

### **Disclosure under Transparency Act 2023**

Raufoss Development AS is an industrial company developing products for the international automotive industry. The company develops suspension systems in cooperation with customers. The company is a well-known player among the world's leading car manufacturers and holds certificates under major relevant industry standards (IATF, ISO). Customers have high demands on ethical and social issues and these are often mentioned in the customer's purchasing standards and contracts. Our work to ensure fundamental human rights and decent working conditions began long before the Transparency Act came into force, because it has been the focus of the customer and supplier relationship over time.

The company is established in a structure under the holding company CAG Holding. CAG Holding is established in Austria and operates in various industries internationally. Raufoss Development AS is part of the Raufoss Technology group, which consists of 5 companies with operations in Norway, Canada, France, Mexico and China. Raufoss Development AS has its own management in Norway where the company shares functions with the subsidiary Raufoss Technology AS.

The company also provides services to subsidiaries in Norway, Canada, France, Mexico and China. These consist of product development and various commercial service and management functions.

Raufoss Development AS takes corporate social responsibility seriously and has implemented routines and guidelines in accordance with the Act on business transparency and work with fundamental human rights and decent working conditions (the Transparency Act) in the organization. The work of due diligence is a continuous work and implemented in the management systems of the enterprise. This report provides an overall picture of the methodology and preliminary assessments.

Raufoss Development is committed to promoting and respecting human rights and decent working conditions. This obligation is incorporated into the organisation's ethical guidelines as well as in the established purchasing provisions. The CAG Group (CAG Holding) has established ethical guidelines for internal and external matters also for anti-money laundering and corruption efforts. All employees are informed and introduced into these procedures.

The company carries out a risk assessment for human rights violations and decent working conditions through the use of specific tools implemented for the company and the group when selecting suppliers. The assessment includes all major suppliers and spans from raw material suppliers, service suppliers, suppliers of goods, insurance companies, electricity companies and audit companies.

Raufoss Development AS follows the group and CAG group purchasing regulations as well as their established routines and processes (COP processes) for due diligence, and in the future, the due diligence assessment of Raufoss Development AS' suppliers will be carried out together with the group and the company's suppliers.

There are few suppliers since the company is engaged in self-development and most of the suppliers are local. The risk of deviations among suppliers is considered to be very small.

In cases of larger purchase transactions, the process "supplier qualification" (found in the company's governing documents) has to be respected, which requires a full qualification audit of all suppliers, before entering into a contract.. A checklist (qualification audit form) is used, and when choosing a supplier, the group's supplier code of conduct is required to be acknowledged and confirmed by the chosen supplier. The supplier code of conduct describes the standards Raufoss Development follows in relation to working conditions, human rights and discrimination. Audits of suppliers are carried out as necessary, and nonconformity reporting on deliveries has been introduced.

Through HSE routines, the organization works systematically to prevent negative impacts on the life, safety and health of individuals, volunteers and participants. Raufoss Development AS has a warning system for non-conformities in our factories, and all reported non-conformities are followed up. The injury rate is small and there is a strong focus on preventing all forms of injuries. The company has suffered no lost-time injuries over the past two years. The company follows the required routines and a separate HSE forum has been established with participants from management, employee representatives, safety delegates and occupational health services

No significant adverse conditions covered by the Transparency Act have been identified in any of the qualification processes carried out in connection with the selection and qualification of the existing suppliers. The system and process are considered good in uncovering deficiencies and any negative conditions. Any negative issues are pointed out through audit protocols where suppliers are asked to explain the situation and submit a plan for change. Conducting visits and on-site audits ensures good insight.

Raufoss Development AS

Information requests related to the law can be directed to Chief Executive Officer Jean Meredith at the email address [Info.Nor@raufosstechnology.com](mailto:Info.Nor@raufosstechnology.com).

Board of Raufoss Development AS