

Transparency Act

Kruger's business and area of operation are organized as follows:

Kruger AS was established in 1983, and since 2012 a wholly owned subsidiary of Ernströmgruppen AB.

We import and distribute assembly systems for contractors. Systems and products are traded from leading manufacturers across large parts of the world. We are a competence partner for contractors.

For distribution in Norway, we work with industry wholesalers. The business is located in rented premises at Spikkestad.

In Sweden, we have the sister company ReTherm Kruger AB, which has operations closely associated with Kruger AS, and we collaborate on purchasing agreements and logistics.

Our vision is for Kruger to become a leading niche supplier of cost-effective and sustainable assembly systems.

Our core values:

- ◆ Solution oriented
- ◆ Engaged
- ◆ Visionary
- ◆ Honest



We have established the following guidelines and routines to deal with actual and potential negative consequences for fundamental rights and decent working conditions:

- ◆ Kruge makes annual due diligence assessments for its own business as part of the annual Compliance Assessment
- ◆ All foreign suppliers/partners are monitored based on country, and the level of risk to which they are assessed on accordance with the ITUC Global Rights Index. The risk categories are High (5), Medium (4), Moderate (3,2) and Low (1). Existing suppliers/partners from countries that are defined as high risk or medium risk must fill in a self-assessment form and sign this to give Kruge the opportunity to consider further cooperation. For suppliers/partners from countries assessed as moderate risk, Kruge will follow the up regularly and assess the need to require a signed self-assessment form. For new suppliers/partners, this requirement will be included as part of the cooperation agreement.
- ◆ Kruge will also assess risk per product category. We will do this with the help of DFØ [Feil! Hyperkoblingsreferansen er ugyldig.](#) They have defined and made a list that shows risk in the supply chain within the risk of human rights violations, child labor, etc. The products are divided into the categories Very high risk, High risk, Medium high risk and Low risk.
- ◆ Kruge will define which approved suppliers/partners deliver the various product categories. Existing suppliers/partners who deliver products that are defined as very high risk, high risk or medium high risk must fill in a self-assessment form. For new suppliers/partners, this requirement will be included as part of the cooperation agreement.
- ◆ On our website, Kruge has explained the company's organization, area of operation, guidelines, and routines.



Through our due diligence assessments, we have identified the following actual negative consequences:

Kruger has mapped which countries of origin our approved suppliers come from. We have used the ITUC Global Rights Index for this exercise. The countries are assessed in the following categories, High risk, Medium risk, Moderate risk and Low risk. Kruger currently has two suppliers that are assessed as high risk, none as medium risk, [but](#) we have one supplier that is assessed as moderate risk based on this tool. The suppliers who are assessed as high risk are followed up regularly and Kruger has sent a self-assessment form to them and an explanation of why we need them to sign and return it to us. In addition, the current co-operation agreement already covers several matters that we ask for clarification in the self-assessment form.

Suppliers who are assessed as moderate risk are followed up regularly, and Kruger considers the necessity of requesting a self-assessment form to be signed.

In addition, we are reviewing and risk-assessing products we find in the business based on information from DFØ ([Høyrisikolisten | Anskaffelser.no](#)). Each product is divided into the categories Very high risk, High risk, Medium high risk and Low risk. A product risk is assessed based on assembly, component and raw material. We assess risk in the supply chain in areas such as the risk of human rights violations, employee rights and child labor. We see that the risk is greatest down the supply chain, where raw materials are extracted and processed. The supply chains are complex and fragmented all over the world. This leads to limited traceability and little transparency, which increases the risk level of human rights violations and environmental concerns.



To stop uncovered negative consequences, we have implemented the following measures:

As of today, we have not identified any negative consequences and have therefore not had the need to implement measures.

To limit the significant risk of negative consequences, we have implemented the following measures:

Kruger is ISO certified in the standards 14001, 9001 and 45001. Ethical guidelines have been drawn up which we have committed ourselves to follow. The supplier co-operation agreements include robust obligations. Good follow-up routines have been made for follow up of countries that are assessed as high risk or medium risk. Here we require the supplier to sign a self-assessment form to help us consider further cooperation or other measures. Products that are assessed as very high risk, high risk or medium high risk are also followed up by signing a self-assessment form and carefully assessing which suppliers are approved by the company. We shall only use pre-approved suppliers assessed based on the criteria in force at any given time. If collaboration agreements do not contain requirements set in the self-assessment form, a separate form must be signed and returned to us. All new co-operation agreements must contain the requirements defined in the existing self-assessment form.

Implemented measures have given the following result or expected result:

We expect our suppliers/partners to act in accordance with the requirements of the Transparency Act.

