total for Møller Mobility Group, there was an emissions reduction related to electricity of 4.3%, from 3,972.7 tCO₂e in 2019 to 3,801.6 tCO₂e in 2020⁷⁾. The share of emissions in 2020 that can be explained by changes in the electricity mix is 124.2 tCO₂e, which in isolation corresponds to an increase of 3.1% from 2019.

GHG emissions from electric cars make up a very small share of the total climate-related disclosures for Møller Mobility Group. Nevertheless, we see a large increase of 142% compared to 2019. In 2019, GHG emissions from electric vehicles came to 62.2 tCO₂e, and in 2020 emissions from this category came to 150.4 tCO₂e. In line with the Norwegian zero-emissions vision, Møller Mobility Group is actively working to electrify the Norwegian car fleet, including the electrification of the company cars it owns and uses⁸⁾. This work has resulted in an electric car share of 55% in the Group's own fleet in 2020, compared to 24% in 2019.

SCOPE 3

The largest share of emissions in the climate-related disclosures can be found in the supply chain, which accounts for 99.5% of GHG emissions in 2020. In total, in scope 3, there was a decrease of 18.4%, corresponding to 381,083.1 tCO₂e, from 2019 to 2020.

Less than 1% of emissions in Scope 3 relate to day-to-day operations and include waste and business travel. For waste from operations, there was a slight reduction of 4.4% from 2019 to 2020. Please note that the figures for 2020 include waste from operations in Sweden. This was not included for 2019 due to a lack of data. Due to the COVID-19 pandemic, which characterised much of 2020, emissions from business travel in total in the Group fell significantly by 77.3%. In 2019, GHG emissions from business travel amounted to 688.2 tCO₂e, whereas in 2020 they accounted for only 156.3 tCO₂e.

The climate-related disclosures include emissions figures for the use phase of used car sales⁹⁾, as well as for the use of cars involved in leasing (including Hyre) in the reporting year. These emission sources account for 2.3% of all scope 3 emissions in 2020. There was a fall of 28.1%, from 53,230.8 tCO₂e in 2019, to 38,282.4 tCO₂e in 2020.

Life cycle emissions¹⁰⁾ from new car sales in the Group make up the bulk of emissions in the supply chain. In 2019 and 2020, this category accounted for as much as 97.3% and 97.6% of total scope 3 emissions. Møller Mobility Group aims to be a strong contributor to Norway's zero-emissions vision for 2025⁸⁾. From a life cycle

perspective, more electric cars in the fleet will mean higher emissions from the production phase, with a relatively greater reduction in the use phase. This is evident from the climate-related disclosures, with an increase of 85,701.5 tCO₂e in the production phase and a corresponding reduction of 457,133.7 tCO₂e in the use phase from 2019 to 2020. In total, emissions from new car sales fell by 18.2% in 2020. New car sales accounted for 2,010,447.8 tCO₂e in 2019 and were reduced to 1,644,919 tCO₂e in 2020.

Methodology

The GHG Protocol has been developed by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). The analysis in this report has been carried out in accordance with "A Corporate Accounting and Reporting Standard Revised edition", one of four accounting standards under the GHG Protocol. The standard includes the following greenhouse gases, which are converted to CO₂equivalents: CO₂, CH₄ (methane), N₂O (nitrous oxide), SF₆, NF₃, HFCs and PFC gases.

This analysis is based on the GHG Protocol's principle of operational control, which thus defines what should be included in the climate-related disclosures of an organisation's fixed assets, as well as distribution between the different scopes. When the operational control method is used, emission sources that the organisation physically controls, but does not necessarily own, are included. The climate-related disclosures are divided into three levels (scopes) consisting of both direct and indirect sources of emissions.

Scope 1: Mandatory reporting includes all emission sources related to fixed assets where the organisation has operational control. This includes all use of fossil fuels for stationary use or transport needs (owned, rental or leased vehicles, oil-fired boilers, etc.). Furthermore, any direct process emissions (of the six greenhouse gases) are included.

Scope 2: Mandatory reporting of indirect

5) Find out more about energy management on pages 98–99.

6) Nordic mix 5% rise, electricity Estonia 9% fall, electricity Lithuania 49% fall, electricity Latvia 30% rise.

7) Calculated using the location-based method. Emissions calculated using a market-based perspective are presented in the tables at the bottom of pages 85 and 88. The practice of presenting emissions using two different methods is further explained in the GHG Protocol.

8) Find out more about electrification of the fleet and the zero-emissions vision for 2025 on pages 4, 28–29, 92–93.

9) To avoid double reporting, only foreign brands are included for used car sales, with an estimated use phase based on average distance travelled in respect of sales in the reporting year.

10) The life cycle stages included in the climate-related disclosures are A1-A4 (production and transport), as well as B1 (the use phase). The use phase for new car sales is estimated at 200,000 km. Find out more about waste management on pages 96–97.

emissions related to purchased energy: electricity or district heating/cooling. This applies, for example, to buildings that a company leases and does not necessarily own. The emission factors used in CEMAsys for electricity are based on national gross production mixes from the International Energy Agency's statistics (IEA Stat).

In January 2015, the GHG Protocol's new guidelines for calculating emissions from electricity consumption were published. This allowed two-part reporting of electricity consumption. In practice, this means that enterprises that report their GHG emissions must present both real GHG emissions derived from the production of electricity and the market-based emissions associated with the purchase of guarantees of origin. The purpose of this change, on the one hand, is to show the effect of energy efficiency and savings measures [physical], and on the other hand to show the effect of entering into the purchase of renewable electricity through guarantees of origin [market]. This shed light on the effect of all measures that an enterprise can implement in relation to the consumption of electricity.

Location-based method: This emission factor is based on actual emissions related to electricity production within a specific area. Within this area, various energy producers use a mix of energy carriers, where the fossil energy carriers (coal, gas, oil) cause direct GHG emissions. These greenhouse gases are reflected in the emission factor and are thus distributed to each individual consumer.

Market-based method: The calculation of the emission factor is based on whether the business chooses to purchase guarantees of origin or not. When purchasing guarantees of origin, the supplier documents that purchased electricity comes only from renewable sources, which provides an emission factor of 0 grams of CO₂e per kWh. Elec-

tricity that is not linked to guarantees of origin will have an emission factor based on the production remaining after the guarantees of origin for the renewable share have been sold. This is called the residual mix, and is normally significantly higher than the location-based factor.

Scope 3: Voluntary reporting of indirect emissions related to purchased goods or services. These are emissions that can indirectly be linked to the organisation's activities, but which take place outside their control (hence indirect). Typical scope 3 reporting will include flights, logistics/transport of goods, waste, consumption of various raw materials etc.

In general, climate-related disclosures should include enough relevant information so that they can be used as a decision support tool for the management of the enterprise. In order to achieve this, it is important to include those elements that have economic relevance and weight, and which are capable of being altered.

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The reference list above is not complete, but contains the most important references used by CEMAsys. In addition, there will be a number of local/national sources that may be relevant, depending on the emission factors used.

Scope 1

Emission source	Country	Consumption	Unit	Energy (MWh)	Emissions tCO ₂ e	Emission share
Total transport				25,010	5,435	0.3%
Diesel	Baltics	130,011	litre	1,382	350	-
Petrol	Norway	454,627	litre	4,364	1,052	0.1%
Petrol	Baltics	171,658	litre	1,648	397	-
CNG (compressed natural gas)	Norway	464,658	kWh	465	86	-
CNG (compressed natural gas)	Sweden	726	kg	10	2	-
CNG (compressed natural gas)	Baltics	3,314,081	kWh	3,314	610	-
CNG (compressed natural gas)	Baltics	1,624	kg	22	4	-
Diesel	Norway	687,007	litre	7,159	1,511	0.1%
Diesel	Sweden	390,876	litre	4,057	821	-
Petrol	Sweden	274,194	litre	2,588	602	-
Total stationary combustion				507	94	-
Light fuel oil	Sweden	230,081	kWh	230	57	-
Light fuel oil	Baltics	142,707	kWh	143	35	-
Biofuel (100%)	Norway	134,290	kWh	134	2	-
Scope 1 total				25,517	5,529	0.3%

Scope 2

Emission source	Country	Consumption	Unit	Energy (MWh)	Emissions tCO ₂ e	Emission share
Total electricity				61,023	3,802	0.2%
Electricity Nordic mix	Norway	40,215,506	kWh	40,216	1,649	0.1%
Electricity Nordic mix	Sweden	13,689,309	kWh	13,689	561	-
Electricity Estonia	Estonia	1,042,554	kWh	1,043	885	0.1%
Electricity Lithuania	Lithuania	2,245,675	kWh	2,246	155	-
Electricity Latvia	Latvia	3,829,596	kWh	3,830	552	-
Total electric cars				3,652	150	-
Electric cars Nordics	Norway	21,480,000	km	3,652	150	-
Scope 2 total				64,674	3,952	0.2%

Scope 3

Emission source	Country	Consumption	Unit	Energy (MWh)	Emissions tCO ₂ e	Emission share
Total waste				-	1,604	0.1%
Residual waste, combustion	Sweden	199,883	kg	-	100	-
Residual waste, combustion	Norway	664,957	kg	-	334	-
Hazardous waste, recycled	Sweden	323,808	kg	-	7	-
Hazardous waste, combustion	Baltics	449,510	kg	-	1,087	0.1%
Wastewater treatment	Baltics	17,070	m ³	-	12	-
Wastewater treatment	Sweden	435,537	kg	-	0	-
Sorted waste, recycled	Sweden	334,945	kg	-	7	-
Sorted waste, recycled	Norway	2,686,643	kg	-	56	-
Total business travel				-	156	-
Hotel stays, Nordics	Norway	333	bed nights	-	5	-
Hotel stays, Europe	Baltics	344	bed nights	-	8	-
Flights continental/Nordic, RF	Norway	841,691	pkm	-	131	-
Flights continental/Nordic, RF	Baltics	69	flights	-	12	-
Total goods and services purchased				-	598,644	35.3%
Car, compact (diesel)	Norway	14,610	quantity	-	82,985	4.9%
Car, compact (diesel)	Sweden	2,640	quantity	-	14,995	0.9%
Car, compact (diesel)	Baltics	2,861	quantity	-	16,251	1.0%
Car, compact (petrol)	Norway	2,991	quantity	-	16,226	1.0%
Car, compact (petrol)	Sweden	2,375	quantity	-	12,884	0.8%
Car, compact (petrol)	Baltics	3,856	quantity	-	20,919	1.2%
Car, compact (electric)	Norway	26,074	quantity	-	375,466	22.2%
Car, compact (electric)	Sweden	710	quantity	-	10,224	0.6%
Car, compact (electric)	Baltics	331	quantity	-	4,766	0.3%
Car, compact (PHEV)	Baltics	164	quantity	-	2,362	0.1%
Car, compact (PHEV)	Norway	2,419	quantity	-	19,062	1.1%
Car, compact (PHEV)	Sweden	2,856	quantity	-	22,505	1.3%

Scope 3 cont'd

Emission source	Country	Consumption	Unit	Energy (MWh)	Emissions tCO ₂ e	Emission share
Total use of sold products				-	1,066,225	62.9%
	Norway (used cars, foreign brands]					
Car avg.		218,622,610	km	-	22,955	1.4%
Volkswagen	Norway	3,853,800,000	km	-	150,298	8.9%
Volkswagen, van	Norway	1,675,600,000	km	-	261,394	15.4%
Audi	Norway	2,053,800,000	km	-	27,726	1.6%
ŠKODA	Norway	1,440,600,000	km	-	150,975	8.9%
SEAT	Norway	195,000,000	km	-	1,209	0.1%
Volkswagen	Sweden	617,000,000	km	-	70,338	4.2%
Audi	Sweden	435,400,000	km	-	59,650	3.5%
ŠKODA	Sweden	267,000,000	km	-	34,176	2.0%
SEAT	Sweden	112,400,000	km	-	14,837	0.9%
Volkswagen	Baltics	1,094,000,000	km	-	155,348	9.2%
Volkswagen, van	Baltics	195,400,000	km	-	42,402	2.5%
Audi (Baltics)	Baltics	132,000,000	km	-	24,288	1.4%
Volkswagen, van (SE)	Sweden	272,200,000	km	-	50,629	3.0%
Total upstream transport and distribution				-	3,005	0.2%
Tractor-trailer 33t+	Norway	19,035,697	tkm	-	1,479	0.1%
Tractor-trailer 33t+	Baltics	1,265,883	kgCO ₂ e	-	1,266	0.1%
Sea cargo, avg.	Baltics	260,012	kgCO ₂ e	-	260	-
Total downstream leased assets				-	15,327	0.9%
Car avg.	Norway (Hyre)	9,282,061	km	-	975	0.1%
Car avg.	Norway (leasing)	136,589,696	km	-	14,342	0.8%
Electric cars Nordics	Norway (Hyre)	1,495,633	km	-	11	-
Scope 3 total				-	1,684,962	99.5%
Total				90,191	1,694,443	100.0%

Market-based emissions in the reporting year

Category	Unit	2020
Electricity market-based	tCO ₂ e	16,964
Scope 2 market-based	tCO ₂ e	17,114
Total market-based	tCO₂e	1,707,605

Annual

Category	Country	2019	2020	% change from previous year
Total transport		8,255	5,435	-34.2%
Diesel	Baltics	648	350	-46.1%
Petrol	Norway	2,060	1,052	-48.9%
Petrol	Baltics	441	397	-9.8%
CNG (compressed natural gas)	Baltics	665	614	-7.8%
CNG (compressed natural gas)	Sweden	7	2	-72.0%
CNG (compressed natural gas)	Norway	90	86	-5.0%
Diesel (NO)	Norway	2,532	1,511	-40.3%
Diesel (SE)	Sweden	1,104	821	-25.7%
Petrol (SE)	Sweden	70	602	-15.0%
Total stationary combustion		221	94	-57.3%
Light fuel oil	Baltics	42	35	-16.8%
Light fuel oil	Sweden	66	57	-14.4%
Light fuel oil	Norway	113	-	-100.0%
Biofuel (100%)	Norway	-	2	100.0%
Scope 1 total		8,476	5,529	-34.8%

Scope 2

Category	Country	2019	2020	% change from previous year
Total electricity		3,973	3,802	-4.3%
Electricity Nordic mix	Norway	1,711	1,649	-3.6%
Electricity Nordic mix	Sweden	597	561	-6.0%
Electricity Estonia	Estonia	952	885	-7.0%
Electricity Lithuania	Lithuania	296	155	-47.7%
Electricity Latvia	Latvia	417	552	32.2%
Total electric cars		62	150	-141.8%
Electric cars Nordics	Norway	62	150	-141.8%
Scope 2 total		4,035	3,952	-2.1%

Scope 3

Category	Country	2019	2020	% change from previous year
Total waste		1,678	1,604	-4.4%
Residual waste, combustion	Norway	328	334	1.8%
Residual waste, combustion	Sweden	-	100	100.0%
Hazardous waste, recycled	Sweden	-	7	100.0%
Hazardous waste, combustion	Baltics	1,284	1,087	-15.3%
Wastewater treatment	Baltics	12	12	3.7%
Wastewater treatment	Sweden	-	0	100.0%
Sorted waste, recycled	Norway	55	56	2.6%
Sorted waste, recycled	Sweden	-	7	100.0%
Total business travel		688	156	-77.3%
Hotel stays, Nordics	Norway	18	5	-70.6%
Hotel stays, Europe	Baltics	40	8	-79.5%
Flights continental/Nordic, RF	Norway	541	131	-75.8%
Flights continental/Nordic, RF	Baltics	90	12	-86.7%

Scope 3 cont'd

Category	Country	2019	2020	% change from previous year
Total goods and services purchased		512,943	598,644	16.7%
Car, compact (diesel)	Norway	120,138	82,985	-30.9%
Car, compact (diesel)	Sweden	24,572	14,995	-39.0%
Car, compact (diesel)	Baltics	37,556	16,251	-56.7%
Car, compact (petrol)	Norway	36,906	16,226	-56.0%
Car, compact (petrol)	Sweden	20,333	12,884	-36.6%
Car, compact (petrol)	Baltics	28,275	20,919	-26.0%
Car, compact (electric)	Norway	220,982	375,466	69.9%
Car, compact (electric)	Sweden	5,083	10,224	101.1%
Car, compact (electric)	Baltics	691	4,766	589.6%
Car, compact (hybrid)	Baltics	14	2,362	16,300.0%
Car, compact (hybrid)	Norway	8,164	19,062	133.5%
Car, compact (hybrid)	Sweden	10,228	22,505	120.0%
Total use of sold products		1,523,359	1,066,225	-30.0%
	Norway (used cars, foreign brands)			
Car avg.		32,797	22,955	-30.0%
Volkswagen	Norway	215,893	150,298	-30.4%
Volkswagen, van	Norway	330,814	261,394	-21.0%
Audi	Norway	48,794	27,726	-43.2%
ŠKODA	Norway	188,622	150,975	-20.0%
SEAT	Norway	10,150	1,209	-88.1%
Volkswagen	Sweden	113,057	70,338	-37.8%
Audi	Sweden	64,992	59,650	-8.2%
ŠKODA	Sweden	51,230	34,176	-33.3%
SEAT	Sweden	19,260	14,837	-23.0%
Volkswagen	Baltics	280,312	155,348	-44.6%
Volkswagen, van	Baltics	60,128	42,402	-29.5%
Audi	Baltics	31,962	24,288	-24.0%

Scope 3 cont'd

Category	Country	2019	2020	% change from previous year
Volkswagen, van	Sweden	75,348	50,629	-32.8%
Total upstream transport and distribution	-	6,943	3,005	-56.7%
Tractor-trailer 33t+	Norway	1,621	1,479	-8.8%
Tractor-trailer 33t+	Baltics	4,860	1,266	-74.0%
Sea cargo, avg.	Baltics	462	260	-43.8%
Total downstream leased assets		20,434	15,327	-25.0%
Car avg.	Norway (Hyre)	672	975	45.0%
Car avg.	Norway (leasing)	19,755	14,342	-27.4%
Electric cars Nordics	Norway (Hyre)	6	11	65.7%
Scope 3 total		2,066,045	1,684,962	-18.4%
Total		2,078,556	1,694,443	-18.5%
Percentage change		100.0%	-18.5%	

Annual market-based emissions

Category	Unit	2019	2020
Electricity market-based	tCO ₂ e	15,194	16,964
Scope 2 market-based	tCO ₂ e	15,256	17,114
Total market-based	tCO ₂ e	2,089,777	1,707,605
Percentage change		100.0%	-18.3%

Möller Mobility Group



Sustainability Report
2020

Our sustainable social mission

Møller Mobility Group and the Møller family were early adopters of environmental measures and environmental reporting. As early as in 1996, the Group published a dedicated environmental report.



Executive Vice President
Communications and Sustainability
PAUL HEGNA

In 2000, we placed social responsibility on our corporate governance agenda with donations to, and partnering with, organisations such as the Norwegian Red Cross, Oslo Bymisjon (the Church City Mission) and SOS Children's Villages. Our reporting also became more structured. In 2016, our social mission was established more comprehensively across the Group when we implemented measures linked more closely with our business operations. We also adopted integrated reporting. The social mission thus evolved from sponsorship/donations into our current holistic commitment to Møller Medvind as an integral element in our value chain and how we run the company.

Through Hyre, the car-sharing company, we are represented in a trail-blazing environment that is actively engaged in shaping the sustainable mobility solutions of the future. In 2017, we took the initiative for establishing MobilityLab in association with StartupLab and a number of influential corporates. MobilityLab aims to back more growth-intensive tech companies that are advancing solutions to future transport challenges.

In recent years, the strategic framework for our social mission has been based on a stakeholder and materiality analysis conducted by Aars, our holding company, and Møller Mobility Group in the autumn of 2016. In the autumn of 2020, we updated the original analysis with a dedicated materiality analysis based on a wide circle of stakeholders.

Based on the materiality analysis, the following strategic initiatives were decided on for the period up to 2025:

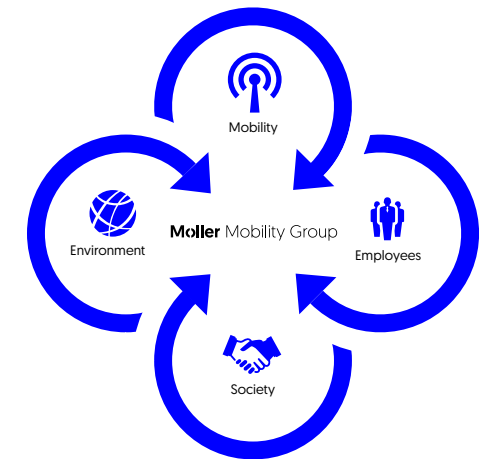
- To be an active driving force for zero-emissions vehicles in our markets
- To be among the best workplaces in any industry
- To work proactively for a sustainable value chain
- To be an industry leader in new mobility solutions

These four areas platform our social mission, and the strategy for fulfilling them rests on four pillars: Society, Environment, Employees and Mobility. Each pillar is translated into targeted, scheduled measures that collectively reflect our ambitions.

In the Group's main strategy up to 2025, sustainability is one of five key action areas. Our objective is to be recognised for our contribution to a sustainable society. Our ambition applies Group-wide, across all business areas and territories.

Our overarching ambition is for our social mission to be integral to how we conduct long-term, profitable business in all our operations. At the same time, we have a responsibility to contribute to sustainable development. This is why we have chosen to call our commitment a "sustainable social mission".

As readers will discover in this report, we have also started the work of drawing up representative and externally prepared climate-related disclosures for our operations. For 2020, the



“Our overarching ambition is for our social mission to be integral to how we conduct long-term, profitable business in all our operations”

ambition was to establish climate-related disclosures in accordance with the GHG Protocol for our Group-wide operations as well as extended Scope 3 reporting covering all cars sold, in a life-cycle assessment.

Extended reporting has been an opportunity for us to adopt an ESG (Environmental, Social, Governance) approach. On the following page, we present an ESG index as an aid to navigating this report.

ESG Index

The table below indicates where you can look up relevant ESG (Environmental, Social, Governance) information in this combined annual report and sustainability report.

Environmental	Read	Social	Read	Governance	Read
Waste	83, 86, 96	Workers' rights	113	Anti-corruption	14, 28, 114
Fuel	4–5, 82, 85, 94	Work experience placements	32, 106, 113	Sustainability reporting	12, 13
Energy	4, 82–84, 98–99	Covid-19	30, 40–43, 63, 103, 106	Sustainability strategy	10–11, 40
Renewable energy	4	Health, Safety and Environment (HSE)	102–104	Corporate governance	77–78
Climate-related disclosures	79–88, 90	Gender balance	101	Code of Conduct	101, 113–114
Circular economy	6	Supplier monitoring	27, 107, 113	Anchoring sustainability	77–78
		Apprentices (Møller Bil School)	105	Stakeholder engagement	13, 14
		Diversity and integration	27, 42, 106	Reporting standards	13, 95, 113
		Employee development	30, 31, 42, 101, 103–105	Risk management and risk factors	77–78
		Sickness absences	102, 103	Whistleblowing Scheme	101
				Materiality analysis	13, 14

Environment and climate

As of 2020, Møller Mobility Group is reporting on its climate-related performance as an integral component of its overall environmental strategy, and in the present report has included greenhouse gas emissions statistics for the reporting year 2020, as well as past emissions data for 2019.

The purpose of our climate-related disclosures is primarily to obtain an overview of the direct and indirect greenhouse gas emissions associated with the business and its associated value chain. For our ongoing sustainability efforts, our climate-related disclosures serve as a key resource for defining emissions-reduction measures, and for measuring the effect of various measures over time. Keeping an inventory of greenhouse gas emissions sources is also crucial in identifying emissions-related risk in our own organisation and along the supply chain.

The climate-related disclosures of Møller Mobility Group have been prepared in accordance with the Greenhouse Gas Protocol (GHG Protocol), which is the most widely used method worldwide for measuring greenhouse gas emissions. Møller Mobility Group has followed the GHG Protocol's operational control approach and performed corporate value chain assessments based on financial relevance and general emissions-reduction opportunities.

Møller Mobility Group currently has a leading role in the electrification of the Norwegian vehicle fleet and we are committed to being a strong contributor to the Norwegian authorities'

goal for all new passenger cars sold in 2025 to be emissions-free. The longer range of new electric vehicles underpins our belief in the 2025 zero-emissions vision.

THE FACTORY IS OUR MOST IMPORTANT PARTNER

Volkswagen Group is Møller Mobility Group's most important partner. The factory manufactures all the car brands we sell, which means that Volkswagen Group's strategic choices affect our business. For Møller Mobility Group, having the world's largest automaker as our partner is a strength. Møller Mobility Group has a long-standing and good connection with the Volkswagen Group. The Volkswagen importer contract was signed back in 1948.

It is therefore very gratifying to note that the Volkswagen Group is continuing its e-offensive in support of individual mobility, and consistently investing in electrified cars.

Increased electric mobility is an important step towards CO₂ neutrality. The Volkswagen Group has established a comprehensive decarbonisation programme with the goal of achieving full CO₂ neutrality in all areas from the vehicle fleet via production to administration by 2050:

ELECTRIC SALES, AUDI 2020 (NORWAY)

89.9%

> 89.9% of Audi sales were electric in 2020 (94.2% including PHEVs)

ELECTRIC SALES, VOLKSWAGEN 2020 (NORWAY)

73.1%

> 73.1% of Volkswagen sales were electric in 2020

AMBITION ELECTRIC SALES 2021 (NORWAY)

85%

> 69% of sales of Group passenger car brands in Norway were electric in 2020

EMISSIONS 2025 (NORWAY)

0%

> Møller Mobility Group's ambition is for all new passenger cars sold by the Group to be emissions-free by 2025.



Climate action:

Møller Mobility Group will play an active role in combating climate change by offering electric cars and supporting electrification of the transport sector.

“Volkswagen Way To ZERO”. Volkswagen has thus committed fully to implementing the climate goals of the Paris Agreement.

To achieve the goal of full CO₂ neutrality by 2050, the Volkswagen Group is pursuing three principles: First: reduce CO₂ effectively and sustainably. Second: transition to renewable sources of electricity. Third: compensate for unavoidable CO₂ emissions.

To improve the CO₂ balance of vehicles throughout their life cycle, Volkswagen is implementing measures along its entire vehicle parts supply chain. Within steel and aluminium production, there are huge carbon savings to be made.

The goal is to reduce life-cycle CO₂ emissions from the total vehicle fleet by 30% by 2025, compared to 2015. To that end, the Volkswagen Group is electrifying its range of models and keeping up its commitment to individual mobility – and consistently investing in electrified cars.

Volkswagen’s increasingly sustainable vehicle production is realised by means of climate-neutral transportation of the batteries for the ID.3 and ID.4 models for example. Emissions from the Zwickau factory have been reduced by 60% since 2017 – or 100,000 tonnes of CO₂ annually. They are also establishing climate-neutral manufacture of the ID-family cars in China.

Preliminary figures show that the Volkswagen Group’s automotive division overfulfilled the ambitious European fleet emissions targets in 2020, generating around six million grammes less CO₂ than the level required by law. The CO₂ emissions of new cars sold in 2020 averaged 92 g/km, while the statutory requirement for the brand is 97 g/km. This means that the CO₂ emissions have been reduced by 22% since 2019.

The company is investing EUR 35 billion in battery-electric cars and will be bringing out 20 new all-electric car models by 2025 and 70 new models by 2030.

EV MARKET LEADER IN WESTERN EUROPE

The Group’s deliveries of electric models in the EU, including in the UK, Norway and Iceland, increased more than four-fold during 2020 to a total of 315,400 electric vehicles [2019: 72.600]. This means that the share of battery electric vehicles (BEV) and plug-in hybrids (PHEV) in total deliveries in 2020 rose to 9.7% [2019: 1.7%]. With its market share of approx. 25% [2019: 14%], the Volkswagen Group is the distinct market leader in the all-electric segment in Western Europe.

Average CO₂ emissions from the fleet of new cars in Europe in 2020 was around six million grammes below the statutory target – down 22% since 2019.

THE VOLKSWAGEN GROUP’S COMMITMENT TO ELECTRIC MOBILITY SUMMED UP:

- E-offensive: Volkswagen has launched the world’s largest electric offensive. The Group is investing EUR 35 billion in its five-year plan.
- Models: By 2030, the Volkswagen Group will have launched around 70 all-electric models.
- ID. family: The newly developed family of all-electric models was launched in 2020.
- Major goals: By 2025, the Volkswagen brand intends to be selling more than 1 million electric cars annually worldwide.

- MEB: The modular electric drive matrix (MEB) is the technical and financial backbone of the e-offensive.
- E-production: The new electric cars will be built at eight MEB plants in Europe, China and the US.

WE BELIEVE IN THE ZERO-EMISSIONS

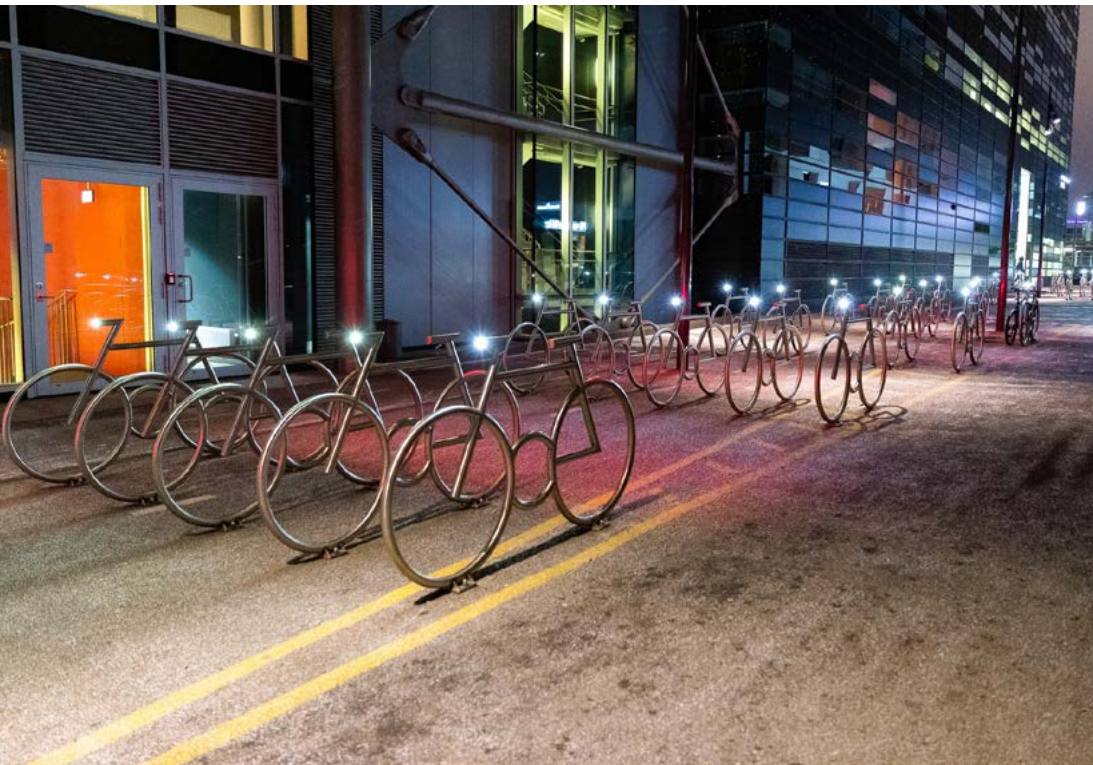
VISION FOR 2025

Volkswagen Group’s massive e-offensive will benefit all our car brands. Møller Mobility Group has a leading role in the electrification of the Norwegian car fleet and we will be continuing to contribute to the clean energy transition. A full 69% of the sales of the Group’s passenger car brands in Norway were electric in 2020, and the Group estimates that this share is set to increase to around 85% in 2021, to reach 100% by 2025. Meanwhile, the electrification of commercial vehicles is five years behind passenger cars. The framework conditions for electric cars in Norway and the EU are key parameters for Møller Mobility Group. The Group expects that EU emissions targets will continue to drive up production of electric cars, and that the current road tax system will encourage access to, and demand for, new and used electric cars in Norway.

Our ambition is to make a major contribution to fulfilment of the Norwegian government’s goal for all new passenger cars sold to be zero-emission by 2025. The longer range of new electric cars underpins our belief in the vision of zero-emissions by 2025. The 2025 goal is well within reach. At the same time, we would stress that EV incentives are still crucial. Further enlargement of the charging infrastructure is also key to achieving this goal, especially now that four-wheel drive family EVs with increased range are readily available.

ELECTRIC SALES

Of the 141,412 passenger cars sold in Norway in 2020, 54% were electric [2019: 42.4%]. 89.9% of



Audi sales were electric in 2020; and up to 94.2% if we include plug-in hybrids. For Volkswagen, this figure was 73.1%. Taken together, Audi and Volkswagen claimed an electric market share of 30.3%.

CO₂ emissions from new passenger cars in 2020 reached a record low at 45 g/km [2019: 60 g/km]. The petrol car market share fell to 8%, while diesel cars ended at 8.6%. [Source: Norwegian Transport Council for Road Traffic (OFV)].

For our brands, the emissions values were as follows in 2020 (2019):

- Audi: 13 g/km [33 g/km]
- Volkswagen: 28 g/km [58 g]
- ŠKODA: 89 g/km [135 g]
- SEAT: 6 g/km [122 g/km]

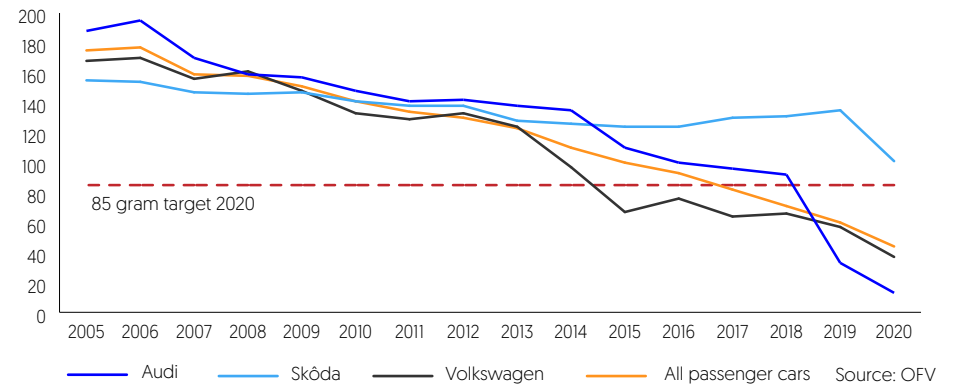
ELECTRIC CARS EXCEED 10% OF THE TOTAL

The Norwegian stock of passenger cars in use increased by 27,030 units during 2020. The stock consists of 337,201 electric cars, with the remainder of the total distributed fairly equally between petrol and diesel cars at just over 1.2 million units of each.

77,000 new electric passenger cars were running on Norwegian roads in 2020, radically increasing the stock of units in use. Electric cars now represent 12.1% of the total Norwegian stock of passenger cars in use. At the beginning of 2020, the share of electric cars was 9.4%.

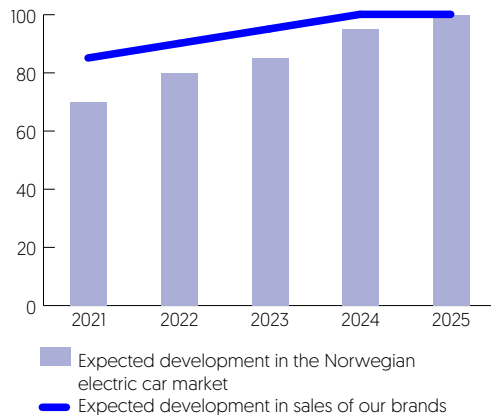
CO₂ EMISSIONS FROM NEW PASSENGER CARS 2005–2020

CO₂ emissions in 2020 were 45 g/km
The lowest CO₂ level was achieved in March 2019 at 42 g/km

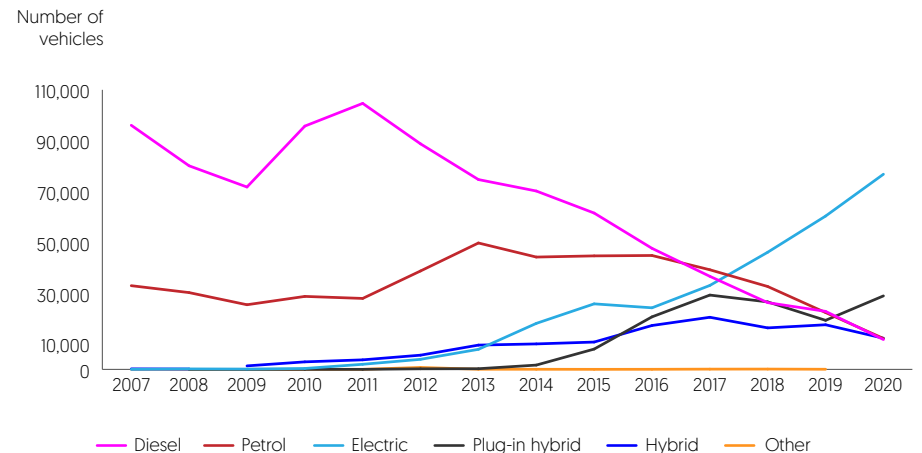


HEAVY INCREASE IN ELECTRIC CARS

Harald A. Møller AS expects electric cars to account for 85% of new car sales in the total market in Norway in 2021. We believe that the share of electric cars will increase annually as follows:



TREND IN FUEL SEGMENTS [% of the total market]



ISO 14001 ENVIRONMENTAL CERTIFICATION

ISO 14001 is the internationally recognised environmental management standard. This generic standard is suitable for organisations in all industries.

Developed by the International Organization for Standardization (ISO), the standard is based on two concepts: continuous improvements and legal compliance [source: DNV].

In December 2011, Harald A. Møller AS was certified in accordance with the ISO 14001 environmental management system. The certification formalises our environmental commitment, and commits us, to an even greater degree, to taking environmental responsibility and implementing measures to reduce the overall environmental impact of our business.

The ISO 14001 standard requires us to make an inventory of all environmental impacts and take action to rectify procedures in priority areas. ISO 14001 establishes a precautionary practice for our environmental impact. Continuous improvement and compliance are the mainstays of ISO 14001. The certification is carried out by an independent third party (TÜV).

All Møller Bil dealerships are certified individually according to the 9001:2105 and 14001:2015 standards by TÜV SÜD. Møller Bil repair centres are all certified according to ISO 14001:2015 by A3 Cert Certifiering AB.

Møller Bil Sverige AB is certified according to the Swedish SS-EN ISO 14001:2015 standard. In the Baltics, importers and dealerships are ISO 9001-certified. The importer is responsible for ensuring certification of the dealerships.

MØLLER LOGISTIKK KLARGJØRING

Møller Logistikk Klargjøring, a branch of Møller Logistikk Biler [logistics], carries out technical preparation and detailing as well as fitting some

of the optional extras for all the cars that arrive in Norway. They also procure large volumes of the parts and equipment in demand among customers and dealers. The company provides services to all 44 dealerships in Møller Mobility Group, a number of private dealerships, and a few key account customers through Harald A. Møller. In 2019, Møller Logistikk Bekkelaget invested in a new carwash to strengthen its position in new car preparation.

Møller Logistikk Bekkelaget is ISO 14001-certified. In 2020, 22,696 cars were prepared at Møller Logistikk Klargjøring at an average of approximately 100 cars/day and two days' lead time.

CLIMATE-RELATED DISCLOSURES

Møller Mobility Group has established Group-wide climate-related disclosures, including for much of the supply chain.

This reporting is in line with the new 2025 corporate strategy. Climate-related disclosures have been prepared for 2019 and 2020 and are in accordance with the Greenhouse Gas Protocol (GHG Protocol)¹⁾ international standard. All direct and indirect emissions within Scope 1 and Scope 2 have been reported in accordance with the GHG Protocol operational control approach. The indirect emissions included in Scope 3 follow the guidelines on financial relevance and general emissions-reduction opportunities.

For Møller Mobility Group, climate-related disclosures provide a crucial source of statistics on our own climate footprint. The climate-related disclosures also facilitate our definition of targeted emissions-reduction measures as significant contributions to the national climate targets and the Paris Agreement. With annual reporting and communication, the climate-related disclosures will serve as a tool for measuring the effect of various measures over time.



Møller Mobility Group's detailed climate-related disclosures are provided on page 79.

In order to achieve our goal of being contributors to a zero-emissions society, we consider it important to target our emissions-reduction efforts in our own company and supply chain. Studies from the Intergovernmental Panel on Climate Change²⁾ point to disastrous consequences for the environment and society if man-made global warming continues. Norway, along with 174 other countries, has signed up to the Paris Agreement, which was adopted in 2015. The Norwegian government's main goal is to halve Norwegian emissions by 2030 and advance the clean energy transition towards a low-emissions society by 2050³⁾. The transport sector is the largest source of non-ETS greenhouse gas emissions in Norway. In line with the national target, transport-sector emissions are to be halved by 2030⁴⁾. For passenger cars, this means that all newly registered passenger cars are to be zero-emissions vehicles from 2025, which Møller Mobility Group is keenly advocating.

In 2020, Møller Mobility Group greenhouse gas emissions totalled 1,694,443 tCO₂e. Compared to emissions in 2019, at 2,078,556 tCO₂e, our greenhouse gas emissions decreased by 18.5% in 2020. The direct and indirect emissions in Scope 1 and 2 amounted to 0.56% in 2020, while emissions related to the supply chain in Scope 3 accounted for 99.44%. Møller Mobility Group's climate-related disclosures comprise Group operations in Norway, Sweden and the Baltics.

In 2021, we will continue our efforts to determine the nature of climate change impacts on our operations in the short-term, mid-term and long-term. Our inventory of greenhouse gas emissions and our materiality analysis have been important measures in commencing the process of identifying what climate-related risks and opportunities might have significant financial or strategic impacts on Møller Mobility Group in the future.⁵⁾

¹⁾ <https://ghgprotocol.org/standards>

²⁾ <https://www.ipcc.ch/about/>

³⁾ <https://www.regjeringen.no/no/aktuelt/nye-forsterkede-klimamal-i-eu-og-i-norge/id2829459/>

⁴⁾ Ministry of Foreign Affairs: Norway in Europe. The Norwegian Government's strategy for cooperation with the EU 2021

⁵⁾ <https://www.tcfhub.org/recommendations/>

WASTE

In general terms, consistent and standardised waste reporting has not yet been established Group-wide. The waste categories and systems differ for Norway, Sweden and the Baltics. The ambition is, of course, to establish a standardised and precise reporting structure and categorisation across the Group.

WASTE – ELV RECYCLING

Autoretur, a national non-profit, was established by the Norwegian motor trade as a highly effective scheme for take-back and recycling of end-of-life vehicles (ELVs). Autoretur recycled 138,203 ELVs in 2020, and more than 97% of ELV weight is recovered through materials recovery or energy recovery and reuse of parts. The car importers are responsible for collection and recycling of ELVs.

The Autoretur scheme is intended to ensure sustainable ELV recycling and recovery. This is imperative in order to reduce CO₂ emissions and discharge of environmental toxins and in order to reuse metals, which constitute a limited resource. The Autoretur take-back scheme reduced Norway's emissions by 247,000 tonnes of CO₂ in 2019. This corresponds to roughly 1.7 billion vehicle kilometres, or the annual emissions of around 110,000 cars, based on an annual 15,000 km clocked (see Economics Norway's environmental accounts).

Autoretur also ensures that heavy metals such

as lead, cadmium and mercury are sustainably processed. In 2020, 134,977 ELVs were scrapped in Norway. A total of 184,583 tonnes of waste were processed. Of this, 154,830 tonnes underwent materials recovery [83.9%], 18,145 tonnes underwent energy recovery [9.8%] and 7,120 tonnes were reused [3.9%]. This means that 97.6% of ELV tonnage was recovered and only 2.4% was land-filled in 2020. An average of around 997 kg of metals are recovered from a single scrapped car. Autoretur's 2020 environmental performance data are not due for publication until May 2021, after the cut-off date for the present report. Autoretur is supervised by the Norwegian Environment Agency. [Source: Autoretur].

RETURN OF HIGH-ENERGY BATTERIES

In view of the growing share of electric vehicles in Norway, we are naturally enough following developments at this end of the cycle. So far, only a small number of electric cars are scrapped, but naturally we can expect the numbers to rise. This means that processes for dealing with end-of-life high-energy batteries will also receive increasing attention going forward.

In 2020, a total of 820 all-electric cars, 124 plug-in hybrid cars and 11 hydrogen cars were scrapped in Norway. Autoretur's reporting system registered the collection of 891 high-energy batteries. By weight, this amounts to 215,408 kg. ELV collection services reported that 190

high-energy batteries were salvaged for reuse, while 702 were sent for materials recovery. At the same time, the Batteriretur 2020 annual report reveals that this nationally approved battery return service received a total of 32 complete battery packs and 14 modules from ELV collection services. This indicates that the vast majority of high-energy batteries enter the secondary-life market.

Out of our brands for 2020 registered with electricity as the fuel code, 5 Audi and 74 Volkswagen were scrapped.

WASTE MANAGEMENT, NORWAY

Møller Mobility Group has a waste management contract with Ragn-Sells Group. The waste management figures for Møller-owned dealerships in 2019/2020 indicate a slight increase in the total waste volume and waste separation rate. Total volume of waste: 3,351 tonnes [3,272 tonnes in 2019]. Separation rate 80.16% [80.04%].

WASTE MANAGEMENT, SWEDEN

In 2019, our operations in Sweden started environmental training together with our waste processing service provider. This was continued in 2020 with a focus on correct separation of waste, how and why waste must be separated, and legal compliance. The aim of the training is also to raise awareness and increase waste separation at all the Swedish organisation's sites.

The training covers:

- Sustainability – an asset to businesses
- The Swedish Environmental Code – Municipal Waste Regulation Ordinance
- Waste – Hazardous waste
- Acts and ordinances
- Separation – where the waste goes
- Waste labelling and marking/containers
- Correct separation and labelling and marking – as cost determinants
- The waste hierarchy – Lansink's Ladder

Recycling of waste and residual products results in significantly lower CO₂ emissions compared to using virgin raw materials. In 2020, Sweden avoided 518.7 tonnes of CO₂ emissions by waste separation [642.4 in 2019]. Møller Bil Sweden also reduced purchases of disposable batteries by 1,507 units compared to 2019, which is a reduction of 22.5%.

WASTE MANAGEMENT, BALTICS

The dealers in the Baltics comply with the waste management and reporting requirements applicable in Lithuania, Estonia and Latvia. This means that all the dealerships have procedures for waste management and have also signed agreements with companies that utilise the waste, including hazardous waste such as batteries and tyres.

The following presents the waste statistics for 2020 by country. Reporting differs in each country: in some, standard waste and hazardous waste are grouped as one, or waste is reported in monetary value rather than tonnage. Our ambition is to coordinate waste reporting in all five countries.

WASTE MANAGEMENT, NORWAY

Waste statistics for Møller Bil 2019/2020

Waste type	Tonnes 2019	Share 2019	Tonnes 2020	Share 2020
Metals	734.25	22.44%	744.11	22.20%
Residual waste	652.99	19.96%	665.12	19.84%
Cardboard, paper, paperboard	453.39	13.86%	486.18	14.51%
Other ordinary waste	352.4	10.77%	395.73	11.81%
Waste oil	373.46	11.41%	323.18	9.64%
Oil-contaminated solids	186.76	5.71%	231.16	6.90%
Wood	139.88	4.27%	173.2	5.17%
Other hazardous waste	161.99	4.95%	134.52	4.01%
Plastics	143.35	4.38%	122.72	3.66%
Organic solvents	67.55	2.06%	65.79	1.96%
Other contaminated water	6.24	0.19%	9.91	0.30%
Total waste	3,272.26	–	3,351.61	–
Source separation rate	80.04%	–	80.16%	–

WASTE MANAGEMENT, BALTICS

Waste statistics for Møller Auto 2020

	Hazardous waste in tonnes	Water and sewage cubic meters
Estonia	49.51	4142.9
Latvia	118.0	8845.0
Lithuania	282.0	4081.0

ENERGY MANAGEMENT

ENERGY MANAGEMENT IN MØLLER MOBILITY GROUP

Environmental protection is a well-established principle in the Group, and substantial resources are invested in reducing our energy consumption and thereby our environmental footprint. Proactive energy performance monitoring at all our sites is aimed at dealing promptly with excessive energy consumption. Simple measures that yield easy gains have been prioritised in collaboration between local managers/operational staff and centrally contracted experts. More extensive measures are discussed with the building owner before investments are initiated.

ENERGY MANAGEMENT IN NORWAY

2020 was generally a very encouraging year looking at electricity consumption in isolation. 2020 followed the same trend as the previous year, with a decrease in consumption of 3,648,775 kWh compared to 2019. In 2019, the measured total consumption was 43,908,852 kWh*. In 2020, the measured total consumption was 40,260,077 kWh.

The big picture for 2020 indicates that several dealerships achieved their best financial performance in five years. The dealerships are reported as maintaining commitment, and are keen to be involved in addressing electricity consumption. A number of dealerships occupy premises not owned by the Group's properties division, Møller Eiendom. Some of these dealerships report it as a challenge to get the owner of their premises to agree to investments that would improve energy performance, such as upgrades to obsolete, inefficient equipment or other essential but underperforming operating systems.

* Figures for 2019 and 2020 are inclusive of the headquarters at Frysja. This was not included in last year's report.

SPECIAL MEASURES IN 2020

Møller Eiendom's solar energy plant at Leiraveien, Lillestrøm is a model of the way forward for Møller Mobility Group's sustainability commitment. The new plant consists of approx. 800 solar panels, capable of generating 175,000 kWh per annum. The aim is for this plant to be one of several installed at Møller Eiendom properties in the future.

The electricity generated by the Leiraveien plant is fed directly into Møller's own operations in the logistics premises, which are also served by their own railway line to reduce the need for road-based parts transportation by trailer. Møller Mobility Group's car imports company, Harald A. Møller, is the tenant in this property. The electricity generated by the new Leiraveien solar plant is equivalent to the annual charging requirement for 100 electric vehicles.

Møller Eiendom is working closely with the Møller Bil car dealership chain and Harald A. Møller car imports on enlarging the EV charging stations network, development of more auto premises with a reduced climate footprint as well as on maximising market share for zero-emissions models from the Volkswagen group.

ELECTRIC VEHICLE CHARGERS

2019 and 2020 were otherwise characterised by a high level of activity in the dealership network to establish vehicle charging infrastructure in line with the factory's requirements. This work was demanding at some locations owing to a lack of access to 400 V electricity as well as inadequate capacity in some local transformers so that we had to order increased capacity. Despite this, the project to establish the charging infrastructure was completed in 2020 and all dealerships have now established charging facilities.

All the dealerships now have a large number of AC chargers in addition to an ultrafast



"This is an incredibly inspiring project! Solar panels have great potential and more and more businesses are using their premises for generating energy. This initiative is therefore an important contribution to the bigger picture," said Minister for Climate and Environment Sveinung Rotevatn at the official opening of Møller Eiendom's solar energy plant at the Leiraveien premises in Lillestrøm, Norway.

“It is important to maintain focus on energy performance even after achieving energy savings. If not, there is a risk of reverting to high-level consumption and losing the gains achieved. The company is therefore committed to continuing its energy-efficiency drive.”

DC charger. At most dealerships, the ultra-fast charger has an output power of 150 kW. This makes our network of dealerships well equipped to serve a large number of electric vehicles in the service market, for test-drive vehicles and delivery of new EVs.

The establishment of this charging infrastructure presents us with a number of challenges in terms of measuring energy consumption in our buildings because not all sites allow us to sep-

arate out the energy used for vehicle charging from that used purely for building operation. For this reason, measuring kWh per m² is not viable for these premises. We are working to resolve these issues in order to achieve satisfactory measurement of actual energy consumption in our premises.

2021 – THE WAY FORWARD

2020 was obviously an extraordinary year: under

the effects of the global pandemic, the Norwegian motor trade was rapidly destabilised. However, ultimately, the outcome was better than originally feared. Projects were put on hold and our main focus was on monitoring developments in the market so as to be able to take the necessary action.

2021 appears set to continue with abnormal societal conditions, which will impact building management operations and investments. Our operational partner, Esave, believes that the biggest challenge for further energy-efficiency measures lies with the owners of the buildings occupied by dealerships. Investment in these buildings is imperative. The process of gaining access to building management systems was productive in revealing the potential in many premises for improving ventilation system efficiency especially.

ENERGY-EFFICIENCY STRATEGY FOR THE NEXT FIVE YEARS

Following the 2020 annual evaluation, the following conclusions were drawn in Norway:

It is important to maintain focus on energy performance even after achieving energy savings. If not, there is a risk of reverting to high-level consumption and losing the gains achieved. The company is therefore committed to continuing its energy-efficiency drive. There are still huge energy savings to be gained through efficient operation of technical installations for ventilation, lighting and space heating, for example.

ENERGY EFFICIENCY IN SWEDEN

Reductions in energy consumption continued at almost all sites from 2019 to 2020. The total measured reduction was approx. 10.5%. Adjusted for a hot year, the reduction was approximately 4.9% at the main site in Uppsala, which reported a positive trend at the start of the year, although increased production in the repairs division

entailed additional consumption of district heating. This entity will be relocated to new premises in 2022.

A hot year resulted in a particularly substantial reduction in general consumption of district heating, measured as a decrease of approx. 16%. Adjusted for a hot year, the reduction was about 4%.

Major redevelopment was carried out at the plant in Eskilstuna in 2021. New premises were also built at this site for the Audi dealership. The site at Bro is the only one in Sweden that still has an oil-fired heating system, although efforts are in progress to convert to district heating. This will make Møller Bil “oil-free” in both Norway and Sweden.

ENERGY EFFICIENCY IN THE BALTICS

Energy consumption in the Baltics is stable. In Tallinn, two older sites at Ülemiste and Mustamäe have now been phased out in favour of new premises south of Tallinn airport. A large, state-of-the-art repair centre has also been built at this site. Energy performance monitoring for this site is due to be updated in 2021. The relocation to new facilities provides improved measurement data, and hence a basis for energy management. Some sites, including the one at Krasta/Latvia, have installed air-to-water heat pumps. Work is in progress to provide guidelines for servicing these. Following an inspection at the Volkswagen plant in Vilnius/Lithuania, new measures have been proposed for sun-screening and more efficient cooling of the workshop premises. A large volume of natural gas is used for space heating and spray booths in the Baltics. Energy consumption for space heating is not always measured separately. Efforts are underway to separate out energy consumption for spray booths so that stationary energy consumption in buildings can be reported more precisely.



Employees

Our ambition is to be one of the best places to work in the Nordics and Baltics – regardless of industry. We are convinced that the most important foundation we have for developing our business is to ensure that our people thrive and develop – which in turn gives us job satisfaction. Simply put, we focus on “people and business” – in that order.

THE PANDEMIC, LAYOFFS AND DOWNSIZING

In March 2020, the world and the Group suddenly faced a crisis no one was prepared for. No one knew how fast the situation would escalate or its consequences and duration. We had to define a worst-case scenario and prepare for that. The Group had to take action at the earliest possible juncture in order to be confident that we would come safely through that worst-case scenario. We now know that the worst did not materialise, but at the time, there was no telling. For the first time in the company's history, we had to lay off employees.

The closure of the plants especially struck at the core of our business, and it was crucial for production to resume when it did. Fortunately, the period of negative figures for our import activities was relatively short-lived, and we also made the decision to not avail ourselves of the government's business relief measures, although some divisions of our business were eligible for them.

The Group shielded all critical functions in order to keep the wheels turning as well as possible during the critical phase. A total of just over 600 man-years were laid off, but were reinstated

as soon as we had regained the necessary control over the situation before the summer.

The motor trade is in a state of great upheaval, and we are working constantly to adapt our business to tomorrow's market. While a restructuring of the organisation was already in the works, this had to be brought forward when the pandemic peaked. Competitiveness is not primarily a question of claiming the largest market share, it is also about being adaptable, agile and capable of making the most of opportunities as they arise. The Group has reduced its cost base precisely for that reason and to ensure that this key competitive factor is not lost.

During the period April-September, Møller Mobility Group reduced its workforce by approximately 350 man-years; 150 man-years in the Baltics, 150 man-years in Norway and 50 man-years in Sweden. This was necessary, but not something we took lightly.

STATUS YEAR-END 2020

At year-end 2020, the Group had a total of 4,078 employees – down 204 on the previous year. Sweden had 629 employees, the three Baltics a total of 553 and Norway had 2,896.

WORKPLACE

Ambition

> Møller Mobility Group's ambition is to be one of the best places to work in the Nordics and Baltics.

FIVE COUNTRIES

4,078

> Number of employees within the Group 4,078 – a decrease of 204 over the year

TRUST-BASED PERFORMANCE-DRIVEN CULTURE

Culture

> Great Place to Work is used proactively as a tool organisation-wide.

TMD 2020 (INCLUDING DIGITAL)

5,847

> Digitalisation was a key element, and in autumn 2020 we digitalised more than 1,000 Training Man Days (TMD). Business-critical courses covering high-voltage training (for EVs-in-use stock) were completed.



Good health:

Møller Mobility Group must at all times prioritise the company's values, competence-building and sustainability vis-à-vis our employees.

VALUES AND CULTURE

The working environment and mindset within Møller are characterised by a trust-based performance culture. The trust-based relations between employees, managers and our customers are key in enabling us to fulfil the ambitious business goals we set ourselves. In an industry prone to fast-paced change, we have to be constantly on the offensive, and challenging the market and each other to find the best solutions for our customers. To succeed in this, we are completely dependent on trust and high performance standards so that we are confident in our ability to excel together.

We are proud of our history, which dates back to 1936 when Harald Aars Møller established Strømmen Auto. That was the start of what is now one of Northern Europe's leading car trading groups with more than 4,000 employees, but it also saw the birth of a mindset and a set of values that are alive and well today. For Møller, the Group's core values are more than ink on paper – they inform the attitudes and practices we uphold in developing the trust-based culture we pride ourselves on.

GREAT PLACE TO WORK (GPTW)

With trust as the basis for employee welfare, an enjoyable worklife and solid employee performance, regular surveys are conducted concerning trust within the Group.

In 2019, Great Place to Work was rolled out as an organisation-wide resource. All employees in the Group were sent a questionnaire to survey the prevailing corporate culture, where the responses provide an indication of the level of trust in workplace relations.

In 2020, Møller Mobility Group improved its rating on all dimensions in the GPTW survey compared to the previous year. The survey was completed by 3,700 people in the Group, which corresponds to a record response rate of 91%. The results of the survey indicate that Møller Mobility

Group as a whole improved its score on all five dimensions applied by GPTW for rating a trust-based culture.

The answers show that Møller has made progress on key statements concerning fairness and the degree to which employees feel appreciated by managers and co-workers. In addition, more employees responded that workplace information flows had improved compared to the previous year. Meanwhile, there are several areas that still need to be worked on in order to increase trust and build co-worker relations – the responses point up the need for a greater degree of employee involvement, structures for positive and constructive feedback and a more equitable and transparent pay and remuneration model.

CODE OF CONDUCT

Møller Mobility Group has produced its own Code of Conduct to lay down guidelines on ethical practices. We have also put in place internal procedures to spread the word about the procedures we have in place for whistleblowing.

Our Code of Conduct applies our core values to real-world business practices, in which all employees are to have an equal basis for making safe and appropriate choices. Møller Mobility Group has operations in five countries; Norway, Sweden, Estonia, Latvia and Lithuania. This requires a firm foundation and daily vigilance. We will achieve this through diligence and a high degree of integrity and without compromising on ethical norms and good business practice. This means that all employees in our organisation are required to do their utmost to make sound decisions that benefit Møller Mobility Group, our customers, society – and themselves.

In 2020, no specific training was carried out on the Group Code of Conduct, but all employees have information about the company's ethical guidelines available in the Group's manuals.

WHISTLEBLOWING

The Group has established a whistleblowing system that is available to all employees, whereby any notification is sent to Deloitte or to the whistleblowing team in each country.

In 2020, a total of 31 cases of varying severity were reported to the whistleblowing team. Several cases concerned the same issues, so the number of unique cases was 24. One case concerned matters in Sweden, two cases concerning matters in Estonia and 28 cases concerned matters in Norway.

Of the 31 cases, 21 were anonymous. 26 cases were reported via the online whistleblowing facility. Of the remaining five cases, four were reported directly to HR, a manager or group management. One case was reported directly to

Deloitte. Every effort is made to resolve cases at the lowest possible level. Deloitte was involved in two cases in Norway. None of the cases concerned economic crime.

HSE

Systematic work on Health, Safety and Environment (HSE) is a statutory requirement. The purpose of this work is to ensure

that, at all levels in Møller Mobility Group, HSE is systematically monitored and taken into account in the planning, preparation and execution of work. Møller Mobility Group works specifically and systematically to reduce both short-term and long-term sickness absences and to avoid injuries. In 2019, the HR department was enlarged with additional resources, which had the effect of

DISTRIBUTION OF MEN, WOMEN AND AVERAGE AGE:

Country	Number of employees	Men	Share	Avg. age	Women	Share	Avg. age	Total avg. age
NORWAY	2,896	2,475	85.46%	40.2	421	14.54%	38.8	39.9
SWEDEN	629	545	86.65%	39.8*	84	13.35%	37.8	39.5**
ESTONIA	142	123	86.62%	*	19	13.38%	*	36
LATVIA	254	199	78.34%	*	55	21.65%	*	38.7
LITHUANIA	157	134	85.35%	*	23	14.65%	*	40.8

The table only includes permanent employees and apprentices

* Data are unavailable for average age for each gender from the Baltics

** Porsche is included in the total number for Sweden, but unfortunately not in the calculation of the average age, as the necessary data were unavailable.

intensifying the focus on operational and strategic HSE efforts. This work also continued through 2020.

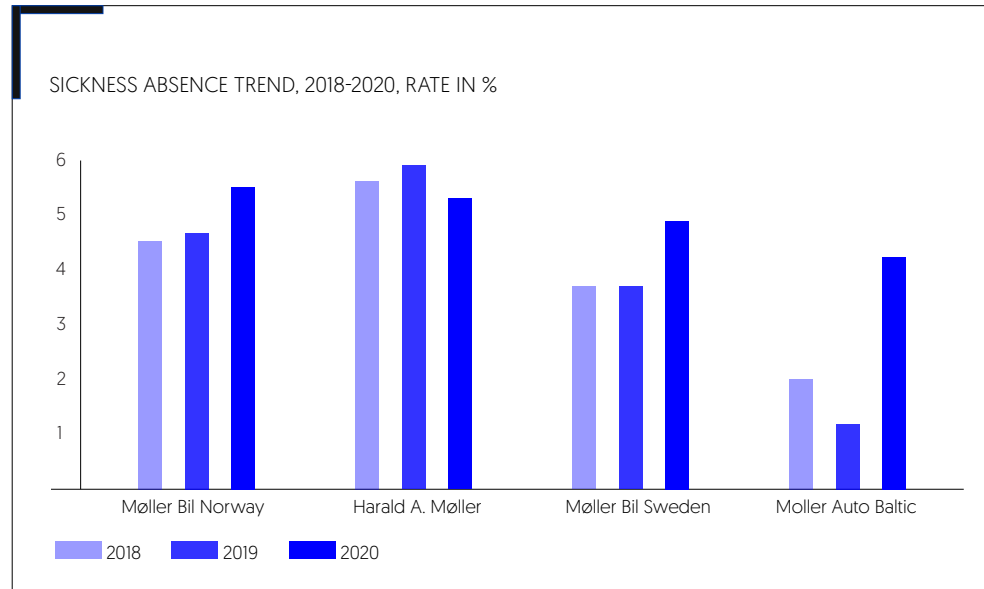
HR, together with the Occupational Health Service (BHT), worked at the individual, departmental and organisational levels to assist our businesses with various challenges concerning sickness absences and whistleblowing, for example.

In 2020, a total of 10 accidents and incidents were reported from Møller Bil and Harald A. Møller AS. In all ten cases, the employees attended the emergency department. This resulted in nine days of sickness absence, plus 43 days for a more severe injury at Harald A. Møller. In the last-named case, the work procedure was changed as a result of the incident. Finger and eye injuries are the most commonly reported incidents. No major damage to property or materials was reported.

Møller Mobility Group has established a set of procedures to serve as a practical HSE resource in the day-to-day work of managers, safety representatives, working environment committees and, of course, all the employees. The various procedures describe the responsibilities of each employee and how individuals with supervisory responsibility for HSE should proceed.

PREVENTIVE HEALTH PROTECTION

All our companies in Norway have an occupational health service (OHS) agreement, and our high-risk groups – mechanics, technicians, painters and panel beaters – are offered a targeted health check every three years. The targeted health check includes spirometry, audiometry, blood pressure, and a discussion about hereditary and acquired conditions, and is conducted by the local occupational health service provider. In Oslo,



Arsana AS provides occupational health services to all the businesses in the region.

SICKNESS ABSENCE MONITORING

A slight increase in the sickness absence rate was recorded for Møller Bil Norway and Harald A. Møller from 2019 to 2020 (see graphic). However, the sickness absence rate is relatively stable at a satisfactorily low level in our businesses in Norway. In Sweden, we recorded an increase from 3.7% in 2019 to 4.9% in 2020.

Note: The 2020 sickness absence rate data for the Baltics show a large increase, but not the actual circumstances to account for them. Employees who, for example, had to stay at home to mind sick children or with children who were home-schooled due to schools being closed during the pandemic, or absent for similar reasons, were all categorised as absent due to sickness. This is because the system for recording the data is not yet as effective as it could be. Efforts are being made to put in place a more well-defined categorisation system in the Baltics.

Some departments within Harald A. Møller are particularly susceptible to a high sickness absence rate and for these an initiative has been taken to regularly follow up on the individual employees on sick leave. The in-house health and safety advisor has attached importance to close collaboration with managers, doctors, the Norwegian Labour and Welfare Administration (NAV) and healthcare institutions, as well as taking part in dialogue meetings arranged by the employer and NAV.

WORKING ENVIRONMENT COMMITTEES

Working environment committees are a statutory requirement [Section 7 of the Norwegian Working Environment Act] in enterprises with 50 or more employees. Any issues concerning the physical and psychosocial working environment are reviewed. The occupational health service is

required to participate/provide input. In 2020, our HSE advisor represented the occupational health service in districts of Greater Oslo. The HSE advisor participated in some advance safety inspections, and served in an advisory capacity on the working environment committee. Dealerships elsewhere in Norway have a working environment committee on which the local occupational health service is represented in an advisory capacity. A number of working environment committee meetings were cancelled in 2020 as a result of Covid-19. A total of 26 working environment committee meetings were conducted within Møller Bil in 2020.

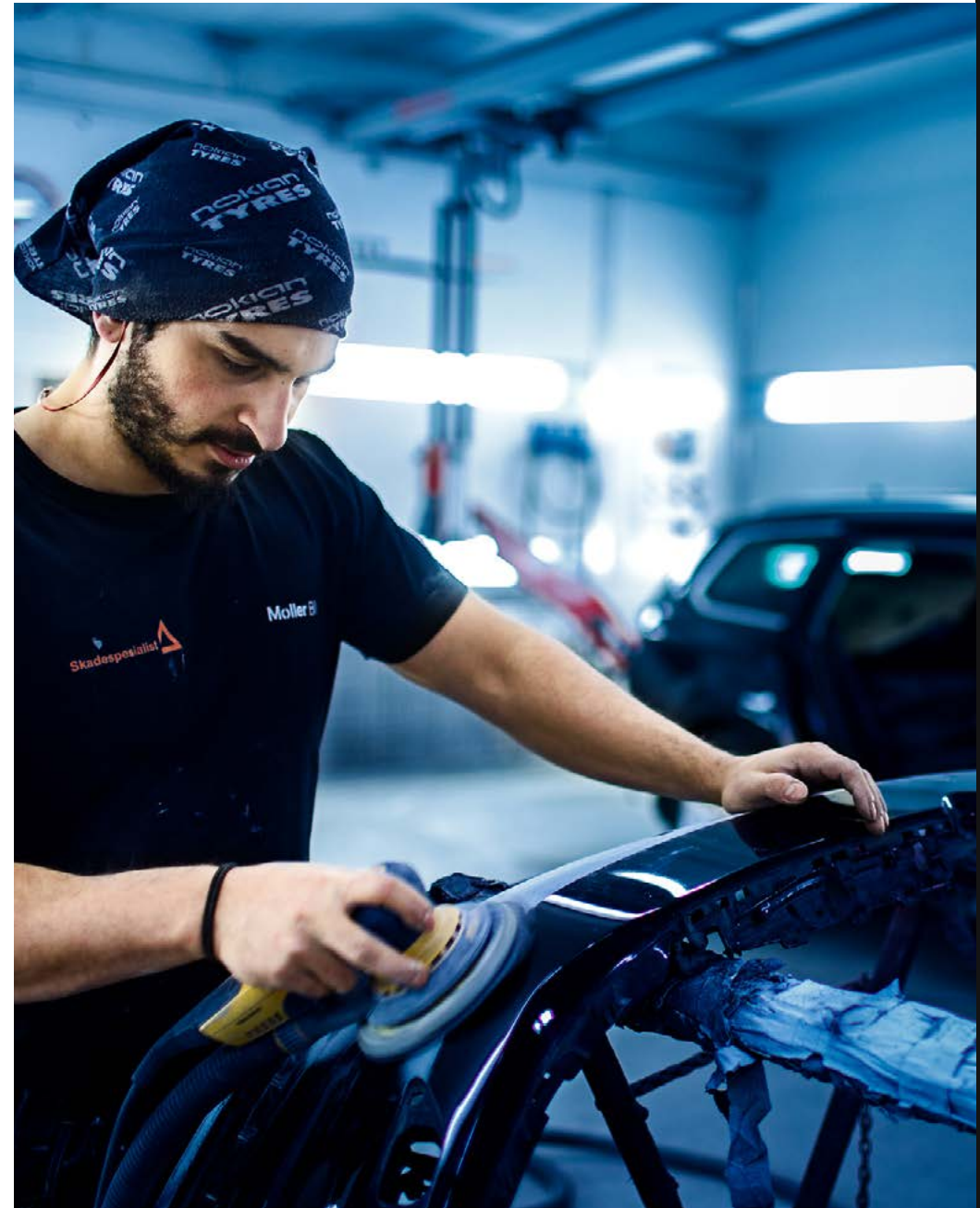
HSE/OCCUPATIONAL HEALTH SERVICE COURSES

The training course programme was cancelled in 2020 due to the pandemic. It will be resumed in spring 2021.

SPECIAL MEASURES CONCERNING COVID-19

The year 2020 was heavily affected by the ongoing pandemic. A number of extraordinary measures were implemented to safeguard the health of employees. Over the course of the year, the following was implemented by HR and MMG:

- Regular news updates on the coronavirus situation.
- Online courses offered in cooperation with nurses from Volvat private healthcare on Covid-19 and infection control.
- Webinar hosted in association with a Lifekey psychologist on mental health during the pandemic.
- A dedicated landing page, contact email address and chat room for employees who had been laid off to provide updates on the ongoing situation.
- A special guide to infection control to ensure safe practices at Møller Bil for employees and customers.
- Psychological counselling offered through Lifekey's online mental healthcare service, whereby employees were offered five online consultations with a psychologist; a service which proved





especially valuable immediately before the New Year, when several employees were victims of the Gjerdrum landslide disaster.

- Assistance with drawing up local contingency plans for infection control.
- A webinar with Nordea Norway on how laid-off employees should deal with banks and credit institutions, as well as relevant government agencies including NAV, the Norwegian Labour and Welfare Administration. The webinar was entitled: "Being laid off from employment – what options and rights do I have?"

As regards more general measures, an annual employee survey was carried out through Great Place to Work.

Møller Mobility Group also decided to award an extraordinary bonus to all employees throughout the Group, in appreciation of their amazing efforts over a demanding year. The bonus was equivalent to an extra half-month's pay.

GOALS SET FOR 2021:

- Survey new HSE practices.
- Coordinate and renegotiate national occupational health service contracts.
- Involve external occupational health service provider in working environment committee meetings where the former occupational health service employee was represented (employee has resigned).
- Offer and arrange new safety representative courses.
- National Institute of Occupational Health (STAMI) follow-up.
- New contact for whistleblower notifications.
- Plan a new 2022 senior employees course.

MANAGEMENT DEVELOPMENT

Møller Mobility Group has many operational entities that largely have to be run as independent profit centres, and developing our managers is therefore a high-priority area.

Møller Mobility Group has been committed to developing its own managers for many years. Internal recruitment and competency transfer between the companies, especially between importers and dealers, are key underpinnings for the company's growth and development.

The twentieth managerial candidates programme commenced in the autumn of 2019 for a total of 20 participants. The planned duration of the programme was 10 months with a project day at the end of May 2020. Owing to the pandemic, the programme was temporarily suspended and postponed by almost eight months. The last session was held in December 2020, and the participants completed the project day in January 2021 by presenting their individual projects; conducted as a digital event this year. 18 out of 20 participants completed the programme. Admission to programme no. 20 was based on an updated procedure whereby candidates had to apply actively by submitting a motivation letter and attending an interview. The new selection process is intended to ensure:

- Equal opportunities for all companies and workplaces to enrol candidates
- Increased transparency in the selection process
- Increased accuracy in the selection of candidates with the desired qualities
- Maintaining the attractiveness of the programme (exclusivity)

Intake where prospective candidates must actively apply will be carried over to the next programme (No. 21).

COURSES AND TRAINING

The Harald A. Møller Kompetansesenter (training centre) organises all training based on the needs of Volkswagen Group and the brands represented in Norway such as Audi, ŠKODA, Volkswagen passenger cars and Volkswagen commercial vehicles, as well as SEAT. The training

centre also provides further training beyond this to match requirements in Norway. The centre is co-located with Møller Logistikk at Leiraveien, Lillestrøm. The new training centre has seven training workshops with associated classrooms and one standalone classroom.

Covid-19 heavily affected training activities in 2020. For many months the national guidelines did not permit us to hold the number of training courses we had planned or that were needed. However, some business-critical courses on high-voltage training did go ahead with a view to the stock of EVs now in use and expected going forward. We also prioritised foundation training for new mechanics, which provides the basis for further training in the respective brands.

Digitalisation was a key factor, and over the autumn of 2020, we digitalized more than 1,000 Training Man Days (TMD). This meant that we relocated the training from physical attendance at the training centre to local training at dealer premises with digital support. Naturally, this yielded savings on travel, accommodation and time-spent for the trainees, and, not least, was eco-friendly.

In addition, brand-specific courses for sales consultants, sales managers and customer care assistants were also digitalised via the factories. Around 500 individuals completed localised e-training in the new models.

Our new and recently rolled-out learning portal was invaluable for this activity, and we will be working on continuous improvements and publications on the portal. Essentially, without the portal, we would not have been able to conduct these training programmes.

STATUS, TMD 2020

- Total number of TMDs (including digital): 5,847
- TMD attendance 2020: 2,848
- Sales/service/management: 871 TMD

- Technical: 1,977 TMD
- TMD digital days 2020: 2,999
- Digital training days for physical attendance courses: 1,000 TMD
- Digital TMD (courses): 1,999 TMD

A SELECTION OF FIGURES FOR COURSES HELD IN 2020

Mechanics foundation course:

- Basic technical training TT1: 115
- Basic Technical training TT2: 51

High-voltage training:

- High-voltage technician, Audi: 35
- High-voltage technician, Volkswagen: 55
- High-voltage technician, ŠKODA: 34
- A total of 124 new high-voltage technicians.

High-voltage experts across all brands:

- 160 individuals
- Certified Audi and Volkswagen sales consultants: 20

MANAGERIAL COURSES AND TRAINING

Change is the new normal. In 2019, we therefore created a tailored programme for change management: "What does it require of you as a manager and what does it take to get a group of people to move in the same direction?" Change can come on many different scales, and in today's changing working life, adaptability is crucial for our competitiveness. This requires flexible leadership, but also the ability to work systematically. The programme provides the managers with a solid theoretical grounding and specific tools for dealing with change. The content is based on recent research and behavioural economics principles. A total of 90 managers completed the programme in 2019, and 27 in 2020.

MØLLER BIL SKOLEN

Møller Mobility Group companies invest in the talent of the future. Møller Bil Skolen is an officially accredited training centre where pupils from upper secondary schools sign an apprenticeship contract, normally for 24 months. During this time, the apprentice has to combine the theory he or she has learned at school with the practical know-how needed to pass the apprenticeship examination and become a skilled worker. Møller Bil Skolen follows an approved curriculum for an automotive technical education as a car mechanic, motor vehicle body repair technician, painter and spare parts adviser.

At Møller Bil Skolen, we guarantee that the trainees will work with the latest techniques and equipment used for servicing and diagnostics of cars that are technical leaders in areas such as safety, the environment, etc. Møller Bil Skolen had 122 apprentices at year-end (intake in 2019 and 2020). The best trainees are offered a full-time job in Møller Bil once they have passed their apprentice examination.



Society

We believe that the best way to help young people who have been marginalised from the labour market is to offer them a job at one of our businesses.

Young people under 30, and some seniors, recruited through the Norwegian Labour and Welfare Administration (NAV), are provided with a work experience placement and vocational training before being offered a permanent full-time job with the Møller Medvind programme, and eventually move on to one of our businesses or external companies.

Møller Medvind was established in spring 2017 and opened its doors in Alnabru in April 2018. The company is helping to address one of the greatest challenges in society today: young people under the age of 30 who have been marginalised from the labour market. Møller Medvind aims to create workplaces for this target group based on standard commercial principles. Møller Medvind's ambitions to break even were not fulfilled in 2020, but we believe this will be achieved in 2021.

Over the autumn of 2020, Møller Medvind gained valuable experience. Although we felt the effects of Covid-19 too, happily, we have seen more employees all told at the close of the year than when the pandemic took hold. Regrettably, however, we had to let a substantial number of the original employees from the start-up phase go, and were unable to accept new ones until

late autumn. Meanwhile, the used car market was booming. Carrying out the work in line with infection control requirements demanded a great deal from employees and supervisors. The requirements for distancing and the need to put social events on hold were an added strain in the situation.

At year-end 2020, 60 young people were employed at Møller Medvind, split between new car preparation at the Bekkelaget site, logistics at Møller Logistikk at Lillestrøm and detailing of used cars at Alnabru. Since roll-out, 32 participants have progressed to a permanent, full-time position, and this is precisely what sets Møller Medvind apart from many other similar programmes: that we offer permanent, full-time positions. For disadvantaged youth, a steady job is an important first step to getting their lives on track.

CLEANING UP THE INDUSTRY

With Møller Medvind, we also want to help clean up an industry where, all too often, corners are cut and things do not meet the standards we ought to have in Norway when it comes to working conditions – in the broadest sense. We cannot do this alone, but we can certainly do our part.

This has recently received a lot of attention in the car maintenance trade. Now it looks like

PERMANENT FULL-TIME POSITIONS

GOALS

> Møller Medvind's mission is to offer permanent, full-time jobs to the under-30s.

RECRUITED IN 2020

16

> New employees of Møller Medvind in 2020.

FULL-TIME POSITIONS

16

> New permanent, full-time positions in 2020. [32 employees in permanent service since Møller Medvind was launched.]

TARGET 2021

20

> Permanent positions with Møller Mobility Group and 10 permanent positions recruited elsewhere in the labour market



Reducing inequality:

Møller Mobility Group shall be characterised as a leading workplace where inclusion, diversity and equal opportunities are prioritised.



Minister of Labour and Social Affairs Torbjørn Røe Isaksen, *Dagbladet*, 14 September 2020, visiting Møller Medvind, one of the few reputable companies in the car maintenance trade.

an authorisation scheme is on the way. This is very inspiring and something Møller Medvind has strongly advocated. In September 2020, we had a visit from Minister of Labour and Social Affairs Torbjørn Røe Isaksen, the head of the work-related crime centre, Federation of Norwegian Enterprise, the Norwegian Motor Trade Association and the new head of the Norwegian Labour and Welfare Administration director, Hans Christian Holte. The visit was to mainly concern the hidden economy in the car maintenance trade, and in many respects it prompted the clean-up of the same end of the car detailing trade. "I'm shocked by the scale. We have to take firm action now," Minister of Labour and Social Affairs Torbjørn Røe Isaksen told the media.

Just before Christmas, the Norwegian government sent out a consultation paper on estab-

"Møller Medvind has always focused on two major social missions: labour market inclusion and helping to clean up the hidden economy in the car maintenance trade"

– Owner and general manager, Mari Schage Førde.

lishing a motor trade authorisation scheme. The aim is to help clean up a trade that is described as typified by disreputable working conditions, violations of the Working Environment Act and undeclared earnings.

"The conditions prevailing in the motor trade mean that it is now warranted to introduce an

authorisation scheme. This proposal will improve employee working conditions, make it easier for customers to choose reputable service providers, and help the authorities to identify the various operators", commented the Minister of Labour and Social Affairs in a press release. The final date for consultation responses was 9 February 2021.

During 2020, all Møller Bil dealerships in Greater Oslo became Møller Medvind customers. This means that the quality of the work is first rate. It is also good to know that Møller Bil dealerships can rest reassured that detailing of used cars is done under reputable conditions. A diploma in vehicle maintenance forthcoming in 2022 will also help to clean up this industry.

UNIQUE COLLABORATION WITH NAV

Møller Medvind has always had a unique collaboration with the Norwegian Labour and Welfare

Administration (NAV), where a NAV representative follows up NAV's areas of responsibility across all the Oslo district offices. They also assist us and the employees with any necessary measures and expertise to make the road towards a permanent, fulltime position as smooth as possible. NAV is familiar with Møller Medvind and our needs, and this partnership, which is subject to continuous evaluation and improvement, has now been identified as a pilot for inclusion partnerships between businesses and NAV in the rest of Norway too.

We are also in close dialogue with the NAV vocational training board, and other natural partners, with a view to achieving even better results for young people marginalised from the labour market.

OPENING IN TRONDHEIM

Møller Medvind also had the pleasure of opening

MØLLER MEDVIND STATUS AND AMBITIONS

Møller Medvind	Total since start-up [2018]	New in 2020	Ambitions for 2021
Number of employees	76	16	20
Permanent full-time positions	32	16	23
Permanent positions elsewhere	4	4	10
Number of cars detailed	2,188	2,732	2,800

All employees are recruited via the Norwegian Labour and Welfare Administration (NAV).

a new branch in Trondheim. Here, employees of Møller Medvind in Trondheim will be working with the rest of the detailing branch to ensure that the cars look their best when handed over to customers.

NEW JOB FOR OSCAR

Several employees at Møller Medvind were also recruited to Møller Bil dealerships in Oslo, where they ensured that the cars were buffed to a shine in the various showrooms, while benefiting from interaction with their new colleagues. One of them is Oscar Strandbråten, who was recruited to the Møller Bil Ensjø Audi dealership in 2020.

“Oscar Strandbråten’s future job opportunities are as bright and shining as the cars he details for us. Through the Møller Medvind initiative, he has been given real opportunities for employment,” writes motor.no.

“I no longer need help from the authorities; I don’t need anyone to facilitate work placements for me”, says Oscar.

“And he knows who to thank. Through Møller Medvind, Oscar has been given a fair chance of employment on ordinary terms,” comes the report’s conclusion.

MENTORING SCHEME

Our mentoring scheme is an important tool to help our young people succeed. We recruit the mentors from our own businesses. Møller Mentor has been a great success so far, and many people want to get involved and support those who need it most. We are looking forward to the continuation of Møller Medvind.

For us, social responsibility and business are two sides of the same coin. Far too many young people find that the door to ordinary employment is closed to them. Troubles at school, health problems, a difficult adolescence, prejudice or sheer bad luck may have placed obstacles on the road to a permanent job. This is frustrating for the individual and a costly waste of talent, productivity and revenue for society.



Other initiatives

SOS CHILDREN’S VILLAGES

In 2013, Møller Mobility Group signed a contract as a key partner with SOS Children’s Villages in the Baltics. This commitment is rooted in our core values and our wish to engage in active social responsibility work in Estonia, Latvia and Lithuania. SOS Children’s Villages provides professional care for children who are orphaned or without parental care. SOS Children’s Villages also look after socially deprived families and families at risk. The aim is to strengthen families to enable them to take care of their children.

Our dealers are also actively involved in providing careers advice to young people. This crucial employment counselling and competence transfer motivates the young people to gain further qualifications. The dealerships and the administration in the Baltics also offer internships and group visits. Financial support is also granted to students who participate in the SOS Children’s Village’s Youth Program. The grants allow them to live in their own accommodation, often with other students, and concentrate on their studies.

Due to the pandemic, it was not possible to carry out internships or visits to dealerships in 2020. However, despite the limitations of Covid-19, the dealers took the opportunity to attend a summer camp as youth careers advisors.

Mobility

Mobility is an increasing priority for cities as a result of having to move an ever-increasing number of people and goods, while actively working to reduce congestion and pollution. In addition, we are seeing a change in customer preferences.

Advances in zero-emissions technology combined with new ways of organising mobility and car ownership mean that car-based mobility will be an important part of the solution to reducing greenhouse gas emissions in the future.

People no longer aspire to own things to the same degree as before, and are happy to share if this is more affordable and flexible. At the same time, new technology is enabling brand new business models and smoothing the frictions previously associated with shared means of transport. This makes it possible to utilise transport resources in ways that are far more efficient than we have been used to. *Car-sharing as a service* is an example of this.

Møller Mobility Group has a mission of being an industry leader in new mobility solutions. Through Hyre, the car-sharing company, we are represented in a trail-blazing environment that is actively engaged in shaping the sustainable mobility solutions of the future.

HYRE

Hyre has established itself as one of the leading car-sharing services in the Norwegian market and in 2020 was able to present its first profitable return for the company as a whole with revenue fourfold that of the previous year. An effective, hard-working team, a continuous focus on achieving customer satisfaction as well as a scal-



Innovation and infrastructure:

Møller Mobility Group aims to excite customers through investments in new mobility solutions.



Sustainable cities and communities:

Møller Mobility Group will work systematically to instil the sustainability perspective throughout our value chain.



Responsible consumption and production:

Møller Mobility Group will work systematically to fulfil social criteria and uphold our code of conduct.

TOTAL NUMBER OF HYRE USERS IN 2020

49,343

> [23,351 in 2019]

NUMBER OF CARS ON PLATFORM IN 2020

~500

> [~250 in 2019]

NUMBER OF RENTALS AS AT DECEMBER 2020

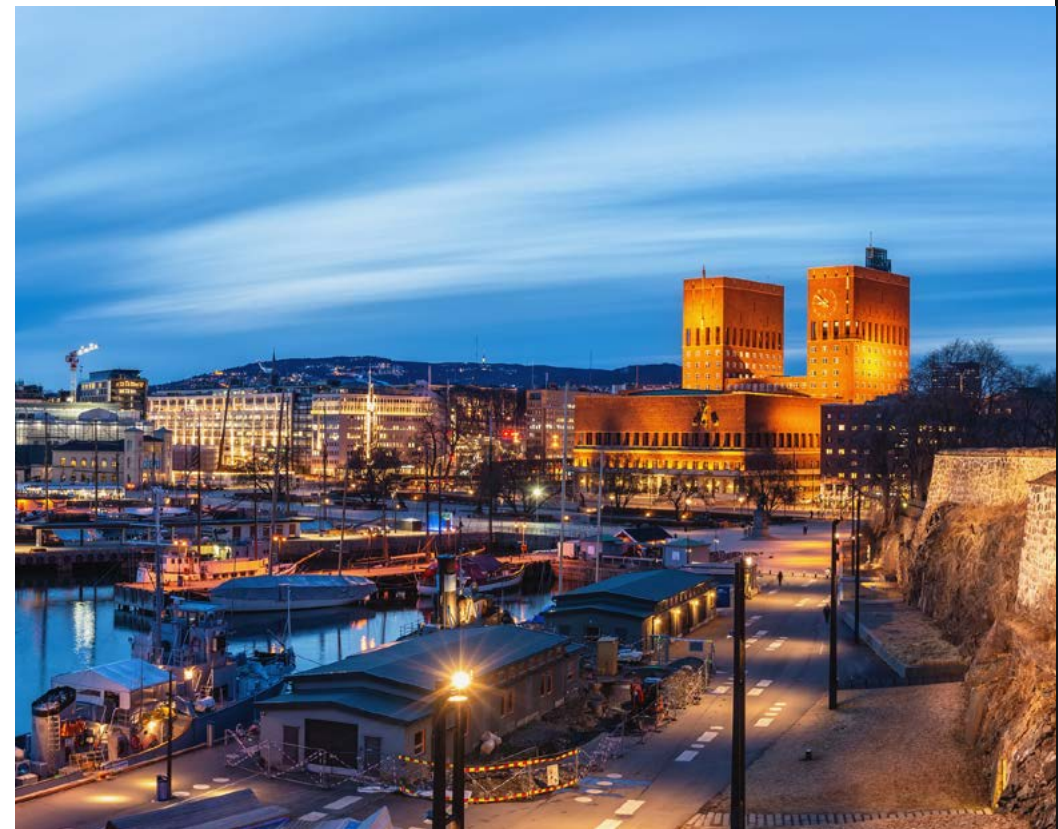
6,903

> [4,247 as at December 2019]

REVENUE IN 2020

NOK 48 MILL.

> [NOK 12 million in 2019]



able technology platform are the main reasons for a positive financial performance exceeding the original business plan.

The technology company Hyre was founded in 2017 when Møller Mobility Group teamed up with talented entrepreneurs with the aim of making it easier to rent/lease, rather than own, a car. Already in the spring of 2018, the company went live with the car-sharing service Hyre, which was the first to provide a fully digitalised customer journey on the Norwegian market. Using only an app, users can book, open and pay for their car rental, without having to meet anyone in person. Tolling, fuel/charging and the rental fee are calculated automatically in real time, to provide a full cost overview and eliminate administration time. The aim is to never be further than 5 minutes away from the nearest Hyre vehicle, and the company is now working to realise a vision of an urban future where car ownership is no longer necessary.

Today, Hyre has more than 500 cars available in Oslo at 250 locations, and offers a wide range of vehicles to meet customers' varying and

changing needs. Hyre also provides car-as-a-service [CaaS] to the public transport and mobility company Kolumbus and to Sola Municipality, which have access to their own electric cars that are shared between employees during working hours. In 2020, the service in Sola was also made available to local residents in the evenings and at weekends, which helps to maximise use of the cars and ensure that residents who do not own a car have the option of booking and using a ride at an affordable rate.

With increasing availability of car-sharing services, we are also seeing growing demand from consumers. From 2019 to 2020, Hyre achieved growth in excess of 110% in the number of users and more than 60% in the number of rentals, and that in a competitive market with tens of operators already.

In 2020, Hyre also achieved high scores in consumer ratings. In Appstore, for example, the solution scores 4.9 out of 5 possible stars based on nearly 5,700 customer reviews. Repeat use is achieved through satisfied customers, and Hyre has proof of a high degree of customer



Winner of the 2020 customer service award!

We are incredibly proud of our customer service team, which has just been selected for the customer service award in the car leasing category. They are there to assist you 24/7 with customer service. 365 days a year.



"Hyre did best in the TV 2 consumer programme test."

TV 2 Hjelper Deg consumer affairs programme, 2 January 2020



Test-winner: "Because when it comes to the crunch, we see Hyre as the simplest, most affordable and predictable there is"

Øystein B. Fossum, 18 May 2020

loyalty, since more than 60% of users have availed themselves of the service on multiple occasions, with over 30% leasing a car five times or more. In December 2020, almost 90% of the rentals were repeat bookings.

Hyre's goal is to provide the most streamlined car-sharing service for companies and their employees. Effective interaction between private and professional stakeholders facilitates a high fleet utilisation rate, since the usage patterns of these user groups are often mutually complementary. This means that fewer shared cars are required, and urban space is freed up. The fact that a single shared car can replace up to 10 privately owned cars adds to the environmental benefit.

HOUSE CALLS BY HYRE

Under contract to the City of Oslo, doctors working for the private app-based Hjemmelegene house-call service were responsible for testing 9% of test-positive Covid-19 cases in Oslo in 2020. The service was brought in when the rate of infection was peaking in the city. Just a few days after the start-up of the service, Hjemmelegene had about ten times the capacity for testing patients in their own homes.

After using various mobility solutions in 2020, in January 2021, Hjemmelegene decided to sign

“Since signing up with Hyre, the Hjemmelegene service has taken out almost 500 rentals and driven more than 55,000 km to make house calls.”

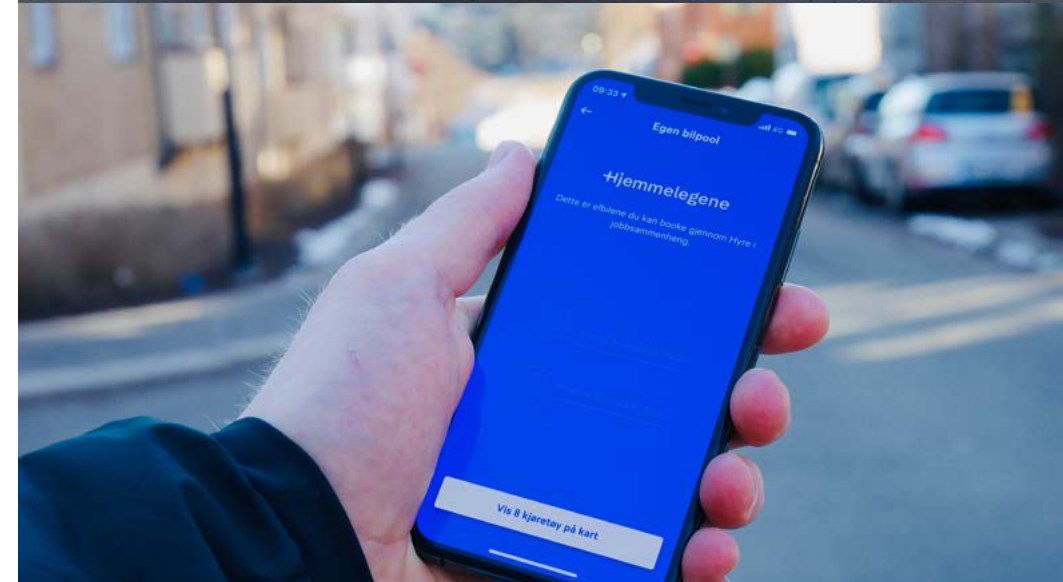
up for full Hyre services to ensure that they had predictable and scalable electric vehicle access for their healthcare personnel. The contract was for a flexible monthly lease on 5 dedicated vehicles parked for exclusive use at their premises at Oslo Science Park, as well as a separate car pool consisting of 70 EVs to provide additional standby capacity.

“With this arrangement, their nominal volume is covered by dedicated vehicles, which helps keep costs down, while they also get to draw on Hyre’s large volume of cars, which they can rent as and when required to meet peak demand”, explains Jon Harald Rønning, marketing manager at Hyre.

For Hjemmelegene, a rapid start after the New Year was crucial. That was when the contract with City of Oslo commenced to ensure that Covid-19 testing could be provided away from the standard testing centres for senior citizens, people with chronic diseases and vulnerable residents of Oslo who are unable or not advised to visit a testing centre.

“It took 4 days from when we sent the booking until we had five Volkswagen ID.3s delivered to our parking bays at Oslo Science Park, ready for use via the Hyre app to all our employees. No one else on the market had the agility and flexibility demonstrated by Hyre”, says Nicolai Skarsgård, a medical doctor and the general manager of Hjemmelegene.

Since signing up with Hyre, the Hjemmelegene service has taken out almost 500 rentals and driven more than 55,000 km to make house calls.



HYRE'S KEY FIGURES:

- Revenue: NOK 48 million
- 18 employees
- Total number of Hyre users in 2020: 49,343 [23,351 in 2019]
- Number of rentals per month in 2020: 6,903 [4,247 in 2019]
- ~500 cars

MOBILITY LAB

In 2017, we took the initiative for establishing MobilityLab in association with StartupLab and a number of influential corporates. MobilityLab aims to help foster more dynamic tech companies capable of generating solutions to future transport challenges, and creating new jobs and new socially and economically beneficial mobility solutions in Norway. Facilitating knowledge sharing and partnering across new start-ups and established operators in the mobility industry is an important part of this work.

Land-based mobility is MobilityLab's main priority with Mobility-as-a-Service (MaaS), Electrification, Logistics & Delivery, Autonomy and Connectivity & Analysis as defined focus areas. In 2020, the network has worked actively to foster innovation by diffusing information through events and regular newsletters, established a national testing arena for new urban mobility and transport solutions, in association with the

Institute of Transport Economics (TØI), and has focused on actively extending its Nordic network for the benefit of start-ups and established companies alike.

OSLO MOBILITY COMPANY

Møller Mobility Group is also involved in Oslo Mobility Company (OMC) as a financial partner. OMC's goal is to become "this decade's global arena for the leaders of the mobility revolution and the inventors of a better future." Moreover, OMC states: "The company will map and account for the global mobility revolution's trajectory in the period 2020–2030. Compared with the world's first transport revolution at the beginning of the 20th century, the positive role of the public sector and the authorities will be much more important this time round, and our programmes will be taking this into account to foster public-private partnering." Mckinsey and Antler are content partners and Møller Mobility Group's business partners in the company.

THE FACTORY'S MOBILITY PLANS

Volkswagen Group has adopted a strategy, "TOGETHER 2025", highlighting its e-offensive on new mobility solutions – across all brands. The Volkswagen Group itself states that this is the biggest change process in the company's history, with a focus on transforming the Group's core business and tapping potential new revenue streams. The Volkswagen group has also established the company MOIA, which will be developing mobility services.

Through its Future Mobility Incubator programme, Volkswagen supports innovative business ideas for the mobility of the future. This programme gives entrepreneurs from all over the world the chance to develop their innovative mobility concepts to market maturity.

Expert group describes the new wave of transport technologies as a digital transition for urban transport

“New transport technology spells the biggest changes for cities since cars hit the roads”

The Norwegian Board of Technology's expert group describes the new wave of transport technologies as a digital transition enabling transport to be systematised and coordinated in digital networks. This in turn will promote enhanced capacity utilisation and traffic flows, while preserving efficient mobility for citizens.

“New transport technology presents a choice of direction for urban development. Large areas currently used for passenger car traffic and parking can be put to new uses if more people adopt car-sharing and public transport”. Mobility apps, EVs and car-sharing are three of the 16 new technologies highlighted by the expert group.

The expert group advocates that cities be restructured to make way for new shared transport services by developing mobility points and earmarking urban areas for new shared transport solutions, including car-sharing. The group believes that this will also apply to suburban areas, where there are typically few alternatives to using your own car.

From the report on the digital transport transition – 16 new technologies and how they are changing cities [*Digitalt skifte for transport – 16 nye teknologier og hvordan de endrer byene*] (September 2020) published by the Norwegian Board of Technology. This project was led by Joakim Valevatn, Norwegian Board of Technology.



UN Global Compact

Møller Mobility Group has been a member of the United Nations Global Compact since February 2016, and we are committed to doing our best to run the business in line with the Ten Principles in the areas of human rights, labour, environment and anti-corruption.



Principle

What Møller Mobility Group does

Human rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Møller Mobility Group has enshrined human rights attitudes and principles in our **Code of Conduct** and in our **core values**. All business units, managers, employees, board members, suppliers and contracted resources must commit to abide by our Code of Conduct. The Code is also part of the company's onboarding routines and is covered in the Group's manuals.

As a company, we comply with all applicable laws and respect internationally recognised human rights.

Principle 2: make sure that they are not complicit in human rights abuses.

Møller Mobility Group works to promote good working and environmental conditions in our supply chains. In order to clarify what we expect from our suppliers, the company has developed a **Supplier Code of Conduct**. The Supplier Code covers fundamental requirements for human rights, labour rights and the environment as minimum requirements.

Suppliers we have major contracts (defined as worth more than NOK 1 million) with pledge to sign our Supplier Code of Conduct, but the aim is for all suppliers to adhere to the Code. We are working continuously to achieve this.

We expect all our suppliers to comply with applicable national and international laws and regulations, and these take precedence over our policies if their requirements are more stringent.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Møller Mobility Group facilitates union organisation and conducts collective bargaining for all employees and at all levels, where relevant. Our businesses in Sweden work closely with local trade unions.

We adhere to the basic labour principles in accordance with ILO Convention no. 131 (minimum wage fixing) and nos. 1 and 14 (on hours of work and rest).

With the Møller family's company Møller Medvind, we want to help clean up an industry where corners are often cut and things do not meet the standards we ought to have in Norway when it comes to working conditions. Møller Medvind provides young people and some seniors, recruited through the Norwegian Labour and Welfare Administration (NAV), with practical work experience and vocational training before being offered a permanent, full-time position.

Principle 4: the elimination of all forms of forced and compulsory labour;

Møller Mobility Group has developed a Supplier Code of Conduct to establish procedures for supply chain control. The basis for this includes ILO Conventions nos. 29 and 105, which relate specifically to forced and slave labour. We only use suppliers who commit to adhere to the Supplier Code.

The company's employees are accorded pay and working conditions in line with national legislation and agreements with trade unions.

Principle	What Møller Mobility Group does
Principle 5: ensure the effective abolition of child labour; and	Møller Mobility Group does not use child labour. The company has developed a Supplier Code of Conduct to establish procedures for supply chain control. The basis for this includes the UN Convention on the Rights of the Child, ILO Conventions nos. 138, 182, 79 and ILO Recommendation no. 146, all of which protect against child labour.
Principle 6: the elimination of discrimination in respect of employment and occupation.	<p>Møller Mobility Group prioritises inclusion, diversity and equal opportunities. Møller Mobility Group's Code of Conduct is our guide to maintaining a working environment free from discrimination, bullying and harassment. The company encourages everyone to report irregularities as and when they are discovered or occur.</p> <p>The routines for reporting irregularities (whistleblowing) were widely communicated in a project carried out in autumn 2018, and the Group has a dedicated whistleblowing channel on its intranet. Dilemmas related to discrimination were also the topic of a Group-wide joint activity ("The Most Valuable Day of the Year") in 2018.</p> <p>Møller Mobility Group's Supplier Code of Conduct is based on ILO Conventions nos. 100 and 111 on discrimination and the UN Convention on the Elimination of all Forms of Discrimination Against Women. The company wants to increase the proportion of women it employs, and strives to ensure that women are included in internal management training programmes.</p>
Environment	
Principle 7: Businesses should support a precautionary approach to environmental challenges;	Møller Mobility Group's operations shall be characterised by continuous efforts to limit environmental and climate impact. The Group complies with national and international environmental legislation and regulations, and obtains all relevant emissions and discharge permits.
Principle 8: undertake initiatives to promote greater environmental responsibility; and	<p>Møller Mobility Group works systematically to instil the sustainability perspective throughout its value chain. The company shall serve as a source of information on cars and environmental issues, enable customers to make sound environmental choices, and our solutions shall make it easy for our customers to assume greater environmental responsibility.</p> <p>Environmental protection is firmly embedded in the Group, and considerable resources have been invested to reduce energy consumption and thus our environmental footprint through energy management, energy-efficiency initiatives, waste management and recycling, which from 2020 are documented in specific climate-related disclosures.</p>
Principle 9: encourage the development and diffusion of environmentally friendly technologies.	Møller Mobility Group is committed to electrified mobility, where new technology, pro-climate requirements and improved battery solutions present new opportunities for positive change. Møller Mobility Group has worked closely with Volkswagen Group since 1948. In its new strategy, Volkswagen Group has set itself a target of becoming a world-leading provider of sustainable technology.
Anti-corruption	
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	<p>One of Møller Mobility Group's four core values is "Open and trustworthy". This is our foundation for building trust, demonstrating our reliability, keeping our promises and not accepting bribes. This is followed up in the company's Code of Conduct and the employee manual, which both stress our zero tolerance of corruption and that violations will be prosecuted.</p> <p>All companies in the Møller Mobility Group supply chain sign the Supplier Code of Conduct, which specifically states that all forms of bribery are unacceptable.</p> <p>In order to ensure that Møller Mobility Group, our companies and employees act in compliance with competition legislation, the Group has conducted an e-learning course in basic competition law for key managers in collaboration with the law firm Kvale Advokatfirma. The course has been held for managers in Norway, Sweden, Estonia, Latvia and Lithuania.</p>

Companies in Møller Mobility Group as at 31.12.2020

COMPANY	COUNTRY	ORG. NO.
MØLLER MOBILITY GROUP AS (parent company)	NO	984 599 730
Møller Synergi AS	NO	974 784 556
Møller Digital AS	NO	918 320 547
Hyre AS	NO	918 719 601
Harald A. Møller AS	NO	943 733 988
Moller Baltic Import SE	LV	40103176283
Møller Bil AS (holding company)	NO	986 130 861
Møller Bil Øst AS	NO	917 805 717
Møller Bil Vest AS	NO	928 481 638
Møller Bil Romerike AS	NO	964 995 923
Møller Bil Sør-Rogaland AS	NO	933 625 583
Møller Bil Bergen AS	NO	834 083 922
Møller Bil Vestfold AS	NO	946 967 874
Møller Bil Haugesund AS	NO	944 904 069
Møller Bil Trøndelag AS	NO	834 874 482
Møller Bil Hedmark AS	NO	976 951 336
Møller Bil Storhamar AS	NO	979 450 796
Møller Bil Oppland AS	NO	919 781 491
Skaansar Auto AS	NO	976 548 248
Møller Bil Ålesund AS	NO	921 494 866
Møller Bil Molde AS	NO	915 555 292

COMPANY	COUNTRY	ORG. NO.
SIA Moller Auto Latvia	LV	40003055104
SIA Moller Auto Krasta	LV	40003570184
SIA Moller Auto Ventspils	LV	41203010445
SIA Moller Auto	LV	40103847187
SIA Moller Auto Baltic	LV	40203251094
UAB Moller Auto	LT	110430994
UAB Moller Auto Keturi Ziedai	LT	224234070
UAB Moller Auto Alytus	LT	149655665
Moller Auto Tallinn OÜ	EE	10195513
Moller Auto Pärnu OÜ	EE	10931969
Moller Auto Viru OÜ	EE	11131478
Møller Bil Sverige AB	SE	556298-7510
Sportbilar i Örebro AB		

Associated companies

Volkswagen Møller BilFinans AS	NO	992 873 183
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