

ANNUAL REPORT 2025/26 - THE TRANSPARENCY ACT

1. INFORMATION ABOUT THE COMPANY

1.1 Basic Information about the Company

Nscale Glomfjord AS (“Nscale Glomfjord”/“the “Company”) and Nscale Drift AS (“Nscale Drift”) are both Norwegian limited liability companies which are part of the wider Nscale Group formed under UK-based parent company Nscale Global Holdings Limited. Nscale Glomfjord's immediate parent company is Nscale AS and Nscale Drift AS's immediate parent company is Nscale Drift Holdings AS.

Nscale Glomfjord holds all relevant infrastructure assets and is the primary reporting entity for the purposes of the Transparency Act. All relevant employees are employed in Nscale Drift, which currently has more than 50 employees who are all based in Norway.

1.2 Company's area of operation and product

The Company's area of operation is the provision of “AI as a service” which includes the delivery of tailored and scalable, cloud-based AI tools and custom machine learning models to other businesses (B2B provider).

1.3 Company's goals and focus areas within sustainable employment and production

The Company and the Nscale Group aim to work actively to ensure that human rights and decent working conditions are central to the Company's operations. To that effect and to further enhance governance, the Company and Nscale Group have built a compliance framework which incorporates policies and processes for Health and Safety (HSE). Nscale Group has appointed both a dedicated HSE manager as well as a Responsible Person under the Transparency Act, as set out below. It has also completed the set up for a working environment committee (Arbeidsmiljøutvalg or “AMU”) which will oversee the implementation of the HSE compliance framework and help promote a culture of accountability for good working conditions.

2. Company's Guidelines and Routines For Handling the Transparency Act

2.1 Company's work on fundamental human rights and decent working conditions in the business and supply chain

As pointed out in section 1.3 above, the Company has built a compliance framework which incorporates multiple policies and processes to ensure good working conditions and which places employee rights and concerns at the centre of its work culture.

The Company's HSE team takes a firm and comprehensive view of what constitutes decent working conditions and the policy covers a range of HSE areas and controls. Key areas include fire and electrical safety, plant and machinery operation, roof work safety, noise at work, waste disposal, PPE, lone working and first aid. Controls include risk assessments, inspections, internal site audits, health checks, emergency response and evacuation plans, training and regular HSE team updates. Other key policies cover Data Centre security and acceptable behaviour on site. Relevant controls include guidelines and procedures, physical inspections, CCTV monitoring and security alarm systems.

Controls are regularly reviewed and will also include supplier due diligence and contractual obligations, guidelines and further policies.

2.2 The work with the Transparency Act is anchored in both the Company's and Nscale Group's Boards

The Company's and Nscale Drift's Boards of Directors have committed to ensuring active compliance with the Transparency Act and fulfilling all associated obligations.

To achieve this, the Company has appointed Daniel Bergli as operationally responsible for ensuring compliance with the Transparency Act ("**Responsible Person**"). The Responsible Person has the operational responsibility for responding to and, if necessary, following up on any information requests which the Company receives. The Responsible Person is also operationally responsible for following up with suppliers and business partners, and for conducting risk assessments/ due diligence processes.

Key responsibilities of the Responsible Person include:

- investigate, assess and, to the extent possible, resolve any issues they identify
- Work with the On-Site Safety Representative (Verneombud) to report more serious cases to the Company's and Nscale Group's HSE Manager and all incidents will be recorded and managed using our internal systems
- in consultation and collaboration with the HSE Manager and other officials, support any notifications to the Norwegian Labour Inspection Authority (Arbeidstilsynet) without delay, as necessary and appropriate (particularly in case of serious personal injuries or fatalities)
- Support the reporting of such incidents and any subsequent investigations, once completed, to the working environment committee (AMU).

After its review of the report, the AMU, as appropriate, will either note the actions taken in relation to the incident or take additional measures to remediate and resolve the incident including with the assistance of occupational health services or by appointing relevant experts.

The AMU may also escalate significant issues to the Company's senior management, or, where appropriate, to the relevant Board of Directors. The AMU will work with the Company's senior management to ensure that the necessary measures are implemented to protect the safety, health and welfare of employees.

2.3 Information requests

In accordance with section 6 Transparency Act, and in order to ensure transparency and good handling of information requests, the Company has elected to publish information about the Transparency Act on its website. This includes posting contact information on its website for submitting information requests related to the Transparency Act and a separate [email address](#) as the primary point of contact for such inquiries.

The Company has chosen to implement these measures to make it easy for the public to know where to raise questions. In addition, it structures and simplifies the overview of any requests it receives and their further processing. The Company will actively use any requests it receives in its ongoing work with the Transparency Act and in any assessments.

Since the Act entered into force, the Company has not received any information requests from the public.

However, the Company is committed to processing and responding to any requests it receives as soon as practicable and in any event, within three weeks. The Responsible Person has continuously assessed whether the information requests have required further investigations or actions on behalf of the Company but has so far not found this necessary. To the Company's knowledge, the Company's responses to the information requests have not led to any follow-up measures by others.

2.4 Mapping of the Company's suppliers

The Company has initiated a structured mapping of its suppliers, which will provide further details on our supplier base, particularly in vital areas such as working environments, data privacy and information security and general compliance. This will enable the Company to risk profile its key suppliers more effectively and, where necessary implement additional controls such as contractual obligations, assessments and audits and increased governance.

As part of the mapping, the Company uses questionnaires and other measures to gather intake on supplier company size, business location, use of subcontractors, health and safety, privacy and information security, general compliance, employment rights, policies and procedures etc. This then forms part of its ongoing due diligence and third party risk management protocols. For example, in many of our supplier contracts, subcontracting is restricted subject to the Company's prior written consent.

Supplier due diligence questionnaires are also used to identify whether suppliers themselves are subject to the Transparency Act and whether they are therefore required to undertake assessments of their own suppliers. If the due diligence process raises any material concerns including the supplier's subcontractors, the Company's Responsible Person will collaborate with relevant teams and departments to investigate and address any issues.

3. Mapping of the Company's customers

The Transparency Act does not require specific mapping of the Company's customers. However, the Company generally has good knowledge about its customers, and is not aware of any general or specific risk of human rights violations among customers.

4. Risk Assessments Related to Human Rights and Basic Working Conditions

The Company has so far not received any information from or about any of its suppliers that would raise any significant concerns regarding compliance with the Transparency Act.

As pointed out in section 2.2 above, the Responsible Person will investigate, assess and, to the extent possible, resolve any issues they identify. As necessary and appropriate, they will report such issues to the Company's and Nscale Group's HSE Manager and all incidents will be recorded and managed using our internal systems. The Responsible Person will also report concerns or incidents and any subsequent investigations, once completed, to the working environment committee (AMU). After its review of the report the AMU, as appropriate, will either note the actions taken in relation to the concerns raised or the incident or take additional measures to remediate and resolve the incident. Such a measure could, for example, be to initiate a dialogue with the supplier to help reduce any further risks. The AMU may also escalate significant issues to the Company's senior management, or, where appropriate, to the relevant Board of Directors. The AMU will work with the Company's senior management to ensure that any suggested and agreed measures are implemented accordingly.

As the Company has not received any supplier-related information so far that indicates violations or significant risk of violations of human rights or basic working conditions, there has been no need for any mitigating measures. However, the Company will continue to monitor its relationships with suppliers and address any such concerns, should they arise.

5. Measures based on the Risk Assessment

The Company has not uncovered any negative impacts or significant risk of negative impacts on the business through the risk assessment/due diligence process that has been carried out.

Based on the information the Company has received from or about its suppliers to date, the relevant Board of Directors has assessed the risk of violations of fundamental human rights and decent working

conditions in its operations, with business partners and suppliers, to be low. Specifically, none of this information has triggered the need for further measures or investigations. The Board of Directors has therefore not found it to be necessary to implement any mitigating measures.

However, the Company will continue to monitor its relationships with suppliers and address any such concerns, should they arise.