CLASSIFICATION OF TRANSOFT SOFTWARE UNDER EU AI ACT
(September 2025)

The EU AI Act in Article (66 (2) classifies high-risk AI systems as those that use AI in a critical sector of the economy, including transportation (Appendix III). Transoft develops and distributes software (VERALYTIX and AssetMAPPER) that uses machine learning to analyze video streams of traffic in intersections, with the purpose of identifying conflicts, such as near-misses. As such, this software falls into the scope of critical infrastructure.

The EU AI Act includes 4 exceptions to high-risk classification in Article 6(3), where an AI system does not pose a significant risk of harm to the health, safety or fundamental rights of natural persons, including not materially influencing the outcome of decision-making, including if such system:

- Performs a narrow procedural task; or
- Performs a preparatory task to an assessment that is intended to be used as a safety component in the management of road traffic.

VERALYTIX

In VERALYTIX, AI is used in a narrow procedural task, namely identification of vehicle movements that satisfy certain criteria, such as post-encroachment times below a defined limit. Machine learning is used to train the system to identify different kinds of vehicles and other users of the road, and to track these across frames. The results of this identification are recorded as analytical output using an online dashboard. This analytical output records statistical data relating to the noted event, with links to video clips associated with such events.

The results of the analysis undertaken using VERALYTIX technology are inputs for decision to be taken by traffic engineers on whether and how to make design modifications to road infrastructure to reduce accidents. Traffic engineers use other data sources in their consideration, including engineering standards, other comparable intersections, and their own professional judgement.

There is low risk that the outcome of the use of this software will result in increased risk to road users. The expectation is that use of the results of this technology, together with other material at the disposal of traffic engineers will reduce the risk to road users.

On the basis that VERALYTIX performs only narrow procedural tasks and are only preparatory tasks to assessments to be undertaken by human traffic engineers, and that these assessments will reduce the safety risk of road users, these systems satisfy the requirements to be excepted from high-risk classification.

AssetMAPPER

In AssetMAPPER, AI is used in a narrow procedural task, namely identification of road signs and other stationary objects such as marking and streetlights, for the purpose of creating a digital inventory. Machine learning is used to train the system to identify different kinds of signs or other

objects, which are then geolocated. The output is captured in an online database that users can access.

The results of the inventory may be compared with standards for quality so that users can decide whether maintenance is necessary. In some cases, no further assessment is done, and the results are only used as an inventory.

The results of the inventory created using AssetMAPPER technology are sometimes inputs for decision to be taken by traffic engineers on whether maintenance is required, using their only professional judgement and the photographs of the objects that are stored in the database.

There is low risk that the outcome of the use of this software will result in increased risk to road users. The expectation is that use of the results of this technology, will reduce the risk to road users if it is used to repair and maintain any objects that are identified as being worn or damaged.

On the basis that AssetMAPPER performs only narrow procedural tasks and is only preparatory tasks to a potential assessments to be undertaken by human operator, and that these assessments will reduce the safety risk of road users, this systems satisfies the requirements to be excepted from high-risk classification.

In terms of Article 49(1), Transoft is not required to register its AI systems in the EU database, since registrations are not required for AI systems used in Critical Infrastructure.