

Statement for 2024 – Transparency Act, Kumera Marine AS

1. Introduction

This statement has been prepared by Kumera Marine AS in accordance with the Transparency Act and concerns the company's due diligence assessments related to human rights and decent working conditions in the supply chain.

The report describes processes, assessments, and measures implemented to promote responsible business conduct and ensure compliance with human rights. The statement covers the period from January 1 to December 31, 2024.

2. About the Company

Kumera Marine AS is a leading manufacturer of propulsion solutions for various types of vessels, including gearboxes and propellers. The company is headquartered in Sandefjord, with branches in Hjelset/Molde and Stord.

Kumera Marine is a wholly owned subsidiary of Kumera Corporation, a family-owned company headquartered in Finland. Kumera Corporation operates globally, with businesses in Finland, Norway, Germany, Austria, and China, employing a total of 800 people and generating annual revenue exceeding NOK 1 billion.

In 2024, Kumera Marine AS had a turnover of approximately NOK 170 million and employed around 58 people by the end of the year. The production of gearboxes takes place at the headquarters in Sandefjord, while propellers are manufactured in Hjelset.

3. Organization, Operations, and Supply Chains

Kumera Marine AS is committed to promoting sustainable and responsible supply chains. This commitment is embedded in Kumera Corporation's ethical guidelines, which require respect for international human rights and decent working conditions.

Responsibility for procurement and supplier follow-up lies with the Supply Chain Manager, and supplier evaluation routines are integrated into the company's quality system, which is certified according to ISO 9001, ISO 14001, and ISO 45001. These routines have been adapted to meet the requirements of the Transparency Act.

Kumera Marine's suppliers are primarily located in Europe, where the risk of human rights violations is considered low. A smaller number of purchases from China are handled by the group's subsidiary, Kumera China, which operates under strict ethical guidelines.

4. Due Diligence Assessments in 2024

Kumera Marine conducts due diligence assessments based on the OECD Guidelines for Multinational Enterprises. The process includes:

- **Mapping the supply chain:** Identifying suppliers and conducting risk analyses based on geographical, sector-specific, and operational factors.
- **Supplier responsibility:** The Supply Chain Manager is responsible for the daily monitoring and evaluation of suppliers. Established supplier evaluation routines are part of the company's quality management system (certified according to ISO 9001, ISO 14001, and ISO 45001). These routines have been expanded to meet the specific requirements of the Transparency Act regarding human rights and decent working conditions.

Risk Assessment by Country (Based on Supplier Purchases)

Kumera Marine's total purchases are distributed by country, with color-coded risk assessments indicating the likelihood of human rights violations and poor working conditions:

	High risk
	Moderate risk
	Low risk

Country	Country code	Region	No. Of suppliers	Share of purchase
Europe	BIH	Bosnia and Her	2	0.02%
Europe	BGR	Bulgaria	1	0.12%
Europe	DNK	Denmark	6	0.49%
Europe	EST	Estonia	1	0.22%
Europe	FIN	Finland	5	1.07%
Europe	DEU	Germany	2	0.55%
Europe	ITA	Italy	8	0.31%
Europe	LUX	Luxembourg	1	0.09%
Europe	NLD	Netherlands	6	0.45%
Europe	NOR	Norway	152	91.50%
Europe	POL	Poland	1	0.01%
Europe	SVK	Slovakia	1	0.39%
Europe	SVN	Slovenia	3	0.05%
Europe	ESP	Spain	5	1.60%
Europe	SWE	Sweden	8	2.21%
Europe	GBR	United Kingdom	6	0.27%
Europe				99.36%
Far East	SGP	Singapore	1	0.18%
Far East	CHN	China	3	0.47%
Far East				0.64%
North America	USA	United States	1	0.00%
North America				0.00%

Results for 2024:

- No serious human rights violations or poor working conditions were identified in the company's direct supply chain.
- Suppliers in Europe continue to be assessed as low risk.
- Kumera China maintains the group's standards, reducing risks associated with purchases from China.

Identified Risks:

- Subcontractors in high-risk countries used by some European suppliers pose a potential challenge. This will be a focus area for further follow-up.

5. Measures Implemented in 2024

To strengthen control and risk management in the supply chain, Kumera Marine has in 2024:

- Conducted improved supplier evaluations and gathered additional information on subcontractors in high-risk countries.
- Updated contracts with suppliers to include specific human rights and working conditions requirements.
- Organized internal training sessions on the Transparency Act for relevant employees.
- Developed an action plan for supplier visits in high-risk countries where deemed necessary.

6. Future Measures and Focus Areas for 2025

In 2025, Kumera Marine plans to expand its work with the Transparency Act by:

- Increasing follow-up on subcontractors in high-risk countries through collaboration with main suppliers.
- Conducting in-depth analyses of specific risk areas, including direct inspections where necessary.
- Continuing to develop internal guidelines and routines for due diligence assessments.
- Establishing an annual audit process to evaluate the effectiveness of measures and identify areas for improvement.

7. Measures to Prevent and Address Negative Impacts

All new suppliers are evaluated before entering agreements, based on:

- **Geographical risk** and sector-specific challenges.
- **Value and scope** of the agreement.

- **Information gathered** through questionnaires, interviews, and, in some cases, supplier visits.

Kumera Marine AS will continue to work systematically to promote respect for human rights and decent working conditions in the supply chain. This includes strengthening our due diligence processes and implementing necessary measures to ensure sustainable business practices.

8. Measures for Good Working Conditions Internally at Kumera Marine AS

Kumera Marine AS is committed to ensuring good working conditions for all employees and works closely with employee representatives to promote a safe, inclusive, and developing work environment.

Key Initiatives in 2024:

- **Collaboration with employee representatives** through regular meetings on working conditions, health, safety, and identifying improvements.
- **HSE measures**, including systematic risk assessments, training, and ergonomic improvements.
- **Employee well-being initiatives**, including social activities, skills development programs, and flexible working arrangements.

By maintaining high HSE standards and working closely with employees, Kumera Marine AS remains dedicated to fostering a safe and supportive workplace.

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