

Zalaris ASA

Transparency Act Report 2024

1. Introduction

Zalaris ASA (“Zalaris” or the “Group”) hereby publishes its account of Human Rights due diligence pursuant to Section 5 of the Norwegian Transparency Act for the period 1 January to 31 December 2024. The report provides insight into how Zalaris works to safeguard fundamental human rights and decent working conditions in its own operations, with suppliers and business partners.

The purpose of the Transparency Act is to promote companies' respect for fundamental human rights and decent working conditions. Zalaris is committed to integrating these considerations throughout the value chain, and this report highlights the work that has been done and ongoing measures.

2. About Zalaris

Zalaris is a leading European provider of human capital management (HCM) and payroll solutions, covering the entire employee lifecycle from recruitment to performance management. The Group offers on-premise implementations, SaaS, cloud integration, and business process outsourcing (BPO).

Zalaris offers two business segments: Managed Services and Zalaris Consulting (formerly Professional Services). Managed Services include cloud services and HR outsourcing. Zalaris Consulting assists clients with HR transformation projects and application maintenance.

Zalaris is headquartered in Oslo and provides services through local-language centres across northern and central Europe, the UK and Ireland, as well as the Asia-Pacific region, including Australia, Singapore, and India. Zalaris ASA is listed on the Oslo Stock Exchange (ZAL).

Further information on Zalaris' structure and area of operations can be found in the annual report for 2024 available at ir.zalaris.com.

3. Zalaris' policies and procedures

Zalaris' commitment to human rights and decent working conditions are anchored in the Group's internal policies, procedures, and processes that all employees must acknowledge. This includes, among other things:

- Code of Conduct
- Environmental Policy
- Whistleblowing Policy and Procedures

Zalaris' Code of Conduct is an integral part of its formal governance system. This code outlines the core principles and ethical standards of behaviour that guide how value is created within the Group. These

principles are supplemented by additional policies that provide detailed guidance on specific topics. The Code of Conduct applies to all employees at Zalaris, including its subsidiaries and Board of Directors. Additionally, partners, contractors and other hired personnel working in our operations are expected to adhere to our standards and respect our values as outlined in the Code of Conduct.

The Code of Conduct covers various aspects including human rights, working conditions, health, safety and employee security, environmental sustainability, customer relations and competition, anti-corruption and bribery measures, supplier data privacy, transparency, legal compliance, gifts and business courtesies, money laundering prevention, internal controls, conflict of interest management, confidentiality, personal data and privacy policies, protection of properties and assets, and accounting and financial reporting standards.

Zalaris conducts quarterly engagement surveys to assess various aspects of the Group's corporate culture. These surveys include inquiries regarding discrimination, human rights, perceived equality and diversity, as well as health and safety. The Human Resources department reviews the results and ensures all employees attend annual review meetings, with additional meetings scheduled as needed.

Zalaris has a framework to identify, report, and investigate unlawful behaviour or Code of Conduct violations. This upholds high ethical standards and compliance with policies and laws. A confidential whistleblowing channel is available for employees, partners, and stakeholders to report illegal actions or suspected violations anonymously through an encrypted system managed by an external provider.

Zalaris also has an Information Security Policy, GDPR and 10 Commandments for IT Security that outlines the procedures for handling sensitive information and ensuring data protection for own workers and workers in the value chain. This policy includes guidelines for storing sensitive data, reporting breaches and maintaining secure data practices. Zalaris' Information Security Policy applies to all employees, contractors, subsidiaries, third-party service providers, and relevant clients. The policies facilitate data confidentiality, integrity, and security across the organization.

4. Due diligence assessment and risk mitigation measures

In 2024, as part of preparing our first consolidated sustainability statements in accordance with the European Sustainability Reporting Standards (ESRS) and the Corporate Sustainability Reporting Directive (CSRD), Zalaris conducted a double materiality assessment and related due diligence, informed by internationally recognised frameworks including the OECD Guidelines for Responsible Business Conduct.

The assessment covered:

- Human rights scope
- Impact and likelihood evaluations
- Mitigation measures

Zalaris found no evidence of human rights impacts in our operations or value chain. We are committed to continuously monitoring and promoting human rights in all areas of our business.

4.1 Own employees

Zalaris is committed to respecting human rights, including Labour rights, for all people in its workforce. This commitment is embedded in our policies and operational practices to promote a fair, safe, and inclusive working environment. Zalaris has established policies to manage its material impacts, risks, and opportunities related to its workforce. These policies aim to promote fair Labour practices, workplace safety, diversity, and inclusion while mitigating risks related to human rights violations. Regular internal audits and compliance checks are conducted to monitor adherence. The policies apply to all corporate employees across Zalaris' operational geographies.

Workforce groups face different risks, such as accessibility needs or job-related stress, which Zalaris addresses through inclusion initiatives and wellness programs. Zalaris does not operate in countries where there is higher risk of forced or child labour. All Zalaris employees hold corporate, white-collar positions. Consequently, there are no operations within the company that pose a significant risk of incidents related to forced labour or child labour.

Zalaris operates with a corporate, white-collar workforce and does not have employees in vulnerable groups at risk of systemic human rights violations. However, we are committed to fostering an inclusive and equitable workplace. Our diversity and inclusion framework promotes fair hiring, equal opportunity, and access to career growth for all employees. These measures reinforce Zalaris' dedication to maintaining a fair and inclusive work environment.

Furthermore, Zalaris continuously assesses risks and opportunities related to its workforce, particularly in the context of transitioning to greener and climate-neutral operations. The Group considers potential impacts on employees and implements reskilling and upskilling initiatives to align with sustainable business transformations.

Zalaris actively engages with its workforce through various mechanisms, including employee surveys, feedback sessions, and structured dialogues. This engagement promotes that workforce perspectives are considered in policy-making and operational improvements.

In the 2024 Annual Employee Engagement Survey conducted, employees submitted 5 anonymous reports related to perceived incidents of discrimination, bullying, or harassment. These reports reflect individual experiences and perceptions, which Zalaris is proactively addressing through established procedures. Additionally, mandatory training sessions on preventing discrimination and harassment are being implemented for all employees. There were 3 Whistleblowing cases registered in the channel & was addressed immediately.

Zalaris upholds a strong track record in managing workplace incidents, complaints, and human rights impacts. Notably, no formal complaints were filed through our internal reporting channels regarding work-related incidents or severe human rights violations. Likewise, no reports were submitted to the National Contact Points for OECD Multinational Enterprises.

The Group has not incurred any fines, penalties, or compensation obligations related to such matters, reinforcing its commitment to ethical business practices and responsible management. Furthermore, no cases of severe human rights violations—such as forced labour, human trafficking, or child labour—were

identified within Zalaris' operations. Consequently, no penalties, fines, or compensatory actions were required.

Zalaris has not reported any severe human rights issues or incidents involving its workforce that would constitute violations of the UN Guiding Principles or OECD Guidelines for Multinational Enterprises. The company confirms that this number remains zero, as no such incidents have occurred.

Further information related to own workforce can be found in chapter 4.2 of the Sustainability Statement in the 2024 Annual Report available at ir.zalaris.com.

4.2 Suppliers and business partners

In 2024, Zalaris engaged 225 suppliers who delivered products or services valued at NOK 500k or more. The distribution of these suppliers by country and product category is detailed in the tables below.

Country/geographic area	Number of suppliers	Product/service	Number of suppliers
EU	147	External consultants	111
Norway	52	Software	30
UK	8	Office rent	12
Australia	12	External payroll providers	10
India	5	Legal and audit services	9
Other	6	Other	53
Total	225	Total	225

Zalaris assesses that the Group operates within an industry and geographical locations where the risk of breaches in key areas such as privacy, business conduct, health, safety and environment (HSE), human rights, and working conditions is low. Additionally, Zalaris evaluates that any subcontractors engaged for assignments also present a low risk.

Workers in the value chain

In Zalaris, workers in the value chain include individuals from suppliers, consultants, contractors, and service providers. This encompasses IT developers, customer support, and facility staff. The main supplier category is external consultants, who support functions like software development, IT management, payroll processing, and advisory services. These workers are not directly employed by Zalaris but are essential to delivering services.

The key material impacts on these workers include:

- **Job Security and Fair Wages** – Facilitating that consultants and external staff receive competitive compensation and stable working conditions.
- **Working Conditions** – Addressing risks related to excessive working hours, benefits, and contract stability, especially in regions with less regulatory oversight.
- **Ethical Labour Practices** – Aiming to ensure that all contracted workers are safeguarded under equitable labour agreements, consistent with Zalaris' sustainability commitments.

Zalaris recognises that outsourced labour can pose a risk of decreased oversight compared to direct employees. To address this issue, Zalaris collaborates closely with suppliers and partners to ensure ethical labour standards are maintained throughout its value chain.

Zalaris does not have a specific policy on material impacts and risks related to workers in the value chain. However, external consultants and contractors must follow Zalaris' Code of Conduct through mandatory training in the Zalaris Learning & Development portal, which aligns with international labour conventions like the ILO Core Conventions and the UN Guiding Principles on Business and Human Rights.

The Code of Conduct applies to all external consultants and value chain workers, to facilitate fair working conditions, protection against forced labour, and compliance with legal requirements on wages and working hours. It also establishes mechanisms for reporting grievances, reinforcing Zalaris' commitment to ethical labour practices. However, the company recognizes that a more structured policy tailored specifically to value chain workers is needed and plans to develop this in the next reporting year to enhance governance and transparency.

Zalaris employs a structured approach to engaging with value chain workers to facilitate their concerns are acknowledged and addressed. The Group integrates multiple engagement strategies tailored to external consultants and contractors, including:

- **Helpdesk Ticketing System:** External consultants can raise concerns through Zalaris' Helpdesk ticketing system, ensuring systematic tracking and resolution of issues.
- **Surveys:** In autumn 2024, Zalaris introduced periodic surveys for external consultants to assess key areas such as working conditions, well-being, and fair treatment. The feedback informs decision-making and operational improvements.
- **Direct Engagement:** Zalaris does not directly engage with value chain workers on working conditions and ethical business practices.

Engagement effectiveness is assessed through survey feedback and periodic evaluations. Given that Zalaris primarily works with corporate, white-collar consultants, there are no vulnerable or marginalized value chain workers.

Key Actions and Future Plans

- **Stakeholder Engagement & Risk Assessment:** Zalaris has not yet formally initiated stakeholder engagement and risk assessments specifically for value chain workers. Currently, interactions with value chain workers are primarily governed by contractual agreements. These contracts are established based on project-specific resource requirements, either through fulltime exclusive engagements or on a time and material basis.
- **Supplier Oversight:** An updated Supplier Code of Conduct will be introduced in 2025, with digital workforce monitoring tools launching in 2026. A supplier assessment is being conducted for material suppliers, and contracts will be updated to include adherence to human rights regulations.
- **AI and Human Rights:** Zalaris acknowledges the human rights risks of AI, especially concerning privacy, data protection, and non-discrimination. The Group will implement AI-related guidelines and policies in 2025.

- **Remediation & Prevention:** Zalaris does not have direct engagement with value chain workers beyond the scope of work delivery. Any issues related to grievances, remediation, or preventive measures are addressed through direct communication with the respective contractor or supplier company. While efforts such as strengthened hiring due diligence and expanded training programs are in place at the supplier level, Zalaris monitors these indirectly through its supplier relationships.

5. Remediation

No human rights violations were reported through any of our communication, reporting, and whistleblowing channels in 2024. Additionally, Zalaris has not identified any significant human rights issues or incidents involving our workers or those within our value chain that would constitute violations of the UN Guiding Principles or OECD Guidelines for Multinational Enterprises. Consequently, no remediation actions were required. However, Zalaris remains committed to monitoring and preventing human rights violations to ensure a timely and adequate response to any such occurrences and their adverse consequences.

6. Communication

General inquiry

ir@zalaris.com

Whistleblowing & Transparency Act

[Whistleblowing channel](#)

[Norwegian Transparency Act & Fair Working Conditions](#)

Oslo, 24 June 2025

The Board of Directors of Zalaris ASA

This document is signed electronically

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(Chair)

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