



TRANSPARENCY ACT REPORT

Public report

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1. About the Transparency Act

The Norwegian Transparency Act entered into force on 1 July 2022 and require all major businesses in Norway to protect universal human rights and ensure decent working conditions by conducting due diligence in all parts of its business and value chain, and publicly reporting the outcomes and actions.

The general purpose of the Transparency Act is to “*promote businesses' respect for basic human rights and decent working conditions in connection with the production of goods and the provision of services, and ensure the public has access to information on how businesses deal with negative consequences for basic human rights and decent working conditions.*”¹

Q-Free AS, including its subsidiaries, is a large enterprise under § 3 of the Transparency Act, and as of 1 July, 2022 obliged to;

§ 4 - carry out due diligence assessments in line with the OECD's guidelines for multinational companies,

§ 5 – publish summary of the due diligence assessment of § 4, and

§ 6 – upon receipt of any written request give information about how the business handles actual and potential negative consequences identified in accordance with § 4.

This report set out the actions in accordance with the Transparency Act §§ 4 and 5, and how we intend to comply with § 6. The report covers the previous financial year.

¹ Google translation of § 1 of Transparency Act (LOV-2021-06-18-99)



2. Q-Free AS

2.1. Organization and operation

Q-Free is a prime mover in the world of smart, safe, and sustainable transportation management, providing hardware and software solutions for tolling and traffic management applications world-wide.

Q-Free is structured in two business segments, tolling and advanced traffic management solutions. With headquarter in Trondheim, Norway, 335 employees at the end of 2025, 37 nationalities and offices in 13 countries, our footprint takes us across the world in different markets, cultures and geopolitical areas. As such ESG and sustainability has been on our agenda some time already.

Q-Free offices are located in Sweden, UK, Denmark, Netherland, Portugal, Spain, Slovenia, Poland, Australia, Thailand, Chile and the US in addition to Norway. We have more than 50 reference markets with both public and private contracts.

2.2. Sustainability and values in Q-Free

The Transparency Act is part of a greater focus in Q-Free. Q-Free focuses on sustainability and has a dedicated task force on sustainability. In addition Q-Free business segments continue to be focused on the global challenges with traffic, identified with the three goals, Q-Flow, Q-Clean and Q-Safe (see table below).

Our holistic portfolio helps solve daily mobility challenges

Optimize the movement of people, goods, and data.



Electronic Multi-Lane Free-Flow Tolling
Ferry & Truck Tolling
Advanced Traffic Management Systems
Adaptive Signal Control

Stimulate sustainable transportation.



Congestions charging & Low-Emission Zones
Road User Charging
Weigh-in-Motion
Counters & Classifiers
Bicycle & Pedestrian Monitoring

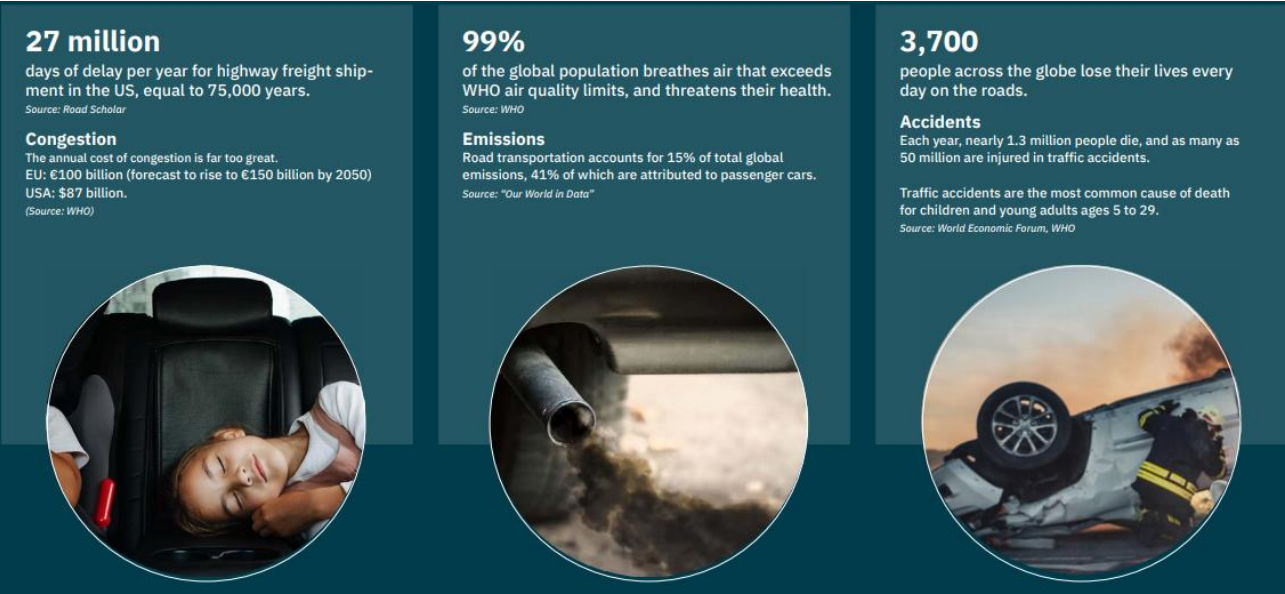
Improve road and travel safety.



Connected Intersections (V21)
Automatic License Plate Recognition
Lane Closure Management



Q-Free sets the focus on and address the challenges with traffic by providing new and innovative solutions to reduce pollution, costs, time and lives lost in traffic. Q-Free has illustrated (in the table below) some of the challenges Q-Free seeks to mitigate as part of the tolling and the advanced traffic management solutions.



The statistics of days delay, costs of congestion, emissions, injuries and lives lost in traffic will fluctuate and not always be comparable from year to year or country to country, but the statistics represent opportunities of improvement, to reduce days delay, costs, emission, injuries and fatalities in traffic by enabling a cleaner, safer and more efficient (flow) transportation of goods and people.

Congestion charging reduces traffic by 10-25% in charged zones (Stockholm, London and Singapore as examples). Better flow in traffic with less idling/stop&go reduces emission, and Q-Free can provide services to improve the flow by using algorithms that determine the most effective speed based on traffic density etc., and improved traffic management and traffic flow will lower accident frequency. Fee variation between high and low peak traffic shifts some trips to low peak hours.

In 2024 and 2025, through our current tag contract with Transurban, we have formed a partnership with Ability Works, a social enterprise employing people with disabilities and those socially disadvantaged. Ability Works is ensuring a reliable business continuity stock for Transurban. We are very proud of this collaboration as it not only aligns with our sustainability goals but also enhances our ability to consistently meet client needs.

Q-Free continues its partnership with Ada NTNU, an organization that works with promoting women in tech and STEM and helping students connect with the business community.

2.3. Internal guidelines, procedures and policies

Q-Free operates under and in accordance with the ethical guideline of the Q-Free Code of Conduct, which all employees, members of the board, suppliers and other representatives of Q-Free are obliged to comply with. In addition, Q-Free requires its most important and critical suppliers and business partners to complete and submit the Q-Free Business Partner Declaration & Questionnaire which recently was integrated with the Q-Free Supplier Questionnaire for the purpose of the Transparency Act.



Q-Free conducts its business in a responsible way and is committed to the 10 principles in the UN Global Compact related to Human Rights, decent working conditions, the environment, and anti-corruption.

For the purpose of the Transparency Act we'd like to highlight what Q-Free does for the principles for Human Rights and Labour:

Principle 1:

Businesses should support and respect the protection of internationally proclaimed human rights, and

The Q-Free Code of Conduct contains guidelines for ethical behaviour in both internal and external business settings and is designed to guide and stimulate ethical awareness as a basis for everyday actions and behaviour. The Code of Conduct is applicable to Board members, managers, employees, contracted consultants, representatives, and everyone else acting on behalf of Q-Free. The Code of Conduct explicitly states that "Q-Free supports and respects internationally recognised human rights, including those specified by the International Labour Organization". As a company, Q-Free complies with all applicable national and international laws.

Principle 2:

make sure that they are not complicit in human rights abuses.

Our suppliers and business partners are essential to our ability to do business, but can also expose us to reputational, operational and legal risks. We expect our suppliers and business partners to comply with applicable laws, respect internationally recognized human rights, and follow ethical standards consistent with our own standards. We look to work with others who share our commitment to ethics and compliance, and we manage risk through in-depth knowledge of our suppliers, business partners and markets. Regular communication and a clear outline of our expectations towards Q-Free's suppliers and business partners are essential in maintaining these standards. Before any contract is signed with a third party to represent Q-Free or Q-Free's interests externally, such third party must undertake appropriate integrity due diligence in accordance with Q-Frees Business Partner Declaration & Questionnaire. Our Procurement policy also provides a framework for ethical awareness, general professionalism, communication and health and safety for all Q-Free employees with purchasing/procurement responsibilities. Our Procurement policy is part of our Management system.

Principle 3:

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Q-Free's Code of Conduct explicitly states that "The company respects the right to freedom of association" and states that "All employees shall be free to form and to join labour unions or similar internal or external representative organizations and have the right to collective negotiations". These are mandatory rights



implemented in the Norwegian Constitution § 101, Norwegian Working Environment Act, Section 13-1 by the prohibition against discrimination based on association to labour unions etc., as well as the incorporation of the human rights as law in Norway. Q-Free facilitates union organization and conducts collective bargaining for all employees and at all levels, where relevant. Our businesses in Norway and Sweden works closely with local trade unions.

Principle 4:

the elimination of all forms of forced and compulsory labour

Q-Free opposes any form of child labour, forced labour, or discrimination, and expects all Q-Free representatives and suppliers to follow the same principles. This is explicitly written into our Code of Conduct, Business Partner Declaration & Questionnaire and Q-Free Supplier Questionnaire that is part of our Management system. The company's employees have pay and working conditions in line with national legislation and agreements with trade unions.

Principle 5:

ensure the effective abolition of child labour; and

Q-Free does not use child labour and opposes any form of child labour. Child labour is prohibited in Norway under the Working Environment Act, Section 11-1. Our Procurement Policy and Supplier Questionnaire require suppliers to document their labour practices and Human rights policies, procedures and training practices.

Principle 6:

the elimination of discrimination in respect of employment and occupation.

Q-Free's Code of Conduct is our guide to ensuring a working environment without discrimination, bullying or harassment. In Q-Free there shall be no discrimination of age, gender, disability, race, sexual orientation, ethnic origin, religion, or political affiliation. Q-Free shall be an engaging workplace with an inclusive working environment. Procedures for whistleblowing have been established. In situations where an employee is aware of any infringement of Q-Free's Code of Conduct, or is in doubt if such an infringement has occurred, the employee may raise the issue with its manager, the Human Resources department or Legal department. If this is not possible, the employee shall report the infringement directly to the Chairman of the Board or Member(s) of the Board. Incidents may be reported anonymously if desired. Q-Free ASA is obliged to ensure that any employee who reports any infringement is protected against any retaliation or negative consequences based on whistleblowing, ref. the Norwegian Working Environment Act, Section 2-5. Any employee outside Norway shall have the same rights and protections as employees in Norway



As part of the Q-Free Code of Conduct we have a continuous focus (internally and externally) on our anti-corruption and bribery procedures and guidelines, and have established a routine and channel for reporting (anonymously if needed) breach² (whistleblower) of laws and regulations, including Q-Free Code of Conduct. It is recognized by Transparency International that corruption undermine government's ability to fulfil its human rights obligations and any democratic principles.

Q-Free Code of Conduct is regularly revised and communicated to employees, contractors and subcontractors etc., and publicly available on Q-Free website³ as part of Q-Free Governance.

² Link to notice of breach <https://www.q-free.com/contact-us/notice-of-breach/>

³ <https://www.q-free.com/ir/corporate-governance/#corporate-social-responsibility-2>



3. Transparency Act in Q-Free

The Transparency Act is the responsibility of the Board of Directors (BOD) of Q-Free, and the BOD approved the Transparency Act Compliance Plan on 7 July, 2022 defining and allocating responsibility to ensure compliance with the Transparency Act.

Due diligence under the Transparency Act is a continuous process and is performed for the most important and critical suppliers, and we expect the same from our partners and suppliers. As a company working globally, our due diligence procedures will enable us to better identify, prioritize and deal with potential and actual negative impacts on the people, societies, and environments we directly or indirectly engage with through our value chains.

Our main activities include:

1. Embed responsible business conduct into policies and management systems
2. Identify and assess actual and potential adverse impacts associated with the Q-Free's operations, products, or services
3. Cease, prevent, and mitigate adverse impacts
4. Track implementation and results
5. Communicate how impacts are addressed
6. Provide for or cooperate in remediation when appropriate

Q-Free purchases services and products from a wide array of suppliers in a complex value chain. It is important to emphasize that even though Q-Free has actively worked on due diligence processes the last years, this does not exclude its potential negative impact on people, society, and the environment. Rather, it indicates that the business is striving to be fully transparent about challenges that exist or may arise and addresses these impacts based on an overall assessment and prioritization in line with the company's key stakeholders.

In 2025 Q-Free received several inquiries from customers related to the Transparency Act, its implementation and products' impact on basic human rights and decent working conditions. All inquiries were adequately answered within the time restraints.

3.1. Prioritization of the due diligence assessment

The ultimate goal and intention is that all suppliers and business partners of Q-Free value chain will be individually assessed, from start to end. However, this is a time consuming, resource demanding and costly ambition, so it is necessary to prioritize and implement the risk assessments proportionality between cost, time, resources and the severity of and likelihood of negative impact.

We have continued to focus on the most important and critical suppliers of Q-Free, to ensure continued focus, compliance and identification of especially high-risk products or suppliers that may have a negative impact on human rights and decent working conditions, and to initiate any mitigating actions where necessary. In the future it will be feasible and natural to increase the number of suppliers in the due diligence assessment.



3.2. Assessment

Step 1. Initial assessment

The objective is to make supplier selection for further due diligence investigations, based on materiality principle, meaning supplier selection with relevant impact, and focus on choosing suppliers with relevant delivered value or otherwise critical, foremost from a sourcing or function perspective.

By delivered value, Q-Free's operation is normal, whereas the Pareto principles apply. Q-Free has many suppliers, but only a minority contribute to the overall value. Less than 5% of the suppliers deliver more than 80% of the overall supplied value.

Q-Free has also included suppliers that Q-Free are highly dependent on and whereas replacement is difficult or costly. The argument for such inclusions is that our responsibilities to investigate close partners are higher. In this we included suppliers of Q-Free custom-made components, such as moulded plastics or aluminium.

During this step 1, we excluded suppliers that represented low spend and low risk and remained with a selection of suppliers for further investigations.

Step 2: Supplier Self-assessment

Q-Free require its suppliers to engage in a self assessment process, based on Q-Free Business Partner Declaration & Questionnaire. Thus, self-assessment processes have been performed and clarification rounds executed where needed.

In the recent reporting period, based upon a risk assessment, Q-Free have selected a group of suppliers whereas enquiries, such as the self-assessment have been executed. For a minor selection of suppliers we have reviewed documentation of their due diligence processes related to conflict minerals.

The Transparency Act and its requirements have been on the agenda in supplier visits since mid-2022.

3.3. Results of the due diligence

Based on self-assessments, Q-Free's past knowledge, geographic risk, and industry risk, Q-Free performed a risk evaluation with the conclusion that we have a healthy supplier portfolio. In this periode we have targeted 40 suppliers with the following findings;

- 0 suppliers with high or very high risk
- 7 suppliers having medium risk
- Remaining suppliers having either low or very low risk

All the suppliers evaluated to provide medium risk, will be subject to follow-up investigations to verify if risk levels are acceptable.

From our findings, the risk of these suppliers can be put into 2 categories:

- a) Risk for using Conflict Materials or minerals from conflict areas in production. This is a general challenge for the manufacturers of electronic components and the battery industry, i.e., cobalt is



widely used as a component in lithium and the Democratic Republic of Congo is a significant country of origin for cobalt.

Q-Free's suppliers within these industries has all very developed and controlled supply chains. Still, although demonstrating robust due diligence processes, suppliers have been viewed to contain medium risk as none of them can categorically state that their supply chain is 100% healthy. Thus, Q-Free will monitor their improvement works closely going forward, while still evaluate introduction of new suppliers.

- b) Geographical risk. I.e., as Q-Free works within the electronics industry, we have several Chinese suppliers, or suppliers that purchase manufacturing services in China. We have not identified any direct significant risks, still China is an area with known challenges.

As of the results of the due diligence there are no findings indicating that Q-Free's products or business have any material negative impact on basic human rights or decent working conditions.



4. Mitigating measures and follow up

All suppliers with identified risks, either medium, high or very high risk, shall be subject to mitigating measures. Q-Free have several tools at our disposal, online meetings, physical meetings, inspections, audits, replacement, and termination.

Thus, suppliers will be enrolled in a follow-up program.

- First and main step will be a replacement evaluation, whereas sourcing for suppliers with more lower risk and sustainable profile are the main objective
- Second step will be an enhanced supplier dialogue, to obtain further facts and more detailed understanding of the identified risks. We will also consult other sources to increase our understanding of the different risks
- Thirdly, improvement goals will be set and aligned with the suppliers.
- Finally, individual follow-up plans to be made and executed upon.

Q-Free do not foresee it as possible to remove all risks, as structural and geographical risks are not possible to remove, only to reduce.

The requirements of the Transparency Act is well integrated in our supplier operation processes, thus both existing and new suppliers are closely followed up and reviewed based on their compliance with requirements.



5. Contact information

For any further information or inquiries in accordance with the Transparency Act § 6, please send such request to Q-Free AS, P.O.Box 3974 Leangen, 7443 Trondheim, Norway, with attention to Global Director Law & Compliance Officer. Alternatively such request may be sent by e-mail to law@q-free.com

29.06.2026

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