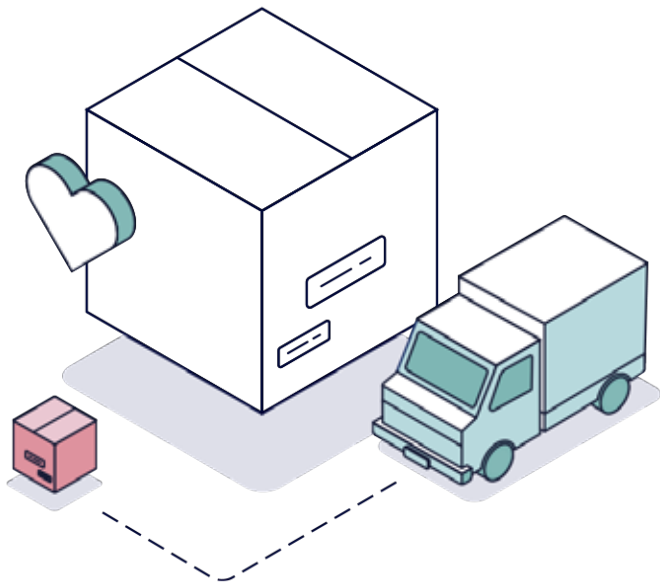


nShift

Transparency Act – 2022

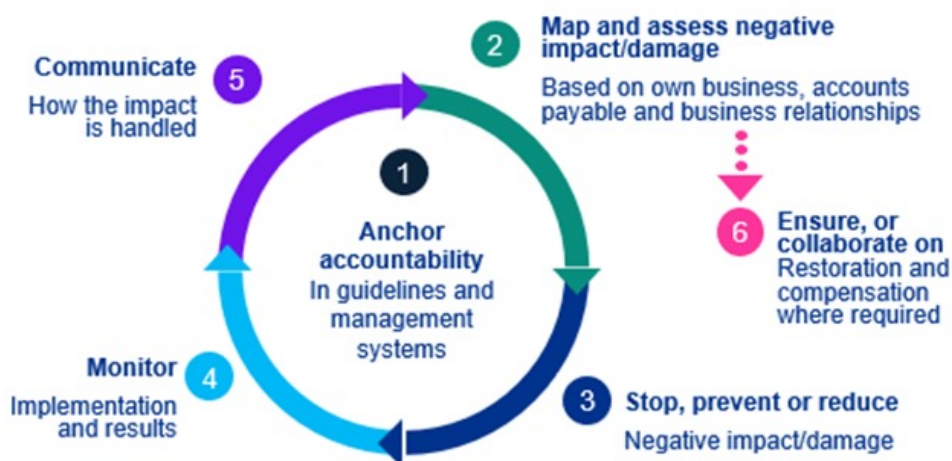
June 2023 Version 1.0



To the reader of the report,

This report has been prepared in accordance with the UN Guiding Principles on Business and Human Rights and the OECD's model for due diligence assessments. We have based our work on this six-step model.

Our report is structured around these six points:



We have not identified any actual negative consequences for human rights in our due diligence assessments.

At nShift, we are strongly committed to continuous development in collaboration with our customers, suppliers, employees, and business partners to promote respect for fundamental human rights and ensure decent working conditions. We recognize that this work is an ongoing process that requires continuous effort and improvement.

An important part of this process has been the identification of risk areas. By gaining an understanding of the risks, nShift can be better equipped to initiate measures to address, prevent, or reduce any potential negative impacts. This may include establishing clear guidelines and standards for suppliers and business partners and working closely with them to ensure compliance with these standards.

In conclusion, although we typically have limited influence over large global companies that make up the majority of our suppliers and business partners, we will still use the influence we have to impact them and ensure they take necessary measures to prevent and reduce risk.

Lars Dige Pedersen
Chairman of the Board

Thomas Angel
Board member

Sune Mattias Gredenhag
Board member



Key information about the Business

Company Name:

nShift Group AS

Headquarters:

Rådhusgata 5, Oslo

Revenue in the reporting year:

266,000,000 NOK

Number of employees:

26

Key Brands, Products, and Services:

nShift is a supplier of parcel delivery management software. Our software provide our customers with a full range of delivery options, enabling them to improve customer satisfaction, create new revenue opportunities, and develop sustainable delivery options.

Corporate Structure:

nShift Group AS serves as the parent company to various subsidiaries located in 10 different countries. Due diligence assessments encompass our subsidiary companies.

Parent Company:

Conan Holdco AS

Contact Person for the Report:

Nora Olli Johansen, Head of Group Reporting

Contact Information Regarding this Report:

nora.oll@nshift.com

Information about the supply chain

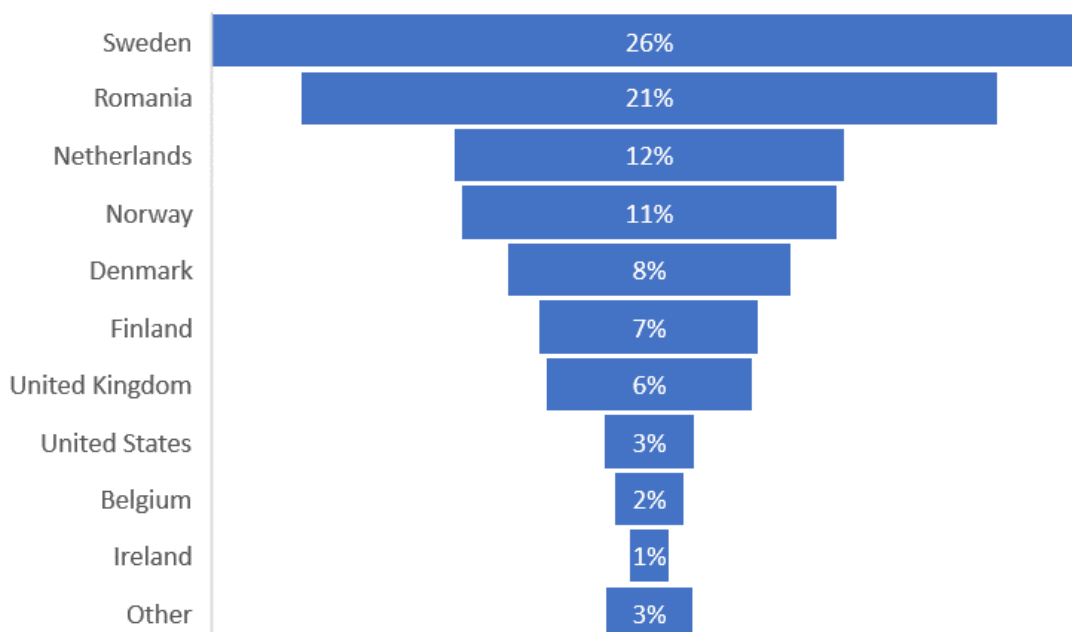
Number of vendors

379

Is the company a supplier to the public sector?

Yes

Our suppliers and business partners are located across various regions. Here is a breakdown of the geographic distribution:



Goals and Progress

	Goal	Progress
1	Strengthen our procurement process to improve dialogue with individual suppliers. This will enable us to gather necessary information and ensure that our suppliers and business partners meet our expectations for responsibility.	We have implemented a Supplier Risk Assessment to be completed by all our suppliers and business partners. We are working on adapting it to our information needs related to responsible business conduct.
2	Implement and update the Supplier Risk Assessment to serve as our due diligence tool. Utilize this tool for all our new and existing suppliers and business partners.	We have customized our system for information gathering and accountability of our suppliers. Work is underway to implement, revise, and go live with the due diligence tool.

1) Anchoring Sustainability in the Organization

Ensuring accountability for sustainable business practices within an organization involves establishing strategies, plans, relevant policies, and due diligence guidelines that are approved by management. These should cover the entire organization, including the supply chain and business relationships. Effective management systems for implementation are essential for success, and due diligence work should be an integral part of the organization's daily operations. Clear expectations from top management, as well as a clear allocation of responsibilities within the organization for implementing different aspects of due diligence, are crucial. All parties involved must be aware of their roles. Transparency about the organization's commitments, the challenges it faces, and how they are addressed is important.

The Board of nShift Group AS has overall responsibility for ensuring compliance with the Transparency Act. Due diligence assessments have been discussed in the board, where there is agreement that both suppliers and business partners should be included in the work. Internally, due diligence assessments and work related to the Transparency Act will involve several departments. These include Marketing, Customer Relationship, Finance, R&D, and Management within our organization. The responsibility for conducting risk assessments related to suppliers is assigned to our Data Protection Officer. Joint meetings will be held throughout the process.

It has been decided that a report documenting our work will be prepared and published by the end of June 2023. The report will be signed by the board.

2) Mapping the Company's Impact on People, Society, and the Environment

Mapping involves identifying a company's potential and actual negative effects on people, society, and the environment, including within the supply chain and business relationships. The process involves creating an overall picture of risk and then prioritizing the most significant risk areas for further detailed investigation and response to findings. Understanding how the company contributes to any negative impact on people, society, and the environment is crucial for determining the appropriate response and actions. Engagement of stakeholders, especially those directly affected, is a key component in the mapping process as well as in effectively addressing the challenges.

We have chosen to create a list of prioritized risks of negative impact that we believe are most relevant to our business:

	Mulig negativ påvirkning	Relaterte tema	Geografisk område
1	Political instability	Pay Corruption Terrorist Financing	Europe
2	Unacceptable social conditions among suppliers	Unethical use of overtime Unfair working conditions Occupational health and safety Gender discrimination	Europe
3	Carriers shipping goods to sanctioned geographical areas	Illegal activities Corruption	Europe
4	Negative environmental impact from our business partners	Pollution CO2 emissions	Europe

The background for prioritizing these challenges as most significant:

nShift Group AS is a technology company that assists our customers in package delivery. nShift's product is considered to have minimal impact on the environment as the product itself is license-based technology. nShift collaborates with various transport companies, and the product is part of the logistics chain. Therefore, it is relevant to consider the environmental impact of our collaboration partners. Several of the transport companies we collaborate with may have negative environmental impacts in terms of CO2 emissions, energy consumption, and general pollutant emissions. Therefore, we want to focus on addressing this issue.

nShift Group AS is part of an international group. nShift Group AS has subsidiaries in 10 different countries. The company's customer base is mainly in Europe and the rest of the world, so there will be business partners in these geographical areas. This includes areas with certain political instability and where there is a risk of unacceptable working conditions for people. This may be related to working hours, excessive workloads, and corruption. Therefore, we have chosen to define this as a possible negative impact.

3) Halting, Preventing, and Reducing Negative Impact

Halting, preventing, or reducing involves effectively addressing the findings from the mapping process. The company's most significant negative effects on people, society, and the environment are prioritized first. This does not mean that other risks are insignificant or not addressed. The manner in which the company is involved is crucial for implementing appropriate actions. Negative impact or harm caused or contributed to by the company must be stopped, prevented, and reduced. Businesses directly linked to negative impact must use their influence to persuade business partners (such as suppliers) to stop, prevent, and reduce such impact. This involves designing and implementing risk management plans and procedures, and may require changes in policies and management systems. Successful management of negative impact on people, society, and the environment by businesses is a critical contribution to the UN Sustainable Development Goals.

Our Goals, Status and Actions:

Overall possible negative impact	Political instability
Overall goal	Ensure that nShift does not support destabilizing forces through our business.
Status	Ongoing
Actions Taken	Through our supplier system, we collect and map relevant information. This enables us to conduct further investigations on specific suppliers and follow up with targeted actions.

Overall possible negative impact	Unacceptable social conditions among supplier/business partners
Overall goal	Formalize our requirements for the supplier level to ensure that all our suppliers and business partners are aware of the content.
Status	Ongoing
Actions Taken	Limiting the number of suppliers, which in turn ensures better control over our own supply chain.

Overall possible negative impact	Carriers shipping goods to sanctioned geographical areas
Overall goal	Prevent the use of carriers from sanctioned geographical areas.
Status	Ongoing
Actions Taken	Carriers from sanctioned geographical areas have been removed as delivery options for our customers. In this way, nShift refrains from using these business partners. Further measures, such as notifying shipments if necessary, will be implemented.

Overall possible negative impact	Negative environmental impact from our business partners
Overall goal	Develop a tool that highlights to customers the environmental impact of choosing different suppliers and business partners.
Status	Ongoing
Actions Taken	Ongoing work to develop a platform that can estimate the environmental impact of various business partners. This will visualize greenhouse gas emissions and allow customers to choose suppliers that have the least environmental impact. nShift, as a company, contributes to shedding light on and focusing on negative environmental impact.

4) Monitoring Implementation and Results

Monitoring implementation and results involves evaluating the effectiveness of the systematic approach and work conducted in each phase of the due diligence process, indicating whether the company is conducting sound due diligence assessments. The company must have systems and procedures in place to capture and critically evaluate its own conclusions, priorities, and actions taken as part of the due diligence process. For example: Has the mapping and prioritization of the most significant negative impacts been conducted in a professionally sound and credible manner, reflecting the actual conditions? Are the measures to stop, prevent, and/or reduce the company's negative impact/harm functioning as intended? Has harm been repaired where relevant? This can apply to measures undertaken by the company itself or in collaboration with others. Insights gained from the due diligence work are used to improve processes and results in the future.

The Data Protection Officer has the overall responsibility for following up on risk assessments related to suppliers.

Management has overall responsibility for ensuring that planned actions are followed up. Our Data Protection Officer will contribute to increasing the general knowledge related to the requirements of the Transparency Act. The company will continue to raise awareness and enhance competence among all employees.

nShift maintains a close collaboration with its suppliers and business partners. This includes activities such as company visits and annual reviews of the collaboration. Our employees are familiar with the principles outlined in our goals related to promoting respect for fundamental human rights and decent working conditions in the production of goods and services. This is outlined in our Code of Conduct for all employees. In the event of observed negative impact, targeted actions will be taken against the relevant supplier/business partner.

5) Communication of how negative impact/harm is addressed

Effective external communication about a company's due diligence work for sustainable business practices is based on actual activities and results. Companies should publicly disclose relevant governance documents related to due diligence, such as policies, guidelines, processes, and activities for identifying and addressing the company's actual and potential negative impact on people, society, and the environment. The communication should include how risks are identified and managed, as well as the results achieved from the actions/activities. According to Section 4 of the Transparency Act, companies covered by the law are required to publish an annual report on their due diligence assessments.

This report will be published on our website.

If you have any questions, feel free to contact us at nora.oli@nshift.com

6) Remediation where required

When a company has determined that it has caused or contributed to harm to people or communities, the harm is addressed by ensuring remediation or by collaborating on remediation efforts. Remediation may include financial compensation or restitution, a public apology, or other measures to rectify the harm. It also involves ensuring access to grievance mechanisms for workers and the surrounding community, so that their cases can be assessed and addressed.

We have not identified the need for remediation during the reporting period. However, this is something we continuously monitor and follow up on.