

# The Norwegian Transparency Act

Account 2024



# VOW

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# 1 INTRODUCTION

Vow ASA ("Vow") is committed to respecting fundamental human rights and labour rights, in line with internationally recognized conventions. This extends to both our own operations and our value chain.

In 2022, the Norwegian Transparency Act ("Åpenhetsloven") entered into force. The purpose of the Act is to promote respect for fundamental human rights and decent working conditions in business operations and supply chains.

In accordance with the Transparency Act, companies subject to the law are required to:

1. Conduct due diligence in line with the OECD Guidelines for Multinational Enterprises, with a focus on identifying and addressing actual and potential adverse impacts on human rights and working conditions across their operations and supply chains (see Figure 1).
2. Publish an annual statement outlining the due diligence assessments carried out.
3. Respond to any information requests from the public within three weeks of receipt.

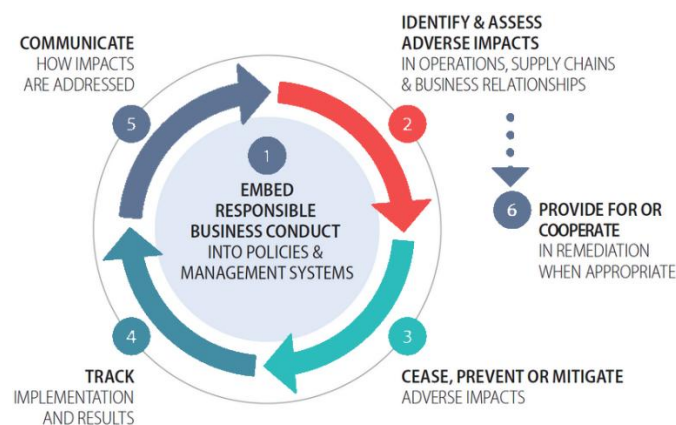


Figure 1: OECD due diligence process

This report outlines the efforts of Vow ASA and its subsidiaries to ensure fundamental human rights and labour rights in own operations and supply chain during the period from 1 January 2024 to 31 December 2024.

This is Vow's third year reporting under the Transparency Act. This year, we have improved our methods to collect more reliable information about risks related to human rights and working conditions. We have also focused our efforts where we have the greatest ability to make a positive impact.

The report begins with an introduction to Vow's business activities and sustainability governance. It then presents our policies, routines, and due diligence practices related to both our own operations and our supply chain. Finally, we outline planned future measures and provide information on how external stakeholders may contact us with inquiries related to the Transparency Act.

For more information about the Norwegian Transparency Act, please refer to the official legal text (in Norwegian): <https://lovdata.no/dokument/NL/lov/2021-06-18-99> or the unofficial English translation: <https://lovdata.no/dokument/NLE/lov/2021-06-18-99> Further guidance is also available on the Norwegian Consumer Authority's website: <https://www.forbrukertilsynet.no/the-transparency-act>

## 2 ABOUT VOW

Vow ASA and its subsidiaries - Scanship AS, C.H. Evensen Industriovner AS, Scanship Americas Inc., and Etia Ecotechnologies S.A.S - develop and deliver technologies aimed at treating wastewater, reducing pollution, and converting waste into valuable resources. The company operates across five countries: Norway, France, Poland, the United States, and Italy. Vow ASA is listed on the Oslo Stock Exchange under the ticker VOW and is headquartered in Oslo, Norway.

The group's operations are structured across three business segments:

- Maritime Solutions
- Industrial Solutions
- Aftersales

In 2024, revenue distribution was as follows: 42% Maritime Solutions, 38% Industrial Solutions, and 20% Aftersales.

### Maritime Solutions

The Maritime Solutions segment is mainly based on Scanship's operations and includes the sale of wastewater purification, waste handling, food waste treatment and sludge processing solutions for the cruise industry. Solutions are delivered to shipyards for newbuilds or directly to shipowners for retrofitting. Scanship personnel supervise installations and commission all systems. Production is outsourced to subcontractors. Vow currently holds a leading position in delivering such systems to the cruise industry and has been contracted to supply equipment to over 60% of large cruise ships expected to be built in the next five years.

### Industrial Solutions

The Industrial Solutions segment comprises the subsidiaries Etia, C.H. Evensen and Scanship. Together, they provide technologies for converting waste into valuable green products, renewable energy, and sustainable raw materials.

The segment's core offerings include solutions for waste valorisation. Etia contributes proprietary pyrolysis systems, while C.H. Evensen specialises in energy-efficient industrial furnaces and the group's large-scale pyrolysis reactors. Additional technologies in this segment include systems for food sterilisation and mineral processing.

### Aftersales

The Aftersales segment includes spare parts, consumables, and service activities, primarily supporting the maritime systems delivered by Scanship. Services are provided through operations in Norway and Scanship Americas Inc. in Florida. The segment contributes to recurring revenue by supporting system performance throughout their lifecycle.

## **2.1 Sustainability governance**

The Board of Directors is the highest governance body in Vow with overall responsibility for sustainability, including matters related to human and labour rights.

At the executive level, responsibility for sustainability lies with the Executive Management Board (EMB), which comprises the Chief Technology Officer (CTO), Chief Operating Officer (COO), Chief Financial Officer (CFO), and Chief of Staff (COS), and is led by the Chief Executive Officer (CEO). The CFO holds overall responsibility for both financial and sustainability performance across the group.

Several corporate functions contribute to Vow's efforts to uphold human and labour rights. These include the sustainability, HR, HSEQ (health, safety, environment and quality), and supply chain departments, each of which has responsibilities related to Vow's own operations and supply chain.

All Vow policies are reviewed and approved by the Board of Directors. They are made available to employees via the company intranet and accessible to external stakeholders at

[www.vowasa.com](http://www.vowasa.com)

### **3 HUMAN AND LABOUR RIGHTS IN VOW'S OWN OPERATIONS**

Vow's operations are to be conducted in a manner that respects human and labour rights. This applies to all individuals who contribute to the company's activities. The company's values, policies, and procedures incorporate human and labour rights, and the company continuously works to strengthen this important area.

#### **3.1 Policies and routines**

Vow has established policies and routines to help ensure that its operations are conducted in accordance with internationally recognized human and labour rights principles. The following section outlines key instruments and measures in place.

##### **Employee Code of Conduct**

Vow's employee code of conduct defines expected standards of behaviour for all employees. It is based on nine principles, including respect for human and labour rights, in line with UN and ILO conventions. The code is available via the company intranet and is included in all new employment contracts. Key areas covered include human and labour rights, environment, health and safety, anti-corruption, anti-money laundering, responsible sourcing, marketing conduct, whistleblowing, and compliance with laws and regulations.

##### **HSE Policy**

Vow has a Health, Safety and Environment (HSE) policy applicable to all employees and contracted personnel. It defines responsibilities and expectations for health and safety and serves as a governing document for the company's HSE management system.

##### **Equality Statements - Scanship and C.H. Evensen**

Subsidiaries Scanship, C.H. Evensen and board of directors have published equality and anti-discrimination statements in accordance with Norwegian legal requirements. These statements include information about gender distribution in the workforce and describe ongoing measures to promote equality and prevent discrimination. The statements form part of Vow's broader efforts to ensure decent working conditions and equal treatment in its own operations, in line with the Transparency Act.

##### **Whistleblowing Channel**

Vow has established a whistleblowing channel to enable employees to report concerns related to misconduct, including breaches of human and labour rights, discrimination, and non-compliance with the employee code of conduct. Reports can be submitted anonymously and are handled confidentially in accordance with internal procedures. No whistleblowing reports were filed in 2024.

### **3.2 Due diligence of Vow's own operations**

Vow's employees are the group's most important resource. At Vow we have dedicated personnel and departments who oversees matters relating to human relations and health and safety.

#### **Health and Safety**

Vow operates with a Health and Safety Management System that applies to both employees and external personnel working on Vow sites. The system is based on legal requirements, hazard identification, risk assessment, incident investigation, recognised safety standards, and internal policies. This include the Vow HSE Policy and Safety Standard which contains specific guidelines for hot work, lifting operations, hazardous energy, confined spaces, fire and explosion risks, and hazardous substances. Moreover, all projects require an HSE plan and training relevant to the employees and their roles. Safety walks and internal audits are conducted regularly to identify and mitigate risks early.

In 2024, Vow reported:

- Zero fatalities
- One high-consequence injury (over six months recovery)
- Two lost time incidents (LTIs)
- Six high-potential (HiPo) incidents

The sick leave rate was 2.2%, slightly up from 2.0% the previous year.

#### **Employee Engagement and Working Environment**

Vow conducts regular employee engagement surveys to assess and strengthen well-being, motivation, and collaboration across the organisation. In 2024, the survey results showed that employees experienced a strong sense of purpose and high levels of participation, whereas workload was highlighted as the main challenge. The latter was primarily linked to downsizing at Etia and temporary layoffs at Scanship, which placed additional responsibilities on remaining staff. All results are followed up at the departmental level, and improvement measures are tracked in the company's system to ensure accountability and ongoing development. Vow plans to conduct a survey at least once a year going forward.

In addition to surveys, Scanship has a practice of annual performance and development dialogues between employees and their managers. These conversations provide space for two-way feedback and support follow-up on goals, development needs, and working conditions.

In line with Norwegian legal requirements, subsidiaries in Norway have established working environment committees (AMU) with participation from management, employee representatives, and occupational health services. These committees contribute to the systematic monitoring and improvement of workplace conditions.



## **National Labour Laws**

Vow operates in Norway, France, Poland, the United States, and Italy. All offices comply with local labour laws, which incorporate national implementations of EU or UN human rights and workers' rights conventions.

### **3.3 Further measures**

Vow will continue to assess and strengthen its efforts to ensure that working conditions and employee well-being are managed in line with the company's responsibilities under the Transparency Act.

One area identified for further improvement is internal reporting. Increasing the frequency of deviation reporting – including unsafe conditions, near misses, and positive observations – will be a priority going forward. This type of reporting is a key tool for early risk identification and prevention of incidents, and also an indicator of an open and engaged safety culture. Vow aims to strengthen its practices in this area to support continuous learning and reduce the risk of harm.



## 4 HUMAN AND LABOUR RIGHTS IN VOW'S SUPPLY CHAIN

Vow collaborates with suppliers across multiple countries and industries, which may involve risks to human and labour rights. This chapter outlines the policies, procedures, and due diligence processes Vow has implemented to identify, prevent, and mitigate actual or potential adverse impacts on people within its supply chain.

### 4.1 Policies and routines

To support responsible sourcing and procurement practices, Vow has established policies and routines that address environmental, social, and governance (ESG) considerations. Key measures include the Supplier Code of Conduct and an external grievance mechanism.

#### Vow Supplier Code of Conduct

Vow has a Supplier Code of Conduct grounded in internationally recognized frameworks, including the ILO Conventions, the UN Guiding Principles, ISO standards, and the OECD Guidelines. The Code addresses key areas such as legal compliance, human and labour rights, health and safety, environmental responsibility, anti-corruption, and management commitment.

Vow expects all suppliers to uphold the human rights of their employees and to treat them with dignity and respect, in line with internationally accepted standards. Suppliers are also encouraged to extend the requirements of the code to their subcontractors and sub-suppliers. In addition, Vow encourages the adoption of both international and industry best practices throughout the supply chain.

As part of ongoing improvements, Vow is working to ensure that the Supplier Code of Conduct is attached to all new supplier contracts and is consistently referenced in all purchase orders.

#### Grievance mechanism

Vow maintains a formal grievance mechanism that is accessible to suppliers and other external stakeholders via the company's website. This mechanism allows individuals or organisations to report concerns related to Vow's business activities, including possible non-compliance with the Supplier or Employee Codes of Conduct. More information is available at [www.vowasa.com](http://www.vowasa.com). No external grievances were reported in 2024.

### 4.2 Due diligence assessment of Vow's suppliers

To assess risks to human and labour rights in our supply chain, Vow uses four methods that help identify both potential and actual adverse impacts. This includes geographical risk assessments, industry risk assessment, supplier surveys and on-site audits. Together, these assessments give us broad and informed view of where human rights risks may exist in our supply chain and help us prioritize appropriate follow-up and mitigation.

## Geographical risk assessment

Conditions in the countries where we operate or source from can influence the risk of negative impacts on human rights, labour rights, and responsible business conduct. Factors such as national laws, enforcement practices, political stability, and corruption levels are relevant in this context.

To assess risk at the country level, we use internationally recognized indexes that provide information on human rights, labour rights, and corruption. These indexes are developed by independent institutions and offer a consistent basis for understanding different risk levels across countries.

The indexes are updated annually and reflect changes in governance, legal protections, and general conditions. See Table 1 for further details on the sources used.

Table 1: Indexes used in process of identifying potential adverse impact

| Topic         | Index                                     | Description  |
|---------------|---|--|
| Human rights  | WJP Rule of Law Index -Fundamental rights | This index provides an overview of the degree to which fundamental rights established under United Nations Universal Declaration of Human Rights are embedded in the law of different countries. |
| Labour rights | International Trade Union Confederation   | Based on data from trade unions, this index documents violations of internationally recognised collective labour rights committed by governments and employers.                                  |
| Corruption    | Transparency International                | Based on expert opinions and data from different institutions, this index provides an overview of the perceived level of corruption in the public sector.  |

At Vow, we use a standardized risk scale ranging from 1 (very low risk) to 5 (very high risk) for all our assessments. The indexes used to evaluate country risk in relation to human rights, labour rights, and corruption each apply their own scoring systems and methodologies. To ensure consistency and comparability across our assessments, we have aligned the scoring from these external indexes with Vow's five-point risk scale. This allows us to apply a uniform framework when interpreting results from different sources. The conversion methodology is outlined in Table 2.

Table 2: Conversion of risk scales

| Risk level         | WJP Rule of Law Index -Fundamental rights | International Trade Union Confederation | Transparency International |
|--------------------|---|---|----------------------------|
| 1 - Very low risk  | 0,8-1                                     | 1                                       | 80-100                     |
| 2 - Low risk       | 0,6-0,79                                  | 2                                       | 60-79                      |
| 3 - Medium risk    | 0,4-0,59                                  | 3                                       | 40-59                      |
| 4 - High risk      | 0,2-0,39                                  | 4-5                                     | 20-39                      |
| 5 - Very high risk | 0-0,19                                    | 6                                       | 0-19                       |

### Geographical associated risk: Results

Vow's main suppliers are primarily located in the Nordics (42%), wider Europe (32%), and North America (24%). When assessing the combined risks related to human rights, labour rights, and corruption, the majority of countries where these suppliers are located fall within the very low to medium risk range. However, a limited number of suppliers are located in China, where the aggregated risk of violations related to human rights, labour rights, and corruption is considered high. Figure 2 illustrates the geographical distribution of Vow's main suppliers along with the corresponding country risk levels.

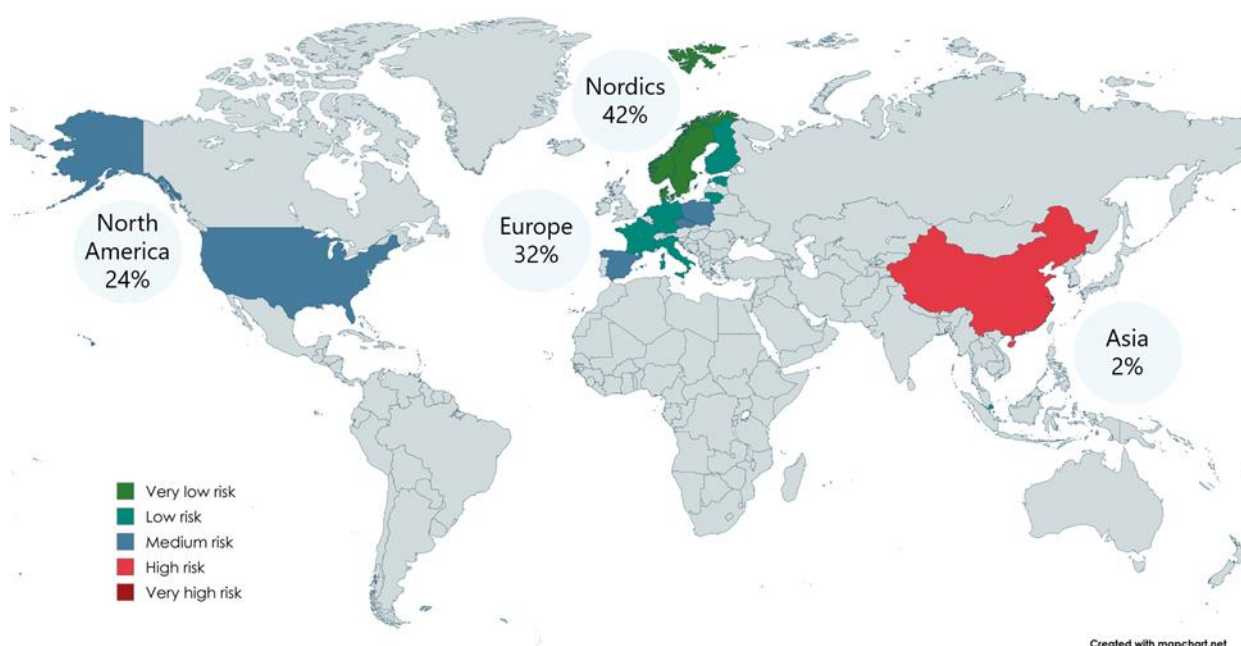


Figure 2: Geographical distribution of main suppliers and associated country risk (2024)

### Industry associated risk

To assess potential human and labour rights risks linked to industries relevant for Vow's supply chain, we have consulted multiple sources. This included the CSR Risk Check tool by MVO Nederland, with a focus on sectors connected to our key raw materials such as steel,

electronics, plastics, chemicals, insulation, and transport. We also reviewed publications from the International Labour Organization (ILO) to understand global and sector-specific risks.

The findings highlight that forced labour can occur across all regions, including Europe, particularly in manufacturing and transport. CSR assessments indicate documented cases in sectors such as chemical production in China and the shipping industry. Health and safety risks are especially prominent in the steel, plastics, and electronics industries, due to exposure to hazardous substances, noise, and dangerous working conditions.

Child labour appears to be a low risk at tier 1, as most of Vow's direct suppliers are based in Europe and North America. However, the risk increases further down the supply chain, particularly in small or informal enterprises. Violations of freedom of association and collective bargaining are widespread globally and affect many sectors.

Discrimination remains a concern across all industries. Women and migrant workers are particularly vulnerable in mining and transportation, where they often face unequal treatment. Violence and harassment are also common, with women in sectors such as mining being disproportionately affected.

Lastly, challenges related to wages and working hours have been reported in the electronics, transport, and chemical industries, including low pay, excessive hours, and limited rest time.

#### **Supplier sustainability survey**

To identify actual adverse impacts on human rights and workers' rights, we have distributed a due diligence questionnaire to our suppliers. In previous years, the questionnaire was sent to suppliers located in high-risk countries where our annual spending exceeded NOK 100,000. This approach included suppliers with whom we had limited or infrequent collaboration, and who were not considered strategically important. As a result, the response rate was low, and our ability to influence these suppliers was limited. This year, we have revised our approach. The questionnaire has been sent to our most important and frequently used suppliers, where we have stronger relationships and greater potential for dialogue and impact.

The due diligence questionnaire is structured around nine core topics. While the majority of questions focus on human rights and labour rights, we have also included sections addressing anti-corruption practices and environmental management to ensure a broader understanding of responsible business conduct. The questionnaire was originally developed in collaboration with external experts in 2023 to ensure methodological quality and relevance. In 2025, the questionnaire was revised to reflect the characteristics of our supplier base, which includes a significant number of small and medium-sized enterprises (SMEs). See Table 4 for an overview of the main topics and subtopics covered in the questionnaire.

Table 3: Main topics and question topics included in the supplier sustainability survey

| Main topics                    | Question topics  |
|--------------------------------|--|
| Company information            | Regions of operation, sustainability report, highest management-level position with responsibility for ESG, number of employees and types of employment  |
| Policies and procedures        | Type of policies implemented, principles included, policy language, supplier specific criteria   |
| Human rights and labour rights | Working hours, minimum wage, overtime compensation, employment agreement, freedom to resign without penalty, recruitment fees, control over personal documents, freedom of association and collective bargaining, equal opportunities for employees, discrimination and harassment, child labour due diligence, age verification, whistleblowing |
| Health and safety              | Risk assessments, measures implemented, recording of accidents, improvement plans, condition of work facilities  |
| Anti-corruption and bribery    | Confirmed incidents, measures to reduce risk   |
| Third-party verification       | On-site third-party inspections  |
| Products and services          | Raw materials present in products sold to Vow and their country of origin  |
| Suppliers                      | Supplier audits, country and follow-up of sub-suppliers  |
| Environment                    | Measurement of GHG emissions and reduction targets, use of recycled materials, management of waste and chemicals   |

### Supplier Sustainability Survey: 2024 Results

As of today, 57 out of 167 suppliers have responded to Vow's Supplier Sustainability Survey, representing a response rate of 34 percent. The participating suppliers reflect the full scope of Vow's operations, spanning all subsidiaries and encompassing a diverse range of supplier types – including manufacturers, raw material and component suppliers, service providers, and logistics partners. The responding companies vary in size, from fewer than 10 employees to approximately 700. Geographically, the responses cover all supplier countries illustrated in Figure 2.

Overall, the majority of suppliers have assigned ESG responsibilities internally and report having implemented policies and measures to mitigate risks related to human and labour rights. However, the survey also revealed instances that indicate actual adverse impacts on human and labour rights among some suppliers and conditions that may increase the risk of adverse impacts. The findings are outlined in Table 4 and 5.

Table 4: Actual adverse impacts identified

| Actual human or labour rights violations  | N Suppliers |
|---|-------------|
| Employees not allowed to exercise the right to freedom of association and collective bargaining, either by the company or due to local laws and regulations | 10          |
| Lack of written employment contracts or contracts in language understood by the employees   | 3           |
| Payment of recruitment fees by employees  | 3           |
| Wage provided to employees below applicable legal or sector-based minimum wage  | 2           |
| Employee's working hours are not in line with applicable national or local rules on working hours   | 1           |

Table 5: Identified risks of adverse impacts

| Identified risks of adverse impacts   | Relevant human-/labour right        | N Suppliers |
|---|-------------------------------------|-------------|
| Lack of system for hours registration   | Working hours and work-life balance | 16          |
| Suppliers with more than 20% contracted, agency or temporary workers  | Various working conditions          | 9           |
| Workers facing delays in accessing personal documents and risk of feeling constrained in leaving employment | Forced labour                       | 3           |
| Inadequate health and safety measures compared to expected standards  | Health and safety                   | 3           |
| Lack of paid vacation   | Working conditions                  | 3           |
| Age verification of employees not conducted   | Child labour                        | 1           |

### On-site supplier Audits

Vow conducts on-site audits of both new key suppliers and selected existing suppliers. At these audits, compliance with elements of the code of conduct for suppliers is reviewed. The ESG elements topics reviewed during audits include the supplier's own code of conduct, respect for human and labour rights, environmental management, anti-corruption measures, and mechanisms for reporting concerns or misconduct.

Based on the findings from each audit, Vow identifies any areas where the supplier's practices do not fully align with expectations. When such deviations are observed, Vow requests specific corrective actions and sets clear deadlines for implementation and documentation. As part of our commitment to long-term, transparent, and collaborative partnerships, Vow offers guidance and support to help suppliers address identified issues and strengthen their sustainability performance. The goal is to promote continuous improvement and ensure alignment with Vow's ethical and environmental standards.

In 2024, Vow conducted six on-site supplier audits, none of which identified any negative impacts or violations related to human and labour rights.

## 4.3 Further measures

Vow takes all identified breaches of human and labour rights in its supply chain seriously. Following the responses to the 2024 Supplier Sustainability Survey, we have uncovered actual violations as well as gaps in preventive measures among certain suppliers.

To address these findings, Vow engages directly with all suppliers where breaches have been identified or where risk mitigation systems are insufficient. These dialogues focus on understanding the root causes, communicating Vow's expectations, and agreeing on clear and time-bound corrective actions.

In line with our commitment to responsible business conduct and long-term supplier relationships, we offer support and guidance to help suppliers implement necessary improvements. Where

cooperation is not possible or adequate progress is not made within a reasonable timeframe, Vow will consider scaling down or terminating the supplier relationship.

Our follow-up efforts will prioritize transparency, constructive dialogue, and accountability. Through active monitoring and continued engagement, we aim to drive positive change, reduce risk, and contribute to improving conditions throughout our supply chain.

## 5 CONTACT INFORMATION

For further information regarding how Vow addresses actual and potential adverse impacts, submit your request to:

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