

The Transparency Act 2024

InflowControl

Content

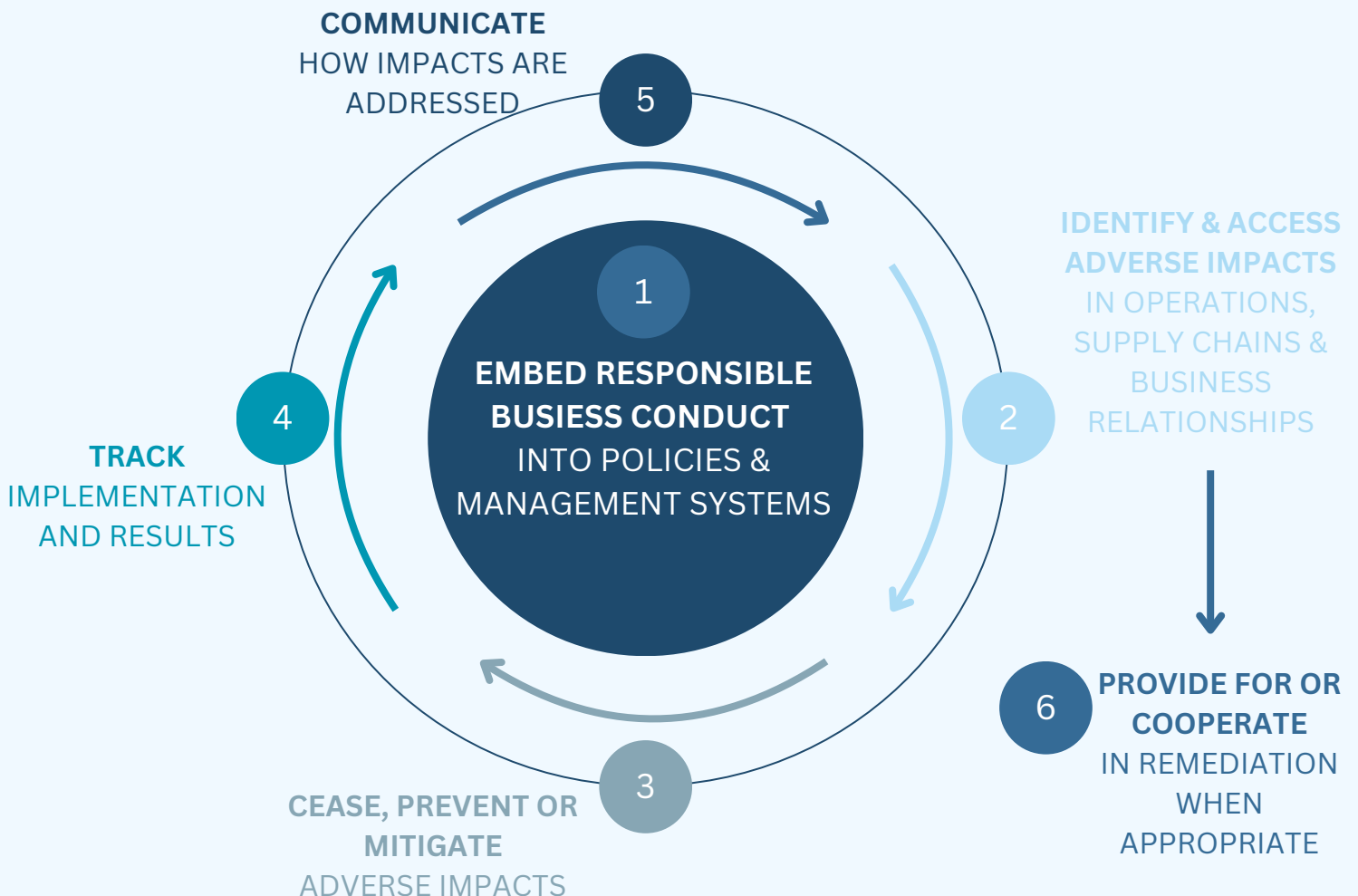
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About The Transparency Act

The Norwegian Transparency Act (NTA) first came into force in 2022 and applies to larger Norwegian-based enterprises that offer goods and services domestically and internationally, along with foreign enterprises that are subjected to the Norwegian tax law.

The Norwegian Transparency Act advocates the respect for fundamental human rights and good working conditions, in alignment with the OECD Guidelines. The Act underscores the significance of transparency and accountability within organizations to uphold these standards and requires that it is disclosed to the public how they are addressing the impacts on these areas. The annual update of the Norwegian Transparency Act is mandatory, signifying a continuous commitment and necessitating consistent efforts to maintain these standards.

InflowControl's reporting under the Act is in align with the United Nation's Guidelines on Business and Human Rights, The International Labour Organisation's Declaration on Fundamental Principles and Rights at Work (ILO) and the Due Diligence for Responsible Business Conduct by the OECD.



About InflowControl

InflowControl AS is a Norwegian based technology company delivering comprehensive knowledge and solutions for reservoir management. InflowControl is improving the efficiency of oil recovery and production while simultaneously reducing the industry's environment impact.

The company's vision since 2011 has been to change the oil industry to become more sustainable and cost-efficient, with a mission to make better wells that produce more oil with less water and gas.

InflowControl have three subsidiaries located in the United States, the United Kingdom, and Canada with offices in eight locations: Malaysia, Canada, UAE, Oman, Saudi Arabia, Colombia, UK, and Norway, where the headquarters are located. The company employs a total of fifty-one people globally; of which eighteen are women per June 2024.

Built on the principles of integrity, agility, collaboration, and passion, InflowControl strives to conduct itself with honesty, transparency, and fairness in all of its endeavours. The team challenges the status quo with an open mind and agile approach to adapt and innovate to find the best solutions. Collaboration is central to everything the company does, both internally and externally. Working in partnership with clients, partners and colleagues is important to achieve more, and passion and drive are what helps InflowControl succeed in a competitive market.

Overview of Responsibility

| Body | Responsible |
|--------------------|---|
| Board of Directors | Overseeing the overall strategic direction and corporate governance of the company. |
| CEO | The overall responsibility to ensure that the Board's decisions are implemented and followed. |
| C-Level Executives | Responsible for implementing the company's objectives and strategies, while ensuring full compliance with policies within their respective departments. |
| QHSE Manager | Conducting regular audits and due diligence in collaboration with the C-Level Executives to uphold quality, health, safety, and environmental standards to promote better responsible business conduct (RBC). |
| SC&M Manager | Collaborating closely with C-Level Executives to ensure conformity with the implemented strategies and policies, and identifying potential areas for improvement to promote better RBC. |

InflowControl's Guidelines

InflowControl is dedicated to maintaining transparency and accountability in all business operations. The company stands by this commitment and will not engage in any activities that cannot be confidently supported. To ensure that we honor the commitments, the roles and responsibilities for each procedure are defined. Upon the introduction of a new policy or procedure, an official meeting and training session is conducted ensuring all employees understand the new requirements. Each employee is required to read and acknowledge the policy or procedure.

Internal audits and documentation revision per process area is conducted once a year to identify areas for improvement and to ensure compliance with laws and regulations in the countries the company operates, and international law.

CODE OF CONDUCTS

The Code of Conducts (CoC) serves as a guide to ensure that the company values are reflected in the daily activities and operations. Full compliance with the CoC is required from the Board, employees, and hired contractors.

To view and read the Code of Conducts, please click [here](#).

ANTI-CORRUPTION & BRIBERY POLICY

InflowControl takes a firm stance against bribery and corruption, as outlined in the company's Anti-Corruption and Bribery Policy. This policy applies to and is mandatory for all InflowControl entities, employees, and affiliated companies. Each subsidiary is responsible for understanding the consequences of engaging in corruptive activities and the specific anti-corruption guidelines and laws applicable to its operations. Subsidiaries must adopt additional anti-corruption policies to comply with local laws. In addition to this, InflowControl requires strict adherence to the Norwegian Penal Code and other national anti-corruption legislation, such as the US Foreign Corrupt Practices Act and the UK Bribery Act.

To view and read the Anti-Corruption and Bribery Policy, please click [here](#).

WHISTLEBLOWING POLICY

The policy outlines the procedure employees should follow upon identifying critical issues within the company. The goal of this policy is to foster an environment where employees can report issues without fear of retaliation.

RISK ASSESSMENT

As a company in a dynamic environment, InflowControl understands that its business regions may not always be the safest, and the nature of its employees' work could pose a safety risk. The company prioritizes risks that may have a negative impact on personnel, facility, products, rigs, and the environment to be assessed.

The risk management process involves proactive identification, analysis, evaluation, and treatment of potential risks. The involvement of relevant stakeholders is crucial to obtain necessary feedback and information before decision making. Safety delegates input is highly valued in assessments and Safe Job Analysis that impact Health, Safety, and Environment (HSE), and are therefore required to participate in these processes.

Lastly, if some risks may still be unacceptable after the risk mitigation action(s), a contingency plan is in place to address these risks and ensure employee safety.

ISO 9001:2015

ISO 9001:2015 is a standard that outlines the requirement for a Quality Management System (QMS). InflowControl obtained certification in 2020 and adheres to this standard to ensure that the products and services consistently meet customer requirements, and that quality is continually improved.

CASE HANDLING

In InflowControl's Total Quality Management (TQM Enterprise) system, employees serve an essential function in maintaining smooth and efficient operations by reporting any incidents within the company. These incidents can vary in severity, and all employees, irrespective of their position or department, are obliged to report any incidents they observe.

Ten categories of incidents can be reported through the TQM platform: HSE incidents, near miss, security, non-conformity, complaint, improvement proposal, safety inspection, concession request, management of change, project and modification.

By encouraging employees to register incidents on the platform enables InflowControl to detect areas requiring improvements, avert future occurrences, and safeguard employee safety and welfare. One of the quality control objectives, which is reviewed monthly, is to maintain a record of zero absences due to work-related injuries. InflowControl has successfully maintained this record since 2011.

Due Diligence

I.

The comprehensive review and subsequent update of InflowControl's whistleblowing policy was duly completed last year, as outlined in our statement. It was observed during the revision process, that the policy was not easily accessible or adequately communicated to all employees.

II.

Following the due diligence process that was conducted last year on suppliers and agents, InflowControl has implemented a more comprehensive questionnaire to be sent out. This questionnaire focuses on human rights, social responsibilities, and environmental policies, and will be sent to all suppliers of critical components and services. In addition to this, the suppliers of critical components will be evaluated annually to ensure they continue to meet the standards that are aligned with InflowControl's principles and ethics. The evaluation areas include the focus areas mentioned.

As InflowControl continues to refine this process, it acknowledges the need for further improvement, specifically concerning suppliers of non-essential components. The company will conduct internal discussion to determine the most crucial factors to implement for a more in-depth assessment of the suppliers and how to conduct this evaluation effectively.

The Way Forward

HUMAN RIGHTS POLICY

The company is dedicated to upholding human rights and eliminating all forms of discrimination. This policy is set to serve as a guide, establishing clear behavior expectations and form the basis for a safe, inclusive, and respectful working environment. The policy has been approved and is being communicated. It will be added into the onboarding procedure.

To view and read the Human Rights Policy, please click [here](#).

WHISTLEBLOWING POLICY

To address this issue and to ensure all employees understand the policy, clear communication will be provided to both new and existing staff going forward. The policy will be more visibly displayed, made easily accessible to every employee, and integrated into the onboarding process.

DISCRIMINATION AND EQUALITY (ARP REPORTING)

The Duty to Report on Equal Status (ARP), as stipulated in Section 26 of the Equality Act, mandates all Norwegian companies to promote equality actively and systematically to prevent discrimination. The report, to be utilized and refreshed by the Work Environment Committee (AMU) that was established in 2024, will receive further attention and integration into AMU's work process going forward.

SUPPLIER ASSESSMENT

InflowControl needs to take strategic steps to enhance its evaluation method, with particular focus on suppliers of non-critical components and services. This will ensure a more comprehensive quality control and adherence to the company's principles and ethics.

MAGNET JQS

The membership for Magnet JQS has been accepted, and the company is in the process of closing the nonconformities and improvement proposals found during the audits. Magnet JQS is a platform that aids in the qualification process of suppliers. It handles supplier data and mitigates supply chain risk, facilitating effective purchasing in line with EU rules, and caters to a majority of procurement requirements.

API SPEC Q1

InflowControl is in the closing stages of obtaining API Spec Q1, that specifies the quality management system requirements for manufacturers of oil and gas equipment. It provides quality requirements for designing, manufacturing, and testing equipment, and mandates for maintaining accurate documentation and record-keeping. Compliance with API Spec Q1 is often required by customers and is considered a benchmark for quality in the industry. The application will be sent within June 2024.

Contact Information

InflowControl is devoted to complying with the Transparency Act, as well as all applicable laws and regulations. To ensure that these values are upheld, we encourage everyone to contact InflowControl if they have any questions or concerns regarding our compliance efforts. The company takes transparency seriously and is committed to ensuring that the business practices are always in line with the values and ethical standards for business practices. To ensure that these values are upheld, everyone is encouraged to report any potential policy violations.

If there are any inquiries or concerns on these matters, please send an email to: apenhetsloven@inflowcontrol.no

In accordance with the Transparency Act, the response time will be less than three weeks after receiving inquiries. However, depending on the nature and complexity of the matter, it may be necessary to request an extension of up to two months for further internal and/or external assessment(s).

*The Board of Directors of InflowControl AS
June 25th*

| | | |
|---|---|--|
|  Vidar Mathiesen CEO |  Per Wold Chairman |  Arne Frøiland Board member |
|  Helga Cotgrove Board member |  Bjørnar Werswick Board member |  Haavard Aakre Board member |