

Transparency Act Declaration 2024

Fundamental human rights and decent working conditions

Purpose

Evidi performs yearly due diligence assessments as mandated by the Transparency Act, aiming to uphold human rights and fair working conditions. Our due diligence process involves identifying, preventing, mitigating, and remedying any negative impacts of our operations and supply chain.

The work of due diligence assessments is an ongoing process, and we are committed to achieving genuine improvements for people within our organization and supply chains. The objective of this statement is to communicate our efforts regarding due diligence assessments and compliance with the law.

The report outlines the evaluated and implemented measures aimed at minimizing adverse impacts on fundamental human rights and decent working conditions resulting from the group's operations.

About Evidi

Evidi is a leading provider of IT solutions and services with a strong focus on Microsoft technologies. Through our Business-Driven Architecture and our holistic view, we deliver a comprehensive range of solutions and services that both are dynamic and resilient to meet the diverse needs of our clients.

Our expertise extends to both physical and cloud-based infrastructure, enabling us to design and deploy robust IT environments that align with our clients' business objectives. Evidi specializes in implementing and optimizing critical business applications such as ERP (Enterprise Resource Planning), Modern Workplace and CRM (Customer Relationship Management), ensuring efficient and streamlined operations.

Evidi also excels in data and integration platforms, facilitating seamless data flow and integration across systems. We hold deep knowledge and experience in data modelling, Low-code/No-code development and analysis, helping businesses derive valuable insights from their data assets and make informed decisions. Prioritizing security and a future-focused work culture.

Through the strong focus on Microsoft technologies, Evidi is at the forefront of leveraging the capabilities of Microsoft's ecosystem. We have extensive experience in implementing and managing Microsoft-based solutions, utilizing tools such as Azure, Office 365, Dynamics 365, and SharePoint including AI and Copilot, among others.

Ownership and organizations

Evidi's ownership structure is unique, with 50% of the company owned by its employees, fostering a strong sense of commitment and engagement within the organization. All shareholders collaborate closely with Credo Partners, a Norwegian investment company known for its expertise in scaling up businesses. This partnership ensures a solid foundation for growth and innovation.

As a testament to their success, Evidi achieved aggregated revenues of MNOK 620 in 2023, highlighting their strong market presence and the trust placed in their solutions and services.

Evidi is organized as a group with currently two subsidiaries in Norway; Evidi Norway and Dynamic Elements, three companies in Denmark (Evidi Denmark, Valore and Cloud Agility) which in 2024 is being merged into Evidi Denmark. In May 2024 Evidi acquired NaviPro, a Swedish ERP-company specialized In Business Central, with a strong and focused value-proposition in retail and fashion. Furthermore, through Dynamic Elements and Cloud Agility, Evidi Group also consists of two subsidiaries in India: Dynamics Elements Technologies in Ahmedabad and Cloud Agility in Hyderabad.

All subsidiaries are currently governed as separate entities with separate financial reporting and some specifics shared customer's projects and services with the Group. These companies will, in accordance with a corporate company assessment process, be embedded more holistically into the Group and its transparency reporting for 2024. This report, however, covers the assessment of all those companies.

The group has a significant presence with approximately 500 employees (by June 2024) spread across multiple offices in Oslo, Asker, Bergen, Halden, Sandnes, Sarpsborg, Stavanger, Tønsberg, Copenhagen, Odense, Aarhus, Gothenburg, Boraas, Stockholm, and Ahmedabad and Hyderabad, India. This widespread presence allows Evidi to serve clients across different regions effectively and provide localized support and services. Currently the group is operating mostly in Norway with a clear ambition also to serve the Danish and Swedish markets.

Overall, Evidi stands out as a comprehensive and trusted provider of IT solutions and services, offering a wide range of expertise in Microsoft technologies and empowering businesses to achieve their digital transformation goals.

Anchoring responsibility and level of ambition

Evidi wants to contribute positively to promoting respect for human rights and employee rights. We work systematically to incorporate the human rights aspect into our operations and towards our partners. Our employees have decent wages and regulated working hours. We do not accept any violation of basic human rights internally or externally. We work steady to uncover whether Evidi contributes to potential violations of human rights and decent working conditions. We exercise a high degree of caution when we have operations or business partners in areas where human rights and worker rights are weaker. In cases where deviations are discovered, we will work actively to rectify them.

Through dialogue with the supplier/collaboration partners, measures are and will be implemented on a trial basis and then followed up. In the case of serious deviations, it will be reported to the Norwegian Consumer Protection Authority.

The CEO has the ultimate responsibility for ensuring the law is met and delegates mandates to the relevant executive employees. The CIO is responsible for practical implementation and coordination, including identification of risks/deviations, measures, and follow-ups. If appropriate, this responsibility is delegated to the nearest professional/supplier manager. The purchasing and sustainability manager is nevertheless responsible for receiving, archiving, and following up on updated reports. Responsibility, mandate, and guidelines are anchored in the board.

Minimum annual risk assessments related to Transparency and Sustainability is performed including conducting a Supplier Survey. The assessment findings and survey results are documented.

Clear expectations have been created from the group management and the board, as well as a clear placement of responsibility within the business, for the implementation of the various aspects of the due diligence assessments. This statement has been prepared in accordance

with the Transparency Act, the UN's guiding principles for business and human rights, and the OECD's model for due diligence assessments for responsible business.

Risk acceptance

Evidi practices a zero tolerance regarding child labor, sexual harassment, forced labor, occupational health and safety violations of workers' rights, compliance with the minimum wage, property, and minority rights.

Relevant conditions for due diligence assessments are related to the group's operations, business models, position in the supply chains and type of products and services. The work with human rights and decent working conditions at Evidi, is a continuous process and incorporated into the overall business operations.

A routine has been established to ensure that our operations meet requirements to carry out and report on due diligence assessments, as well as safeguard the information obligations in the law. Furthermore, a Whistle Blowing function and routine is operational on the Evidi Intranet and at our website.

In the following, Evidi will explain which risks for negative consequences for human rights and decent working conditions that have been uncovered through the group's due diligence assessments.

The group's supply chain business partners

Evidi has worked serious on establishing a solid framework and quality systems where human rights and decent working conditions are core values. Our services are based on Microsoft's technology solutions, and we mainly use Nordic and or recognized companies as our suppliers. The main part of our services and revenue is generated from or by our own employees. In that respect, we consider in general our operations to have low risk when it comes to being a responsible business, as Nordics companies are considered "safer" when it comes to adhering to the Transparency Act.

However, Evidi is aware that breaches occur in the Nordics, and have implemented measures to preserve and include partners who share our view of social responsibility. We are aware of the risks our line of business can be exposed to when operations -and development activities are executed in or sourced to low-cost countries. This risk awareness is prioritized, and we have implemented a CRM solution for supplier engagements and procurements. We conduct a Supplier Code of Conduct Surveys, minimum once a year, which serves as valid input to our Transparency Act assessment – securing that we and our suppliers are compliant with e.g. the Transparency Act requirements.

Risk categorizations and assessments

Our overall value chain comprises numerous suppliers, customers, and various partners, in collaboration with our employees. We have defined and categorized our value chain into 4 main groups where we in total for this year's assessment have chosen 10 different categories for Evidi's due diligence assessment.

Subsidiaries:

Evidi Subsidiaries are operated as separate business units and legal entities. The business units own their customers, employees, suppliers and stakeholders as independent entities with obligations to each as well as to shareholders. The subsidiaries will benefit from shared services delivered from Evidi Group, and there will be cooperation, cross sharing -and selling activities between Evidi subsidiaries.

The corporate governance framework has a holistic approach and ownership in accordance with regulations and best practices. Our approach and mindset are always through involvement, transparency and healthy operations and growth. National and or EU regulations are taken into account and may result in local variation in how Evidi governs and acquires companies inside and outside EU/EEA.

Evidi's practices for subsidiary governance is defined in our framework for subsidiary governance. This includes defined rules related to overseeing the subsidiaries while respecting their autonomy and decision-making processes. Additionally, Evidi offer guidance to subsidiary management and boards regarding their roles, responsibilities, and reporting obligations to the parent company.

The Subsidiary Governance framework is currently "work in progress". The main objective is to harmonize and consolidate the systems - and structural capital - across all companies. Currently Evidi Norway is operating on one unified digital solutions platform. Whilst Evidi Denmark will migrate to selected group solutions, such as tenant, IAM, CRM and GRC services during 2024.

During this year's assessment, we have assessed and verified all major suppliers in all subsidiaries which have received our suppliers code of conduct survey. Our ongoing efforts involve consolidating all suppliers into a single unified supplier register by the first quarter of 2025. However, due to variations in operational platforms and adherence to different governing policies and processes, we recognize the challenge of not having a comprehensive overview of the supplier landscape as a Group.

Customers:

Evidi is committed to ensuring that all agreements and sales involve companies and clients who adhere to the Transparency Act and Evidi's ethical guidelines. Starting in mid-2023, all new suppliers must comply with Evidi's Supplier Code of Conduct before entering into agreements with our company. Additionally, our relevant suppliers participate in our supplier survey and are required to sign our Supplier Code of Conduct. We achieve this through ongoing dialogues and close relationships with our main partners and clients. While customers are part of our value chain, risk assessment is not systematically applied to them under the Transparency Act, as they are not directly part of the supply chain.

Evidi Employees:

Approximately 71% of our employees is located and work in Norway, whereas 9% are working out of Denmark, 10% in Sweden and 11% in Ahmadabad (Dynamics Elements) and Hyderabad (Cloud Agility) in India.

The Nordics is known for high compliance to the human rights whilst our subsidiaries in India, through companies Dynamics Elements and Cloud Agility, have high focus and routines based on the UN Guidelines on Business and Human Rights.

Evidi primarily provides IT solutions and services centered around Microsoft technologies. The group offers a diverse range of services, with a focus on competence work carried out either internally or at our customers' premises in Norway or Denmark. The Nordic countries are recognized for their low risk of human rights violations and high standards of working conditions. Our assessment aligns with this observation, as we perceive minimal or no risk of human rights violations or poor working conditions for our employees in the Nordics.

However, when it comes to our employees working in our Indian subsidiaries—located in a geo-risk zone assessed as medium—we take a proactive approach. We evaluate each subsidiary, validate their practices through the Evidi questionnaire, and conduct long-term assessments in light of the Evidi Transparency Act Declaration.

Additionally, existing processes are already in place to safeguard employee well-being. Based on the analysis during this year's Transparency Act Declaration, we've identified areas for improvement that will be addressed throughout the coming year. Our primary focus is ensuring compliance with UN Guidelines, particularly regarding actions related to our office service suppliers in India.

Equality and discrimination

An ESG risk evaluation was conducted in relation to environmental and equality/discrimination issues. The evaluation showed that Evidi has no instances of environmental risk or non-compliance with the Equality and Discrimination Act that could trigger the Transparency Act. However, some awareness initiatives are in progress, and the advancement is satisfactory.

Partnerships - Networks:

Evidi collaborate with a small range of institutions/organizations, such as the Oda Network for Women in Tech and the Oslo Business Forum who work for empowering leaders to change the world. Basic Human rights and decent working conditions is at the core of this partnerships. However, those partnership is not part of our assessments, nevertheless all our engagements and partnerships, undergo a screening process with responsible managers in, for example, security, sales, or R&D departments.

Suppliers and sub-Suppliers:

We identify our suppliers with usage of our accounting data. During 2023 all Evidi Norway supplier's data and interactions were, similar as our customers, migrated into our CRM solution for Marketing, Sales, and Procurement. Mirrored daily with our ERP – Buciness Central solution. This digitalization ensuring a higher quality and real time assessment of our value chain and more targeted mitigation actions.

With respect to potential human rights risks in relation to sub-suppliers, prior to entering an agreement, we request relevant information from the supplier with an aim to identify any such risk further down the supply chain. Through contract regulations and on-going dialogue, we set out expectations to the supplier's efforts on human rights towards sub-suppliers.

Starting in mid-2023, as part of our supplier contractual agreements, all regular suppliers who provide essential goods or services for our daily operations must endorse the Suppliers Code of Conduct. This code incorporates provisions from various sources, including The Transparency Act. Additionally, Evidi's direct suppliers undergo routine due diligence assessments.

Direct Customer SAAS providers:

Evidi supplies services for migration to - and management of - cloud platforms, as well as use of cloud platforms in the development and management of our SaaS products. These services and products essentially use the Microsoft Azure international cloud platform as the provider. Microsoft is a valid supplier and contributor to our service offerings and our risk assessment is set to low in total. However, the geo-related risk aspect we assess to a medium level.

In general, there are comprehensive documentation on large corporations such as Microsoft (MSFT) who every now and then unknowingly use subcontractors or components in their downstream value chain that not sufficiently comply with the requirements related to pay and working conditions in particular, freedom of association and monitoring of the employees. Evidi is aware of this risk and on regular basis monitor how the Norges Bank Investment Management (NBIM) exercise their ownership. NBIM hold an ownership of 1,26% in MSFT which value is estimated to approximately 356 BNOK December 31, 2023. For Evidi, NBIM's ownership and voting positions offer a good clue to whether Evidi's evaluation is within a right risk range.

Sub-Suppliers:

Sub-suppliers are addressed in Evidi's Supplier Code of Conduct and outlines the principles that both Evidi's suppliers and, if applicable, sub-suppliers must adhere to. These requirements aim to ensure that all segments of their value chains meet international standards for decent working conditions and avoid any violations of human rights.

Regarding subcontractors used by the group to enhance competence and capacity in assignments, the assessment indicates a low risk. The companies currently engaged for this purpose originate from the Nordics and employ highly trained personnel within a transparent Nordic labor market. For our Indian subsidiary, Dynamic Elements Technologies in Ahmedabad, we have evaluated the routines for hired help and find them compliant with UN Guidelines. When dealing with subcontractors for our Indian subsidiary in Hyderabad, we will assess their routines for hired help and work toward ensuring compliance with the UN Guidelines.

Whenever feasible, the group prioritizes services from suppliers located in Nordic countries and/or other parts of Europe.

Mitigation actions

Mapping and risk classification have not identified actual negative consequences or significant risks of negative impact on human rights through the overall risk assessment.

Evidi operates in an industry and at locations with a low risk of privacy violations, business misconduct, health and safety breaches, human rights violations, and poor working conditions. The subcontractors used in assignments are also assessed as having a similarly low risk for these reasons.

We maintain close collaboration with our primary direct suppliers. Depending on the situation, we may either be a minor and inconspicuous partner or a substantial contributor to the supplier's revenue. In various contexts, this factor significantly influences the effectiveness of the measures we implement.

Certain acquisitions, like devices etc consist of many components. Products may therefore contain (smaller) parts that have been produced in countries that are categorized as problematic in terms of country risk according to Transparency International. In such cases, our opportunities for insight and influence are very limited.

To limit the risk of "unknown" suppliers due to decentralization, all our suppliers are to be registered in Q1 2025 and the relationship must be managed through a unified CRM solution for sales and procurement. Routines will be established to ensure all suppliers used by Evidi recognize our Suppliers Code of Conduct and at least annually respond to the Evidi Supplier Code of Conduct Survey on how they comply with the Transparency Act or similar international Guidelines. By adopting this approach, it is guaranteed that every single supplier will conduct their own thorough evaluations.

Regarding international cloud service providers and the risk of human rights violations and poor working conditions, we assess ourselves at a moderate geo-risk level. Additionally, when considering the procurement of mobile phones, laptops, and computer monitors, it is widely recognized that some of these tools are manufactured in regions with high risks to human rights and working conditions. As part of our group's protocols, we remain committed to sourcing from providers who can demonstrate compliance with human rights and fair working conditions.

For our Indian employees, our assessment concludes that they operate in accordance with UN practice for human rights and decent working conditions. However, we have stated the risk to

medium level and actions are defined to ensure continuous good compliance. We will ensure that all our accountable managers and relevant subject matter experts receive training on International Transparency Guidelines. Additionally, we will provide equal training to our Indian employees regarding their rights, and collaboratively take necessary actions to mitigate any potential breaches.

Short term actions have been initiated and we will also assess the possibility to implement an exchange/short term expatriation program with an objective to educate and understand our differences and mutual needs as well as facilitate diversity and creativity cross countries and cultures.

Background investigations and checks

We assess Evidi suppliers who provide direct and regular deliveries annually. This evaluation primarily involves completing the Evidi Supplier Code of Conduct Survey, which covers Transparency Act provisions and industry-specific topics. If a supplier is uncertain about their answers, we engage in dialogue to clarify. Additionally, if we identify deviations or receive reports of violations, we contact the supplier for further insight. We discuss problematic conditions and establish agreed-upon corrective measures with deadlines.

Monitoring and results

Our entire organization, from management to individual employees, prioritizes responsible operations and compliance with activity and reporting requirements. By implementing responsible practices for foreign labor and suppliers, as well as supporting free trade unions, we significantly reduce the risk of violating basic human rights and decent working conditions.

In the reporting year, there have been no recovery cases. Currently, we view Evidi as a relatively safe company with minimal risk in these areas. Our ongoing focus remains on responsible business practices, and we leverage insights from risk assessments to enhance processes and outcomes.

Relevant documents

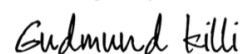
- Evidi's Suppliers Code of Conduct; https://www.evidi.com/SuppliersCode_of_Conduct
- OECD's Guidelines for responsible business conduct; [https://one.oecd.org/document/DAF/INV/ICD\(2023\)2/FINAL/en/pdf](https://one.oecd.org/document/DAF/INV/ICD(2023)2/FINAL/en/pdf)
- UN Guiding Principles for Business and Human rights; [guidingprinciplesbusinesshr_en.pdf \(ohchr.org\)](https://www.ohchr.org/en/docd/44907)
- ILO's 4 main conventions for human rights; <https://www.fn.no/om-fn/avtaler/arbeidsliv/ilo-konvensjoner>

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Styrken ligger i helheten