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KIESEL

REPORT TRANSPARENCY ACT 2024

Kiesel Norway AS

28.06.2024

Kiesel Norge AS

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1. KIESEL NORWAY'S REPORT UNDER THE TRANSPARENCY ACT FOR 2023

1.1. Introduction

Kiesel Norge AS is required to conduct due diligence assessments in accordance with the Transparency Act and publish a statement regarding these assessments every year.

The purpose of the Transparency Act is to promote companies' respect for fundamental human rights and decent working conditions.

This report covers Kiesel's obligation to account for the due diligence assessments conducted for the year 2023. In the report, Kiesel also explains the measures that have been considered and implemented to reduce the risk of adverse consequences that may arise from Kiesel's activities and business relationships, affecting fundamental human rights and decent working conditions.

1.2. Contact information

Inquiries regarding this report can be directed to:

Kiesel Norway AS
CEO Claus Leite
cl@kiesel.no

1.3. Reporting obligation

Kiesel has its headquarters located at Berghagan 1 and is domiciled in Norway.

As Kiesel's sales revenue on the balance sheet date exceeds 70 million and its total assets amount to 35 million, it is subject to reporting obligations. In the fiscal year 2023, Kiesel had an average of 17 full-time equivalent employees.

2. ABOUT KIESELS'S BUSINESS

2.1. Kiesel's organization and Scope of Operations

Kiesel is organized into three departments, two of which are sales departments, and one is the after-sales department. Additionally, there is the administration, which sets goals for the company regarding human rights and sustainability. An organizational chart for Kiesel is attached to this report.

Kiesel engages in the import and distribution of machinery and equipment and operates in the specialized industries of recycling, mining, and scrap in Norway. Kiesel offers the following products and/or services:

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- Sales of machinery, equipment, and parts for the materials handling and recycling industry.
- Sales of machinery, equipment, and parts for the mining and stone crushing industry, plus aggregates.
- Service and repair of machinery and equipment

2.2. Internal Guidelines

Kiesel has established its own procedures for anchoring the work on human rights and decent working conditions, as outlined in the Guidelines for Compliance with the Transparency Act by Kiesel Norge, attached to this report. These procedures encompass Kiesel's efforts to meet the requirements set forth in the Transparency Act.

Kiesel's procedures have been endorsed and adopted by Kiesel's board [as of June 28, 2024]. The procedures have been communicated to Kiesel's employees and are available on Kiesel's website: kiesel.no/åpenhetsloven. Kiesel regularly conducts training on the Transparency Act and the associated procedures for its employees.

The procedures describe how Kiesel conducts its due diligence assessments and evaluates the necessary measures. They also include information about Kiesel's reporting channels designed to uncover any adverse consequences on fundamental human rights and decent working conditions related to Kiesel's activities, as well as how such information is addressed and followed up on.

2.3. Objective and Progress

2.3.1. Overview of Goals and Progress

We continuously work on assessing risks associated with Kiesel's activities and the use of our business relationships (suppliers and business partners).

2.3.2. Goals for the Upcoming Year

We have established several specific goals for the future.

Goals	Status
We aim to further develop our due diligence assessment based on the experiences we gain now.	Begun
We intend to increase the internal expertise within our company concerning sustainability and responsible procurement practices.	Begun
We will continuously collect signed supplier declarations from our suppliers.	Begun

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We will update the "Guidelines for Begun
Compliance with the Transparency Act" based
on the experiences we gain.

3. THE DUE DILLIGENCE ASSESSMENT

3.1. Kiesel's Methodology for Due Diligence

Kiesel conducts ongoing assessments of the risks associated with adverse consequences on fundamental human rights and decent working conditions related to its activities and business relationships. Kiesel continuously work to identify human rights violations and breaches of decent working conditions associated with its operations.

For this mapping work, Kiesel utilizes a digital platform developed by Ignite Procurement AS. Through this platform, Kiesel has obtained a systematic overview of its first-tier suppliers. Based on this overview, the platform has conducted initial assessments of the risk of negative impacts on fundamental human rights and decent working conditions. The following steps outline the assessment process:

1. Identification of First-Tier Suppliers: Kiesel identifies and compiles a comprehensive list of its first-tier suppliers through use of ERP system Visma and CRM system Lime.
2. Within the platform, supplier information is enriched through third-party collaboration with ENIN. The platform gathers information and financial details about Kiesel's suppliers, including industry codes (NACE).
3. Through steps 1 and 2, Kiesel obtains an overview of its first-tier suppliers, along with their corresponding supplier information.
4. The risk evaluation tool within Ignite's platform has conducted an initial risk classification of Kiesel's first-tier suppliers based on their geography and industry, categorizing them as "high," "medium," or "low" risk in terms of potential adverse impacts on fundamental human rights and decent working conditions. This classification allows Kiesel to prioritize its efforts and focus on suppliers with higher risk levels for further assessment and targeted risk mitigation measures.
5. By applying these risk parameters, Kiesel can prioritize its due diligence efforts and allocate appropriate resources to address higher-risk suppliers more effectively.
6. As part of the risk mapping process, Kiesel has utilized the platform to send customized questionnaires to specific business partners to gather additional information. Additionally, Kiesel has used the platform to request documentation and certifications from its first-tier suppliers.

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7. Based on the findings in points 4, 5, and 6, Kiesel has assessed which measures to implement to investigate potential adverse impacts on fundamental human rights and decent working conditions. Kiesel has acted where the severity and likelihood of harm are greatest and where Kiesel has the most influence to drive positive change. The prioritization of these measures is aligned with Kiesel's connection to and responsibility for the risks.
8. Kiesel has engaged stakeholders, suppliers, and business partners in the implementation of measures.

3.2. Kiesel's supply chain and business partners

In the reporting year, Kiesel had commercial relationships with 45 significant first-tier suppliers. Kiesel's suppliers are located in the following countries/geographical areas.

Country	Number of suppliers
Norway	30
Germany	7
Italy	3
Netherlands	2
Slovenia	1
The Czech Republic	1
Great Britain	1

3.3. Due diligence assessments of Kiesel's products and services

We have chosen to conduct due diligence assessments of our largest suppliers who provide recycling machinery, parts and equipment/ transport. Additionally, we have also conducted due diligence on various suppliers involved in the service and maintenance of the machinery.

Scope: We follow a risk-based approach based on the principle of proportionality outlined in the Transparency Act. The processes and procedures related to compliance with the Transparency Act are linked to our business operations, supply chains, and business partners. Our own operations have been assessed as low risk due to strong internal processes and a high level of compliance with established Norwegian legislation.

Limitation: Our customers are primarily Norwegian entities, and we consider them to be low-risk actors regarding the risk of human rights violations and decent working conditions.

3.4. Results of the Due diligence assessment

The due diligence assessment has revealed the following findings that Kiesel has identified and prioritized in the reporting year:

The company has not identified any human rights violations or significant breaches of decent working conditions in the reporting year. The company has also not identified significant risks

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of such breaches or negative consequences. We have found that dialogue with our suppliers is an important outcome of our work on the Transparency Act. Our suppliers generally believe they comply with laws and regulations but may have inadequate documentation procedures. It is therefore important for us to request this documentation so that they can improve their procedures. We will follow our suppliers on this step by collecting signed supplier declarations.

4. MEASURES TO STOP, PREVENT, OR MITIGATE NEGATIVE CONSEQUENCES

Kiesel will now outline the measures the company has implemented to prevent, mitigate, or stop the identified consequences and risks mentioned earlier.

Based on the assessment, we have implemented the following measures:

Identified risks of breaches:	Obtain signed declarations from suppliers confirming their compliance with the Transparency Act.
Implemented measures:	Include a signature field on supplier declarations and send them to the suppliers on email.
Status:	In progress.

5. MONITORING OF MEASURES - IMPLEMENTATION AND RESULTS

We are continuously monitoring the implementation of the measures taken and the results they yield.

6. COMMUNICATION WITH AFFECTED STAKEHOLDERS AND RIGHTS HOLDERS

Kiesel has not identified any breaches of human rights or decent working conditions in the reporting year. Furthermore, we have not identified any significant risks of breaches or negative consequences as mentioned.

7. RESTITUTION AND COMPENSATION

Kiesel has not identified any cases that require restitution in the reporting year.

We are in the process of developing internal guidelines for restitution to ensure that we restore and compensate where necessary.

We adhere to the relevant international standards and engage in continuous dialogue with stakeholders to identify the need for restitution.

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Place: *Loughs*

Date: *29/6-2024*




CEO, Claus Leite



Chair of the board, Tom Johansen



Board member, Henrik Anholt



Board member, Joachim Stefan Kiesel



Board member, Ludwig Fidelis Vetter