

# Corporate governance report

Volue aims to maintain high standards for corporate governance. In the Company's opinion, good corporate governance is an important condition for value creation.

Volue's (the "Company") corporate governance defines the business framework within which all activities in the Company should operate and clarifies the roles and responsibilities between governing bodies in the Company.

The following main principles apply to corporate governance in the Company:

- The Company shall at all times comply with all acts and regulations that apply to the Company.
- The Company shall ensure that the Company has good corporate governance.
- The Company shall at all times try to act in accordance with the recommendations in the Norwegian Code of Practice for Corporate Governance. If, in the Board of Directors' opinion, there are special interests indicating that the Company should depart from any of these

recommendations, this must be specifically substantiated. In each annual report, the Board of Directors will make a statement on the Company's corporate governance.

- The Company's business must be operated on the basis of high ethical standards. The Company shall take active social responsibility.
- The Board of Directors shall ensure that the Company has clear goals and strategies for its business.
- The Company's equity should be in accordance with the Company's goal, strategy and risk profile.
- The Board of Directors shall ensure that the Company has a clear and predictable dividend policy.
- The Company shall avoid any unfair discrimination of the shareholders.
- The Company's transactions with closely related parties must be based on ordinary commercial terms and principles.

- The Company's shares can be sold freely.
- The Board of Directors should allow for as many shareholders as possible being able to exercise their rights by attending the Company's General Meeting.
- The Board of Directors shall ensure that the Company has good internal control and appropriate systems for risk management given the scope and nature of the Company's business.



## 1. Corporate governance framework and reporting

The Board of Directors (the “Board”) of Volue (the Company) has the overall responsibility for ensuring that the Company has a high standard of corporate governance. The Board has prepared a corporate governance policy document (the “Policy”). This Policy describes the Company’s main principles for corporate governance and addresses the framework of guidelines and principles regulating the interaction between the Company’s shareholders, the Board of Directors, the Chief Executive Officer (the “CEO”) and the Company’s senior management (the “Executive Management”). The policy is based on the Norwegian Code of Practice (the Code) for Corporate Governance issued by the Norwegian Corporate Governance Board. The objective of the Code is that companies listed on regulated markets in Norway will practice corporate governance that regulates the division of roles between shareholders, the Board and Executive Management more comprehensively than is required by legislation. The Board and Executive Management perform an annual assessment of its principles for corporate governance.

Volue is a publicly-listed company traded on the Oslo Stock Exchange with a governance structure based on Norwegian law. The Company is subject to corporate governance reporting requirements as

defined in the Norwegian Accounting Act, section 3-3b and the Norwegian Code of Practice for Corporate Governance (the “Code”) available at [www.nues.no](http://www.nues.no). The Board of Directors’ Statement of Corporate Governance follows the structure of the Code.

The Board of Directors has reviewed and approved the Company’s policy and structure for corporate governance stating that the Company will comply with the Code. The Company’s goal is to act in accordance with every recommendation in the Code.

## 2. The business

Volue’s core business is to supply software and technology solutions for the energy, power grid and infrastructure markets. With 50 years of green technology expertise, Volue offers software solutions, systems and market insight that optimise production, trading, distribution and consumption of energy, as well as infrastructure and construction projects. Volue has coverage along the clean-energy valuechain, from monitoring using sensors to realising cash in trading. Volue’s technology secures availability of the core services society relies on – energy, water and infrastructure.

The Company’s operations comply with Article 3 of the Company’s Articles of Association: “The company’s business is to invest in, own and manage companies,

and to carry out own business activities within IT and other software services.”

The Board has prepared clear goals, strategies and a risk profile for the Company. The Company has guidelines for how it integrates the interests of the society at large into its value creation. An ESG – Environmental, Social, Governance report is included in the annual report and is available on the Company’s website. The Board evaluates targets, strategies and a risk profile on an annual basis, at a minimum.



### 3. Share capital

As of 31 December 2021, Volue's total equity attributable to shareholders of the parent company amounted to NOK 805 million.

Total equity for the group at 31 December 2020 was NOK 743 million, corresponding to an equity ratio of 50 per cent. Considering the nature and scope of Volue's business, the Board considers that the Company has adequate equity and capital structure.

Existing mandates granted to the Board, to issue shares and to purchase its own shares, are presented in the shareholder information section of the annual report. The mandates are restricted to defined purposes and limited in time to no later than the date of the next Annual General Meeting.

### 4. Equal treatment of shareholders and transactions with close associates

There is only one class of shares and all shares have equal voting rights. At 31 December 2020 there were 143 577 626 ordinary shares each with a par value of NOK 0.40. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the Company in proportion to the number of and amounts paid on the shares held. The articles of association place no restriction on voting rights.

All transactions with close associates are disclosed in the notes to the annual accounts. All business activities are based

on arm's length terms. In the event of transactions with insiders or close associates, the following procedures shall be followed:

- Members of the Board and the Executive Management shall notify the Board c/o the chairman in writing if they have any material direct or indirect interest in any transaction entered into by the Company.
- Members of the Board and the Executive Management who have an interest in any transaction entered into by the Company shall refrain from participating in considering such transaction in accordance with applicable provisions under the Norwegian Public Limited Companies Act.
- The Board shall consider the need for shareholder approval of any related party transaction in accordance with § 3-8 of the Norwegian Public Limited Companies Act.
- To the extent shareholder approval in accordance with § 3-8 of the Norwegian Public Limited Companies Act shall not be required, the Board shall nonetheless consider whether it is appropriate to obtain independent third party valuations of any material related party transaction.
- The person responsible for investor relations in the Company shall immediately publicly disclose not immaterial transaction entered into with related parties cf. Section 3.3 of Oslo Børs' continuing obligations of stock exchange listed companies.

### 5. Shares and negotiability

There are no provisions in the Company's Articles of Association that limit the right to own, trade or vote for shares in the Company.

### 6. General meetings

Through the General Meeting, the shareholders exercise the highest authority in the Company. All shareholders have a right to attend, make a statement and vote at the General Meeting as long as they are recorded in the Company's share register no later than the fifth business day before the date of the general meeting. The Annual General Meeting for 2021 takes place on 6 May 2021.

The General Meeting's responsibilities include electing the members of the Board and the auditor, determining the fees for the Board and the auditor, approving amendments of the articles of association, approving the annual accounts and the annual statement, and making decisions regarding dividend.

The notice of the meeting, the agenda and detailed and comprehensive supporting information, are made available on Volue's website at least 21 days before a general meeting takes place. At the same time the notice and agenda are distributed to all shareholders.

The General Meeting deals with such matters as required by Norwegian law.

Shareholders who cannot attend the meeting in person can vote by proxy and voting instructions can be given on each item on the agenda. In addition, shareholders may vote in advance, either in writing or by electronic means.

The General Meetings are opened by the chair of the Board. Normally, the Board proposes that the chair of the Board shall also chair the General Meetings. The Board will propose an independent chair for the General Meeting if any of the matters to be considered calls for such arrangement. The notices and minutes of the General Meetings are published in Oslo Børs' information system ([www.newsweb.oslobors.no](http://www.newsweb.oslobors.no), ticker: VOLUE) and on Volue's [website](#).

## 7. Board of directors: composition and independence

According to the articles of association, the Board shall consist of minimum three and maximum nine members. At 31 March 2021, the board consisted of five shareholder-elected members and three members elected by and among the employees. Three of the members are women. The Public Limited Companies Act states that there should be at least three women on the board of directors when the board has between six and eight members.

Board members are elected for a period of up to two years. The chairman of the Board

is elected by the general meeting. There is no corporate assembly in Volue.

Pursuant to § 6-12 of the Public Limited Liability Companies Act, the Board is responsible for the management of the Company.

The responsibilities of the Board include the following:

- The Board shall ensure that the Company's business is properly organised.
- The Board shall draw up plans and budgets for the Company's activities.
- The Board shall keep itself informed of the financial position of the Company, and shall be responsible for ensuring that the Company's activities, accounts and asset management are subject to adequate control.
- The Board shall supervise the Company's day-to-day management.
- The Board shall initiate such examinations as it finds necessary for the performance of its duties. The board of directors must initiate such examinations if so demanded by one of its members.
- The Board shall appoint the Company's CEO and approve his/her terms of employment.
- The Board shall review the CEO's reports on the Company's activities, positions and profit/loss development.
- The Board shall review and approve the Company's annual accounts, and

issue an annual directors' report in accordance with the requirements of the Accounting Act.

- The Board shall monitor the level of the Company's equity. The Company shall at all times have an equity and liquidity which is adequate in terms of the risk and scope of the Company's business, cf section 3-4 of the Public Limited Liability Companies Act. If the equity is lower than can be deemed sound or than less than half of the share capital, the Board of Directors shall promptly consider the situation, cf section 3-5 of the Public Limited Liability Companies Act.
- The Board shall consider all matters of an extraordinary nature or of major importance to the Company, and make decisions on behalf of the Company in all matters which under the Public Limited Liability Companies Act are required to be decided by the Board.

The Board of Directors currently has the following composition:

- Ørjan Svanevik, Chairman of the Board (Chairman), elected until the Annual General Meeting in 2021
- Ingunn Ettestøl, elected until the Annual General Meeting in 2021
- Lars Peder Fosse Fensli, elected until the Annual General Meeting in 2021
- Christine Grabmair, elected until the Annual General Meeting in 2022

- Henning Hansen, elected until the Annual General Meeting in 2021
- Solfrid Dalum, elected by and among employees until the ordinary general meeting in 2021
- Bård Mageli, elected by and among employees until the ordinary general meeting in 2021
- Knut Ove Blichner Stenhagen, elected by and among employees until the ordinary general meeting in 2021

See presentation of Board members in the annual report for details.

#### **Independence of the Board of Directors**

The composition of the Board ensures that it can operate independently of any special interest. The current Board meets the requirement set forth in the Code that the majority of shareholder-elected board members be independent of the Group's executive personnel and material business contacts, and that at least two of the shareholder-elected board members be independent of the main shareholders. Ørjan Svanevik, Ingunn Ettestøl and Lars Peder Fosse Fensli are not considered to be independent of the main shareholders due their respective positions as CEO, CFO and Head of Sustainability in Arendals Fossekompani ASA. All other shareholder-elected Board members are considered to be independent.

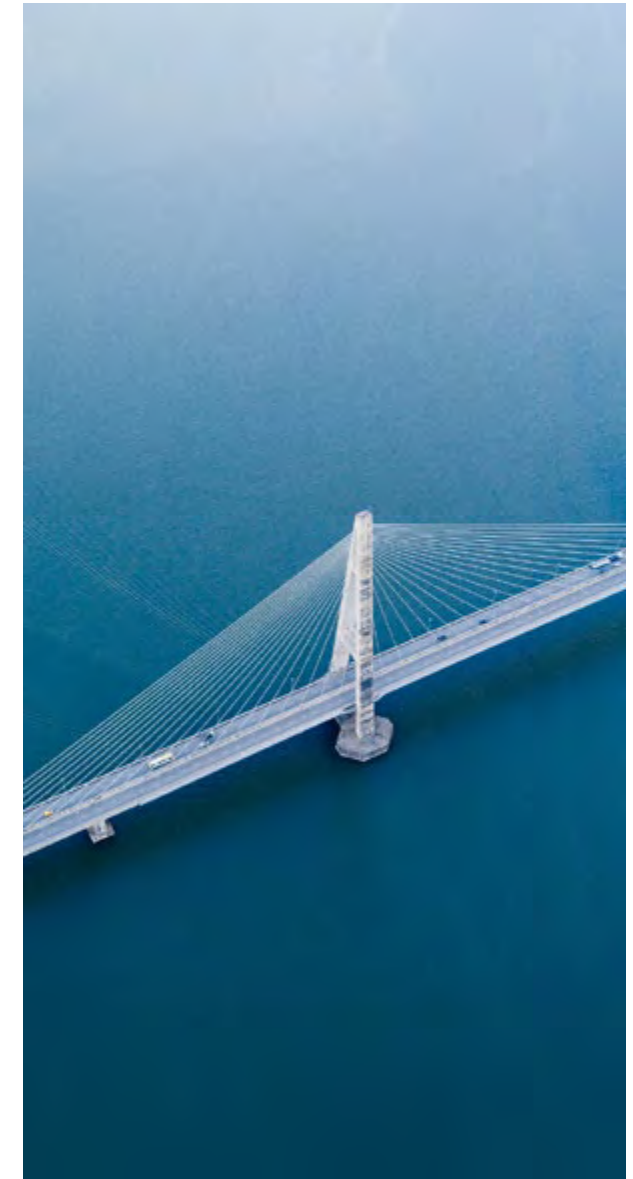
A member of the Board may not participate in the discussion or decision of issues which are of such special importance to such Board member or to any related person (as defined in § 1-5 of the Public Limited Liability Companies Act) of the Board member that he/she must be regarded as having a major personal or financial special interest in the matter.

A member of the Board may not participate in the discussion of a matter concerning a loan or other credit to himself/herself or on the furnishing of security for his/her debt.

A member of the Board shall notify the Board if he or she has any material direct or indirect interest in any transaction entered into by the Company. The Rules of Procedure specifically mention board members' involvement in competing businesses.

#### **Board members' shareholdings**

The Code states that members of the Board should be encouraged to own shares in the Company. Encouraging share ownership is not part of the Board's current Rules of Procedures. However, the Board members' shareholdings in the Company are disclosed in Note 24 Related Parties of Value's consolidated financial statements.



## 8. Work of the Board of Directors

The overall management of the Company is vested in the Board of Directors and the Executive Management. In accordance with Norwegian law, the Board of Directors is responsible for, among other things, supervising the general and day-to-day management of the Company's business, ensuring proper organisation, preparing plans and budgets for its activities, ensuring that the Company's activities, accounts and assets management are subject to adequate controls and undertaking investigations necessary to perform its duties.

The Executive Management is responsible for the day-to-day management of the Company's operations in accordance with Norwegian law and instructions prepared by the Board of Directors. Among other responsibilities, the CEO is responsible for the day-to-day management of the Company's business and shall comply with the guidelines and instructions issued by the Board. The day-to-day management does not comprise matters which are of an unusual kind or major importance.

The CEO may decide matters which are of an unusual kind or major importance if the Board's decision cannot be awaited without major inconvenience to the Company. The Board shall be notified as soon as possible of the decision.

The CEO shall ensure that the Company's accounts are in accordance with statutory

law and regulations, and that the capital management of the Company is properly organised.

The CEO shall prepare matters that are to be dealt with by the Board in consultation with the chairman of the Board. A matter shall be prepared so that the Board has an adequate basis for dealing with it. The CEO shall at least every month furnish the Board with information on the Company's business, position and profit/loss development.

The CEO has the right and obligation to participate in Board meetings unless the Board decides otherwise. The Board may at any time require the CEO to furnish the Board with a detailed report on specific matters.

The Board meets as often as necessary to perform its duties. The Board had 16 meetings during 2020 with 100 per cent participation.

### The Board's Audit Committee

Pursuant to the Norwegian Public Limited Liability Companies Act and the listing rules of the Oslo Stock Exchange, the Company shall have an Audit Committee. The Audit Committee (the "Audit Committee") of Volue is a subcommittee of the Board and shall act as a preparatory and advisory body for the Board and support the Board in the exercise of its responsibility for financial reporting, internal control and risk management.

The Audit Committee shall:

- assist the Board in its work in relation to the Company's financial reporting and act as a preparatory body for the Board in relation to such reporting;
- review and discuss with management and the Company's statutory auditor the Company's annual and quarterly financial statements;
- have an ongoing dialogue with the Company's statutory auditor as to the auditing of the Company's annual financial statements;
- review and discuss with management and the Company's statutory auditor significant accounting and auditing issues, including issues where the statutory auditor disagrees with management or has expressed significant uncertainty;
- review the statutory auditor's reports to management or the Board;
- assess and monitor the independence of the Company's statutory auditor, including the nature and extent of non-audit and consultancy services and compliance with the requirements of chapters 4 and 5A of the Norwegian Auditors Act;
- evaluate the qualification and performance of the Company's statutory auditor;
- make recommendations to the Board with regard to the appointment or removal of the Company's statutory auditor and the statutory auditor's

- remuneration and other terms of engagement;
- monitor and evaluate the Company’s internal control, internal audit and risk management systems;
  - advise the Board with respect to the Company’s policies and procedures regarding compliance with applicable laws and regulations and with the Company’s Code of Conduct and Ethics;
  - review processes for dealing with complaints received by the Company regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters (‘whistleblowing’ procedures), ensuring arrangements are in place for the proportionate and independent investigation and appropriate follow up action; and
  - perform such other duties and responsibilities as may be assigned to the Audit Committee from time to time by the Board or that the Audit Committee may deem appropriate and consistent with its authority.

The Audit Committee shall consist of not less than two members, each of whom shall be a member of the Board. The members of the Audit Committee shall be appointed by the Board. The Board shall also designate a chairman of the Audit Committee.

The composition of the Audit Committee shall satisfy the requirements of the Norwegian Public Limited Companies Act section 6-42. Each member of the Audit Committee shall be independent of the Company’s management. The members of the Audit Committee shall collectively have the expertise required for the performance of the tasks assigned to the Audit Committee. At least one member shall have qualifications within auditing and accounting.

The Audit Committee was established in April 2021.

Members of the Audit Committee:

- Lars Peder Fosse Fensli, voted chair of the Audit committee and elected until the Annual General Meeting in 2022
- Henning Hansen, elected until the Annual General Meeting in 2022
- Ingunn Ettestøl, elected until the Annual General Meeting in 2022



## 9. Risk Management and Internal Control

The Board shall ensure that Volue has sound internal control and systems for risk management that are appropriate in relation to the extent and nature of the company's activities. The internal control and the systems shall also encompass the Company's corporate values and ethical guidelines.

The objective of the risk management and internal control is to manage exposure to risks in order to ensure successful conduct of the Company's business and to support the quality of its financial reporting.

The Board shall carry out an annual review of the Company's most important areas of exposure to risk and its internal control arrangements.

The Board shall provide an account in the annual report of the main features of the Company's internal control and risk management systems as they relate to the Company's financial reporting.

Internal control of financial reporting is conducted through day-to-day follow-up by Executive Management, and supervision by the Company's Audit Committee.

## 10. Board remuneration

The General Meeting shall determine the Board's remuneration annually. Remuneration of Board members shall be reasonable and based on the Board's responsibilities, work, time invested and the complexity of the enterprise. The remuneration to of the Board members shall not be performance-related nor include share option elements.

The Board shall be informed if individual Board members perform tasks for the Company other than exercising their role as Board members. Work in sub-committees may be compensated in addition to the remuneration received for Board membership.

Additional information on remuneration paid to the individual board members can be found in Note 15 of the parent company financial statements for 2020.

## 11. Remuneration of executive management

The Board has resolved guidelines to the CEO for remuneration to Executive Management. The terms are determined by the CEO in consultation with the Chairman of the board.

The salary and other remuneration of the CEO shall be decided by the Board.

The Company's senior executive remuneration policy is based primarily on the principle that executive pay should be competitive and motivating, in order to attract and retain key personnel with the necessary competence.

The Board's statement is included in the 2020 annual report and further details relating to the salary and benefits payable to the CEO and other senior executives is available in notes to the financial statements.

## 12. Information and communication

### Investor relations

Communication with shareholders, investors and analysts is a priority for the Company. The Company's objective is to ensure that the financial market and the shareholders have sufficient information about the Company to be certain that pricing reflects underlying values. Care will be taken by the Company to ensure an impartial distribution of information when dealing with shareholders and analysts. All market players shall have access to the same information, and all information is published in English.

All notices sent to the stock exchange are made available on the Company website and at [www.newsweb.no](http://www.newsweb.no).

The Company complies with the Oslo Børs Code of Practice for IR of July 2019.

### Financial information

The Company will arrange open investor presentations in connection with the Company's quarterly reports. Presentations made for investors in connection with the quarterly reports will be made public together with the reports. Important events affecting the Company will be reported immediately. The Company will publish an annual financial calendar with an overview of dates for financial reporting and other key events.

Relevant investor information will be made available at the Company's web page: [www.volue.com](http://www.volue.com).

Disclosure and reporting to the financial markets and contact with shareholders, investors and analysts shall be based on the following main principles:

- All information which the Company is required to disclose will be given in English. Information required to be given in Norwegian will also be given in English.
- Unless the conditions for delayed disclosure is met and delayed publication is considered necessary, the Company shall immediately disclose inside information, as defined in the Norwegian Securities Trading Act cf. MAR article 7, and comply with the recommendations of the timing of public disclosure as further described in Oslo Børs Circular 1/2017 and Oslo Børs' continuing obligations for stock exchange listed companies.
- The Company will publish interim financial statements on a quarterly basis, no later than 45 days after each quarter has ended.
- The Company shall, as far as possible, avoid meetings and other contact with investors and analysts for a period of 15 days prior to the publication of its quarterly results.
- Any communication with shareholders outside the Company's General

Meeting will take place in accordance with applicable equal treatment requirements and applicable legislation regarding inside information.



### 13. Take-over situations

In a take-over process, should it occur, the Board will follow the overriding principle of equal treatment for all shareholders, and will seek to ensure that the Company's business activities are not disrupted unnecessarily. The Board will strive to ensure that shareholders are given sufficient information and time to form a view of the offer.

The Board will not seek to prevent any take-over bid unless it believes that the interests of the Company and the shareholders justify such actions. The Board will not exercise mandates or pass any resolutions with the intention of obstructing any take-over bid unless this is approved by the General Meeting following the announcement of the bid.

If a take-over bid is made, the Board will issue a statement in accordance with statutory requirements and the recommendations in the Code, and obtain a valuation from an independent expert. If a major shareholder, any member of the Board or Executive Management, or related parties or close associates of such individuals, or anyone who has recently held such a position, is either the bidder or has a particular personal interest in a take-over bid, the Board will arrange for an independent valuation.

### 14. Auditor

The Auditor is appointed by the AGM and is independent of Volue. Each year the Board receives written confirmation from the Auditor that the requirements with respect to independence and objectivity have been met.

The primary task of the Auditor is to perform the audit work required by law and professional standards with the level of care, competence and integrity required by law and such standards. Assigning non-auditing work the Auditor or any affiliate of the Auditor may potentially create conflicts of interest and diminish the public confidence in the Auditor's integrity and independence.

Consequently, before assigning any non-audit work to the Auditor or any affiliate of the Auditor, the relevant decision-making body in the Company make a careful assessment that the assignment a) is clearly in the best interest of the Company and b) is not likely to jeopardise the Auditor's integrity and independence in light of the following factors:

- Audit work should have the auditor's top priority and performance of non-audit work must not be prioritised at the expense of audit work
- Management must be comfortable that no conflict of interest will arise as a consequence of the Auditor performing both auditing and non-auditing work for the Company.

References to "affiliates" of the Auditor include any entity controlling, controlled by or under common control with the Auditor and any partner, director or employee of the Auditor or any of the aforesaid.

The Auditor's fee for non-auditing work will normally be agreed in advance. Management must keep the Board of Directors informed of major non-auditing work performed by the Auditor or its affiliates.

The Auditor provides the Board of Directors with an annual written confirmation that it continues to satisfy the requirements for independence.

The Auditor annually provides the Board of Directors with a summary of all services in addition to audit work that have been undertaken for the Company. The fees paid for audit work and fees paid for other specific assignments are specified in the notes to the financial statements. PwC is the Company's Auditor.