

Transparency Act
(Åpenhetsloven) Report 2023

value

Contents

1 About this report.....3

2 About Value.....3

3 Locations and sectors served4

4 Corporate governance6

5 Risk Assessment in accordance with the Transparency Act6

6 Roles and Responsibilities8

7 Current Procedures and Routines8

 7.1 Supplier Code of Conduct9

 7.2 Reporting irregularities10

8 Stage 1: Mapping of Suppliers and Business Partners.....10

9 Stage 2: Risk Assessment of Suppliers.....14

10 Stage 3: Individual assessment of high-risk suppliers.....17

11 Stages 4 to 6: Dialogue with suppliers and corrective actions20

12 Next Steps.....20

13 Contact information.....22

1 About this report

Value publishes this report on June 30th, 2023, in accordance with the Transparency Act.

Fundamental human rights and decent working conditions are deeply rooted in the four material topics that constitute Value's sustainability efforts: Environment, Great Place to Work, Ethical Business Conduct, and Secure Products and Operations. Value's progress in addressing these topics can be explored through the annual ESG reports the company has consistently published since its establishment.

This report focuses on the requirements listed in the Transparency Act. For an extended overview of Value's efforts on sustainability, please refer to the yearly ESG report 2022 available on the company's website (<https://www.value.com/who-we-are/sustainability>)

2 About Value

Value was established in March 2020 as the result of the merger of four companies: Powel, Markedskraft, Scanmatic and Wattsight. Value acquired Likron in November 2020 and ProCom in October 2021. The company transferred listing from Euronext Growth to Oslo Børs in May 2021.

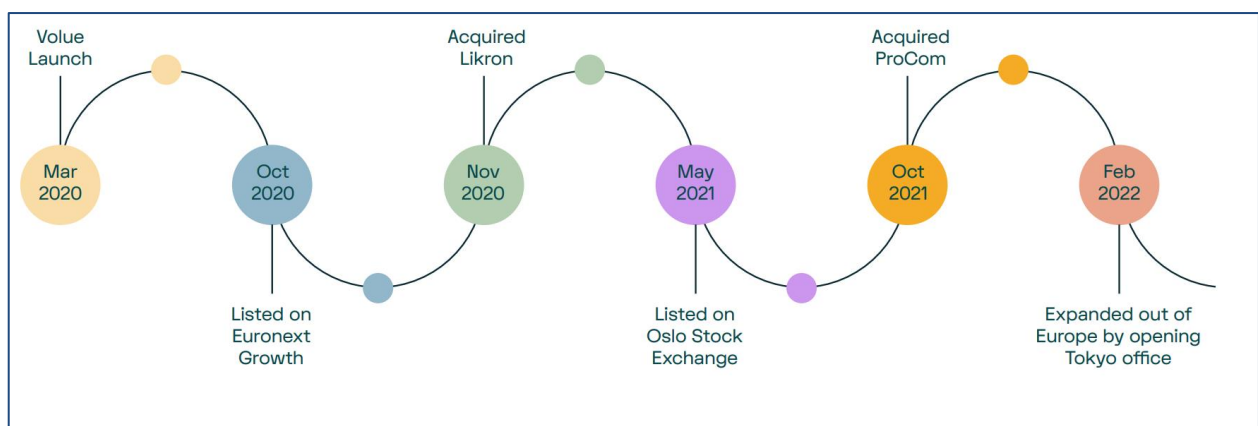


Figure 1: The Value story

Volue is a market leader in technologies and services that power the green transition. Based on 50 years of experience, Volue provides innovative solutions, systems and insights to industries critical to society. Over 770 employees work with around 2,500 customers across energy, power grid, water and infrastructure projects that ensure a sustainable, flexible and robust future. The company is headquartered in Oslo, Norway and has customers in 40+ countries.

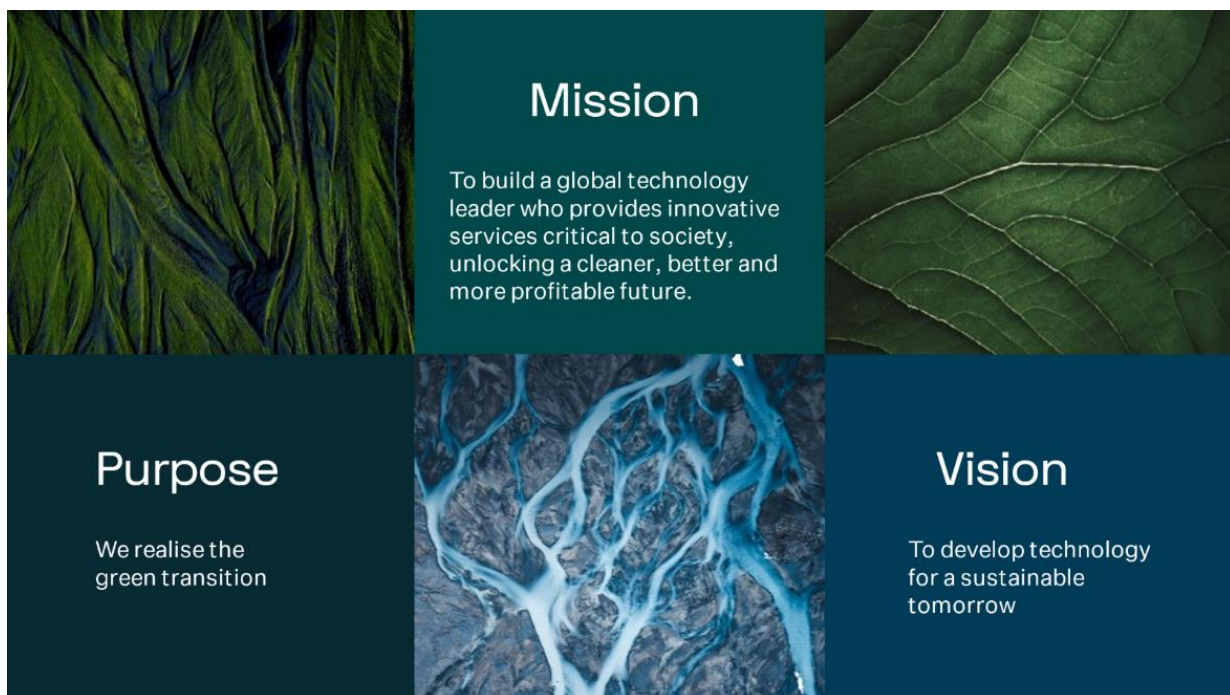


Figure 2: Purpose, Mission and Vision

3 Locations and sectors served

Volue operates in industry segments that offer critical infrastructure to society, including energy, water supply and infrastructure building. In addition, Volue delivers instrumentation and automation for transport, offshore, maritime and defence purposes. Volue is operating through three industry segments; Energy, Power Grid and Infrastructure, with eight product lines: Optimisation, Trading, Insight, Market Services, Power Grid, Industrial IoT (IIoT), Water & Community and Construction.

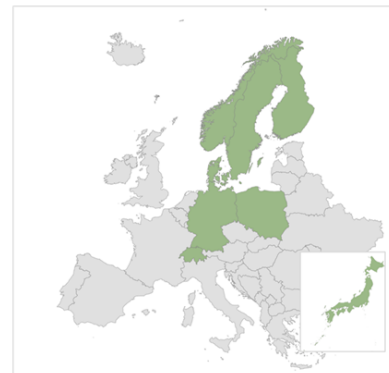
Value's IIoT product line is unique as it encompasses the delivery of physical devices and instrumentation, making it the only product line requiring assembly and manufacturing facilities. The primary manufacturing facility is situated in Arendal, Norway.

Given the manufacturing activities involved, this report presents the analysis and conclusions for IIoT separately from the other business lines. This distinction is justified due to the increased complexity of the supply chain of IIoT, in contrast to the other lines of products primarily focused on software development and consultancy services.

Number of employees

Location	Number of employees		
	2020	2021	2022
Norway	371	387	410
Poland	72	92	102
Germany ¹	19	54	125
Sweden	52	47	54
Denmark	55	46	56
Switzerland	20	22	22
Finland	4	5	5
Turkey	1	1	0
Japan	0	0	2
Total	594	654	776

Value's footprint



¹:ProCom not included in reporting in 2021, 61 employees at year end 2021.

Figure 3: Numbers of employees per location and footprint

Key figures 2022

NOK MILLION

1 217

OPERATING REVENUES

203

ADJUSTED EBITDA

765

ANNUAL RECURRING
REVENUES

283

SAAS REVENUES

Figure 4: Key figures 2022 (NOK million)

4 Corporate governance

As a company with great potential and ambitions with regards to sustainability, Value must ensure that the operations live up to high ESG standards. The Board of Directors is responsible for approving the company's strategy related to sustainability, carry out necessary control functions and ensure that the company is satisfactorily managed and organised.

The company's Board of Directors bears the overall responsibility for compliance with legislation and regulations as well as for the implementation of appropriate and effective initiatives to ensure that the company reaches its goals, including sustainability efforts. In the day-to-day business, it is Value's Chief Operational Officer who is responsible for the company's efforts regarding sustainability and compliance.

Further information on corporate governance can be found in the Board of Director's corporate governance report on the company's website.

5 Risk Assessment in accordance with the Transparency Act

In accordance with the Norwegian Transparency Act (Åpenhetsloven), Value performs risk assessments of its suppliers that includes the following at a minimum:

- A general description of the Supplier's company's structure, location, business and area of operations
- Supplier providing adequate proof of guidelines and procedures for handling actual and potential impacts on fundamental human rights and how supplier ensures decent working conditions.

Value has taken a comprehensive seven-step systematic approach to ensure compliance with the requirements outlined in the Transparency Act. The subsequent sections of this document will describe these steps in detail and provide further explanation. These steps will be elaborated upon and clarified in this document, with a continued focus on their implementation beyond the release of this report. A dedicated section of this report addresses the specific deadlines and outlines our future plans.

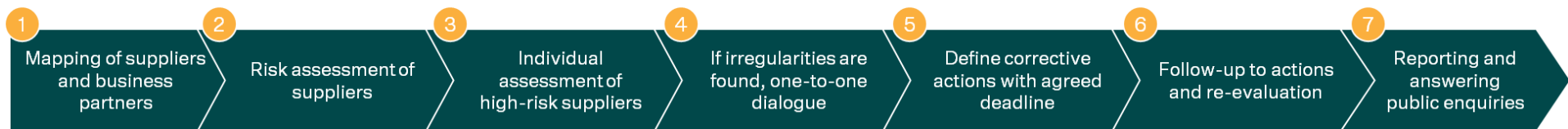


Figure 5: Volue's approach to comply with Transparency Act

6 Roles and Responsibilities

The Head of Quality, reporting to the COO, holds the responsibility of ensuring compliance with the Transparency Act. This includes conducting the risk assessment as described in the previous section.

Likewise, the Head of Legal, also referred to as the "General Counsel," is accountable for translating the ESG objectives of the Executive Leadership Team (ELT) into the Supplier Code of Conduct. The Supplier Code of Conduct serves as a guiding framework that outlines the ethical and integrity standards expected from Volue's suppliers and subcontractors. To facilitate the practical implementation of these requirements, the Head of Legal develops and reviews pertinent documents such as checklists and templates.

Working closely with the Head of Legal, the Head of Quality designs and communicates appropriate processes to ensure effective implementation of controls, such as the acceptance of the Supplier Code of Conduct by vendors, and routines, such as evaluating supplier checklists in customer projects, when necessary, across the organization.

Depending on the specific business process, different roles within the organization are responsible for executing these routines and controls. For instance, within the IIoT product line, the Head of Procurement & Logistics manages relationships with suppliers and subcontractors, ensuring their adherence to the Supplier Code of Conduct. In the product lines dedicated to software development, it is the responsibility of Product Managers, who directly receive services or utilize goods, to perform the supplier checklist and ensure the Supplier Code of Conduct is signed.

Additionally, the Head of Quality assumes responsibility for compliance with internal processes, which may entail conducting internal and external audits of suppliers and subcontractors.

7 Current Procedures and Routines

Volue has implemented a process within its Quality Management System (ISO 9001 certified).

This process is designed to thoroughly evaluate and select suppliers that provide essential technology, services, analyses, and other components crucial to supporting Value’s solutions and projects.

The supplier evaluation and selection process encompass the following key activities:



Figure 6: Supplier evaluation process in Quality Management system

It is in the first stage of this process where the supplier is evaluated with the checklist that includes a mandatory signed confirmation of compliance with Value’s Supplier Code of Conduct.

7.1 Supplier Code of Conduct

Value’s Supplier Code of Conduct is aligned with the Ten Principles of the UN Global Compact as well as the UN Declaration of Human Rights. It applies to all potential or actual vendors, subcontractors and cooperation partners supplying material, labour or services to Value and includes a Supplier Declaration Form where suppliers must confirm that they fulfil the requirements set forth in the Supplier Code of Conduct. The Supplier Code of Conduct is communicated to suppliers individually and can also be found on the company’s external web page. In some cases, suppliers have not been required to sign the Supplier Declaration Form if they were able to provide sufficient evidence of having established their own Code of Conduct which meets Value’s criteria.

In addition, Value uses an internal subcontractor check-list in order to screen suppliers and business partners with regards to legal topics (contract terms and conditions, intellectual

property rights etc), previous experiences with such supplier, financial and payment information, compliance with laws and ethics and other risks such as country-specific risks.

7.2 Reporting irregularities

Value has established an external whistle-blowing channel that can be used for reporting irregularities or breaches of its own Code of Conduct as well as the Supplier Code of Conduct. Both employees and external stakeholders such as suppliers, partners or investors can send reports to the whistleblowing portal. Confidentiality and personal data protection are always taken care of, and reports may also be sent anonymously through the external whistleblowing channel delivered by EQS Group. Examples of concerns that may be reported include allegations such as:

- Danger to life or health
- Danger to climate or the environment
- Corruption, fraud, or other financial misconduct
- Abuse of authority
- Unsafe or unhealthy working environment
- Harassment, bullying or discrimination

8 Stage 1: Mapping of Suppliers and Business Partners

Value follows the definition provided by the Transparency act to differentiate between suppliers/subcontractors and business partners:

- a) "Supply chain means any party in the chain of suppliers and sub-contractors that supplies or produces goods, services or other input factors included in an enterprise's delivery of services or production of goods from the raw material stage to a finished product." ("Act relating to enterprises' transparency and work on fundamental human ...")
- b) "Business partner means any party that supplies goods or services directly to the enterprise, but that is not part of the supply chain." ("Act relating to enterprises' transparency and work on fundamental human ...")

Value has conducted an extensive mapping of companies involved in providing goods or delivering services across all geographies, functions, and legal entities. This comprehensive list encompasses companies that have been actively engaged with Value from January 2022 to May 2023. To ensure thoroughness and accuracy, multiple data sources have been utilized, given the complex structure of Value. This compilation and validation process involved extracting information from ERP (Enterprise Resource Planning) systems, conducting internal user surveys, and referencing internal working documentation.

The identified companies have been categorized into separate groups based on the nature of the goods or services they provide to Value. Additionally, each supplier has been classified as either a business partner or a supplier/subcontractor, in accordance with the definition provided above. The distribution of companies within these designated groups is visually presented in the following figure:

Business Partner or Supplier	Type of companies	# of companies
Business Partners	Service provider	14
	Computers	1
Suppliers	Various Electrical Components	22
	Bolts	1
	Cables and connectors	3
	Traffic Signs	2
	Load Cells	1
	Cabinets	4
	Sensors	35
	Circuit boards	1
	Batteries	4
	Dataloggers	1
	Cameras	1
	Cameras, Network	2
	Amplifiers	1
	PLS (Programmable Limit Switch)	3
	Traffic radars	1
	Avalanche Control Systems	1
	Fuel cells	1
	System integrator	1
	Manufacturing	7
Total companies mapped in IIOT		107

Figure 7: Identified suppliers and business partners in IIoT

Business Partner or Supplier	Type of companies	# of companies
Business Partners	Software/tools for development, delivery and support functions not included in the final product delivered (i.e. Collaboration/Project Management, Software development tools)	56
	Services delivered to Marketing, Advertising and Media	35
	Services delivered to Information technology and or Information security (for example, information back-up)	20
	Software Applications delivered to the enterprise and hence not specific for development, delivery or support (i.e. CRM, ERP, productivity)	18
	Management consulting, legal, strategy consulting. Consulting not directly related to development, delivery or support of SW	10
	Services and goods directly related to the arrangement of events and tradeshowes	9
	Web Hosting and Cloud Computing	5
	Communication services (telephony, internet)	5
	General Office Supplies	4
	Recruiting, training and other services related to People function	4
	Services delivered to finance/administration	3
	Accommodation and Travel	1
	Other services delivered to supporting functions (for. Ex. Translation services)	1
Suppliers	Data and Reports	33
	3rd party licenses and/or code incorporated directly into our products or delivery	13
	External consultants working on tasks directly related to product and delivery, for example: development, implementation or support.	6
	Total companies mapped in the rest of lines of products	223

Figure 8: Identified suppliers and business partners in other product lines

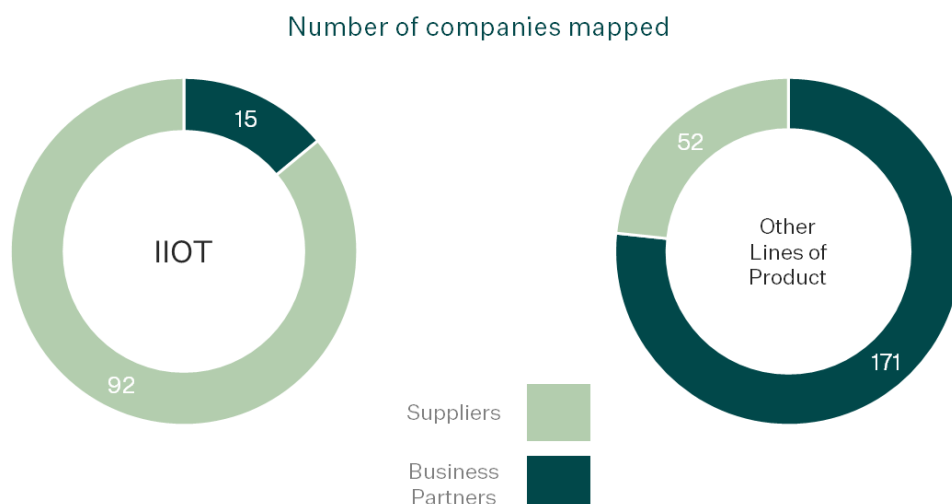


Figure 9: Number of companies mapped and classified in Business Partners and Suppliers

Following the mapping and classification process into suppliers and business partners, it has been determined that the IIoT business possesses a greater number of supplier companies (92) that will be included in the subsequent risk assessment. Conversely, the other lines of business predominantly rely on business partners and exhibit a lower number of suppliers (52). This observation aligns with the nature of the final product delivered by IIoT, which involves devices and instruments, while the remaining business lines primarily focus on software and services.

9 Stage 2: Risk Assessment of Suppliers

A thorough risk assessment of the identified suppliers has been conducted for both the IIoT and other business segments. The companies have been categorized based on the country where their headquarters are located. Subsequently, each country has been assigned a ranking within one of three risk groups: low risk, medium risk, or high risk. These rankings are determined by referencing the rating of each country in the ITUC (International Trade Union Confederation) Global Rights Index 2022, which can be accessed through this website ([link](#)).

The use of the ITUC Global Rights Index is based on the following factors:

- **Credible and Established:** The ITUC Global Rights Index has been published by a well-recognized organization since 2014. It has a proven track record and has gained credibility over time, making it a reliable source for assessing supplier practices.
- **Comprehensive Coverage:** The index covers 139 countries, providing a broad perspective on global labour conditions. By utilizing this index, we can gain insights into the human rights and working conditions prevalent in the countries where our suppliers are headquartered, enabling a comprehensive evaluation.
- **Indicator-based Analysis:** *“Countries are ranked based on analysis with indicators derived from ILO conventions and looks at violations of rights both in law and practice.* This indicator-based analysis ensures a holistic evaluation, encompassing various aspects of labour rights and conditions to provide a well-rounded assessment.

The Global Right Index awards a rating to each country included in the analysis. We have grouped the countries in the following groups:

ITUC Rating	Description	Value's Risk Assessment of suppliers
Rating 5+	No guarantee of rights due to the breakdown of the rule of law	High Risk
Rating 5	No guarantee of rights	
Rating 4	Systematic violations of rights	
Rating 3	Regular violations of rights	Medium risk
Rating 2	Repeated violations of rights	
Rating 1	Sporadic violations of rights	Low Risk

Figure 10: Country's rating from ITUC and its translation into Value's Risk level for suppliers' analysis

The suppliers have been grouped by country and ITUC rating to obtain the risk profile of each company. The results are presented in Figure 11:

IOT's Suppliers category	Norway	Denmark	Finland	Sweden	Germany	France	New Zealand	UK	Belgium	Bulgaria	Canada	USA	India
Various Electrical Components	19				1							2	
Bolts	1												
Cables and connectors	2							1					
Traffic Signs	2												
Load Cells				1									
Cabinets	4												
Sensors	14		1		4	2	1	4			1	7	1
Circuit boards	1												
Batteries	3									1			
Dataloggers								1					
Cameras	1												
Cameras and Network	2												
Amplifiers								1					
PLS (Programmable Limit Switch)	3												
Traffic radars								1					
Avalanche Control Systems	1												
Fuelcells		1											
System integrator	1												
Manufacturing	7												
Total (number of companies)		Low Risk				Medium risk				High Risk			
		69				13				10			

Figure 11: Number of suppliers per country and risk group for IIoT

Out of the 92 suppliers associated with the IIoT line of business, only 10 are categorized as falling within the High-Risk category, while 13 are classified as Medium Risk. This demonstrates a significant majority of suppliers, totalling 69, being located in countries deemed to have a low risk profile. As a result, Value considers that the supply chain for the IIoT product line maintains a **low risk profile**.

Rest of Line of Products Suppliers category	Norway	Germany	Denmark	Austria	Italy	Finland	France	Netherlands	Croatia	Estonia	UK	USA	Hungary
Data and Reports	4	7	1	1	2		3	3	1		5	5	1
3rd party licenses and/or code incorporated directly into our products or delivery	3	1	1			1	1					6	
External consultants working on tasks directly related to product and delivery, for example: development, implementation or support	4									1	1		
Total (number of companies)	Low Risk 25					Medium risk 15						High Risk 12	

Figure 12 : Number of suppliers per country and risk group for other line of products

Regarding the remaining product lines, it is noteworthy that 12 out of the 52 suppliers are situated in countries categorized as High Risk, while 15 suppliers are in countries deemed to have Medium Risk. Most suppliers, totalling 25, are located in countries with a Low Risk profile. It is important to highlight that the nature of the products and services provided by these suppliers, such as data and reports, software licenses and/or code, and external consultancy services, inherently limits the risk of violations to working conditions and fundamental human rights.

These knowledge-intensive industries rely on skilled professionals who operate in controlled office environments, where formal employment contracts, regular working hours, and established frameworks for workplace safety and fair compensation are more prevalent. This stands in contrast to labour-intensive sectors such as manufacturing, which typically involve extensive manual labour, the operation of machinery, and the handling of physical materials. These labour-intensive processes heighten the susceptibility to labour rights violations, given

the larger workforce engaged in repetitive tasks, potential exposure to hazardous environments, and longer working hours.

Consequently, the analysis of the supply chain for the remaining lines of products leads to the conclusion that it **maintains a low-risk profile**.

In addition to the assessment of the risk profile of the overall, individual high-risk companies have been identified in this section. Subsequent sections will elaborate on the detailed analysis conducted and outline the corrective actions that will be undertaken for these high-risk companies.

10 Stage 3: Individual assessment of high-risk suppliers

The suppliers/subcontractors identified as high risk are to be individually assessed with a 20-question, electronic form where they are asked to provide further details regarding:

- Verification of the signature on the Supplier Code of Conduct
- Implementation and adherence to procedures and guidelines across three dimensions:
 - Labor Rights and working conditions
 - Assessment and overview efforts in their own supply chain
 - Health and Safety

Data collection for the assessment is currently in progress, having commenced with high and medium risk suppliers associated with the IIoT business. The collection process is expected to be completed by June 30th. For other lines of products, data collection for high-risk suppliers is anticipated to conclude by August 31st.

As of June 13th, 2023, approximately 60% of the IIoT suppliers contacted for individual risk assessment have promptly submitted their responses. At this stage, certain irregularities have been identified, which will trigger a one-to-one dialogue with the respective supplier. The most common irregularities observed thus far include:

- Lack of signature on Value's Supplier Code of Conduct

- Opportunities for improvement regarding guidelines and procedures for assessing their own supply chain (refer to figure below)

A preliminary overview of the individual assessment of high-risk suppliers is provided in the figure below:

Individual assessment of high-risk suppliers IIOT (work in progress 60% companies by June 13th, 2023)

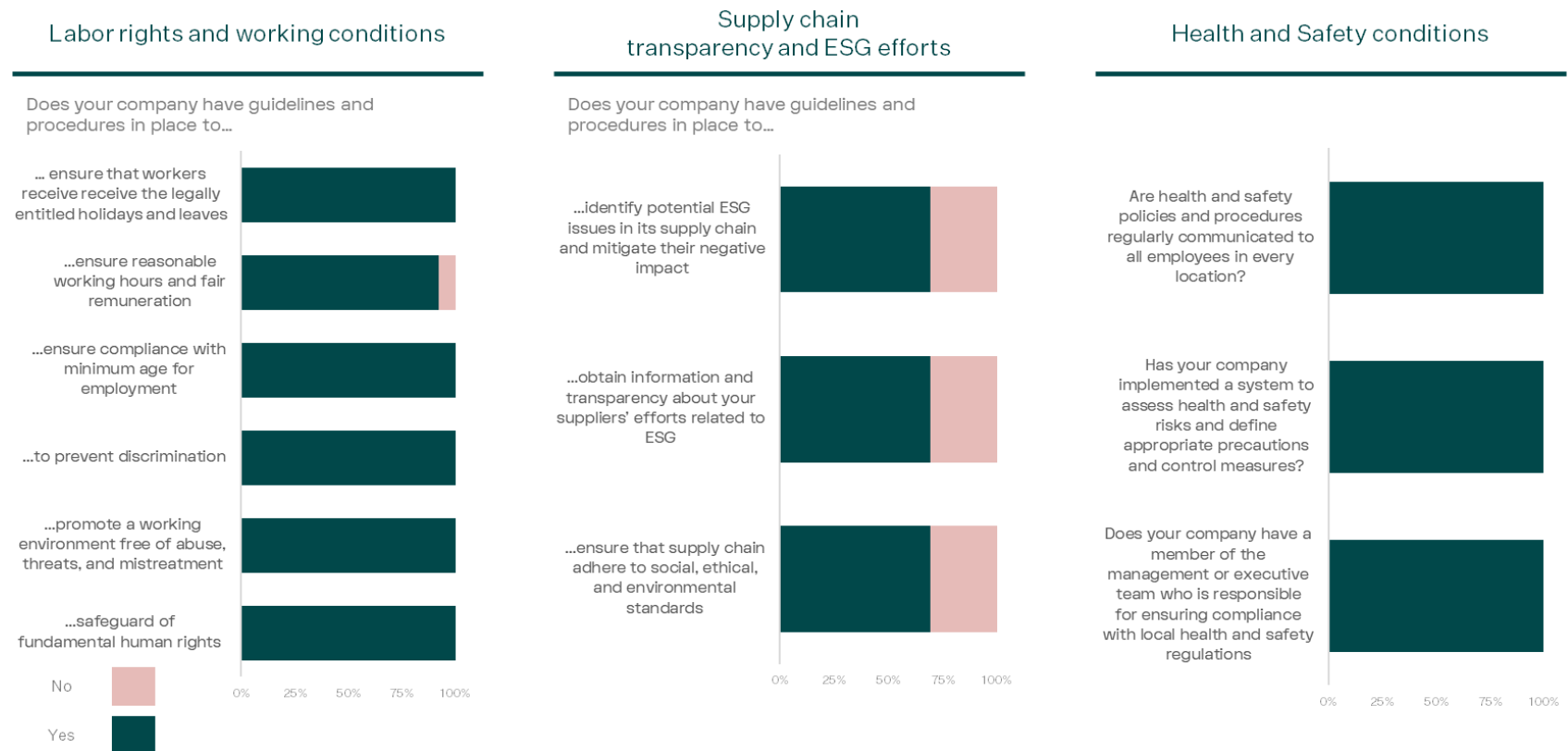


Figure 13: Individual assessment of high-risk suppliers IIOT by June 13th, 2023

11 Stages 4 to 6: Dialogue with suppliers and corrective actions

According to Volve's seven stage approach to compliance with Transparency act, in case that irregularities are detected from the survey, Volve will initiate a dialogue with the respective supplier to evaluate each case individually (stage 4).

Based on the severity of the identified irregularity and in line with Volve's commitment to ESG ambitions, Volve will endeavour to assist in improving the situation by establishing a tailored set of specific corrective actions with reasonable deadlines for implementation. A diligent follow-up process will then be conducted to ensure the effectiveness of these actions (Stages 5 and 6).

However, should a supplier demonstrate a lack of cooperation or unwillingness to rectify the identified irregularity, Volve will make decisions on a case-by-case basis regarding the next steps to improve the situation. These actions may range from initiating a temporary ban period, during which any commercial relationship with the supplier will be suspended until the observation is permanently resolved, to the termination of the supplier relationship altogether.

12 Next Steps

Volve has made considerable progress building up a solid foundation for the yearly report of the Transparency act by mapping companies and establish a risk assessment process, and will continue moving forward with the next steps.

Upon the conclusion of data collection, Volve will initiate individual contact with suppliers to address any identified irregularities, and apply corrective actions as described previously. Volve aims to finalize these discussions with the suppliers and corrective action plans by September 30th, 2023.

The way forward and deadlines are summarized in the next figure:

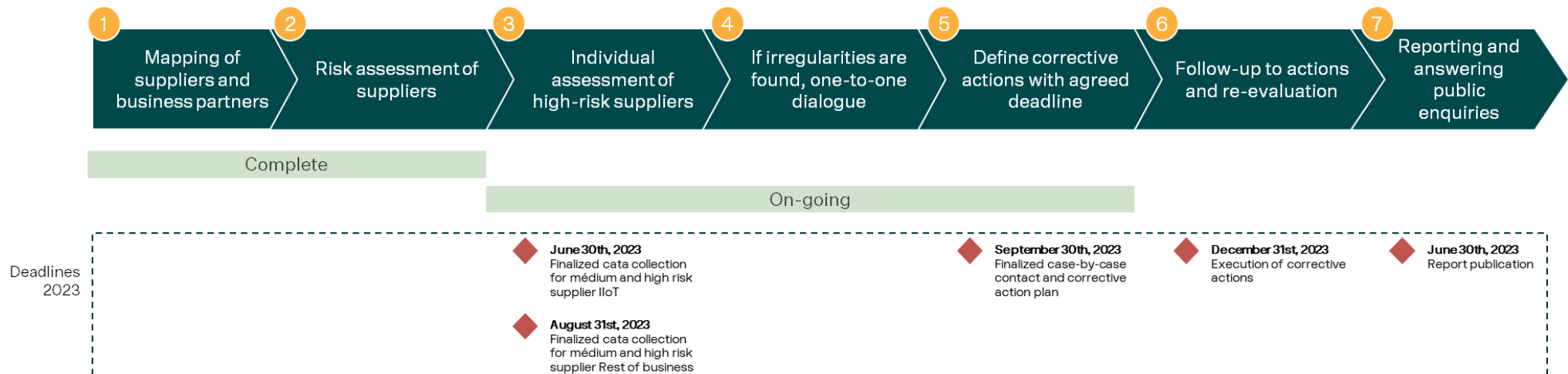


Figure 14: Next Steps and deadlines

13 Contact information

Upon request, Volue can provide additional information about how compliance with the Transparency Act is ensured. To request an inquiry for information, please contact us via our external whistleblowing channel <https://volute.integrityline.com/setup>. We will provide a response within three weeks.