

2025

The Norwegian Transparency Act

FARA AS

“At FARA, we take responsibility for how our operations impact people, both within our organization and throughout our value chain. Our work related to the Transparency Act is an integral part of our governance framework and our commitment to responsible business conduct. We aim to be a safe employer, a reliable partner, and a company that contributes positively in the markets in which we operate.”

Satu Huuhtanen, CEO, FARA AS

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Introduction

The Norwegian Transparency Act entered into force on 1 July 2022, and we comply with the requirements of the Act by publicly disclosing information about the company's work related to fundamental human rights and decent working conditions.

The statement first provides an overall description of the enterprise, including information about routines and guidelines. It then presents findings from the due diligence assessments we have conducted. The assessments have been conducted in accordance with the OECD Guidelines for multinational enterprise on responsible business conduct. Finally, we account for measures that have been implemented, as well as planned actions to prevent and reduce identified risks.

1. The Statement

The first section contains information about the company's reporting obligations, reporting period, scope, and contact information for any questions related to the contents of the statement.

1.1 Reporting Obligation

FARA AS exceeds the relevant threshold values, and is therefore subject to the reporting obligations under the Transparency Act. The first report was published in 2024.

1.2 Reporting Period and Scope

The due diligence assessment and Transparency Act report cover FARA AS for the period from 1. January 2025 to 31. December 2025.

1.3 Contact Information

If you have any questions, please feel free to contact us:

The CCGO (Chief Compliance and Governance Officer) will be responsible for the implementation and follow up of the Transparency Act.

reinert.sannerud@fara.no

Webpage

<https://fara.no/>



2. About the Reporting Company

This section provides a description of the enterprise, including organizational structure, industry, products and services, size, and geographical presence. It also gives a brief overview of our guidelines and principles for responsible business conduct.

2.1 Organization, Products and Services

FARA AS is a Norwegian technology company headquartered in Trondheim that develops software and digital solutions for efficient data management and process automation within the public transport sector. We deliver customized systems that help both private and public organizations improve operational efficiency and service quality to their end customers. FARA AS is a medium-sized company with 105 employees, of whom 41 are based in Norway, 45 in Poland, 11 in Finland, 5 in Sweden, 2 in Denmark, and 1 in Spain. The organization is structured into cross-functional teams and a high level of collaboration across functions.

- CEO
- Technology and Development Teams
- Sales, Marketing, and Customer Success
- Project Management and Operations (Service and Support)
- Finance and Administration

FARA AS develops and delivers:

- Software solutions for data processing, integration and automation
- Customized systems for business management and process improvement
- Consulting services in digital transformation and system implementation
- Ongoing support and maintenance of solutions
- Equipment and installation

Our goal is to develop flexible, secure, and scalable digital solutions that support our customers' core processes. FARA AS operates primarily in Norway, Sweden, Finland, Denmark, Iceland, and the Faroe Islands, serving customers in both the private and public sectors within the transport industry. We also collaborate with international customers and partners on selected projects, but our primary market presence is in the Nordic region.

NACE codes:

26.11 Production of electrical components

27.90 Production of other electrical equipment

46.51 Wholesale of computers, additional equipment for computers as well as software

46.52 Wholesale trade in electronics equipment and telecommunications equipment and parts

62.010 Programming services

2.2 Governance and Responsibility

The CEO is responsible for ensuring that the Transparency Act is firmly anchored in the organisation. The CCGO (Chief Compliance and Governance Officer) is responsible for implementing and following up the company's obligations under the Transparency Act.

The overall guidelines for responsible business in the business are rooted in our vision and in our procedures for ethics and corporate social responsibility, ethical guidelines and guidelines for procurement. We are certified according to the quality management systems: ISO 9001: 2015. The identification, planning, management, and follow-up of new risk areas are integrated into our organizational structure, with clear delegation of responsibility and authority through our management system. This system consists of guidelines, policies, measurable overall objectives, and detailed action plans. In addition, our operations are governed by applicable laws, guidelines, and regulations.

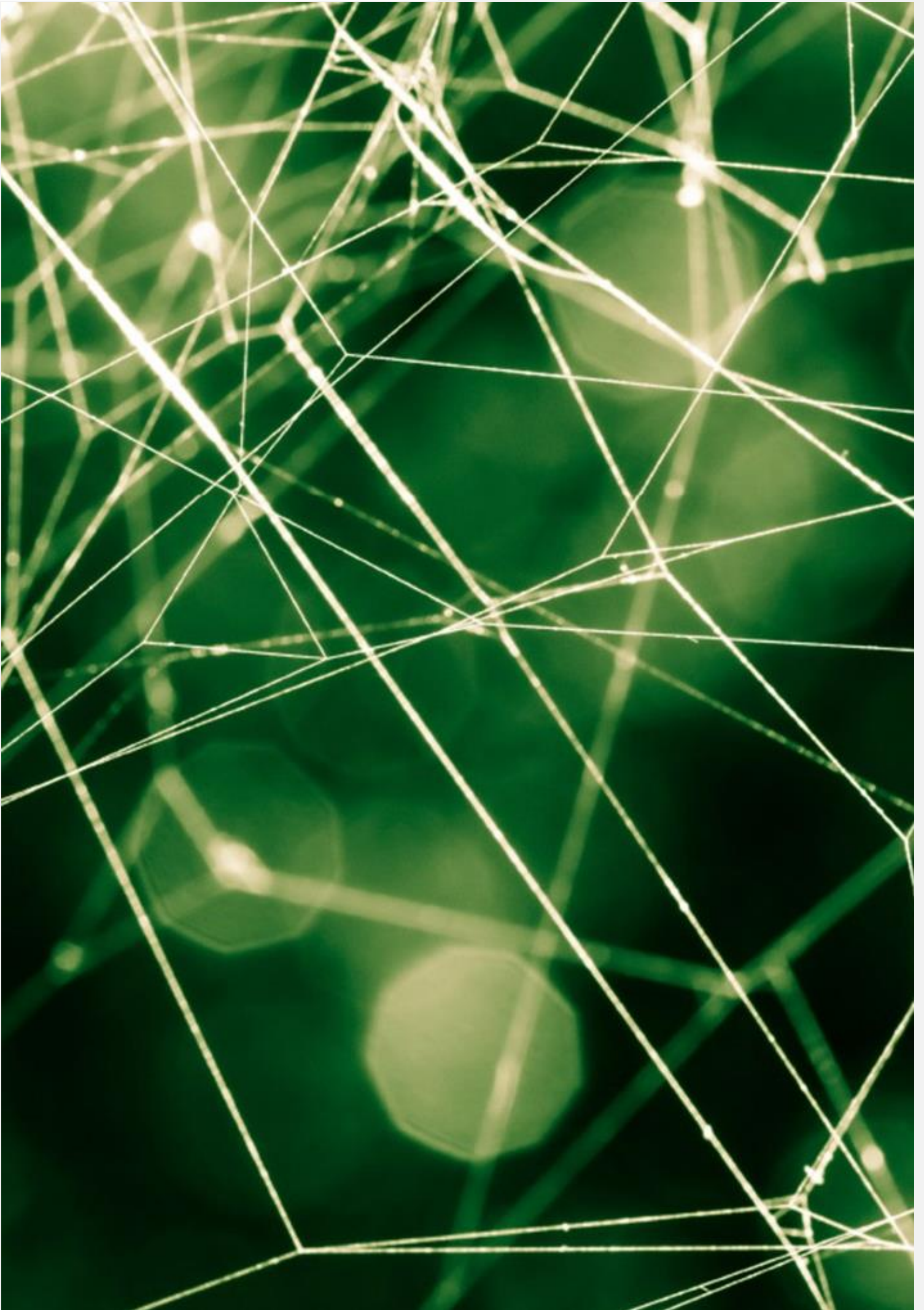
2.3 Routines and Guidelines

FARA has established a routine for training of all new employees in quality, safety, and ethical regulations. Training on ethics and accountability is provided to all employees, regardless of their roles and responsibilities. Each employee is required to confirm that they have read and understood the company's Code of Conduct. Information on the Transparency Act and human rights will be incorporated into training, ethical regulations, and procurement procedure descriptions by 2026. On the company's website, information will be posted on how FARA ensures accountability, conducts due diligence assessments, and outlines specific requirements for suppliers. Procurement agreements and policy documents will be updated to ensure compliance with the Transparency Act.

We have established a channel to receive inquiries through our website that will be an integral part of our non-conformity system. Through our e-mail address, businesses and individuals can send questions about the Transparency Act. In addition, we have appointed one responsible to follow up all inquiries within 3 weeks. The inquiries are treated internally as part of our stakeholder procedures. Critical inquiries are processed immediately.

We have conducted an assessment based on mapping our own business, supplier chains and partners. A dedicated project group has been given a clear mandate to ensure responsibility throughout the organization, with suppliers and partners. The analysis of our involvement in the various risk areas was done through desk research and a number of project meetings. In addition, we have engaged Amesto Footprint to assist in the work on the assessments and reporting.

We have introduced new prequalification processes for new vendors to ensure we only work with suppliers and partners who meet our high standards for ethics and sustainability, and specifically for those with an estimated annual spend above USD 10k. We will allocate resources to provide assistance and guidance to help suppliers understand and comply with these requirements and to strengthen their ability to operate sustainably.



3. Risk Areas and Findings

In this section, we present the results of our due diligence assessments. We describe identified risk areas, the assessment of likelihood and severity, as well as any actual findings related to violations of human rights or decent working conditions.

3.1 Supply Chain and Business Partners

FARA AS operates as a Nordic technology company specialising in software development, digital solutions, and operational support for the public transport sector. Consequently, the company's procurement activities, supply chain structure, and partnerships are primarily centred around technological infrastructure, hardware components, and specialised competence-based services.

FARA AS uses various technology suppliers for infrastructure, cloud services, and tools related to development and operations that support our products and deliveries. We maintain ongoing cooperation with national and international suppliers related to IT, security, and technology.

We collaborate with technology companies, consulting firms, and professional networks that contribute to competence development, system integrations, and joint customer solutions. This includes both strategic partnerships and project-based collaborations.

3.2 Assessment of Internal Conditions

The company works systematically to identify and assess risks related to human rights and decent working conditions as an integral part of its governance and management processes.

Risk mapping is carried out through several structured and recurring activities, including:

- The Working Environment Committee (AMU), which meets regularly and addresses matters related to the working environment, health and safety, and employee well-being
- Regular workplace inspections conducted by the Safety Representative, including checks of fire safety, emergency exits, housekeeping, and storage of flammable materials
- Internal risk assessments and follow-up of deviations
- Employee surveys (Peakon)
- Ongoing dialogue between management, employees, and employee representatives
- Training and competence development initiatives (for example ESD training of Service team)

The company has also conducted assessments of technical risk areas, including the establishment and operation of ESD-controlled areas. A need for improved documentation of verification processes for ESD equipment was identified and rectified.

Results from employee survey have identified the following focus areas:

- Workload,
- Sense of organizational purpose and mission,
- Internal communication regarding goals and strategy

These areas were assessed as potential risk factors related to the working environment and employee well-being. In response, the company has introduced weekly 30-minute stand-up meetings, reorganization into functional departments, allocated additional resources where necessary, etc...

Examples of risk areas assessed within the company include:

- Workload and risk of stress
- Physical and psychosocial working environment (burnout)
- Health, safety, and fire protection
- Need for adequate training in internal procedures and guidelines
- Documentation and compliance with technical requirements
- Internal communication and information flow

The company also assesses risks related to its industry and geographical presence as part of its due diligence processes.

As a technology provider within the transport sector, operating in several countries, the company may be exposed to risks related to:

- Differences in labour legislation and employment practices
- Variations in health and safety requirements
- Use of consultants and subcontractors in certain markets

To date, the company has not identified any violations of human rights or decent working conditions within its own operation.

3.3 Assessment of Conditions in the Value Chain and Among Business

Partners

For suppliers (including partners), a mapping and risk assessment have been carried out based on country, industry, and the specific product or service purchased. We have used the methodology developed by Amesto Footprint to identify and assess potential risks.

The method relies on recognised sources for these categories, including the high-risk list from the Norwegian Agency for Public and Financial Management (DFØ) and the Global Rights Index published by the International Trade Union Confederation (ITUC).

In 2025, FARA had a total of 344 suppliers (excl. IC). The total purchase from these suppliers amounted to NOK 100M+. In the risk assessments, suppliers with purchases exceeding NOK 300k were prioritized. By applying a purchase-value filter, the risk assessment covers 90% of the Company's total procurement in NOK. Further, risks related to country, industry, and the specific product or service purchased were evaluated for the relevant suppliers. Previous dialogue with the identified suppliers was also part of the assessment. This process resulted in 14 suppliers being identified with potential risk.

In the next step, we conducted a more detailed review of the identified suppliers by analysing information available from public sources, e.g. published routines or guidelines related to human rights and decent working conditions, relevant certifications or their own Transparency Act statements.

We categorized the suppliers into three groups:

- 8 suppliers in category 1: The supplier has sound routines, and no further follow-up is necessary.
- 4 suppliers in category 2: The supplier has initiated work to improve its routines and requires further review.
- 2 suppliers in category 3: It is unclear what routines the supplier has implemented and therefore requires continued follow-up.



3.4 Summary of Risk Areas and Findings

Internal Operations

Based on internal assessments, audits, employee surveys, and ongoing dialogue with employees and employee representatives, we have identified some risk areas and observations within our own operations, as described below. During the reporting period, the company has not recorded any serious incidents or violations related to human rights or decent working conditions. However, certain issues have been identified that have had, or may have, negative impacts on the working environment and employee well-being:

1. Workload and Stress

The employee survey (Peakon, November 2025) indicated challenges related to workload and resource capacity, particularly during periods of high project activity. This may increase the risk of stress and reduced work-life balance. The results have been a higher frequency of sick leaves. However, the sick leave rate for FARA remains lower than the IT industry average and significantly below the national average in Norway.

2. Internal Communication

The survey revealed room for improvement in the communication of goals, strategies, and priorities from management. Insufficient information flow may lead to uncertainty and reduced efficiency.

3. Documentation of Technical Control Procedures (ESD)

Insufficient documentation related to the verification of ESD-controlled areas and associated equipment was identified. This represented a risk to quality, safety, and compliance with technical requirements.

In addition to actual findings, the company has identified the following significant potential risk areas:

1. Workload in Project-Based Work

Project deliveries with tight deadlines may result in periods of high workload, particularly within development, operations, and customer delivery teams.

2. Use of Consultants and Temporary Staff

The use of external resources may involve risks related to working conditions, integration into health and safety practices, and familiarity with internal guidelines.

3. Whistleblowing Procedures

There is a risk that some employees, especially new or temporary staff, may have limited awareness of or confidence in the company's whistleblowing system.

4. Training in Ethical Guidelines and Responsible Business Conduct

There is a risk that not all employees have had sufficient knowledge of the company's ethical guidelines, human rights principles, and requirements for responsible business conduct. This is now part of the compulsory employee training.

5. Supplier Monitoring

Insufficient monitoring of suppliers and subcontractors may pose a risk of non-compliance with requirements related to working conditions and human rights within the value chain.

Value Chain and Business Partners

Based on our due diligence assessment, one key risk area going forward is wholesale and production of ICT and electronic components. The production of ICT and electronic components is a prioritised risk area due to well-documented human-rights challenges in global electronics supply chains. Large parts of the production take place in China and other Asian countries, where risks such as low wages, excessive overtime, student labour schemes, and instances of forced and child labour are reported. Chinese suppliers to major electronics brands have also been linked to the use of forced labour in the Xinjiang region and elsewhere through participation in work programs under the auspices of the Chinese authorities. The human rights risks are assumed to be somewhat lower for assembly, than for the production of components.

The inherent risk remains high because no single supplier controls the full value chain. The industry is characterised by dependence on large OEMs with complex upstream supply chains, the use of third-party refurbishers and recyclers, and a fragmented supplier structure that limits transparency and full traceability.

From the review we've done so far, we haven't found any confirmed violations among our suppliers and partners. However, we have identified some suppliers that need closer follow-up: 4 suppliers in Category 2 and 2 suppliers in Category 3. These represent a potential risk and will be included in this year's action plan for further follow-up and improvement measures.



4. Measures and Further Work

This section presents the measures implemented to address identified risks, the planned actions planned going forward, and how we work continuously to comply with the requirements of the Transparency Act.

4.1 Measures from the Previous Reporting Period

- Inform the FARA employees about the Transparency Act and how to raise any concern. Deadline: 31.03.2024 (status: implemented)
- Extend the review before the next assessment to include suppliers with a purchase value above NOK 500k. Deadline: 01.08.2024 (status: implemented and extended beyond NOK 500k to NOK 300k)
- Extend the review before the next assessment to include suppliers outside Europe. Deadline: 01.08.2024 (status: through dialogue with client outside Europe, we came to an agreement to stop further collaboration, which means there is no need in this year's process to extent assessment beyond Europe)
- Follow up the actions with the Transparency Act with the FARA management team monthly. Deadline: Rolling (status: implemented routine, and ongoing follow-up)
- We will follow up on our suppliers that fall into category 2 and 3 to ensure necessary documentation, and to understand how they work to secure human rights. Deadline: 01.06.2024 (status: business critical suppliers were assessed and followed up)
- Update company policy to provide guidance on how future negative impacts can be avoided and managed, and ensure they are followed. Deadline: 01.06.2024 (status: implemented and further extended through Modaxo's Code of Conduct)
- Make the Transparency Act Report from FARA available on our web site. Deadline: 31.03.2024 (status: implemented)

4.2 Remediation or Corrective Actions

Based on assessments, internal controls, employee surveys, and ongoing dialogue with employees and employee representatives, the company has not identified any issues during the reporting period that have resulted in serious or systematic violations of human rights or decent working conditions.

To date, no cases have been identified that have required formal remediation in the form of financial compensation, restitution, public apologies, or disciplinary sanctions.

Certain issues related to workload, internal communication, and documentation of technical procedures have been identified as areas for improvement. These issues have not caused direct harm to individuals, but have been addressed through preventive and corrective actions.

As part of the company's continuous improvement efforts, the following measures have been implemented:

- Introduction of regular status and follow-up meetings between management and employees
- Allocation of additional resources during periods of high workload
- Improvement of internal communication routines
- Development and implementation of checklists and documentation for technical control processes (ESD)
- Delivery of targeted training for relevant employees
- Reorganization into functional departments

Where improvement areas have been identified, the company has maintained open and constructive dialogue with affected stakeholders, including employees, safety representatives, and management.

4.3 Planned Measures and Further Work

Measures Related to Internal Conditions

To prevent risk, strengthen compliance with human rights, and ensure decent working conditions, the company has implemented and continued a range of measures addressing internal matters. These measures are based on identified risk areas, employee surveys, and ongoing assessments.

Measures Addressing Internal Matters

Strengthening Internal Communication

The company has continued and further developed structured meeting routines, including weekly status meetings and regular information meetings, to ensure better information flow between management and employees.

Expected outcome: Improved understanding of goals, priorities, and roles, reduced uncertainty, and enhanced collaboration.

Measures to Manage Workload

Procedures have been established for ongoing assessment of resource needs in projects, as well as flexible resource allocation in response to capacity challenges.

Expected outcome: Reduced risk of stress and burnout, and better alignment between workload and available resources.

Systematic Training and Competence Development

The company has continued training (also through Modaxo) in health and safety, ethical guidelines, information security, and technical requirements,

Expected outcome: Increased compliance with internal procedures, greater awareness of responsible business conduct, and reduced risk of errors and deviations.

Improvement of Documentation and Control Procedures

New checklists and documentation routines for technical controls and quality follow-up have been implemented and maintained.

Expected outcome: Improved traceability, higher compliance with requirements, and reduced risk of quality and safety deviations.

Further Development of Health and Safety Management

The activities of the Working Environment Committee and the safety representative's inspection routines are maintained and strengthened through systematic follow-up and reporting.

Expected outcome: A safe, healthy, and inclusive working environment.

Measures Related to the Value Chain and Business Partners

- Inform the FARA employees about the updated Transparency Act and how to raise any concern. Deadline: 01.05.2026
- Make the Transparency Act Report from FARA available on our web site. Deadline: 01.05.2026
- Follow up the actions with the Transparency Act with the FARA management team monthly. Deadline: Rolling (implemented routine, and ongoing follow-up)
- We will follow up on the suppliers that falls into category 2 and 3 to ensure necessary documentation, and to understand how they work to secure human rights. Deadline: 01.08.2026



Further Work

We will follow up with all mapped suppliers who are unable to provide satisfactory documentation on how they safeguard human rights and ensure decent working conditions, both within their own operations and throughout their subcontractor chains. Our initial step will be to establish a dialogue with these suppliers to understand their efforts related to human rights and working conditions across the value chain. If they are still unable to document this work adequately, we will require that the necessary measures be implemented. We will also revise our procedures, policy documents, and procurement agreements to ensure that expectations and requirements related to human rights and working conditions are clearly communicated.

Through our due diligence work, both internally and with suppliers and partners, we've strengthened our understanding of risk areas. Before next year, we'll evaluate our processes to capture what we've learned, what works well, what should be improved, and what we may want to include in the next reporting cycle.





Making Travel Easy

The statement has been prepared in accordance with the Transparency Act (Åpenhetsloven), formally titled the Act relating to enterprises' transparency and work on fundamental human rights and decent working conditions.

Amesto Footprint is responsible for the structure and methodology of the statement, while the reporting company holds full responsibility for its contents and the execution of the due diligence assessments.

26th February 2026

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Laurent Eskenazi

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Laurent Albert Eskenazi

Chairman of the board

Signed by:

Robert Clay

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Robert Peter Clay

Board member