

Transparency Act Report 2023

Nordic Technology Group AS

1. Introduction

This human rights due diligence report has been prepared by Nordic Technology Group AS (NTG) pursuant to Section 5 of the Norwegian Transparency Act (Nw: åpenhetsloven). The report covers the period from 1 January 2023 to 31 December 2023.

2. Structure and operations

NTG is an industrial technology group established through selected acquisitions of subsidiaries in 2022. Currently, NTG holds majority ownership in five companies and has a financial investment in one company. NTG's shares are traded on Oslo Euronext Growth.

NTG is organized in three business areas:

- *Sensor Technology*: Compromising of Wavetrain Systems AS (82% shareholding) and Hammertech AS (84.5%)
- *Nanomaterials Technology*: Compromising of CondAlign AS (50.2%) and CrayoNano AS (14.4%)
- *Clean Technology*: Compromising of MossHydro AS (89.9%) and Hystorsys AS (100%).

NTG's overarching strategy is to drive multi-channel value creation and realization by attracting and developing scale-up businesses. NTG continuously search for potential new investments, which meet NTG's requirements for disruptive technology, with large growth markets, and a clear ESG profile.

The subsidiaries of the NTG group are largely in an early commercial growth phase and not fully operational. Thus, the group has limited business activity as well as a limited number of suppliers. MossHydro, the most mature subsidiary, develops and produce filters designed for industrial solutions and water treatment systems. Further, Hammertech, which specialises in measuring instruments within the oil and gas industry, has recently entered into a more commercial phase. For more information on the subsidiaries of the NTG group, please visit www.ntechgroup.no.

NTG's headquarter is in Oslo. As of 31 December 2023, the group has a total number of 55 employees, including three at the parent company.

3. Commitments to human rights and ESG

NTG is fully committed to promoting ESG and ethical business conduct. This includes a commitment to respect and promote fundamental human rights and decent working conditions in connection with our business operations. We hold the same expectation for our suppliers and business partners.

In general, ESG underpins the activities of NTG and defines our approach to sustainable purpose. It drives our focus on (i) business ethics and compliance; (ii) people, culture, and community involvement; (iii) commitment to operating our activities in a manner that demonstrates our dedication to global environmental sustainability, and (iv) measuring business risks and opportunities. For more information on our ESG efforts, please visit www.ntechgroup.no.

4. Responsibilities and routines

The Board of Directors of NTG holds the ultimate responsibility for NTG's ESG commitments and the company's compliance with the requirements under the Transparency Act. The CFO oversees the day-to-day management of these areas, in collaboration with the management of the subsidiaries and other relevant group employees.

Our commitment to ESG and human rights is reflected in various policies, such as ethical guidelines of the subsidiaries and our supplier code of conduct. The subsidiaries have also obtained relevant ISO certifications, such as ISO 9001 (Quality Management System) and 14001 (Environmental Management System) and have established whistleblowing routines in accordance with the Norwegian Working Environment Act, where concerns regarding human rights and working conditions can be raised.

NTG, with its relatively small number of employees and limited number of suppliers, benefits from generally short lines of communication. These factors often aid in the identification, assessment, and management of risks related to human rights and decent working conditions.

5. Situation and measures among own employees

The NTG group generally maintains a positive working environment. The group companies recorded low sick leave in 2023, and there were no injuries or accidents reported at the workplace within the group companies. We strive for NTG to be a workplace where full equality between women and men is realized, and to ensure that there is no discrimination based on gender or other grounds in matters such as pay, advancement, recruitment, etc. For further information, please refer to NTG's Directors' report.

6. Measures in relation to investments

NTG has embraced a responsible investment approach, where ESG factors are integrated into investment decisions. This approach aids in risk management and the generation of sustainable, long-term returns. When contemplating a new investment, we always consider these key factors:

- *Environmental factors:* We assess the impact of a company's operations on the natural environment, from carbon footprint to waste management and water conservation.
- *Social factors:* We examine how a company manages its relationships with employees, suppliers, customers, and communities. This encompasses issues like human rights, labour standards, and diversity and inclusion.
- *Governance factors:* We focus on a company's governance structure, including aspects such as corporate structure, executive remuneration, and business ethics.

7. Situation and measures in supply chain

NTG has established routines for evaluating and monitoring suppliers and business partners, including in terms of human rights and decent working conditions. In 2023, NTG introduced a new supplier code of conduct, which sets forth more stringent expectations and requirements in these areas.

In addition to the assessments and expectations prior to and during a supplier relationship, NTG conducts an annual survey to assess the risk of actual and potential adverse impacts on fundamental human rights and decent working conditions within the supply chain and among business partners. The assessment is guided by an own guideline, which draw from a broad range of sources and criteria, including OECD guides. Key factors in the assessment include geographical risk, industry risk, the probability and severity of the risk, and our connection to the risk. The most recent survey, conducted in the spring of 2024, focused on group suppliers in 2023.

With a limited and select number of suppliers, NTG maintains a good understanding of, and dialogue with, its supply chain. The suppliers primarily cater to needs such as consultancy services, technical support, IT/software, insurance, finance, IPR, and office rent. The suppliers are predominantly based in Norway. The group's industrial suppliers, though few, are primarily related to the operations of MossHydro as well as Hammertech. These suppliers are typically well-established and reputable companies. MossHydro's principal supplier is a leading entity within Norway's hot water industry, who itself is subject to the requirements of the Transparency Act. The remaining suppliers of NTG are also predominantly renowned companies, equipped with relevant procedures and policies.

The risk of violations of human rights and decent working conditions is generally considered as low within our supply chain. Our latest assessments have not uncovered any actual adverse negative impacts or considerable risks that necessitate measures beyond NTG's standard measures concerning the supply chain.

This report pertains to the financial year of 2023. Nonetheless, we underscore that due diligence and the commitment to human rights are ongoing endeavors within the NTG group.

Oslo, 24 June 2024

Sign

Henrik August Christensen
Chairman

Sign

Camilla Amundsen
Board member

Sign

Konstantinos Koutsoumpelis
Board member

Sign

Georg Johan Espe
Board member

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Leif Rune Rinnan
CEO