



Annual Report 2025

Redefining efficiency and sustainability in
tanker and dry bulk shipping



Contents

Introduction	3	Board of Directors' reports	15	Financials	91
Letter from the CEO	3	Key developments 2025	15	Consolidated financial statements	91
About KCC	5	2026 priorities	15	Notes to the consolidated financial statements	95
Performance highlights	8	Financial results	15	Financial statements of the parent company	114
The KCC share	10	The business	16	Notes to financial statements of the parent company	118
Board of Directors	12	Market development and outlook	17	Responsibility statement	122
Management	13	Risk review and risk management	18	Auditor's report on financial statements	123
		Board development	18	Auditor's report on environmental KPIs and GHG accounts	126
		Sustainability statement	19		
		General information	20		
		Environmental information	34		
		Social information	60		
		Governance information	77		
		Signatures from the Board of Directors and CEO	85		
		Corporate Governance Report	86		

Letter from the CEO

Building resilience and growth opportunities in unpredictable markets

2025 has been a good year for KCC despite geopolitical and partly market headwinds. Throughout the year, the KCC fleet has maintained its strong safety track record and favorable vetting performance. Business development across KCC's business has progressed well, further strengthening our resilience and long-term growth potential.

The shipping industry witnessed an unprecedented level of geopolitical risks in 2025 with escalating trade disputes adding to the ongoing wars in Ukraine and unrest in the Red Sea. Uncertainties stemming from the proposed USTR-port fees on Chinese built vessels negatively impacted CLEANBU trading for the first three quarters of the year. The final USTR wording presented in October, however, left our CLEANBU business unaffected.

Market developments and performance

Despite a weak start to the year, both the dry bulk and tanker markets demonstrated resilience in the face of elevated geopolitical uncertainty. The product tanker market improved during spring and ended the year on a strong note, supported by a historically strong crude tanker market. The dry bulk market exceeded weak expectations, with spot earnings in the second half of 2025 reaching their highest levels since the dry bulk boom in 2021-2022.

Progress across CABU and CLEANBU

We have successfully prepared the CABU business for the upcoming CABU fleet growth, with delivery of three CABU newbuildings scheduled in 2026. TCE-earnings of the CABU-fleet in 2025 ended at the third-highest level since the establishment of KCC in 2018. The caustic soda contract backlog for 2026 has been substantially increased by booking around 20% more caustic soda contract cargoes to Australia compared with 2025, as well as concluding a 32-month caustic soda contract of affreightment (COA) with Norsk Hydro majority owned Alunorte.

KCC's oldest CABU vessel, MV Barcarena, was successfully taken through her 25-year docking and life extension program in Q4 2025 and will start service the COA with Alunorte in March 2026.



“With a strong balance sheet, diversified market exposure and a flexible business model, KCC is well prepared to handle uncertainty and capitalize on market opportunities.”

Engebret Dahm, CEO

We also made good progress in the CLEANBU business during 2025. Growth in the CLEANBU customer base continued, and we now serve some of the world's largest and most demanding oil companies and oil traders.

This reflects the broad market acceptance of the CLEANBU fleet as a high-quality solution for clean petroleum trades. We continue to focus on securing the remaining difficult-to-win customers while delivering further improvements in trading efficiency and flexibility of the CLEANBU fleet.

Strengthening the operating model

2025 also marked the first year under KCC's new operational model following Torvald Klaveness' sale of Klaveness Ship Management (KSM) to OSM Thome at year-end 2024. The start of the new technical management agreement between KCC and KSM, now owned by OSM Thome, as well as the integration of KSM's project department and commercial operation department into KCC has progressed well.

Together, the new model has strengthened the quality of KCC's operation and our ability to grow the business.

Sustainability and ESG commitments

The unexpected postponement of the IMO decarbonization regulations in October was a setback for the shipping industry. Despite these regulatory headwinds, KCC remains committed to delivering significant reductions in the carbon footprint of our services.

We will continue to do this through a strong focus on improving trading efficiency and by making smart investments in innovative operational and energy efficiency initiatives across the fleet.

KCC also remains firmly committed to building its business to the highest Environment, Social and Governance (ESG) standards and to implementing these standards through how we work every day and engage with our stakeholders.

Outlook for 2026

KCC has had a solid start to 2026, supported by the positive momentum in the product tanker market and a seasonally strong dry bulk market.

While optimism is present in both markets, the outlook remains uncertain given ongoing geopolitical instability, and the associated market risks. With a strong balance sheet, the combination of fixed rate and floating rate contract coverage, the diversified market exposure, and the flexibility and efficiency of KCC's business model, we continue to be well positioned to manage challenges and capitalize on market opportunities in the year ahead.

About Klaveness Combination Carriers

Klaveness Combination Carriers is the world leader in combination carriers, owning and operating nine CABU and eight CLEANBU vessels, following the delivery of one newbuilding in February 2026. Two additional CABU vessels are scheduled for delivery in 2026.

KCC's combination carriers are built for transportation of both wet and dry bulk cargoes, being operated in trades where the vessels efficiently combine dry and wet cargoes with minimum ballast.

Through their high utilization and efficiency, the vessels emit up to 40% less CO₂ per transported ton compared to standard tanker and dry bulk vessels in current and targeted combination trading patterns.

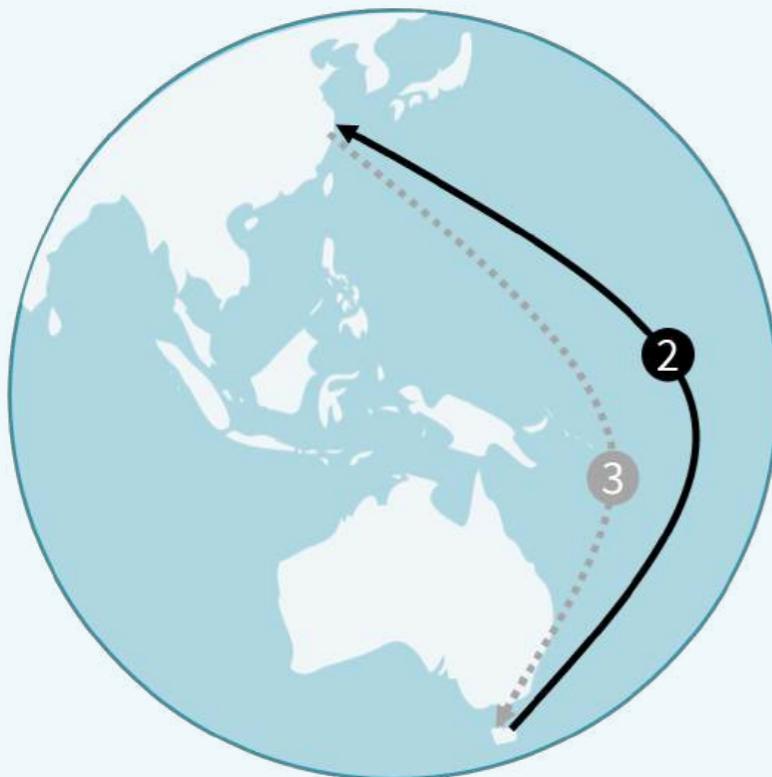


Developing and operating the world's most efficient shipping solution

Example of conventional trading vs. KCC's combination trading

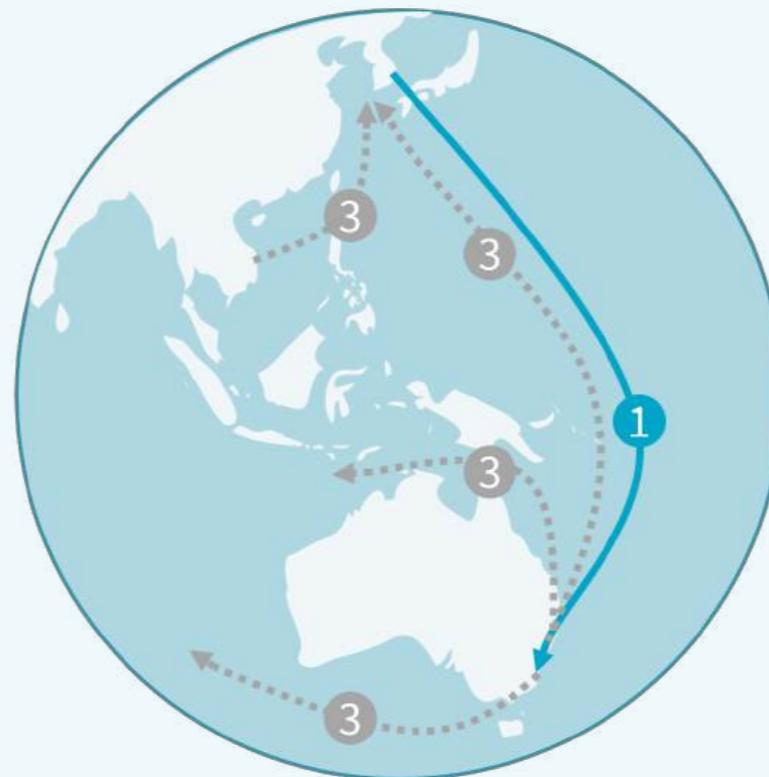
Panamax dry bulk

~40-50% trading empty (ballast)



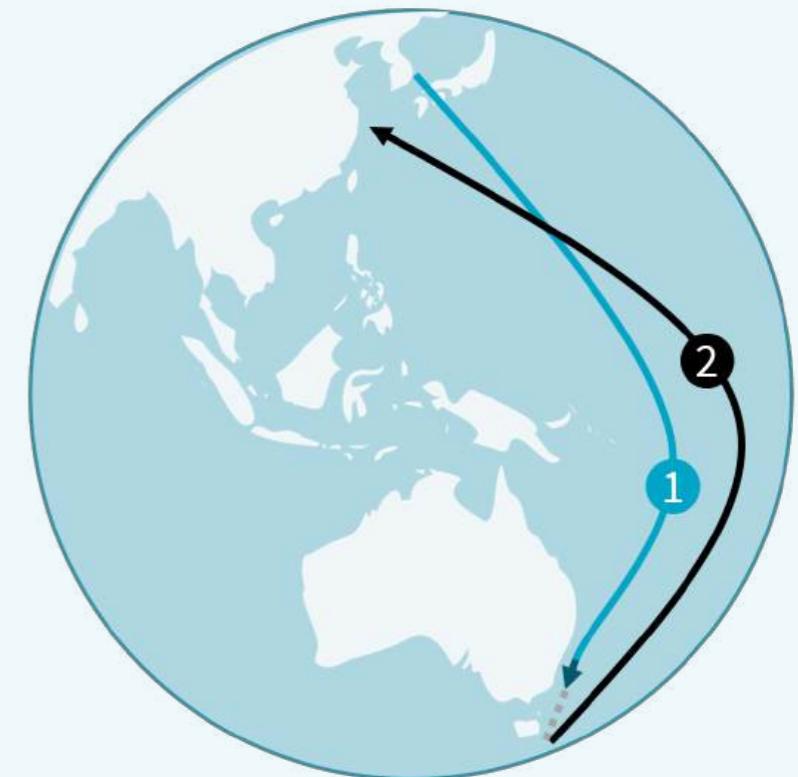
Product tankers

~30% trading empty (ballast)



KCC's solution

~10% trading empty (ballast)



1 Tank

2 Dry bulk

3 Ballast

Strategy 2025-2030: Redefining efficiency and sustainability in tanker and dry bulk shipping



CLEANBU growth

Grow the CLEANBU business based on strong market foundations



CABU expansion

Take the CABU business into a new chapter - growing market share and diversifying to new regions



Innovative concepts

Explore new combination carrier concepts



Leadership in sustainability

Capitalize on market-leading position in low-emission shipping being a “Smart Leader”



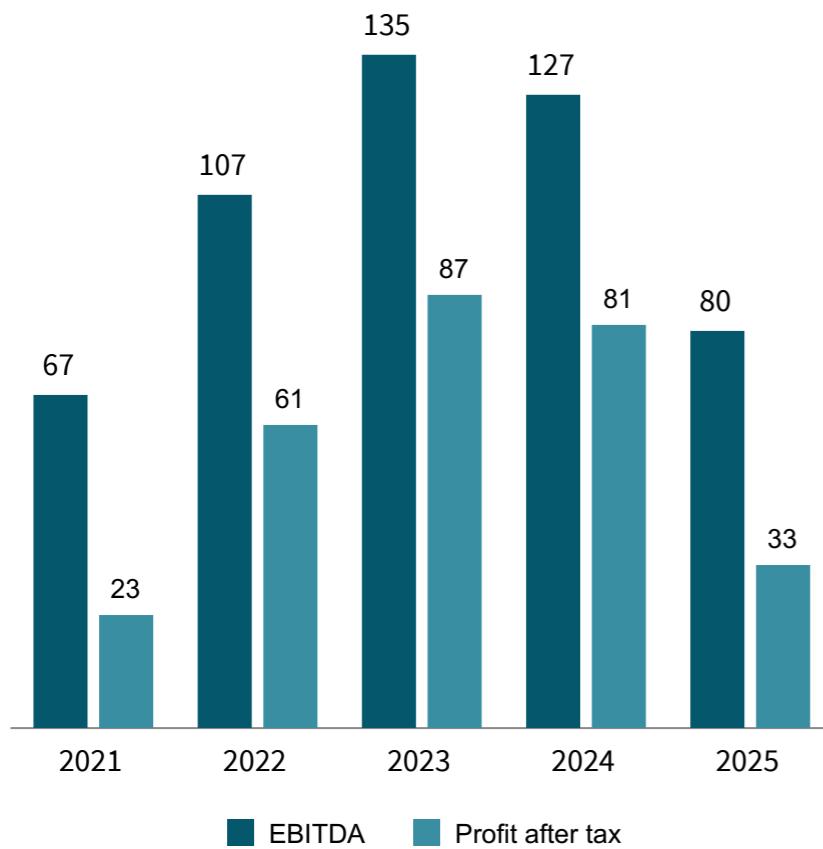
Value creation

Prioritize shareholder returns – ambition to deliver the best risk-adjusted return in shipping

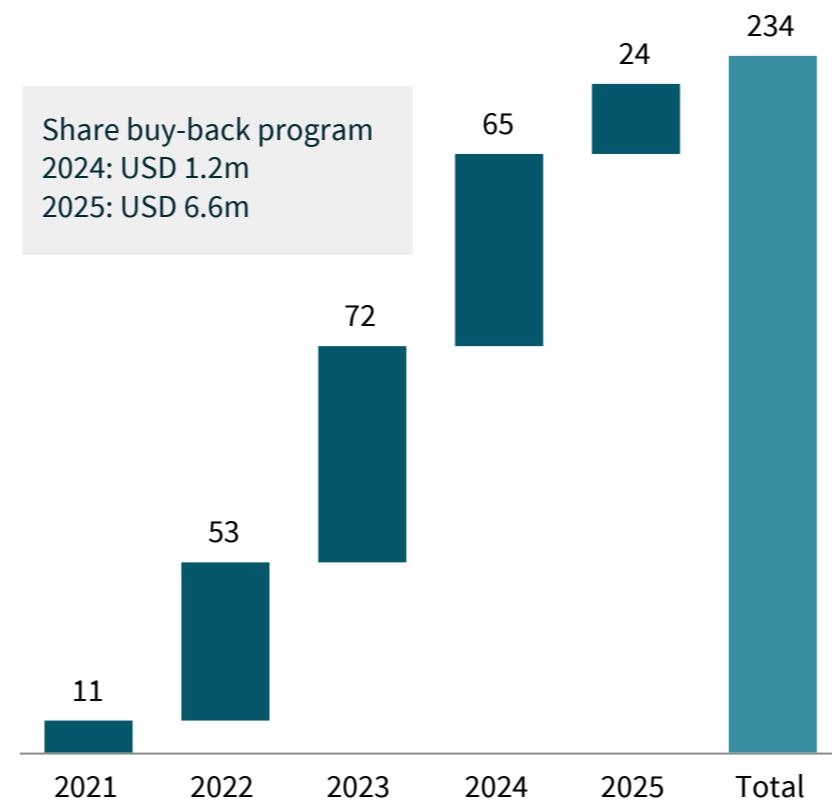
For more details on KCC’s new strategy for 2026-2030, please see the presentation from our Capital Markets Day 2025 on our website.

Performance highlights

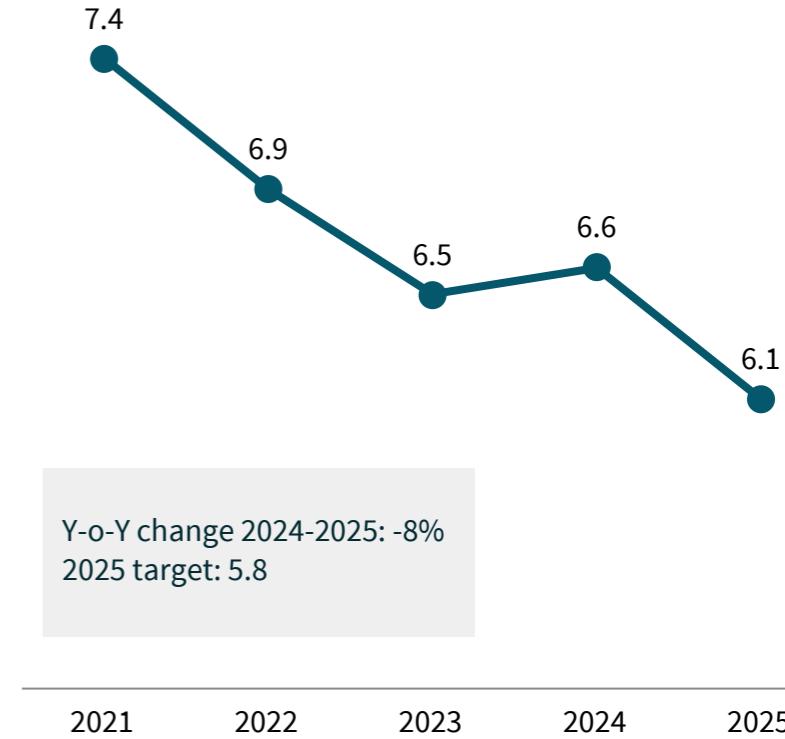
EBITDA and profit after tax (USD million)



Dividend payments and share buy-backs (USD million)



Emissions intensity (EEOI, gCO2/tNM)*



26 278

TCE earnings USD/day¹

7%

ROCE¹

9%

ROE¹

55%

Equity ratio¹

0.6

Lost time injury frequency (LTIF)²
Target: 0.5

¹) Average TCE earnings \$/day, ROCE, ROE and equity ratio are alternative performance measures (APM) which are defined and reconciled in the excel sheet "APM4Q2025" published on the Company's homepage (www.combinationcarriers.com) Investor Relations/Reports and Presentations under the section for the Q4 2025 report.

²) LTIF is injury leading to loss of productive work time, number of injuries.

* EEOI (Energy Efficiency Operational Index) is defined by IMO and represents grams CO2 emitted per transported ton cargo per nautical mile for a period of time (both fuel consumption at sea and in port included).

Key events 2025

January

Start of new operational model after Torvald Klaveness' sale of Klaveness Ship Management to OSM Thome



March

Marine Money "Norwegian Bond Deal of the Year" for tap issue in 2024



September

KCC enters collaboration with HUB Ocean on biodiversity

Launching of first CABU III newbuild, MV Balder



June

Bank financing secured for newbuildings including refinancing of CABU facility

October

Release of final USTR port fee regulation left KCC's business unaffected



KCC achieves CDP B score for Climate Change



December

Hosting our first ever Capital markets day



November

First CPP shipment with Exxon Mobil



25-year docking of "Barcarena" based on 32-months COA with Alunorte



Record caustic soda COA booking to Australia 2026

The KCC share

KCC aims to be an attractive investment for shareholders by delivering the best risk-adjusted return in dry bulk and tanker shipping, supported by consistent quarterly dividends of minimum 80% of adjusted cash flow to equity¹ and long-term share appreciation.

NOK 4.7 bn

KCC's market capitalisation as at 31 December 2025

USD 0.285

dividend per share for 2025

5,072

shareholders as of 31 December 2025

59,508

thousand shares

Share performance

The Klaveness Combination Carrier share is listed on Oslo Børs under the ticker code KCC. As of year-end 2025, KCC had 59,508,231 issued shares (31.12.2024: 60,458,231 shares), trading at a year-end closing price of NOK 79.20 per share (31.12.2024: NOK 74.50), valuing KCC at approximately NOK 4.7 billion at year end (31.12.2024: NOK 4.5 billion). All shares have equal rights and are freely transferable. Per year-end 2025, KCC owns a total of 218,078 treasury shares, corresponding to 0.37% of the total number of issued shares.

In 2025, the average daily trading volume on Oslo Børs was approximately NOK 5.1 million (31.12.2024: NOK 9.9 million). The highest closing share price during the year was NOK 82, while the lowest closing price was NOK 56.5.

The year-end closing price represent an increase of 6% compared to year-end 2024. KCC's total shareholder return (TSR) in 2025, including reinvestment of dividends, was 11%.

Share price, total return and volume traded



¹ Adjusted cash flow to equity (ACFE) = EBITDA – interest cost – ordinary debt repayments – maintenance CAPEX. ACFE is an Alternative Performance Measures (APMs) which are defined and reconciled in the excel sheet “APM4Q2025” published on the Company’s homepage (www.combinationcarriers.com) Investor Relations/Reports and Presentations under the section for the Q4 2025 report.

Shareholder composition

At year-end 2025, KCC had 5,072 shareholders (31.12.2024: 4,504). Non-Norwegian investors owned 18% (31.12.2024: 22%) of the outstanding shares.

Rederiaksjeselskapet Torvald Klaveness was the largest single shareholder, holding 54.68% of the shares (31.12.2024: 53.82%).

Top 20 shareholders of December 31 2025

#	Shareholder	# Shares Dec 2025	% Ownership Dec 2025
1	Rederiaksjeselskapet Torvald Klaveness	32 537 608	54.68 %
2	EGD Shipping Invest AS	3 650 000	6.13 %
3	Hundred Roses Corporation	2 382 283	4.00 %
4	VPF Sparebank 1 Norge Verdi	1 934 224	3.25 %
5	J.P. Morgan SE (nominee)	1 798 745	3.02 %
6	J.P. Morgan SE (nominee)	1 696 043	2.85 %
7	Goldman Sachs & Co. LLC (nominee)	1 450 000	2.44 %
8	Landkreditt Utbytte	794 573	1.34 %
9	Kontrari AS	525 000	0.88 %
10	Surfside Holding AS	410 000	0.69 %
11	Hausta Investor AS	367 620	0.62 %
12	Skandinaviska Enskilda Banken AB (nominee)	300 000	0.50 %
13	Kristian Falnes AS	254 945	0.43 %
14	Nordnet Livsforsikring AS	218 814	0.37 %
15	Klaveness Combination Carriers ASA	218 078	0.37 %
16	Skeie kapital AS	200 000	0.34 %
17	Interactive Brokers LLC (nominee)	185 303	0.31 %
18	Johs. Hansen & Co AS	181 257	0.30 %
19	Cortex AS	172 847	0.29 %
20	Verdipapirfondet Equinor Aksjer NO	170 000	0.29 %
Owner list top 20 total		49 447 340	83.09 %

Source: Verdipapirsentralen (VPS)

For the purpose of this overview, shareholder accounts registered under the same beneficial owner have been consolidated and presented as a single shareholder.

Dividend

KCC's dividend policy is to distribute, on a quarterly basis, a minimum 80% of the adjusted cash flow to equity (ACFE¹) after debt service and maintenance costs as dividends to its shareholders. Distributions are made provided that all known and future capital and debt commitments are accounted for, and that the company's financial position remains acceptable. New investments will normally be subject to a separate equity raise.

In December 2024, KCC initiated a share buy-back program, which was completed in first quarter 2025. The program resulted in the repurchase of 1,200,000 shares, corresponding to a total transaction value of approximately USD 7.9 million, whereof 1,004,157 shares were repurchased for a total of USD 6.6 million in 2025. 950,000 of the shares were redeemed in June 2025.

For the financial year 2025, KCC paid total dividends of USD 0.285 per share, corresponding to an aggregate distribution of USD 16.9 million and 87% of the adjusted cash flow to equity.

KCC's historical dividends

Earnings period	Dividend amount (USD)	Dividend per share (USD)	Ratio ACFE ¹ (%)
2019	2.7	0.060	N/A
2020	5.8	0.120	43 %
2021	11.0	0.220	67 %
2022	52.9	1.010	97 %
2023	72.3	1.250	86 %
2024	63.5	1.050	94 %
2025	16.9	0.285	87 %

1. Adjusted cash flow to equity (ACFE) = EBITDA – interest cost – ordinary debt repayments – maintenance CAPEX. ACFE is an Alternative Performance Measures (APMs) which are defined and reconciled in the excel sheet "APM4Q2025" published on the Company's homepage (www.combinationcarriers.com) Investor Relations/Reports and Presentations under the section for the Q4 2025 report.

Board of Directors



Ernst A. Meyer

Chair of the Board

Rederiaksjeselskapet Torvald Klaveness (majority owner of KCC)

- Norwegian National
- Male, 1969
- Elected Chair in 2022
- Current Board period: 2024-2026

Experience

Current:

- President and CEO of Rederiaksjeselskapet Torvald Klaveness

Former:

- COO Torvald Klaveness
- SVP Offshore Classification, DNV Global
- SVP and Regional Manager, DNV Asia
- Early career in Statoil Shipping/Navion

Education

- Master of Science in Naval Architecture and Marine Engineering from the Norwegian University of Science and Technology (NTNU)

Number of Shares held: 5 000



Magne Øvreås

Board member and member of the Audit Committee

EGD Shipping Invest AS (second largest shareholder of KCC)

- Norwegian National
- Male, 1972
- Elected to Board in 2018
- Current Board period: 2024-2026

Experience

Current:

- CEO of EGD Shipholding AS
- Board positions in Argentum, the Norwegian Ship Owners Association (Deep Sea), Norwegian Hull Club and Mohn Drilling AS

Former:

- CEO of Utkilen AS
- Management consultant in Cardo Partners and the Boston Consulting Group

Education

- Master of Science in Naval Architecture from the Norwegian University of Science and Technology (NTNU) and ENSTA Paris

Number of Shares held: Indirectly: Owns 9.9% of EGD Shipping Invest AS which holds 3 650 000 shares



Brita Eilertsen

Board member and Chair of the Audit Committee

Independent

- Norwegian National
- Female, 1962
- Elected to Board in 2022
- Current Board period: 2024-2026

Experience

Current:

- Board positions in Appear, Pareto Bank, Axactor and C World Wide

Former:

- Investment banking in SEB Enskilda and Orkla Finans
- Management consulting in Touche Ross Mgmt Consultants (Deloitte)
- Various board positions

Education

- Degree in business from the Norwegian School of Economics (NHH)
- Certified Financial Analyst (CFA)

Number of Shares held: 2 000



Marianne Møgster

Board member

Independent

- Norwegian National
- Female, 1974
- Elected to Board in 2024
- Current Board period: 2024-2026

Experience

Current:

- Executive Vice President Marine and Asset Operations in DOF
- Board positions in the Norwegian Ship Owners Association and Norwegian Hull Club

Former:

- Experience from several other managerial roles in DOF Group
- Finance roles in Equinor and Norsk Hydro
- Various board positions

Education

- Master of Finance from the Norwegian School of Economics (NHH)

Number of Shares held: 0



Gørjan Andreassen

Board member

Rederiaksjeselskapet Torvald Klaveness (majority owner of KCC)

- Norwegian National
- Male, 1972
- Elected to Board in 2022
- Current Board period: 2024-2026

Experience

Current:

- Chief Strategic Investment Officer of Torvald Klaveness
- Board positions in Norwegian Hull Club and ScoutDI

Former:

- Senior Partner at OMP Capital
- Partner at HitecVision, where he served on the Board of multiple portfolio companies
- Partner at Clarksons Platou
- Several positions in DNV and Aker Solutions

Education

- Master of Science in Mechanical Engineering from the Norwegian University of Science and Technology (NTNU)

Number of Shares held: 4 300

Management



Engebret Dahm

CEO

- Norwegian National
- Male, 1965
- CEO since 2018
- Oslo based

Experience

Current:

- CEO of KCC

Former:

- Chair of the Oslo Shipowners Association
- Head of Combination Carriers and various roles in the Torvald Klaveness Group
- CEO of Norwegian Car Carriers AS
- Roles in Credit Agricole CIB in Paris

Education

- Degree in Business from the Norwegian School of Economics (NHH)

Number of Shares held: 53 032



Liv H. Dyrnes

CFO and Deputy CEO

- Norwegian National
- Female, 1980
- CFO since 2018
- Oslo based

Experience

Current:

- CFO and Deputy CEO of KCC
- Board positions in Utkilen, Sperre Air Power and Neuver Maritime

Former:

- Various board positions
- CFO of Rederiaksjeselskapet Torvald Klaveness and other finance roles within the Torvald Klaveness Group
- Analyst Shipping, Offshore and Logistics in DNB Bank

Education

- Master of Science in Finance from the Norwegian School of Economics (NHH)

Number of Shares held: 13 000



Geir Frode Abelsen

Chief Operating Officer

- Norwegian National
- Male, 1968
- COO since 2025
- Oslo based

Experience

Current:

- COO of KCC
- Board position in Stainless

Former:

- Head of Technical Operations in Hoegh Autoliners
- COO in Navig8 group
- COO Eitzen Chemical

Education

- Master of Science in Naval Architecture and Marine Engineering from the Norwegian University of Science and Technology (NTNU)

Number of Shares held: 2 000



Snorre Blix

VP, Global Head of CLEANBU Chartering

- Norwegian National
- Male, 1973
- Held position since 2023
- Oslo based

Experience

Current:

- VP, Global Head of Cleanbu Chartering of KCC

Former:

- VP, Combination Carriers Atlantic
- Held various commercial and chartering roles in the Torvald Klaveness Group for over 20 years

Education

- Master in Business Administration from ESCP Business School and the Norwegian School of Management BI
- Bachelors in Maritime Business with Logistics from the University of Plymouth

Number of Shares held: 19 275



Anne Mette Hansen

VP, Global Head of CABU Chartering

- Danish National
- Female, 1982
- Held position since 2024
- Singapore based

Experience

Current:

- VP, Global Head of Cabu Chartering of KCC

Former:

- Held various commercial and chartering roles for the CABU segment in the KCC Group for over 10 years
- Held various chartering roles for the Danish shipowner Norden after completing their shipping trainee program

Education

- Business degree from Business college in Denmark

Number of Shares held: 20 650



Håkon Moltubakk

VP, Head of Strategy and Business Development

- Norwegian National
- Male, 1988
- Held position since 2024
- Oslo based

Experience

Current:

- VP, Head of Strategy & Business Development of KCC

Former:

- Held various roles within finance, treasury, risk management and investor relations in the KCC and Torvald Klaveness Group for over 10 years

Education

- Master of Science in Business and Economics from BI Norwegian Business School

Number of Shares held: 6 642

Board of Directors' Report



Key development 2025

2025 was a special year characterized by volatile freight markets and heightened geopolitical, trade-policy, and regulatory uncertainty. Against this backdrop, the Board is satisfied that Klaveness Combination Carriers ASA (“KCC”, the “Company”, the “Group”) continued to strengthen the operational and commercial foundations of its combination carrier business model, while maintaining a disciplined focus on safety, efficiency, and long-term value creation.

Overall TCE earnings and financial results were impacted by a substantially weaker underlying product tanker market compared to the historically strong market conditions experienced in 2024. Also, the dry bulk market ended overall somewhat weaker than in 2024. Following a difficult start to the year, the Group’s financial performance improved through the second half of 2025. This improvement was supported by more favorable market conditions, increased clarity around regulatory developments and trade policies, and continued optimization of trading and operations across both the CABU and CLEANBU fleets. Average fleet TCE earnings for the year outperformed the relevant dry bulk and product tanker spot markets, underlining the value created through efficiency, flexibility, and diversification inherent in the combination carrier concept.

The CABU fleet continued to trade efficiently in its core trades to/from Australia supported by high caustic soda contract volumes, high trading efficiency of 90% of on-hire days in combination trades throughout the year, and a limited 13% of on-hire days in ballast.

The CLEANBU fleet experienced headwinds early in the year, driven primarily by uncertainty related to trade tensions and, in particular, the potential introduction of US port fees for Chinese-built vessels. As market conditions strengthened and regulatory and trade-related uncertainty diminished, TCE earnings improved through the year. KCC progressed in the development of the CLEANBU business in 2025, including an expanded customer base, additional concept approvals, and a broader range of cargoes and trading patterns.

The health and safety of the Group’s seafarers and onshore personnel remain KCC’s highest priority. The Lost Time Injury Frequency² (“LTIF”) for 2025 was 0.6 as the fleet experienced two injuries. This is slightly above the target of 0.5. The development is monitored and there is high focus on safety and learning from inspections, incidents and safety observations. The Group did not experience any serious incidents or high-risk potential accidents (“SIF”)³ during the year. Continued emphasis was placed on experience sharing, both onshore and onboard vessels, and on improving operational practices to further reduce the risk of serious accidents.

Environmental performance remained an important focus area for the Group. No oil spills were recorded in 2025 and KCC continued its efforts to reduce emissions through improved trading efficiency, voyage optimization, and investments in energy efficiency measures. Although the fleet’s carbon intensity (“EEOI”)⁴ of 6.1 did not meet the target of 5.8 for the year, it represents an improvement of 7.4% compared to 2024.

Following the sale of Klaveness Ship Management (“KSM”) from Torvald Klaveness (the majority owner of KCC holding approximately 55% of the shares) to OSM Thome, new ship management agreements between KCC and the OSM Thome-owned KSM came into force on 1 January 2025. In connection with the sale, KCC’s organization was strengthened by employing six technical project and commercial operation resources to the KCC team that prior to the sale indirectly worked for KCC as part of the KSM organization.

2026 priorities

Maintaining a strong safety performance continues to be priority number one.

KCC is well positioned to deliver on its ambition to continue optimizing the CABU business through growing its caustic soda solution (“CSS”) market share to Australia and diversifying the CABU trade to new regions. KCC has secured record-high caustic soda cargo bookings for 2026 and a contract to employ one of the 2001-built vessels for a 32-months period in a CSS trade into Brazil. A milestone in 2026 will be the delivery of three CABU newbuilds, which are strategically important for supporting future growth, improving fleet efficiency and emissions performance, and strengthening customer service. One main ambition for the CLEANBU business is to expand trading East of Suez. Unlocking regular East of Suez trade is important for the CLEANBU business in terms of growth opportunities, flexibility, and reducing overall risk.

In parallel, KCC aims to solidify and further improve the current profitable CLEANBU trading West of Suez where a majority part of the fleet was trading in 2025. This is expected to grow the addressable market for the CLEANBU business, supporting the potential to grow and strengthen TCE earnings of the CLEANBU fleet over time.

KCC will maintain its persistent focus on carbon emission reductions. Given the regulatory environment and customer sentiment, KCC’s decarbonization strategy is to be a “Smart Leader” on decarbonization focusing on improving trading and voyage efficiency and investing in proven, innovative and profitable technologies.

KCC and Klaveness Ship Management (KSM) remain committed to continuously improve safety and compliance standards across the fleet, including maintain and improve SIRE vetting performance, port state control performance and the RightShip DOC rating, avoid vessel detentions and continue strengthening the onboard safety culture.

Financial results

Average TCE earnings⁵ of \$26,278/day for the fleet in 2025 decreased approximately \$9,100/day/26% compared to 2024 (\$35,368/day), while net revenues from operation of vessels decreased by 25% from USD 191.9 million in 2024 to USD 144.4 million in 2025. The fleet had 68/1% more on-hire days in 2025 mainly due to the dry-docking program. Other income of USD 1.1 million in 2025 relates mainly to loss of hire insurance.

Operating expenses decreased from USD 54.8 million in 2024 to USD 54.1 million in 2025 (-1%) mainly due to lower insurance and spare part expenses, partly offset by higher crewing expenses. Administrative expenses for 2025 of USD 11.5 million were up 2% from last year (USD 11.3 million).

EBITDA for 2025 decreased by 37% from USD 126.5 million in 2024 to USD 79.8 million in 2025. Depreciation for 2025 increased by 14% and ended at USD 34.7 million as a consequence of completed dry-dockings. Net finance cost was USD 11.6 million, down by USD 3.1 million/-21% mainly due to lower interest expenses on debt, positive foreign exchange effects and capitalization of interest costs on newbuildings.

Profit for the year 2025 was USD 33.4 million, down from USD 81.4 million in 2024, a 59% decrease from a historic strong 2024.

Financial position

Total equity ended at USD 366.1 million at year-end 2025, slightly up from year-end 2024 (USD 359.9 million). The development Y-o-Y is mainly explained by profit after tax of USD 33.4 million, negative other comprehensive income of USD 3.0 million, paid dividends of USD 18.1 million, and net negative effects from share buy back program announced 13 December 2024 and employee share purchase of USD 6.2 million. The equity ratio ended at 55% per year-end, down from 58.8% per year-end 2024 due to higher total assets, up from USD 612.2 million per year-end 2024 to USD 665.3 million per year-end 2025 driven by increased debt to fund the newbuilding program.

Total interest-bearing debt ended at USD 269.1 million at the end of 2025, up USD 44.7 million from year-end 2024, mainly due to funding of the newbuildings.

² LTIF per 1 million working hour. Lost Time Injuries (LTIs) are the sum of fatalities, permanent total disabilities, permanent partial disabilities and lost workday cases (injuries leading to loss of productive work time). In line with OCIMF (Oil Companies International Marine Forum).

³ SIF per 1 million working hours. Serious Injury or Fatality Incident (SIF)s are the incidents that has the potential, or actually does, result in a fatal or life-altering injury or illness.

⁴ EEOI (Energy Efficiency Operational Index) is defined by IMO and represents grams CO₂ emitted per transported cargo per nautical mile.

⁵ Average TCE earnings \$/day are an Alternative Performance Measure (APM) defined and reconciled in the excel sheet “APM4Q2025” published on the Company’s homepage (www.combinationcarriers.com) Investor Relations/Reports and Presentations under the section for the Q4 2025 report.

Cash and cash equivalents ended at USD 49.7 million at year-end 2025 against USD 56.1 million as of 31 December 2024. Available long-term liquidity (cash and cash equivalents and available capacity on long-term revolving credit facilities) ended the year at USD 117.7 million, down USD 53.4 million Y-o-Y.

Operating cash flow of USD 83.1 million and net change in interest-bearing debt including interest- and transaction cost of USD 19.8 million were more than offset by cost of dry-dockings, energy efficiency measures, and newbuilding costs of in total USD 84.8 million and dividend payments and share buybacks of in total USD 24.7 million. KCC, through subsidiaries, had per year-end 2025 USD 68.0 million available and undrawn under a long-term revolving credit facility and USD 8.0 million available and undrawn under a 364-days overdraft facility.

Cash flow

Net cash flow from operating activities was USD 83.1 million in 2025 (2024: USD 136.1 million) mainly driven by EBITDA of USD 79.8 million, net positive changes in working capital of USD 1.6 million and interest received of USD 2.1 million. Net cash flow from investments was negative USD 84.8 million (2024: negative USD 28.3 million) and relates to dry dock costs for five CABU vessels and three CLEANBU vessels, investments in technical upgrades and energy efficiency initiatives for the fleet and capitalized expenses during the year for the three newbuilds of USD 56.7 million. The cash flow from financing activities was negative USD 4.7 million (2024: negative USD 119.7 million) mainly due to dividend distribution of USD 18.1 million, share buybacks of USD 6.6 million, partly offset by total drawdown on debt net of transaction costs related to refinancing and ordinary debt service of USD 19.8 million.

Dividends

KCC paid USD 18.1 million (2024: USD 78.6 million) in dividends to shareholders in 2025, equal to USD 0.31 per share (2024: USD 1.30 per share).

Financing and going concern

KCC's capital commitments for the next 12 months are fully funded. The refinancing risk is limited as no debt facilities fall due in 2026 except for a USD 8 million overdraft facility that is renewed on an annual basis.

A USD 180 million bank facility partly financing the three CABU newbuildings and refinancing the existing CABU bank facility was signed on 29 September 2025.

The drawdown on the new loan tranche to refinance the existing CABU facility was made on 10 October with a net positive cash effect of approximately USD 10 million. Drawdown on the newbuilding tranches will be made on delivery of the respective vessels in Q1-Q3 2026. The newbuilding tranches of in total USD 120 million is a revolving credit facility covering approximately 60% of delivered cost. The facility has a 20 years age-adjusted repayment profile, 6 years tenor and a margin of 180 bps.

The accounts are reported under the assumption of a going concern. The Board considers the financial position of the Group at year-end 2025 to be solid and the liquidity to be satisfactory.

Current cash flow, existing and committed debt, and the liquidity position for the Group are considered sufficient to cover all commitments over the next 12 months. There have been no major transactions or events following the closing date that would have a negative impact on the evaluation of the financial position of Klaveness Combination Carriers ASA.

Related parties' transactions

KCC purchases business administration and commercial services including but not limited to legal, accounting, HR and bunkering from related parties in the Torvald Klaveness Group. All services are priced on an arm's-length basis and related party transactions and services are included as a recurring item in most of the Audit Committee meetings. The services are benchmarked on an annual basis and presented to the Board of Directors annually. See note 19 to the Consolidated Financial Statements for 2025 for more information on related party transactions.

Due to the sale of Klaveness Ship Management (KSM) from Torvald Klaveness to OSM Thome effective from 1 January 2025, ship- and crew management services are no longer related party services.

The parent company

The result for the parent company, Klaveness Combination Carriers ASA, was a loss after tax of USD 8.3 million for 2025 (2024 profit USD 94.6 million). The loss is proposed covered by other equity.

The Board of Directors has proposed dividends of USD 4.7 million for Q4 2025 which has been booked as a provision in the accounts as per 31 December 2025.

Events after the balance sheet date

On 12 February 2026, the Company's Board of Directors declared to pay a cash dividend to the Company's shareholders of in total USD 4.7 million for fourth quarter 2025 (USD 0.08 per share).

On 6 February 2026, the Group took delivery of the first of three CABU vessels under construction in China. USD 32.9 million was paid to the yard in connection with the delivery and a drawdown of USD 40 million was made on a related bank debt facility.

The business

KCC's ambition is to deliver attractive return to the investors through "Redefining efficiency and sustainability in tanker and dry bulk shipping." Based on this, the Company has an ambition to grow its business by further developing existing and establishing new combination carrier concepts that fit with the Group's business platform. The Group had a fleet of 16 vessels in operation and three newbuilds at order per year-end 2025. KCC's registered business address is Drammensveien 260, 0283 Oslo, Norway.

The shares are listed on Oslo Stock Exchange with ticker KCC. The 20 largest shareholders accounted for approximately 83%⁶ of total shares by year-end 2025, of which the largest shareholder is Rederiaksjeselskapet Torvald Klaveness with an ownership of 54.7%.

CABU

By year-end 2025, the CABU combination carrier fleet consisted of eight vessels employed in trades between Far East and Middle East to/from Australia. In addition, the Group concluded in 2023 a shipbuilding contract with Jiangsu New Yangzi Shipbuilding Co., Ltd in China, to build three third generation CABU vessels with delivery in 2026.

CABU TCE earnings⁷ decreased by approximately \$5,000/day from 2024 to 2025 and ended at \$27,700/day in 2025, 1.3 times higher than average spot earnings for standard MR tankers as reported by brokers⁸.

The CABU fleet continued to deliver industry-leading operational efficiency with days in ballast accounting for a limited 13% of total on-hire days and the share of days in main combination trades of 90% for 2025.

Caustic soda solution (CSS) contracts of affreightment (COAs) covered the full wet capacity of the CABU fleet also for 2025. Approximately 30% of the secured contract days for 2025 had fixed freight rates concluded at strong levels in a historical perspective, although somewhat below the 2024 level. The remaining 70% of contract days were covered by index-linked contracts. For 2026 KCC has fixed a record number of CSS cargoes into Australia, covering the full wet capacity of the CABU fleet including the newbuildings to be delivered during the year, whereof approximately 40% of the COA volume is fixed-rate and 60% index-linked. KCC has also secured a CSS contract into Brazil, employing one of the 2001-built vessels for a 32-month period up to end of Q3 2028.

⁶ Without consolidating shareholders that could be under common control

⁷ Average TCE earnings \$/day are an Alternative Performance Measure (APM) defined and reconciled in the excel sheet "APM4Q2025" published on the Company's homepage (www.combinationcarriers.com) Investor Relations/Reports and Presentations under the section for the Q4 2025 report.

⁸ Clarksons, MR (CABU) and LR1 (CLEANBU) tanker multiple calculated based on assumption of one-month advance cargo fixing/«lag»

Four CABU vessels were dry-docked during 2025, and one additional vessel completed its dry-docking at the beginning of the year, resulting in a total of 186 scheduled off-hire days. Two of the vessels completed the installation of several energy efficiency measures including a retrofit installation of a shaft generator and an air lubrication system. Unscheduled off-hire ended at 25 days for 2025, slightly up from 19 days in 2024.

CLEANBU

The eight CLEANBU vessels in operation service the petroleum and petrochemical industries trading wet products, mainly Clean Petroleum Products (CPP), and dry bulk products.

Average TCE earnings⁵ for the CLEANBU fleet for 2025 ended at \$24,897/day for the year, down approximately \$13,250/day from 2024. The TCE earnings were impacted by weaker underlying markets and geopolitical unrest. TCE earnings for the CLEANBU fleet were 1.1 times higher than the average spot market for standard LR1⁶ tanker vessels in 2025.

Number of CLEANBU customers and terminals accepting the vessels continued to increase throughout 2025. The main trades in 2025 were shipments of CPP from India to the US East Coast and from the US Gulf, India and the Middle-East into South America, returning with sugar, vegetable oils, or grains out of South America.

The CLEANBU fleet maintained a high share of capacity allocated in wet trades (58% in 2025 and 67% in 2024) to benefit from a still relatively stronger product tanker market compared to the dry bulk market. Trading efficiency improved for the year with share of days in combination trading increasing from 70% in 2024 to 84% in 2025, and days in ballast at 15 % in 2025 compared to 17 % in 2024.

Three CLEANBU vessels completed periodic dry-dock in 2025, with a total of 131 scheduled off-hire days. One of the vessels completed the installation of several energy efficiency measures including a retrofit installation of a shaft generator and an air lubrication system. The fleet had three unscheduled off-hire days in 2025.

Market developments and outlook

Earnings of KCC's combination carriers are driven by the Panamax/Kamsarmax dry bulk market, MR and LR1 product tanker markets, and fuel markets.

Freight rates for shipment of dry bulk commodities and clean petroleum products are highly volatile and cyclical. The demand for global seaborne transportation depends on global economic growth, and in particular, the development of the energy and commodities markets.

Dry bulk market⁹

Average spot TCE earnings for Panamax vessel (P5TC) were approximately \$12,900/day in 2025, down from approximately \$14,700/day in 2024.

The first half of the year was weak, driven by subdued grain and coal activity and heightened uncertainty following the introduction of US tariffs in April/May. The Panamax market strengthened into the second half of the year. Chinese soybean imports from South America increased in preparation for a full decoupling from US grain supply on the back of trade tensions between China and the US, resulting in higher ton-mile demand and limited available tonnage in the Atlantic. An unusually hot summer in Asia lifted coal demand, while China curbed domestic coal production to address oversupply and weak coal prices experienced in the first half of the year, lifting demand for coal imports. China also maintained record-high iron ore and bauxite imports lifted on Capesize vessels, leaving a historically high share of coal trade to the Panamax segment.

Several factors are expected to support the market into 2026. The South American soybean harvest is expected to increase from last year's record. In addition, the US-China trade agreement is expected to support a resumption of US soybean exports to China. Global iron ore supply is set to expand, primarily driven by the ramp-up of the Simandou project in Guinea and iron ore future prices indicate that demand will absorb this additional supply, despite a more uncertain outlook for the Chinese economy and possibly increasing trade barriers affecting Chinese steel exports. China has also signalled that it will maintain relatively subdued domestic coal production, supporting the coal market balance.

The dry bulk fleet is expected to grow by around 3% in 2026, while the Panamax segment is estimated to grow by 5-6%, reflecting limited scrapping¹⁰. However, the fleet is ageing which is likely to constrain effective utilization.

Commodity availability is expected to increase in 2026, supporting freight demand. The timing of demand growth remains uncertain, as high commodity supply provides buyers with increased flexibility in managing procurement. Elevated geopolitical risks may also impact trade flows and market volatility. Overall, the market appears broadly balanced, with a constructive outlook for 2026, although volatility is expected to remain elevated.

Product tanker market¹¹

Average product tanker TCE earnings fell back significantly in 2025 compared to the previous year. MR and LR1 product tanker rates were in average \$20,700/day and \$22,500/day respectively, compared to \$28,600/day and \$35,600/day in 2024.

The product tanker market started the year on a weak note. In the first half of 2025 clean tankers experienced lower demand and clean product ton-miles declined by 7.6% in the first half of 2025 while clean product volumes declined by 3.8%. Over the second half of 2025 demand improved markedly and year-over-year clean product ton-mile ended the year down 4% while clean product volumes ended down 0.8%¹².

Several factors contributed to a volatile environment for product tankers during the year. Rerouting of vessels from the Red Sea via the Cape of Good Hope continued to give some support to ton-mile demand but was partly offset by lower long-haul CPP shipment volumes. Earnings spiked during the Twelve Day War as market participants feared oil and product flows out of the Arabian Gulf would be disrupted. The rate spike faded as tensions alleviated and ended in a ceasefire. Ongoing attacks on Russian oil and refining infrastructure reduced product exports, leading to a decline in Russian gasoil/diesel imports to South America, which were replaced by supplies from the US Gulf, MEG/India, and Asia.

On the supply side the product tanker fleet grew by an estimated 5.5% in 2025 according to Clarksons. Whilst fleet growth was significant compared to recent history, a strong crude tanker market incentivized owners to trade in the crude market. CPP volumes carried by VLCC and Suezmax vessels fell by around 16% year-over-year and the share of LR2 product tankers trading dirty increased from 46% in the start of 2025 to 54% in the start of 2026¹³.

⁹ Source: Baltic Dry (All series lagged by one month to reflect advance cargo fixing)

¹⁰ Source: Klaveness Dry Bulk Research

¹¹ Source: Shipping Intelligence Network and Clarkson's Securities; Average LR1 tanker earnings are MEG-Cont and MED-Japan triangulation; All series lagged by one month to reflect advance cargo fixing)

¹² Source: Kpler

¹³ Clarksons

2026 started on a strong note with TCE earnings well above average 2025 levels. A combination of strong crude oil volumes, decent crack spreads and growth in refinery runs suggest demand growth for tankers. Risks to the outlook include accelerated fleet growth, normalization of trading through the Red Sea and Suez Canal and a possible resolution to the Russian war in Ukraine. On the supply side a combination of strong crude trade and potential stricter sanctions enforcement resulting in oil trade shifting from sanctioned to "mainstream" tankers give downside protection for product tankers as some coated tankers switch from clean to dirty trading and cannibalization from uncoated tankers recedes.

Risk review and risk management

It is important for the Board of Directors that the right risk-reward assessment is made and that internal control routines are sufficient. The main risks related to KCC are discussed with the Audit Committee and the Board of Directors several times each year including, when relevant, risks related to specific projects. Risks are identified and assessed based on a probability and impact matrix and mitigating actions are outlined for the risks that have a risk scoring above or close to the risk appetite. Risks related to technical operation of the vessels and crew safety are assessed, monitored, and handled by the ship manager, Klaveness Ship Management AS, with the support of KCC. Below is a list of some of the principal risks KCC has identified that may affect operations, financial position, reputation and, ultimately, the share price, with focus on the next 12 months:

- Volatile freight rates and unfavorable changes in trade flows and volumes, whether due to structural shifts or events such as geopolitical conflicts and supply chain disruptions, continue to pose a risk related mainly to revenues.
- Vintage vessels carry higher operational and technical risk, potentially resulting in increased off-hire, higher costs, and negative effects on customer relationships.
- Owning and operating vessel concepts that are not standard such as the CLEANBUs entail commercial and technical risks, including but not limited to establishing and maintaining trades and a brand in the clean petroleum market, and obtaining acceptance and/or exemptions from clients and terminals to operate in combination trades where the vessels trade consecutively with dry bulk and clean petroleum product cargoes.
- The Group is scheduled to take delivery of three newbuild vessels in 2026. These newbuilds carry initial technical and operational risk, including potential challenges related to commissioning and commercial phase-in.
- The Group is an early adopter of energy efficiency technology, and success depends on cost-effective execution and performance meeting expectations.

In a longer-term perspective, the current assessment includes, but is not limited to, the following risks:

- Global economic growth and the impact on energy and commodity markets.
- Geopolitical risk impacting global trade patterns and vessel operations.
- Potential recycling of vessels as part of the fleet will turn 25 over the next years.
- Uncertainty related to the competitiveness of key industries KCC are dependent on, such as the Australian alumina industry.
- Access to capital to fund further development of the Group.
- Impact of artificial intelligence on customers, markets and operations.
- Impact of a low-carbon future including emission regulations, zero-emission vessels, and lower demand for transportation of fossil fuels.

A description of the main risks can be found in [note 16](#) to the consolidated financial statements for 2025. Identified impacts, risks and opportunities for sustainability reporting is described in the sustainability statement. The risk picture will change over time.

KCC has no exposure to Russia or Belarus and do not conduct any business with companies owned or controlled by Russian or Belarusian interests. Further, KCC has exempted all Russian ports, in addition to the war zone in the Black Sea and does not transport cargoes originating from Russia.

KCC decided in early January 2024 to not trade any vessels through the Red Sea until the war-like situation in the area improves. The CABUs have historically not traded in the area, while the CLEANBUs, have transited through the Red Sea on occasion prior to 2024. The decision to not transit had no or limited direct impact on KCC's business activities and financial performance in 2025. As of the date of this report, KCC has not started to trade in or transit the Red Sea again.

During 2025, merchant vessels operating in the Arabian/Persian Gulf and Gulf of Oman continued to face security risks from regional tensions, including state-related interference, harassment, and seizure. Reports included close approaches and monitoring by military and paramilitary units. GPS interference and AIS spoofing also continued, necessitating enhanced navigational awareness. While piracy levels in the area remained below historic peaks, the overall security environment required vigilance. KCC monitors the security situation in the Middle-East following increased tension between the US and Iran.

Den Norske Krigsforsikring for Skib classified the hijack and kidnap-for-ransom threat in the Western Indian Ocean as moderate throughout 2025, applicable to waters up to 600 nautical miles from the Somali coast, following an upgrade from low to moderate in November 2024.

The security situation in the Singapore Strait worsened in 2025, with the highest number of reported robberies in 19 years. The perpetrators mainly target engine spares and stores, but their activities continue to pose risks to crew safety and navigation.

KCC together with KSM take precautionary measures when trading in/through exposed areas and no approaches or boarding attempts were reported from KCC vessels in 2025.

Board development

The Board of Directors conducted eight meetings in 2025, whereof four mainly related to quarterly reports, with an attendance of 100%. The Audit Committee held five meetings. The Board of Directors consists of five members, whereof two are women. There were no changes to the Board of Directors in 2025. The Company's Officers and Directors are covered by Rederiaksjeselskapet Torvald Klaveness' Commercial Management Liability Insurance with AXA covering e.g. the Company's Officers' and Directors' acts, errors, and omissions on specified terms and conditions, and with limitations.

The Board of Directors has established an annual plan prior to the start of each year. It includes recurring topics such as strategy review, business planning, risk and compliance oversight, health and safety and financial and ESG reporting. High on the Board's agenda in 2025 was assessing KCC's strategy and establishing an updated strategy for the next 5-year period, continued optimization of both the CABU and the CLEANBU businesses and assessment and handling of the geopolitical situation.

Sustainability Statement

General information	20
Environmental information	34
Social information	60
Governance information	77
Entity-specified topic: Cyber security	83



General information

ESRS 2 Basis for preparation	21
ESRS 2 Sustainability governance	22
ESRS 2 Statement on due diligence	23
ESRS 2 Risk management and internal controls over sustainability reporting	24
ESRS 2 Strategy, business model and value chain	25
ESRS 2 ESG strategy	26
ESRS 2 Interest and views of stakeholders	28
ESRS 2 Double materiality assessment	29
ESRS 2 ESRS index	31

ESRS 2

Basis for preparation

// ESRS 2, BP-1, BP-2

Our sustainability statement has been structured in preparation for compliance with the Corporate Sustainability Reporting Directive (“CSRD”) and the European Sustainability Reporting Standards (“ESRS”). Given the amendments to CSRD and updated thresholds agreed at 1,000 employees and EUR 450 million turnover, KCC is excluded from future mandatory reporting. Our ambition going forward will hence be voluntary reporting in line with the simplified ESRS (set 2) when implemented into Norwegian law. The 2025 reporting builds on last year’s integrated annual report and reflects our ambition to implement the applicable standards as comprehensively as possible. The sustainability statement for 2025 has not been audited, and not all required data points within each disclosure requirement have been disclosed. KCC will continue to assess and develop its disclosures in line with the full disclosure requirements of the ESRS (set 2). We welcome the new standards and we believe that they will strengthen the work related to sustainability and ensure more transparent, balanced, and consistent reporting of data with increased accountability.

The sustainability statement has been prepared on a consolidated basis in line with the financial reporting. The consolidation of information is prepared on a 100% basis, as all subsidiaries are directly or indirectly wholly owned (see note 20 in consolidated financial statements for detailed list of subsidiaries).

The information covered in the sustainability statement includes both KCC’s own operations and, where considered material, its upstream and downstream value chain. This includes consideration of impacts, risks and opportunities that arise through direct and indirect business relationships in the value chain: see further details in the section “Strategy, business model and value chain”. Methodology and assumptions for estimates used in calculation of GHG emissions are further described as part of the E1 section. Metrics included in the sustainability statement for 2025 are in line with 2024, except for waste metrics in E5. Figures for 2024 are adjusted compared to KCC’s 2024 Annual Report, which were in some cases incorrect due to unit errors (cubic metres reported as tons) during data aggregation.

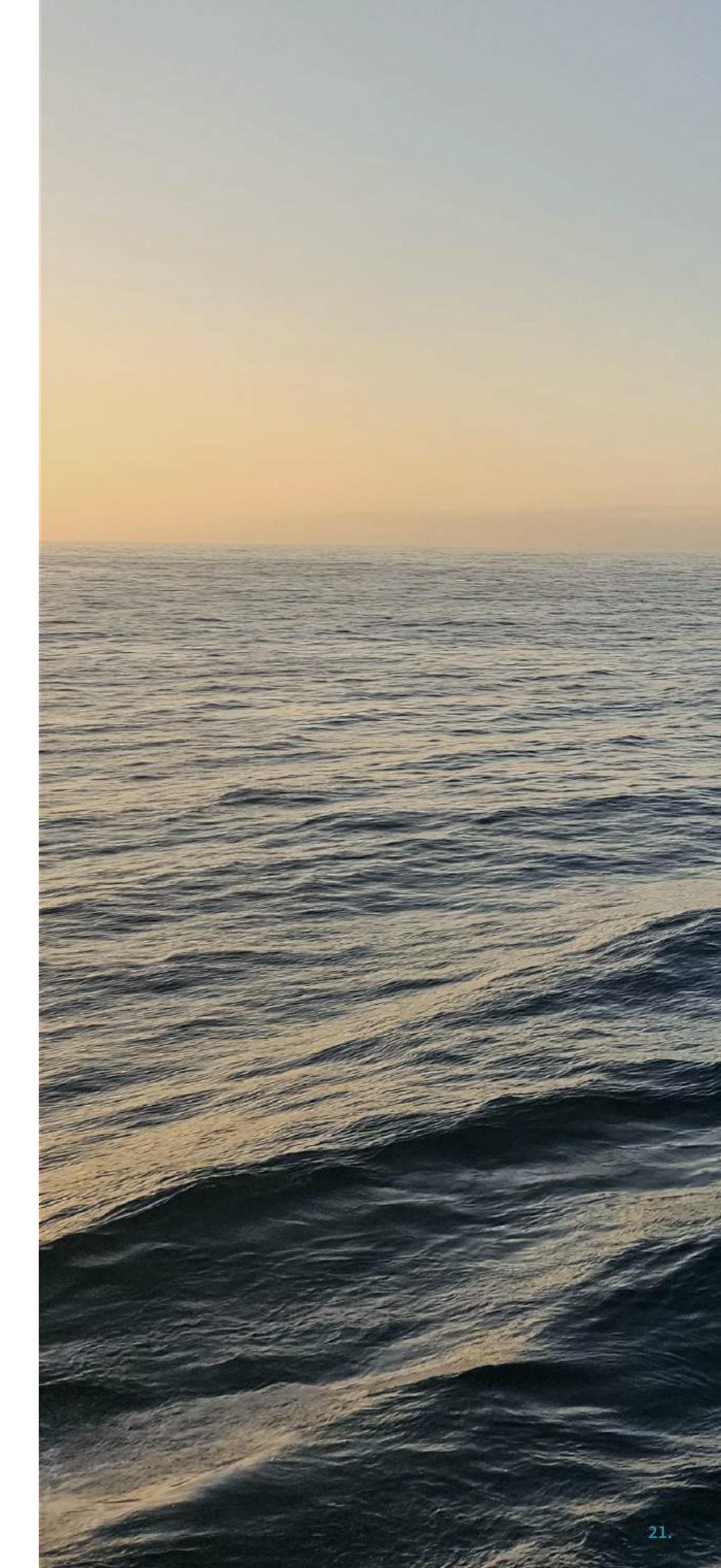
Other metrics disclosed last year have not been revised or amended this year. The 2025 reporting introduces new KPI’s for Biodiversity (see section E4-5), including comparable figures for 2024.

KCC’s auditor, EY, has for 2025 provided an independent limited assurance report on the environmental key performance indicators (“KPIs”) and the Carbon Accounts (in line with the GHG Protocol). The auditor’s report is included at the back of the Annual Report.

The EU Taxonomy regulation is tied directly to the CSRD implementation in Norwegian law, hence not applicable to KCC for the financial year 2025. KCC will evaluate whether to include the EU Taxonomy disclosures in future reporting on a voluntary basis.

KCC has so far evaluated the first step which is to identify if the Company’s activities are eligible according to the EU Taxonomy. KCC owns and operates 16 combination carriers that all fall within the category: “Sea and coastal freight water transport, vessels for port operations and auxiliary activities”. 100% of KCC’s economic activity is identified as eligible based on all three performance indicators: revenue, operating expenses and capital expenditures. A next step would be to assess if KCC’s activities are taxonomy aligned, i.e. if the eligible activities meet the technical screening criteria.

As of 1 January 2025, KCC’s majority owner, Rederiaksjeselskapet Torvald Klaveness, sold 100% of its shares in Klaveness Ship Management AS (KSM) to OSM Thome. KSM provides ship management and crewing services to KCC. Under the new ownership, most of the existing team of experienced employees in KSM continue to work exclusively for KCC. Part of the specialized crewing pool (classed as non-employees under the S1 section) also remain dedicated to the Klaveness Combination Carrier fleet, and the safety management system and compliance documents have remained unchanged through 2025. The change in ownership of KSM has not resulted in any material changes for the sustainability statement in 2025 compared to last year’s reporting.



ESRS 2

Sustainability governance

// ESRS 2, GOV-1, GOV-2, GOV-3

Sustainability is an integral part of KCC's overall strategy, and all business activities, from daily operations to discussions and decisions made at Board level. The Board of Directors ensures that appropriate goals and strategies are adopted, that the adopted strategies are implemented in practice, and that the results achieved are measured and followed-up. The Board of Directors (BOD) considers sustainability-related issues when reviewing and guiding KCC's strategy and business plans, action plans, and major capital expenditures.

A new five-year strategy plan for 2026-2030 was resolved by the Board of Directors in December 2025 and will be reviewed and adjusted on an annual basis going forward. The proposed 2026-2030 strategy builds on the direction set out in 2021 and the updated overall mission of the strategy period until 2030 is "Redefining efficiency and sustainability in tanker and dry bulk shipping".

Decarbonization remains a key pillar of KCC's strategy and a central driver of long-term value creation. KCC's ambition is to be a "Smart Leader" in decarbonization, continuing to pursue meaningful emissions reductions through trading efficiency, proven energy-efficiency measures, and selective use of alternative fuels, while balancing environmental performance with financial discipline and long-term competitiveness. While KCC's overall decarbonization ambitions remain high, evolving regulatory frameworks, market conditions, and customer behaviour necessitated a reassessment of certain targets. Updated short-term and long-term ambitions, approved by the Board of Directors in December 2025, are further described in the Climate Change section E1.

Sustainability governance model

The General Meeting

The supreme governing body of KCC where shareholders can exercise their rights. At the Annual General Meeting shareholders consider the annual report, the remuneration report, the election of BoD members and the election of auditor, changes to the Articles of Association as well as any other agenda items proposed by the Board of Directors or shareholders.

The authority of general meetings is set out in the Company's Articles of Association available on the Company's website.

Board of Directors

Reviews, discusses with management, and approves the strategy, ambitions and business plans including sustainability topics and management of impacts, risks and opportunities. The Board is updated on sustainability performance at least on a quarterly basis.

Nomination Committee

Responsible for proposing members to the Board of Directors and members of the Nomination Committee, including to propose remuneration to members of the Board and the Nomination Committee.

Audit Committee

Responsible for overseeing financial and non-financial reporting as well as external audits, internal controls and risk management relating to sustainability and receives notice of whistleblower incidents.

CEO

Main responsible for developing and implementing the strategy, ambitions and targets and oversee progress, managing impacts, risks and opportunities and reporting these to the Board of Directors.

CFO

Main responsible for matters related to governance, including risk management review process, reporting, ESRS as well as general compliance work.

KPIs have been defined for material sustainability topics. Targets, performance, and action plans are reviewed and reported to the Executive Management team and to the Board of Directors with sustainability topics assessed and monitored as part of the Company's overall risk review. This is discussed with the Audit Committee (AC) and the Board of Directors several times every year.

The Board and the Audit Committee have increased their focus on sustainability reporting through 2024 and 2025 and have been involved in planning for compliance with CSRD, updates to the regulatory development for simplifications in CSRD and progress on specific focus areas for improvements in the 2025 reporting. The Board has participated in CSRD training in 2024 and the Audit Committee has discussed and reviewed the updated double materiality assessment for 2025, including identified impacts, risks, and opportunities in the value chain. The Audit Committee ensures that objectives, metrics, and policies related to sustainability are appropriate, reported transparently, and reviewed regularly in line with statutory requirements.

The Company's Corporate Governance policy addresses the framework of guidelines and principles regulating the interaction between the Company's shareholders, the Board of Directors, the CEO, and the Executive Management team. The policy is based on the Norwegian Code of Practice for Corporate Governance: see separate Corporate Governance Report 2025 for more information.

A presentation of all BoD members and their expertise and experience can be found [here](#) and on the Company's website. In appointing members to the Board of Directors, it is emphasised that the Board shall have the required competency to independently evaluate the cases presented by the Executive Management team as well as the Company's operation. It is also considered important that the Board can function well as a body of colleagues and that they meet the Company's need for expertise and diversity. The Board currently consists of five board members, whereof 40% women. Two out of five (40%) of the Board Members are independent of the Company's main shareholders and the majority of the Board Members are independent of the Company's material business contacts and Executive Management.

The Chair of the Board and one additional Board Member are representatives of the majority shareholder (Rederiaksjeselskapet Torvald Klaveness). The Chair of the Board, Ernst Meyer is not a senior executive in the organization. He is the CEO of the majority shareholder, Rederiaksjeselskapet Torvald Klaveness. The Chair of the BoD is a member of the Business Ethics Committee that discusses general business ethics issues and issues related to specific counterparties.

The Board of Directors has access to the internal Decarbonization courses by Klaveness Academy. These courses provide an overview of climate change, how shipping is contributing, and why this industry is hard to decarbonize. They address key concepts in the energy transition and relevant fuel alternatives, as well as details related to different regulations, policies, and framework agreements targeting to reduce greenhouse gas emissions from shipping, and how/when these will affect the industry. The program is mandatory for the Board Member representatives of Torvald Klaveness.

The Board has prepared a Remuneration Report for 2024 and Remuneration Guidelines approved by the Company's Annual General Meeting in April 2023 which are published on the Company's [website](#). The Remuneration Report for 2025 will be published in line with regulations and prior to the Annual General Meeting in April 2025. The remuneration principles are designed to ensure responsible and sustainable remuneration decisions that support the Company's business strategy and progress toward the achievement of goals, long-term interests, profitability, sustainability, and long-term growth in shareholder value. The discretionary part of the bonus for the CEO and the CFO includes Company performance related to sustainability matters such as health and safety of crew and vessels, and KCC's decarbonization targets for the period through 2030.

// ESRS 2 GOV-4

Statement on due diligence

a) Embedding due diligence in governance, strategy and business model

Strategy, business model and value chain	25-27
Sustainability governance	22
Business conduct policies and corporate culture	78-81

b) Engaging with affected stakeholders in all key steps of the due diligence

Stakeholder engagement	28
Employee survey	64
Customer engagement	28, 39

c) Identifying and assessing adverse impacts

Double Materiality Assessment (DMA)	29-30
Risk Matrix assessment for crew	65
KYC procedures	81

c) Tracking the effectiveness of these efforts and communication

Employee engagement survey process	64
KYC procedures	81
Quarterly and annual reporting of progress (website)	

ESRS 2

Risk management and internal controls over sustainability reporting

// ESRS 2, GOV-5

It is important for the Board of Directors that the right risk-reward assessments are made and that internal control routines are sufficient. The main risks relevant to KCC are discussed with the Audit Committee and the Board of Directors several times each year, including, risk related to specific projects. Risks related to the technical operation of vessels and crew safety are assessed, monitored and managed by the ship manager, Klaveness Ship Management AS, with oversight and follow-up by KCC.

The internal control and systems shall also encompass the Company's corporate values and ethical guidelines. The objective of KCC's risk management and internal control is to manage, rather than eliminate, exposure to risks in order to successfully conduct the Company's business, achieve its strategic objectives, and support the quality of its financial and sustainability reporting.

In 2025, KCC established an updated Enterprise Risk Management (ERM) Framework, providing a more structured and integrated approach to risk management in the organization. The framework is based on the COSO Internal Control – Integrated Framework (2017) and defines governance structures, roles and responsibilities, risk appetite and tolerance, and a common methodology for identifying, assessing and managing risks at enterprise level. Risks are identified, assessed and scored based on a probability and impact matrix, and mitigating actions are outlined for risks with a risk score above or close to the defined risk appetite.

In KCC, ERM is one component of the company's broader risk management ecosystem, and the Group aims in 2026 to further integrate the risk management process with the requirements of the ESRS.

KCC's sustainability reporting is exposed to risks of material misstatement due to human error, incomplete data, or fraud. To manage these risks, KCC implemented a dedicated sustainability reporting software system in 2024 that provides transparency and traceability of data. Further, we have maintained high focus on establishing a strong internal control environment for both financial and sustainability reporting. KCC does not have an internal audit function; however, internal audits were made for 2025 and an internal audit plan has been outlined for 2026. This covers areas currently considered as a significant source of risk, as well as a review of certain policies and procedures. Internal audits are prepared and carried out by the finance team in KCC in cooperation with Group Finance in Torvald Klaveness. Topics covered in internal audits in 2025 included focus on changes in processes, routines and internal controls following change in ownership of Klaveness Ship Management AS, dry-docking process and the payment process, in addition to the recurring controls and topics. KCC has not identified any non-compliance with laws and/or regulations in the social and economic area in 2025.

For further information on risk management and internal control, see Corporate Governance Report 2025, section 10.

Strategy, business model, and value chain

// ESRS 2, SBM-1

KCC owns and operates combination carriers within the deep-sea tanker and dry bulk segments. The combination carriers are unique vessels as they provide the transportation services of both a standard MR or LR1 product tanker and a standard Panamax or Kamsarmax dry bulk vessel. They are employed in trades where standard dry bulk and tanker vessels sail empty (in ballast) over long distances due to trade imbalances. KCC strives to solve inefficiencies by consecutively switching between dry and wet cargo shipments and, most of the time, KCC's combination carriers combine a tanker cargo in one direction and a dry bulk cargo on the return voyage with minimum ballast in-between. As per year-end 2025, KCC had a fleet of 16 vessels in operation.

KCC is the world leader in combination carriers, owning and operating eight CABU (caustic soda solution - bulk) and eight CLEANBU (clean petroleum product - bulk) combination carriers. The vessels ship tanker cargoes into dry bulk export hubs such as Australia and South America and ship dry bulk cargoes on the return leg.

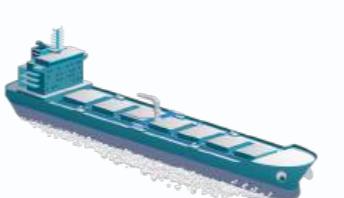
Our CABU customers are the world's largest alumina refineries in Australia, aluminum smelters in the Middle East, and steel producers in the Far East. Our CLEANBU customers are mainly energy companies, petrochemical companies and trading companies. The supply chain includes shipyards, agents, bunkers suppliers, crewing offices, insurance companies, and different vendors of equipment and services to the vessels. Other relevant business relationships are with customers, banks, and investors.

There are no significant changes from last year for the Company's activities, value chain, and other business relationships.

Capitalizing on inefficiencies in shipping

CABU Caustic Soda Bulk Carrier

8 vessels and 3 newbuilds



MR product tanker

=



Panamax dry bulk vessel

CLEANBU Clean Petroleum Bulk Carrier

8 vessels



LR1 product tanker

=



Kamsarmax dry bulk vessel

Klaveness Combination Carriers' solution

Due to trade imbalances, standard bulk and product tanker vessels typically ballast over long distances (up to 50%), while Klaveness Combination Carriers' solution is down to below 10% ballast in the most efficiency trade patterns

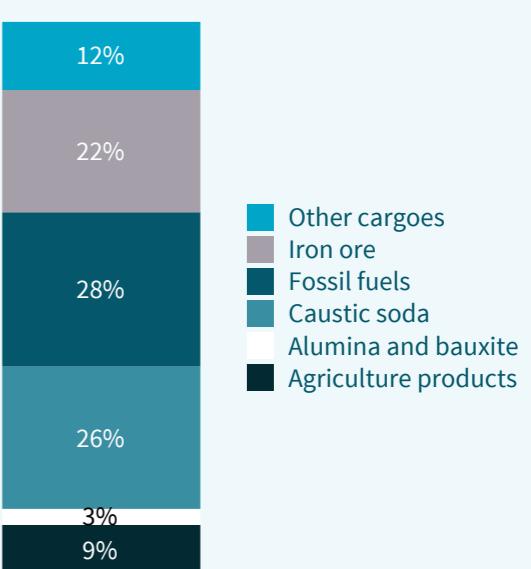


Serving large global markets



Cargo split 2025¹

Per cent of total metric tonnes



1) Fossil fuels include gasoil, coal, gasoline and jet fuel and other clean petroleum products. Naphtha and condensate to the petrochemical industry included in other cargoes.

ESG strategy

// ESRS 2, SBM-3

KCC's main priority is the crew's health and safety. We are confident that the success of our company is completely dependent on reaching the highest safety standards. In close cooperation with Klaveness Ship Management AS (KSM) we make great efforts to build a strong safety culture and to continuously seek further safety improvements. Results in recent years are consistent with the ongoing implementation of KSM's safety culture program KLASS ("Klaveness Always Safe and Secure") established in 2020.

Decarbonization continues to be the centerpiece of KCC's strategy, and in December 2025 the Board approved the new 5-year strategy for 2026-2030 where decarbonization remains a strategic priority for KCC and a key driver of long-term value creation. However, it has become necessary to reassess KCC's carbon intensity targets for 2030 primarily due to slower than expected regulatory progress and weaker than expected support from customers.

Nevertheless, the strategy sets ambitious but realistic decarbonization targets for the period 2026-2030 primarily based on continued improving trading efficiency, deploying proven and scalable energy-efficiency technologies, and selectively exploring alternative fuels as regulatory and market conditions mature. See further description in the Climate Change section E1.

To deliver on our targets, decarbonization is necessarily an integral part at every level of our business. Decarbonization is high on the agenda in discussions with our customers and is impacting trading decisions. We use significant resources and make large investments to improve the operational and energy efficiency of our vessels. Most of the long-term financing facilities are Sustainability-linked, where KCC's financing costs are linked to KCC meeting its emission reduction targets.

KCC's focus on sustainability is a natural reflection of KCC's long-term vision for its business and the high standards we set with regards to how we engage with our stakeholders. We believe long-term success requires willingness to take serious action and to be at the forefront when it comes to sustainability challenges and opportunities.

The key elements of our strategy are aligned with the result of our 2025 double materiality assessment and reflect where strategic value is gained in our business model by safeguarding our people and minimizing our impact on the environment. KCC recognizes that being a global shipping company brings vulnerabilities and risks that need to be managed carefully at all times.

Identified main risks relate to increasing geopolitical tensions, the green transition, and a greater focus on societal issues like human rights and working conditions in the value chain. These are risks that KCC works with and manages as part of its risk management framework.

The results of the double materiality assessment (further described here) are listed as identified material impacts, risks, and opportunities (IROs) across KCC's value chain in the illustration on the next page. Further information on the material IROs – whether they are positive or negative, actual or potential, and a brief description – is included in the topical sections for each material topic.

Strong commitment to all ESG pillars



Smart leader in decarbonization



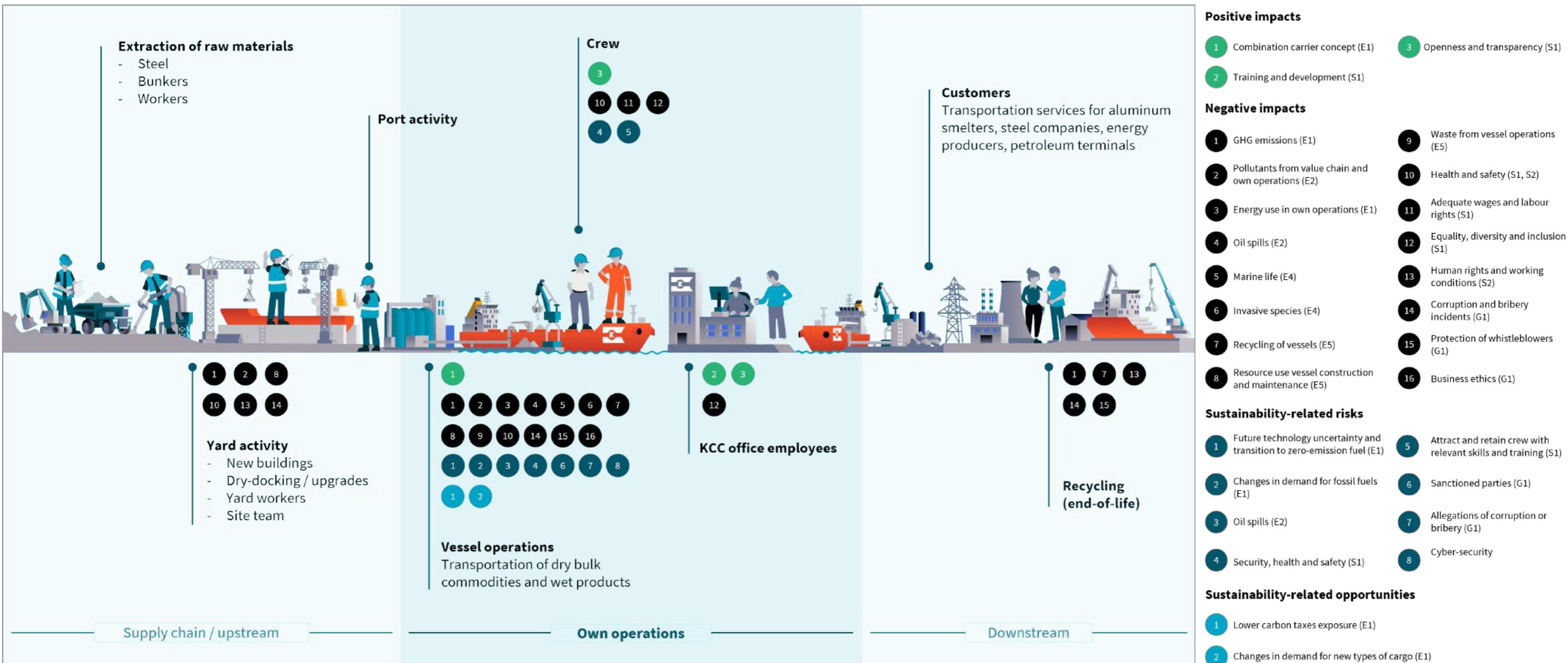
Always safe and secure



Trusted and responsible partner

Value chain overview

Material sustainability-related impacts and material sustainability-related risks and opportunities across KCC's value chain



Interests and views of stakeholders

// ESRS 2, SBM-2

Priorities in this report are identified based on stakeholder expectations, significant impacts, and internal strategic priorities and assessments. It is important for KCC to be transparent and build trust with our stakeholders. All business units and teams in KCC conduct regular interactions with main stakeholders, both as part of their business planning, and in case of specific discussions or initiatives. Continuous learning and improvement are key, hence having an open dialogue with the main stakeholders is fundamental.

Stakeholder expectations and insights are mapped through a combination of inquiries and dialogues as part of daily business with those that may be directly impacted by our activities, and the feedback received at corporate level with investors, regulators, finance institutions and others who are users of the information that we publish. Important input also comes from news regarding future regulations and technological developments.

Key stakeholders	Engagement channels	Purpose of engagement	Stakeholder interests
 Customers	Regular customer meetings, collaboration initiatives, partnerships and collective action alliances, audit/vetting assessments	<ul style="list-style-type: none"> Enabling customers to reduce their scope 3 emissions Optimize trading efficiency of KCC's fleet Building trust and long-term relationships 	Decarbonization, responsible business practice
 Crew	Frequent meetings between vessel and shore teams, campaigns, crew conferences, vessel visits, intranet, audits	<ul style="list-style-type: none"> Addressing crew's concerns and feedback Building and developing the safety culture Developing decarbonization competency 	Health & safety, working conditions, adequate wages
 Employees	Daily interactions between manager and colleagues, bi-annual employee engagement survey, personal development reviews, training sessions through Klaveness Academy, intranet	<ul style="list-style-type: none"> Including employees' perceptions and experiences Contributing to a sustainable workplace Developing the skill-set and competency of every employee 	Training and adequate development opportunities, diversity, equity and inclusion, flexible and hybrid working
 Equity investors	Regular engagement with investors and analysts through meetings and quarterly financial presentations, stock exchange and press releases, analyst calls, roadshows, conferences, social media	<ul style="list-style-type: none"> Understand expectations to sustainability Attracting responsible investors Enhancing transparency and building trust 	Strategies, plans and actions to mitigate short and long-term risks to the business model, financial results, dividends, decarbonization, governance model, business conduct
 Debt providers	Regular meetings with banks and bond investors, conferences and events	<ul style="list-style-type: none"> Understand sustainable funding requirements and access to funding Building trust 	Decarbonization, transparency, responsible business practice
 Regulators	Engagement through industry associations (e.g. Norwegian Shipowners' Association), conferences, news updates	<ul style="list-style-type: none"> Ensuring regulatory compliance Addressing climate-related transition risks and opportunities 	Compliance with regulation and contribution to transformation to net zero
 Suppliers	Regular dialogue through email, phone and/or meetings, due-diligence	<ul style="list-style-type: none"> Understanding working conditions for value-chain workers 	Responsible business practice

ESRS 2

Description of process to identify and assess material impacts, risks and opportunities

// ESRS 2, IRO-1

KCC's double materiality assessment

The starting point for sustainability reporting is the double materiality assessment (“DMA”). As an important step toward compliance with the CSRD, for KCC on a voluntary basis, KCC has carried out a double materiality assessment in line with methods and documentation requirements in ESRS 1 and EFRAG's materiality assessment implementation guidance.

The double materiality assessment has been structured in a five-step process: Understand, Identify, Assess, Determine, and Report. Each stage is described in more detail below. A thorough DMA process was conducted in 2024. Given the regulatory development during 2025, this year's DMA has to a high degree been rolled over from last year, with particular focus on changes and new perspectives following the change in ownership of Klaveness Ship Management AS, new 5-year KCC Strategy for 2026-2030, postponed regulations for decarbonization by IMO, updated risk review assessment, and benchmarking of peers' sustainability reporting for 2024. No major changes to the DMA have been identified, hence reporting of material topics in the Sustainability Statement 2025 will be in line with last year.



Phase 1: Understand

Through several workshops in 2024, KCC identified key activities, stakeholders, and steps of the value chain defining the scope of the assessment. The identification was made based on discussions with participants from the organization (e.g. CEO, CFO, ship manager (Klaveness Ship Management AS), chartering, operators, project and newbuilding team, legal department, and HR).

The purpose of this stage is to get an understanding of key business activities, business relationships and/or dependencies for the Company's own operations, upstream and downstream, as well as to identify and engage with relevant stakeholders. This stage included a preliminary assessment of CSRD-relevant topics for KCC, covering both own operations and the value chain.

Phase 2: Identify

KCC has through meetings, dialogues, and desktop research engaged with various internal and external stakeholders, including employees, crew, customers, investors, analysts, and banks to identify material sustainability matters. The outcome of the "identify" phase was a long-list of impacts, risks and opportunities ("IROs") related to KCC's own operations as well as within the upstream and downstream value chain.

Each IRO was linked to a step of the value chain (upstream, own operations or downstream). The IROs were also linked to the relevant ESRS topics, sub-topics and sub-sub-topics. Additionally, IROs which did not relate to a specific ESRS topic, but were still considered to be a sustainability-related topic, were set as entity-specific. To ensure completeness of the IRO list, the IRO list was also cross-referenced with the list of risks identified and discussed annually with the Audit Committee and Board of Directors.

The list of IROs includes both positive and negative impacts. These describe how KCC has both actual and potential impacts on people, society, or the environment in relation to sustainability topics (impact materiality). The IRO list also includes the sustainability-related risks and opportunities that arise for KCC as a result of current or anticipated changes in society or the environment (financial materiality).

Phase 3: Assess

The long-list of IROs was assessed based on the materiality assessment scoring method and criteria included in ESRS 1 and EFRAG's implementation guidance on materiality assessment. Impacts were assessed based on "severity" and "likelihood of occurrence". The "severity" score is the average of the scoring for scale, scope, irremediably (only relevant for negative impacts), using a scale from 1 to 5 for each of these parameters.

The assessment of scale was based on how great the impact was or could be on the environment or people. The assessment of scope was based on how widespread the impact was on several parameters, such as the percentage of crew and/or employees or financial spend that the impact relates to.

When scoring irremediably, we assessed how difficult it would be to reverse the damage in terms of cost and time horizon. Likelihood of occurrence is also scored from 1 and 5, for both actual and potential impacts, and an assessment of the likely time horizon was made. Short, medium, and long-term time horizons were used, in accordance with the definitions set within ESRS 1.

Risks and opportunities were assessed based on the nature and magnitude of the potential financial effect and the probability of occurrence, also using scales between 1 and 5. The scoring was initially performed in workshops with participants from relevant parts of the organization (management, ship manager, chartering, operations and finance), before adjustments were made based on external stakeholder input. DMA for 2026 will be aligned with thresholds and time horizons used in the updated Enterprise Risk Management framework implemented in 2025.

Phase 4: Determine

Once all IROs had been scored, the threshold for low, medium and high scores were set for both impact materiality and financial materiality. Particular consideration was given to negative human rights impacts, ensuring the severity was given precedence over likelihood. All IROs with a score within the 'high' category are considered to be material, and subsequently the related ESRS topics are material, either from an impact materiality perspective, a financial materiality perspective, or both.

The final shortlist of material IROs was discussed and determined by management and subsequently the Audit Committee both in December 2024 and January 2026. This included a discussion covering both the ESRS topics deemed to be material as well as a consideration of the ESRS topics deemed not to be material, to ensure all relevant and material areas within the value chain have been considered and assessed sufficiently during the process. The outcome of the assessment is presented in the matrix showing our material ESRS topics.

Phase 5: Report

The basis for this sustainability report is the material ESRS and entity-specific topics which were defined through the double materiality assessment. No changes in the DMA from last year's assessment, hence reporting of material topics for 2025 will be in line with 2024. Next year's DMA will be in line with simplified process and requirements of ESRS set 2, given final approval in Norway during 2026.

ESRS Index

General information

ESRS disclosure requirement	Page
-----------------------------	------

General disclosures (ESRS 2)

BP-1 General basis for preparation of the sustainability statement	21
BP-2 Disclosures in relation to specific circumstances	21
GOV-1 The role of the administrative, management and supervisory bodies	22
GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	22
GOV-3 Integration of sustainability-related performance in incentive schemes	22
GOV-4 Statement on due diligence	23
GOV-5 Risk management and internal controls over sustainability reporting	24
SBM-1 Strategy, business model and value chain	25-27
SBM-2 Interests and views of stakeholders	28
SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	27
IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	29-30
IRO-2 Requirements in ESRS covered by the undertaking's sustainability statement	31-33

Environment information

ESRS disclosure requirement	Page
-----------------------------	------

Climate change (ESRS E1)

ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes	23
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	35
ESRS 2 IRO-1	Description of processes to identify and assess material climate-related impacts, risks and opportunities	29-30
E1-1	Transition plan for climate change mitigation	37-38
E1-2	Policies related to climate change mitigation and adaptation	38
E1-3	Actions and resources in relation to climate change policies	39-41
E1-4	Targets related to climate change mitigation and adaptation	42
Entity specific metrics	Carbon intensity (EEOI), CO2 emission per vessel year, % in combination trade and ballast days in % of on-hire days	43-44
E1-5	Energy consumption and mix	45
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	46
E1-8	Internal carbon pricing	47
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	47

Pollution (ESRS E2)

ESRS 2 IRO-1	Description of processes to identify and assess material pollution-related impacts, risks and opportunities	29-30
E2-1	Policies related to pollution	49
E2-2	Actions and resources related to pollution	49
E2-3	Targets related to pollution	50
E2-4	Pollution of air, water and soil	50
E2-6	Anticipated financial effects from pollution-related impacts, risks and opportunities	50

E Environment information

ESRS disclosure requirement	Page	
Biodiversity and ecosystems (ESRS E4)		
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	51
ESRS 2 IRO-1	Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks, dependencies and opportunities	29-30
E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	53
E4-2	Policies related to biodiversity and ecosystems	53
E4-3	Actions and resources related to biodiversity and ecosystems	53
E4-4	Targets related to biodiversity and ecosystems	53
E4-5	Impact metrics related to biodiversity and ecosystems change	54-56
Resource use and circular economy (ESRS E5)		
ESRS 2 IRO-1	Description of processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	29-30
E5-1	Policies related to resource use and circular economy	58
E5-2	Actions and resources related to resource use and circular economy	58
E5-3	Targets related to resource use and circular economy	58
E5-4	Resource inflows	58-59
E5-5	Resource outflows	58-59

S Social information

ESRS disclosure requirement	Page	
Own workforce (ESRS S1)		
ESRS 2 SBM-2	Interests and views of stakeholders	28
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	61
S1-1	Policies related to own workforce	63-64
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	64
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	64-65
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	65-66
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	67
S1-6	Characteristics of the undertaking's employees	68
S1-7	Characteristics of non-employees in the undertaking's own workforce	69
S1-8	Collective bargaining coverage and social dialogue	66
S1-9	Diversity metrics	68-69
S1-10	Adequate wages	66
S1-13	Training and skills development metrics	69-70
S1-14	Health and safety metrics	70-71
S1-17	Incidents, complaints and severe human rights impacts	71
Entity specific	Vetting and Port State Control	72

Social information

ESRS disclosure requirement	Page
Workers in the value chain (ESRS S2)	
ESRS 2 SBM-2 Interests and views of stakeholders	28
ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	73
S2-1 Policies related to value chain workers	74
S2-2 Processes for engaging with value chain workers about impacts	75
S2-3 Processes to remediate negative impacts and channels for value chain workers to raise concerns	75
S2-4 Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	75-76
S2-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	76

Governance information

ESRS disclosure requirement	Page
Business conduct (ESRS G1)	
ESRS 2 GOV-1 Role of administrative, supervisory and management bodies	22-23
ESRS 2 IRO-1 Description of processes to identify and assess material impacts, risks and opportunities	29-30
G1-1 Business conduct policies and corporate culture	80-81
G1-2 Management of relationships with suppliers	80-81
G1-3 Prevention and detection of corruption and bribery	82
G1-4 Incidents of corruption or bribery	82
Entity specific topics	
Entity specific Cyber Security	83-84



Environmental information

ESRS E1 Climate change	35
ESRS E2 Pollution	48
ESRS E4 Biodiversity and ecosystems	51
ESRS E5 Resource use and circular economy	57

E1 Climate change

// E1, SBM-3

Material impacts, risks and opportunities and their interaction with strategy and business model

Addressing climate-related issues is a vital part of KCC's business planning, strategy process, daily operations, and stakeholder dialogues. KCC has a strong starting point as the major global player in combination carriers, having 30-40% lower carbon emissions per transport work compared to standard vessels in KCC's trade patterns. In its updated strategy, KCC reaffirms its ambition to be a leader in decarbonizing the shipping industry and aims to further strengthen this competitive advantage versus standard vessels. KCC is in position to deliver on its strategy and targets based on extensive in-house experience and competencies.

The material impacts, risks, and opportunities identified related to climate change are described in this section.



Climate change mitigation

Decarbonization of the shipping industry represents both risks and opportunities for KCC. Building a strong competitive advantage with respect to decarbonization is central in our ambition to be our customers' preferred shipping partner. It will likely be even more important going forward when new emission regulations, including possible global carbon taxes and requirements to mandatory blending of low carbon fuels, eventually are implemented.

Actual negative impact: GHG emissions

Emissions from KCC's own operations arise during daily vessel operations, predominantly from fuel oil combustion on KCC's vessels. In 2025, KCC reported 292,501 tons of CO₂e in Scope 1 emissions, while Scope 2 emissions related to electricity consumed in the office buildings were 2 tons CO₂e.

Emissions created in the value chain as a result of KCC's activities (scope 3 emissions) totalled 70,928 tons of CO₂e in 2025, the majority coming from emissions related to the production, refining, and transportation of fuel, but also with contributing emissions from production of steel used for upgrading existing vessels, and emissions related to the purchase of goods and services to KCC's fleet. In 2026, when the newbuilds are delivered, the steel used to build and equip the three new CABU vessels will make a large contribution to KCC's scope 3 emissions.

The Intergovernmental Panel on Climate Change assesses that GHG emissions drive climate change and are adversely impacting the natural environment.

Actual positive impact: Combination carrier concept

KCC has a positive impact on decarbonization of deep-sea shipping through operating combination carriers that are the most carbon efficient deep-sea transportation solution in the dry bulk and tanker space existing today. The combination carriers represent 30-40% lower carbon emissions per ton cargo transported compared with standard vessels with similar trade patterns.

In KCC's updated strategy we maintain our ambition to harvest the still untapped potential of efficiency improvements in every part of the business (energy, trading, and voyage efficiency) with a focus of further improving the carbon intensity (EEOI¹⁴) of the fleet.

Risk: Future technology uncertainty

There is a transition risk for KCC driven by the uncertainty related to future propulsion technology and which zero-emission fuels will fully decarbonize deep-sea shipping. Zero-emission fuels may require retrofit of older vessels, and existing KCC vessels might become outdated, less competitive, or require high capital expenditures in relation to retrofit.

The risk of increased depreciations is mainly linked to KCC's 11 vessels built 2016-2021 for which new propulsion technology and the emergence of zero-emission fuels in the future might lead to a change in useful life. The risks connected to KCC's five first generation CABU vessels built 2001-2007 is limited as they have been depreciated over many years. By design, the CABU III newbuildings with deliveries during 2026 are prepared for later retrofit for burning the most likely future zero-emission fuels with space and strength already built in to enable later installation of fuel tanks, piping and treatment rooms, limiting the risk. Useful life considerations in the financial statements are reassessed on an annual basis. As an example, if the useful life of the 11 vessels built between 2016 and 2021 were reduced from 25 years to 20 years, the total financial impact would be approximately USD 95 million (about USD 6-10 million per vessel), reflecting the loss of five years of use. This would mean that depreciation would have to be taken over a shorter period, increasing depreciation by in total approximately USD 95 million spread over the vessels' remaining lifetime.

Risk: Changes in demand

Another transition risk KCC has to face is the risk that there will be changes in the demand for fossil fuels and hence the demand for transportation services over the next decades. New trade flows and changes in existing trade flows might affect the combination trading pattern and revenues.

Decarbonization may also negatively impact the supply-demand balance in both the dry bulk and tanker markets. In 2025, fossil fuels represented around 32% of the total mass of cargo carried by KCC, roughly the same as the total share of cargo fossil fuels comprise for bulk shipping in general. However, as described below, changes in demand may also represent an opportunity for KCC.

Risk: Transition to zero-emission fuels

There are many uncertainties related to the future solution for zero-emission fuels for deep-sea shipping. Uncertainties include risk related to decisions on fuel alternatives: their availability and infrastructure. This risk is brought to light by changes in regulation, such as FuelEU Maritime which entered into force in EU 1 January 2025. This regulation sets a maximum required level of GHG intensity of the energy used onboard the vessels to incentivize the uptake of more sustainable fuels and shore power. In practice this means that, from 2025-2029, the GHG intensity must be reduced by 2% compared to standard fossil fuels, increasing to 6% in 2030 and ramping up thereafter. This reduction is expected to be attained by blending in a larger share of sustainable biofuels until renewable fuels are available in ports and able to be combusted onboard vessels (although initially vessels burning LNG will also comply, or even over-comply, with the regulation). As KCC's fleet seldom trades into the EU, the FuelEU Maritime regulation is less relevant than potential IMO regulations

which are under development and set for potential adoption at another session of the MEPC in October 2026.

Risk related to transition to zero-emission fuels is likely to result in higher fuel costs for KCC and for all other players in the shipping business in the future, driven by demand and availability, as the regulations will push the shipping industry to implement changes before sufficient alternatives and infrastructure are in place. As described below, higher fuel costs also represent an opportunity for KCC as the value of the superior efficiency of KCC's combination carriers increases, the higher the fuel costs for shipping.

The increased cost of fuel when zero emission fuel is introduced will also have to be passed on to KCC's customers and will ultimately increase freight costs for end-users. The customers' willingness to pay for such increases may also impact demand.

Opportunity: Changes in demand

An opportunity for KCC is the inverse of the risk described above in relation to changes in demand. As fossil fuels are being phased out over time, there will likely be demand for transportation of new types of cargoes and new trades. An example of this is the growing industry of lithium battery production, where there will most likely be a growing demand for transportation of spodumene, used to produce lithium batteries. New industries like the lithium refinery industry in Australia are also expected to increase imports of caustic soda, used to refine the spodumene to lithium hydroxide.

This could likely increase the demand for transportation in one of KCC's main trades. While this increased demand will generally support demand in the underlying dry bulk and product tanker markets, the new trades of these cargos must fit into a combination trade pattern to have direct value for KCC.

Opportunity: Higher fuel prices

Higher fuel costs for the shipping industry, possibly as an effect of future regulations requiring mandatory use of new fuels, is an opportunity for KCC. The opportunity stems from KCC's higher trading efficiency due to lower ballasting which translates into lower fuel consumed per transported ton of cargo than competing standard dry bulk and product tankers. This again results in lower exposure to higher fuel costs than the standard vessels, increasing KCC's competitive advantage and providing additional resilience in KCC's business model.

Opportunity: Lower carbon taxes exposure

In a similar manner, KCC's combination carriers have a lower exposure to carbon taxes as the vessels have substantially lower carbon emissions than competing standard vessels for the same transport work. For example, in a round-trip with naphtha from Europe to Brazil and iron ore on the return leg to Europe, the CLEANBUS have around 36% lower CO₂ emissions than standard LR1 tankers and Kamsarmax bulkers doing the same transportation work. The standard vessels either ballast into Europe or have long ballast before loading the cargo to Europe, while the KCC combination carriers are laden both in and out of Europe.

In Europe, the EU Emission Trading Scheme (EU ETS) regulation brought shipping into scope from 1 January 2024. For voyages in and out of the EU, shipowners have to surrender emission allowances for 50% of the reported CO₂ emissions, and for voyages within the EU, 100% of emissions are in scope. After a gradual ramp-up, this regulation is as of 2026 fully phased in, with 100% of reported emissions included.

Due to KCC's superior carbon efficiency with minimum ballast, emissions per transported cargo are less than the alternative standard tonnage. Thus, emissions regulations give KCC a competitive advantage in trades to and from European ports. However, KCC had a low exposure to European trades in 2025. With the ongoing Russia-Ukraine war, as well as none of KCC's vessels transiting the Red Sea, this exposure is expected to be limited in the immediate future. If equivalent or similar schemes to the EU ETS and FuelEU Maritime regulations are implemented on a global basis, as is currently under discussion in the IMO, KCC's competitive advantage may increase.

In the example Europe to Brazil naphtha cargo, KCC vessels in 2026 would face an EU ETS and FuelEU cost of approximately USD 150 000 per voyage to obtain the required EU ETS allowances and FuelEU fuel emissions intensity to comply. In comparison, standard vessels would face a cost exceeding USD 200 000 in order to transport the same cargo carried by KCC.

Energy

Energy use and energy efficiency are highly significant for the shipping industry. KCC's main energy consumption relates to fuel oil combustion on its vessels.

Actual negative impact: Energy use in own operations

Energy use for KCC includes the fuel used for vessel operation and electricity used in office buildings in Oslo and Singapore where onshore employees are employed. The energy used represents a negative impact both due to environmental impact of the extraction of fossil fuels and from the direct emissions when used.

// E1-1

Transition plan for climate change mitigation

KCC's emissions intensity stands over 30% lower than standard vessels on the same trades in 2025, largely due to combination carriers trading efficiently and avoiding time in ballast. KCC has chosen to continue working actively for further reductions, even though its emissions intensity is already lower than will be required of standard vessels for years to come.

The previous Environmental Strategy established in 2023 sets ambitious targets on emissions reductions assuming customer contributions and

regulatory support, aiming for at least 50% of fuel consumed by newbuildings to come from zero-emission fuels in 2030, on top of a base 15% of the fuel mix being sustainable biofuels for all vessels.

During 2025 KCC carried out a full review of its Environmental Strategy and all its assumptions, ultimately approving a full update of the Strategy in December 2025 with new EEOI targets described further below. The review recognized that, out of many varied factors affecting KCC's ultimate emissions intensity trajectory, the required progress on customer and regulatory support for decarbonization has not materialized as previously expected, and with the IMO failing to approve its Net Zero Framework in October 2025 it is currently unrealistic to plan for a large share of alternative fuels on KCC's global activity in 2030. Thus KCC's emissions intensity targets have been updated to express a base case where KCC still achieves significant emission reductions by further improving trading efficiency and operational efficiency, and a stretch case expressing emissions intensity targets in a world where alternative fuels and heavy investments in vessels are made possible by customers and/or regulators putting a real price on carbon.

IMO work to regulate GHG emissions from shipping

In April 2025 member states gathered at the Marine Environment Protection Committee (MEPC) to finalize the regulatory measure that would deliver the reductions agreed by the IMO's long-term GHG Strategy. The proposed Net Zero Framework (NZF), describing an alternative fuel standard that acted as a carbon tax for vessels continuing to burn fossil fuels, was approved by majority vote in April and then set for adoption in October 2025. In October, however, a vocal minority of member states divided what had been a majority in favor of the NZF, and the MEPC ended up voting narrowly to postpone the decision to adopt the regulation until November 2026.

In 2026, the IMO and contributing parties resume their work on the regulation's supporting guidelines, and member states must now negotiate the regulation's most controversial element: the large IMO Net Zero Fund that would collect revenue from vessels burning fossil fuel, and disburse to vessels burning alternative fuels and (more generally) to ensure a just and equitable transition. KCC observes, without prejudicing the outcome of the IMO's work, that the regulation's ambition level is now under threat. In this environment KCC may no longer assume that global regulations will drive a fuel transition or sufficiently reward systemic changes in trading and operational efficiency to affect change by 2030.

The NZF would have incentivized alternative fuels, new technologies, and efficiency improvements across the board; in how vessels trade, operate, and use energy. In these favorable conditions KCC would have been able to maintain the 2023 Environmental Strategy's EEOI target of 4.1 in 2030. Instead, with an unclear regulatory pathway now ahead, the same level of ambition and effort from KCC will result in an EEOI around 25% higher: 5.1 in 2030.

There is still vital work underway at the IMO and elsewhere that will support decarbonization in the period 2026-30. The IMO's strategic goals to reduce emissions 20-30% by 2030 and 70-80% by 2040 remain. If the organization is able to adopt any economic (carbon tax) or technical (fuel standard) regulation, even if less ambitious than the Net Zero Framework, it would benefit KCC and support its ongoing and novel initiatives. The IMO is also considering proposals to make its existing carbon intensity metric (CII) useful by isolating sailing activity and by taking into account cargo quantity carried. Individual nations, or groups of nations, also have the opportunity to introduce their own regulations to fill the gaps.

KCC followed the IMO closely in 2025 by attending April's pre-MEPC83 working group in London. KCC is connected to many actors present at the IMO's meetings through industry associations, flag states, service providers, and customer and investor networks. Going forward, continued representation in relevant venues will remain a key component of KCC's advocacy and understanding of risks and opportunities.

KCC has adopted a transition plan with ambitious emission reduction targets close to the “striving” ambition in the IMO’s 2023 GHG Strategy, supporting the vision of the Paris Agreement, which does not cover international shipping itself.

KCC’s plan is based primarily on three main groups of actions to reduce its emissions through 2030-2035, utilizing various aspects from being both a ship owner and commercial operator. KCC is actively working on:

- Trading efficiency, including reducing ballast distance and waiting time, managing sailing speed, and maximizing cargo intake
- Voyage efficiency, including the optimization of vessel routing, trim, and power used on board
- Energy efficiency, including retrofit operations to install shaft generators and air lubrication systems on the majority of the current modern fleet built 2016-2021, and the installation of novel suction sails on a newbuild vessel

Improvements in these three areas, and from more efficient newbuild vessels replacing older ones, are expected to reduce KCC’s EEOI to 5.1 around 2030. This represents a 33% reduction compared to the base year 2018.

The final component of this plan is the transition to alternative fuels. KCC’s existing fleet of eight CABU and eight CLEANBU vessels were designed to run on fossil fuels and as such a retrofit exercise to install the tank capacity and fuel lines to make the vessels capable of running on e-fuels such as ammonia or methanol would be very challenging. Three CABU vessels and all eight CLEANBU vessels were built between 2016 and 2021, and we expect these vessels to trade well through the 2030s and into the 2040s. The most likely decarbonization pathway for these vessels will require bunkering drop-in biofuels. This is, however, not a constraint for the series of CABU newbuildings being delivered during 2026, which are designed with consideration of later conversion to run on e-fuels.

KCC’s transition to alternative fuels will be carried out in three stages:

- **Testing and trialling:** during 2026 KCC will install novel wind-assisted propulsion on a newbuild vessel, investing a total of around USD 3 million in zero-emission propulsion. In addition KCC will carry out its first biofuel bunkering since 2021.
- **Ramp-up 2026-30:** in the next strategic phase KCC will expand use of wind-assisted propulsion (if successful), look for further opportunities to use drop-in biofuels, and consider installing first capability to burn alternative fuels. Total investment in this phase may reach up to USD 10-20 million.

• **Full transition 2030-35+:** KCC will select appropriate investments in alternative fuel capability across the whole fleet. CABU III and newer vessels may require upwards of USD 10 million in CAPEX to become capable of burning alternative fuels, or all vessels may bunker drop-in biofuels at increased cost.

The speed of this transition will depend on customer support, regulatory development, vessel technological advancement, fuel cost and availability, and potential public funding support for large investments. KCC will continue dialogue with all relevant stakeholders to create the best possible conditions for these investment decisions.

The shipping industry faces significant challenges in reaching net zero GHG emissions by 2050. In the next few years, we must see zero- or near-zero emission technology rollout beginning to scale in order for the industry to stay on track in the 2030s. There is still great potential to first reduce emissions intensity via trading, voyage, and energy efficiencies; however, for KCC in particular, many efficiency measures have already been fully deployed: with the result that our emissions footprint is currently 30-40% lower than standard tonnage performing the same cargo transport. While KCC will continue to scrutinize any way to improve its trading efficiency the next major emission reduction methods for KCC must come from more novel technologies and innovations, in order to further reduce and replace remaining fossil energy.

A number of zero- or near-zero emission technologies have emerged that may bridge the final gap for deep sea shipping, but all are currently immature or costly. Fuels based on green hydrogen such as e-methanol and e-ammonia will require a significant ramp up of renewable energy production globally. On-board carbon capture is also energy-intensive, and requires new infrastructure for carbon offload and storage/usage. Biofuel must be sourced from sustainable feedstocks which will, by definition, be constrained by supply. It remains to be seen what will be the correct technology, or mix of technologies, for KCC.

The cost of these technologies will increase the shipping industry’s and KCC’s current expenditure on energy several times over. Many cargo owners shipping their materials in bulk are beginning to address their transport emissions, but all will resist increasing the costs they pass through to the end-consumer, while international regulators have struggled to introduce mechanisms that can meaningfully incentivize the energy transition.

// E1-2

Policies related to climate change mitigation and adaptation

Code of Conduct

KCC is committed to the IMO’s ambitions to reduce the global footprint of our industry and drive the transition towards low-carbon shipping. We undertake initiatives to promote greater environmental responsibility and encourage the development and diffusion of environmentally friendly technologies. We shall act responsibly and avoid harm to the environment by complying with and requiring high standards for environmental protection, and furthermore aim to successively improve our environmental performance over time. We shall cooperate closely with our customers to reduce local and global emissions and commit to transparent reporting of our environmental performance.

Environmental strategy

KCC’s ambition is to redefine efficiency and sustainability in dry bulk and tanker shipping. KCC’s environmental strategy was updated in 2025 as part of a full strategic review for the period 2026-2030, replacing KCC’s environmental strategy published in 2023. The strategy was approved by the Board of Directors in December 2025 and the CEO is the ultimate owner of the strategy in the management team. The strategy mainly addresses KCC’s scope 1 emissions, which is our customers’ scope 3 emissions.

The strategy targets a 33-42% reduction in carbon intensity (EEOI) by 2030 compared to 2018. See section E1-4 Targets related to climate change mitigation and adaptation for more information about targets and performance and section E1-3 Actions and resources in relation to climate change policies for information about actions in 2025 and planned actions for 2026.

Actions and resources in relation to climate change policies

1) Optimizing trading efficiency

KCC is actively working on:

- Maximizing cargo intake
- Maximizing loaded voyages and minimizing ballast by focusing on combination trading
- Minimizing waiting time in port
- Avoiding high speed voyages through better scheduling and customer cooperation

Actions and result 2025

- **Sustainability-linked freight contract:** In 2025, KCC completed the third year of its sustainability-linked freight contract with a caustic soda solutions customer. The contract has a carbon pricing mechanism linking freight payments to carbon emission performance. The contract also includes provisions related to joint initiatives to improve efficiency of trading and joint carbon emission targets. In 2025, KCC performed overall better than the established baseline, resulting in increased freight. This was due to efficient combination trading and improved fleet performance as a result of the various energy efficiency measures rolled out.
- **Shadow carbon pricing:** Since introducing its 2023 Environmental Strategy, KCC has been acting with an internal shadow carbon cost to all chartering decisions involving long ballasting. The voyage alternative with the longest ballast is penalized by adding a carbon cost reflecting the additional carbon emission of the voyage in question, priced equal to EU's traded carbon pricing (EUA). In 2025, as in 2024, breaking combination with a long ballast leg was either too unrewarding (in the vast majority of cases) or far too rewarding (on five specific occasions) for the carbon cost to solely influence any decisions; however, the mechanism of applying a carbon cost to ballast legs remains an important exercise to KCC and adds a useful layer of validation to relevant chartering decisions.
- **Speed:** Also as a part of the 2023 Environmental Strategy, KCC implemented a service speed of maximum 12.5 knots in all voyage planning, as the speed/consumption relation is exponential and in particular leads to avoidable emissions for voyages with a speed above 12.5 knots. In 2024 the fleet operated at 12.5 knots or higher for approximately 53% of the time. This decreased to 46% in 2025 as the CABU fleet in particular operated slower when carrying CSS.
- **Trading efficiency:** Cargo quantity carried while sailing increased slightly in 2025 compared to 2024, with generally high lot size across all cargo and vessel types; being specialized for particular trades and with a long-term focus on customer relationships, KCC has an advantage on maximizing intake. KCC's share of trading in combination increased from 82% in 2024 to 87% in 2025, but time in ballast remained stable around 14%, as improvement efforts were partially offset by geopolitical headwinds, market dynamics, and business development commitments: see E1-4 Entity-Specific Metrics for more detail on these KPIs.

Focus 2026 onwards

- **Combination trading and ballasting:** Supported by commercial incentives and scheduling improvements, KCC targets to further increase the combination trading share and reduce the ballasting of both fleets in 2026.
- **Sustainability-linked freight contract:** The existing contract has been extended into 2026 with a significant reduction to baseline emissions intensity agreed, to take into account the more efficient CABU newbuildings entering this trade and replacing the oldest CABU vessels. KCC's ambition is moreover to expand the sustainability-linked freight framework into contracts with at least one new customer in 2026.
- **Customer cooperation:** Attention from cargo owners on their Scope 3 emissions permits closer cooperation between KCC and its customers related to trading efficiency, cargo intake, speed, and waiting times. KCC has begun to execute voyages using a 'virtual arrival' arrangement to reduce the practice of rushing-to-wait, and will during 2026 consider introducing this to all relevant freight contracts.
- **Carbon shadow pricing:** KCC will continue using internal carbon pricing to make decisions related to ballasting and will during 2026 consider expanding the carbon price application to apply to more operational decisions.
- **Speed:** KCC will continue focusing on reducing the number of high-speed voyages above 12.5 knots with scheduling and operational efforts.

2) Perfecting voyage efficiency

KCC is actively working on:

- Utilizing advanced and vessel specific models/digital twins for weather routing, including improving the procedures and utilization of such advanced routing strategy tools and broadening the scope of the use of the models
- Maintaining optimal trim
- Lowering the energy consumption onboard the vessels with focus on electrical consumers and boiler usage

To succeed in perfecting voyage efficiency, the crew is trained in the efficient use of different systems implemented onboard, including the vessel performance system. The vessel performance system and sensors onboard bring onshore employees access to key vessel data to better assist the fleet with insight, support, and actions.

Actions and result 2025

- **Culture and training:** Greener KLASS was established in 2023, a leadership behavior program to build up a culture around awareness, care and to speak up on topics related to sustainability. In 2024 the Greener KLASS program was supported by the further rollout of the Starlink system. Starlink improves communication between vessels and shore, enabling the crew to monitor emissions KPIs and collaborate with shoreside staff such as the Operational Energy Efficiency Manager. KCC has in 2025 continued to focus on “Greener” topics in officers conferences and is using the Starlink platform to further improve communication with the vessels on this topic.
- **Operational procedures:** Further development of best practice and the improvement of operational procedures to safeguard savings potential, including studies and further efforts on best conversion procedures and best use of in-transit hull cleaning robot.
- **Dedicated resources:** The Operational Energy Efficiency Manager plays a key role in safeguarding KCC’s transition and strengthening its focus on improvements in EEOI, following the shift from in-house ship management to OSM Thome after the sale of Klaveness Ship Management. The role supports the onboarding of new energy efficiency initiatives and ensures the effective utilization of existing solutions, while aligning commercial operations with the technical decarbonization initiatives being implemented across the fleet.
- **Systems and tools:** Continued roll out of new systems and tools onboard with rotation of in-transit hull cleaning robots and testing of new providers of cleaning services.
- **AI:** Piloting of three different AI routing advisory providers in 2025, concluding with two of them brought into 2026 for further development and assessment.
- **Stable load:** The rollout of stable load management software across the CLEANBU fleet and the CABU fleet built 2016-2017 is ongoing and expected to be fully completed in 2026.

Focus 2026 onwards

- **Optimal trim:** Further improve on optimal trim for all vessels, including deriving new trim matrices for the CABU fleet built 2016-2017 and the CLEANBU vessels. For 2025, the fleet was at 80% in optimal trim when sailing in laden condition, but potential remains to improve this further.
- **Operational procedures and training:** Continue working on Greener KLASS to raise awareness and establish an efficiency culture across ship and shore with main focus on voyage routing adaptation while still maintaining safe voyage planning. In 2026, KCC and Klaveness Ship Management will hold regular meetings on decarbonization, including on the agenda operational efficiency topics and culture.
- **Stable load:** Roll out stable load management software across the CLEANBU fleet, while monitoring savings compared to expectations and updating a similar integrated software solution for part of the CABU fleet.
- **AI:** Continue the pilot with two of the three solutions tested in 2025 and decide on a strategy for this technology including selecting a provider on a fleet level.

3) Improving energy efficiency

KCC is actively working on:

KCC works to improve the energy efficiency of its fleet by investing in and piloting a wide range of technical improvements, with a particular focus on minimizing hull friction which is estimated to account for approximately 70% of energy use at sea. KCC invested approximately USD 23 million in energy efficiency measures during the period 2021–2024. In addition, total investments of approximately USD 7.5 million were made in 2025, with a further USD 2.7 million forecasted and committed to projects on the existing fleet in 2026.

Actions and result 2025

- **Wind-assisted propulsion:** KCC has prior to 2025 invested in bound4blue suction sails on one of the CABU newbuildings to be delivered in 2026. In 2025, KCC has prepared a tender process for evaluating different wind technologies and the commercial potential of this technology for both retrofits and for potential future newbuilding projects.
- **Air lubrication (ALS):** The three CABU vessels built 2016-2017 and one CLEANBU vessel were fitted with air lubrication during 2025.
- **Shaft generator:** In parallel with the retrofit installation of the air lubrication systems, the same vessels have been retrofitted with shaft generators. The shaft generator utilizes the highly efficient main engine to deliver power to all ship systems while at sea. Beyond fuel savings, noise onboard is reduced as auxiliary engines are not running at sea.
- **Hull coating:** Silicone antifouling hull coating was applied on all vessels undergoing full blast and coating renewal in 2025, counting one CABU vessel and three CLEANBU vessels. KCC has also in 2025 engaged 3rd-party coating surveyors on four dry dockings to safeguard the application which is critical for the performance of the coating.
- **Ducts:** Continued roll out of Mewis ducts according to the vessels' dry docking plan, with 2 more installations in 2025. The duct is designed to optimize the sea water flow going into the propeller, reducing the fuel consumption between 3-6% depending on vessel and operation.
- **Research projects:** KCC is an active member and board participant in FME MarTrans. This is the worlds largest research program on decarbonization of the maritime industry, running from 2025 for eight years and bringing together industry and research partners. In addition, KCC participates in the SINTEF WIND (Enabling Zero-Emission Shipping with Wind-Assisted Propulsion) project until 2027 and the SINTEF AirOcean (Air Lubrication for Ocean-Going Vessels) project until 2026, contributing to the development and assessment of energy-efficiency solutions relevant to KCC's fleet.

For 2025 the actual technical performance of the fleet suggests an 11.6% reduction in fuel consumption rate compared to 2018. This is further down from the 9.4% reduction measured in 2024. This technical performance metric is an estimation of how much fuel a vessel consumes given the weather-adjusted performance speed, and corrected for draft and compared to the vessels speed/consumption curves. The main drivers behind the improvement were the continued rollout of targeted energy-efficiency measures across the fleet, effects of dry dockings with the upgraded hull coating solutions, as well as all the efforts from hull and propeller cleaning. A limited number of vessels are however still lagging, where weather adjustment factors and technical challenges are being analyzed in more detail.

Focus 2026 onwards

KCC will maintain focus on identifying and testing new energy efficiency measures and, if successful, rolling out across the fleet. KCC works in close cooperation with other like-minded shipowners to keep updated on the development of measures and technology, and to exchange experience.

- **Air lubrication and shaft generator:** One additional vessel will be retrofit with a shaft generator and air lubrication system in 2026 and KCC will take delivery of three newbuilds with this technology. All vessels receiving shaft generators will be easy to upgrade for shore power when available in relevant ports. KCC will in 2026 continue to collaborate with a Norwegian technology company to investigate how the ALS system can be optimized through dynamic factors, converting this into an on-board ALS optimization tool.
- **Hull coating:** Silicone antifouling will be applied on all vessels during renewal of the coating, weather permitting, and KCC will pilot new coating solutions and technologies on upcoming dry-dockings for both hull and propeller. KCC are also measuring and assessing if solutions like welding seam fairing and propeller coating would be relevant for any vessels.
- **Ducts:** The installation of Mewis ducts on the relevant part of the fleet will be completed in 2026 with two further installations, leaving only one vessel, which was built in 2001, without such a duct.
- **Hull and propeller cleaning:** KCC will continue to test new service providers and solutions for propeller polishing and hull cleaning in regions where these services are not yet available. Growing regulatory focus on biofouling management in key trades is well aligned with KCC's ongoing efforts to improve energy efficiency and reduce emissions.
- **Ultrasonic propeller protection:** KCC have closely monitored and troubleshooted the system intended to prevent propeller biofouling from occurring. Finding this system more delicate and less effective over time, KCC are improving and replacing parts for the main units and reassessing the effectiveness of this technology.
- **Research:** KCC will continue to participate in the three committed research programs, and review how these findings and activities can be implemented in KCC operations and potential future designs.

Targets related to climate change mitigation and adaptation

Metrics and targets

KCC's climate change targets are primarily focused on reducing Scope 1 GHG emissions from its vessels, as this represents 80% of total Scope 1, 2, and 3 emissions and 99% if also including well-to-tank emissions of the fuel consumed on board. Since KCC vessels burned exclusively heavy fuel oil and marine diesel oil in 2025, both tank-to-wake and well-to-wake emissions were directly proportional to fuel consumption. KCC is prepared to express targets in terms of well-to-wake emissions at any time, whether due to interest from stakeholders, or in order to maintain accuracy as vessels begin to use alternative fuels. Default IMO emission factors will be used for upstream emissions from fossil fuels, and when KCC vessels burn biofuel the specific emission factor given by the supplier's proof of sustainability document will be used.

The primary target is to reduce GHG intensity expressed in terms of tank-to-wake EEOI from 7.6 gCO₂/tNM in the base year of 2018 down to 5.8 in 2026 (representing a 24% reduction) and then 5.1 in 2030 (representing a 33% reduction). In the event that regulatory and customer support begins to gather momentum, KCC will aim for an even lower EEOI of 4.4 gCO₂/tNM in 2030. These targets have not been externally assured.

Although the IMO continues to use the CII metric, which calculates emissions per vessel DWT-mile and thus incentivizes empty sailing, it is still possible to infer an EEOI trajectory in line with IMO ambition, as has been done by the consultancy UMAS for the Sea Cargo Charter (SCC). The resulting EEOI target for combination carriers is equivalent to a tank-to-wake EEOI of 5.0 gCO₂e/tNM (corresponding to the IMO "striving" ambition by combining the SCC bulk carrier and oil tanker trajectories in a 50-50 proportion to represent KCC trading activity). KCC's EEOI target in 2030 stands at 5.1 gCO₂/tNM, thus slightly above the IMO "striving" ambition, but well within the minimum ambition level.

The Science-Based Targets initiative's guidance for maritime transport implies that the industry must reduce its emissions intensity by 53% from 2018 to 2030 in order to align with limiting global warming to no more than 1.5°C, or by 32% to attain "well-below-2°C"-alignment (WB2C). In this context, KCC's updated 2030 target is aligned with WB2C, but not 1.5°C, as it represents a 33% reduction compared to KCC's own activity in 2018 or a 46% reduction compared to standard vessels on the same trades in 2018. Notably, KCC's stretch target of 4.4 gCO₂/tNM for 2030 does represent a 53% reduction compared to standard vessels in 2018, in line with the reductions required by the (SBTi) 1.5°C curve.

In lieu of ambitious regulations, the only way for the shipping industry as a whole to align with a 1.5°C trajectory is to tap into the massive systemic improvement potential of trading efficiency - e.g. scaling up the use of combination carriers instead of standard vessels ballasting - which goes beyond (and in fact does not count towards) the reductions feasible for individual vessel owners as described by the SBTi.

As illustrated below, KCC's strategy remains to harvest the still untapped potential of efficiency improvements in every part of the business, described broadly under the categories of "trading efficiency" and "energy & operational efficiency", explained in detail in E1-3. Further potential reductions in the "striving" 2030 target mainly come from an increased share of sustainable biofuel in KCC's fuel mix.

KCC assesses that transformative technologies such as e-fuels produced with renewable electricity or carbon capture on board will be introduced slowly, until regulatory and commercial conditions change. KCC has therefore chosen to work in various industry fora to help create more supportive conditions, while preparing newbuildings for later conversion with novel technologies in mind, without yet investing in equipment specialized for a given new fuel type. The three newbuildings ordered in 2023 for 2026 delivery are prepared for later conversion to burn zero-emission fuels, and KCC maintains the ability to introduce the first zero-emission vessel in its operation within 2030.

KCC has chosen to no longer report emissions per vessel-year from 2026 onwards. The two main KPIs of total emissions and emissions intensity in terms of EEOI (emissions per unit transport work) already provide full insight into emissions performance. This has only rarely

been complemented by reporting also emissions per vessel-year, which is lower the more vessels sail ballast or wait in port instead of sailing laden with cargo; activities that are not desired.

The other environmental KPIs of share of days in ballast and in combination trade support the primary EEOI target. Targeting share of days in ballast focuses KCC on deploying its vessels in combination trades which leads to higher earnings - unless there is a large difference between dry and wet markets - while also reducing EEOI.

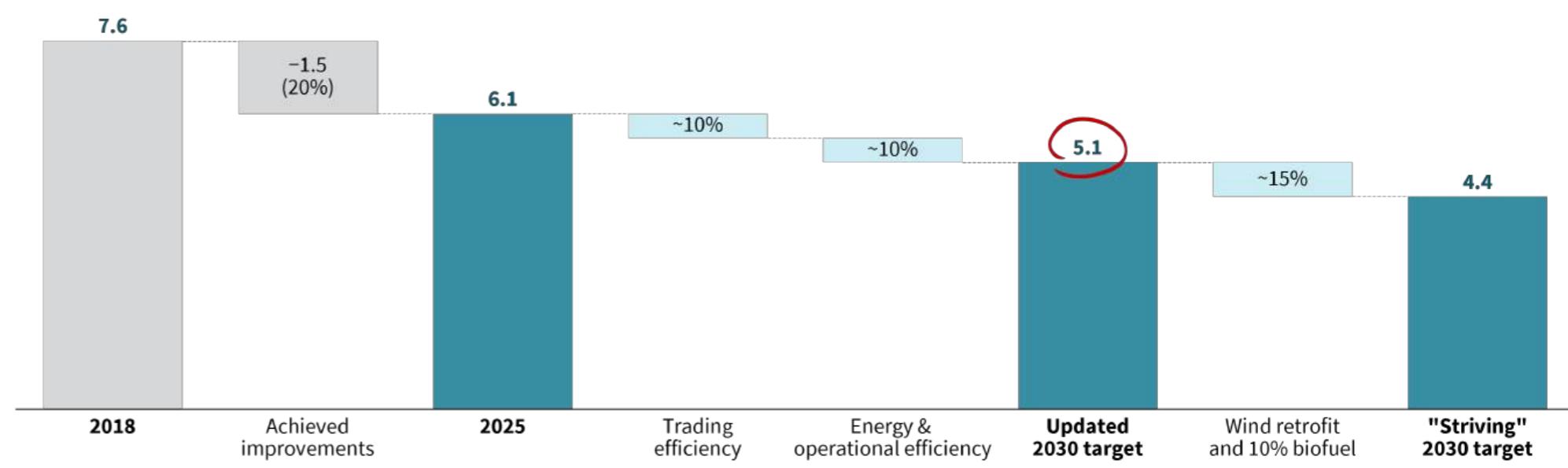
Base year

The base year for KCC's EEOI reduction target is 2018. This was selected in 2022 as the most recent year with comprehensive emissions data and a stable operating profile, as the CLEANBU fleet took time to begin trading in combination after its introduction in 2019-2021.

During 2025, the base year EEOI was recalculated to include upstream emissions from the extraction, processing, and transportation of the fuel, and to include also other greenhouse gases CH₄ and N₂O. The well-to-wake base year EEOI stands at 9.4 gCO₂e/tNM.

KCC is prepared to at any time express the base year, targets, and progress in well-to-wake terms. For ease of comparison between the targets updated as of the new 2025 Environmental Strategy, and the previous 2023 targets included in KCC's sustainability-linked financing framework, this report generally expresses values in tank-to-wake terms.

KCC EEOI, gCO₂/tNM



// Entity specific metrics

Performance carbon intensity (EEOI¹⁴)

Carbon intensity is measured in grams of CO₂ emitted per ton of transported cargo per nautical mile (EEOI) and includes all Scope 1 emissions from KCC's owned fleet, in terms of direct CO₂ emissions only (not including CO₂-equivalent CH₄ and N₂O). This metric expresses the strong efficiency of KCC's combination carriers as the vessels spend significantly less time sailing in ballast compared to standard vessels. However, as the fleet is relatively small, the reported EEOI is sensitive to periods of non-optimal trading, e.g. when trading a combination carrier as a standard vessel or when positioning one or more vessels to dry-docking.

In 2025, the full fleet achieved an EEOI of 6.1, outside the 5.8 target. Both the CABU and CLEANBU fleets exceeded this target. For the CABU fleet, this was caused by a small but impactful number of ballast legs due to scheduling constraints and ageing coatings on some of the oldest CABU vessels, which were refreshed on three of five vessels in 2025 (taking full effect by 2026).

The most important single reason for not meeting the 2025 target overall, though, was a relatively high share of time in ballast for the CLEANBU fleet. The CLEANBU EEOI was also impacted by ballasting due to suboptimal trading both following geopolitical uncertainty and occasions during 2025 where KCC elected to trade CLEANBU vessels out of combination, to take advantage of a high tanker market compared to dry bulk, or to develop business with strategically important customers.

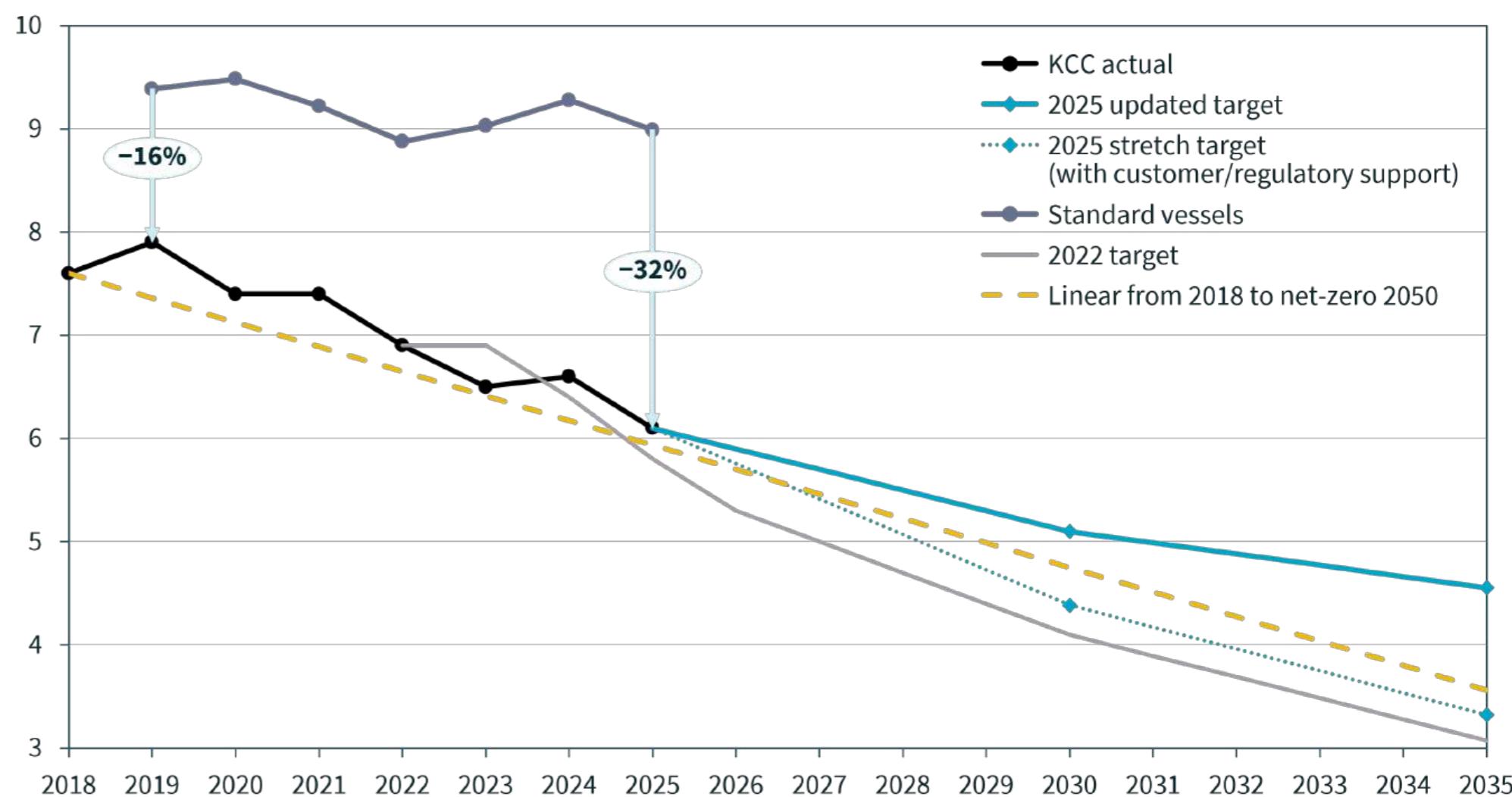
Despite falling short of the full-year target of 5.8, KCC reduced EEOI by 7.4% from 2024 to 2025. Analyzing the three decarbonization action groups separately, KCC interprets the following Y-o-Y impacts:

- Trading efficiency improvements reduced overall EEOI by around 3-4% due to increased average cargo quantity carried (particularly on wet cargoes for both the CABU and CLEANBU fleets) and reduced average speed (with reduced share of time spent above 13 knots).
- Voyage efficiency improvements reduced EEOI by a small amount, as advanced weather routing projects and the rollout of stable load management systems had slightly more effect in 2024 than 2025; these initiatives are expected to have more effect in 2026 as they are expanded further.
- Energy efficiency improvements reduced EEOI by around 2%, largely driven by improvements across the CLEANBU fleet with several vessels making their first dry-docking since delivery, having high-quality coatings applied, and being retrofit with propeller ducts, shaft generators, and air lubrication systems.

Overview of EEOI targets and actual performance

Year	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
EEOI Target					6.9	6.9	6.4	5.8	5.8	5.6	5.4	5.2	5.1
EEOI Actual	7.6	7.9	7.4	7.4	6.9	6.5	6.6	6.1					

KCC EEOI, gCO₂/tNM



¹⁴ EEOI (Energy Efficiency Operational Index) is defined by IMO and represents grams CO₂ emitted per transported ton cargo per nautical mile for a period of time (both fuel consumption at sea and in port included).

% in combination trade¹⁵

The target for 2025 was to achieve 85% of on-hire days for the fleet in combination trades and to achieve 90% over time. The KCC fleet traded 87% of on-hire days in combination trades in 2025, above the target. Due to disruptions in the product tanker market explained earlier, the CLEANBU fleet traded slightly below the target, spending 84% of its time in combination trades, increasing from 70% in 2024. The CABU fleet traded efficiently again in 2025 with 90% combination trading, though down from 94% in 2024.

Ballast days in % of on-hire days¹⁶

For the CABU fleet time in ballast increased from 11% in 2024 to 13% in 2025. When CABU vessels ballasted in 2025 it was either from Australia/Indonesia to north-east Asia for CSS cargoes, or to/from an Indonesian dry bulk cargo. All of these cases occurred due to scheduling constraints. For 2026 KCC will introduce newbuild vessels to the CABU trade and has booked a record high number of CSS cargoes, increasing scheduling options, but making it likely that some amount of ballasts or stop-gap Indonesian cargoes will still be needed. KCC aims to minimize this requirement going forward with focus on scheduling opportunities across both fleets.

CLEANBU vessels, on the other hand, traded more efficiently in 2025, with time in ballast decreasing from 17% in 2024 to 15% in 2025. Although a reduction, these ballast levels are still high in absolute terms for KCC, and were in 2025 caused by a set of factors described in the EEOI section. The overall change in ballast time for KCC as a whole was net neutral, remaining around 14%. The target for 2025 was to reduce ballast days of total on-hire days to below 13.75%, and the long-term target is 7.5%.

2025	CABU I	CABU II	CABU Total	CLEANBU	KCC Fleet
Build year	2001-07	2016-17	2001-17	2019-21	2001-21
EEOI	6.6	5.7	6.2	6.0	6.1
% in combination trade	87 %	96 %	90 %	84 %	87 %
Ballast days in % of on-hire days	13.5%	11.8%	12.8%	15.4%	14.1%

	2025	2024	Change in % Y-o-Y	Benchmark 2025 ⁸	Target 2025
EEOI	6.1	6.6	7 %	9.0	5.8
% in combination trade	87 %	82 %	(6)%	n.a.	>85 %
Ballast days in % of on-hire days	14.1%	14.0 %	— %	29.2%	<13.75 %

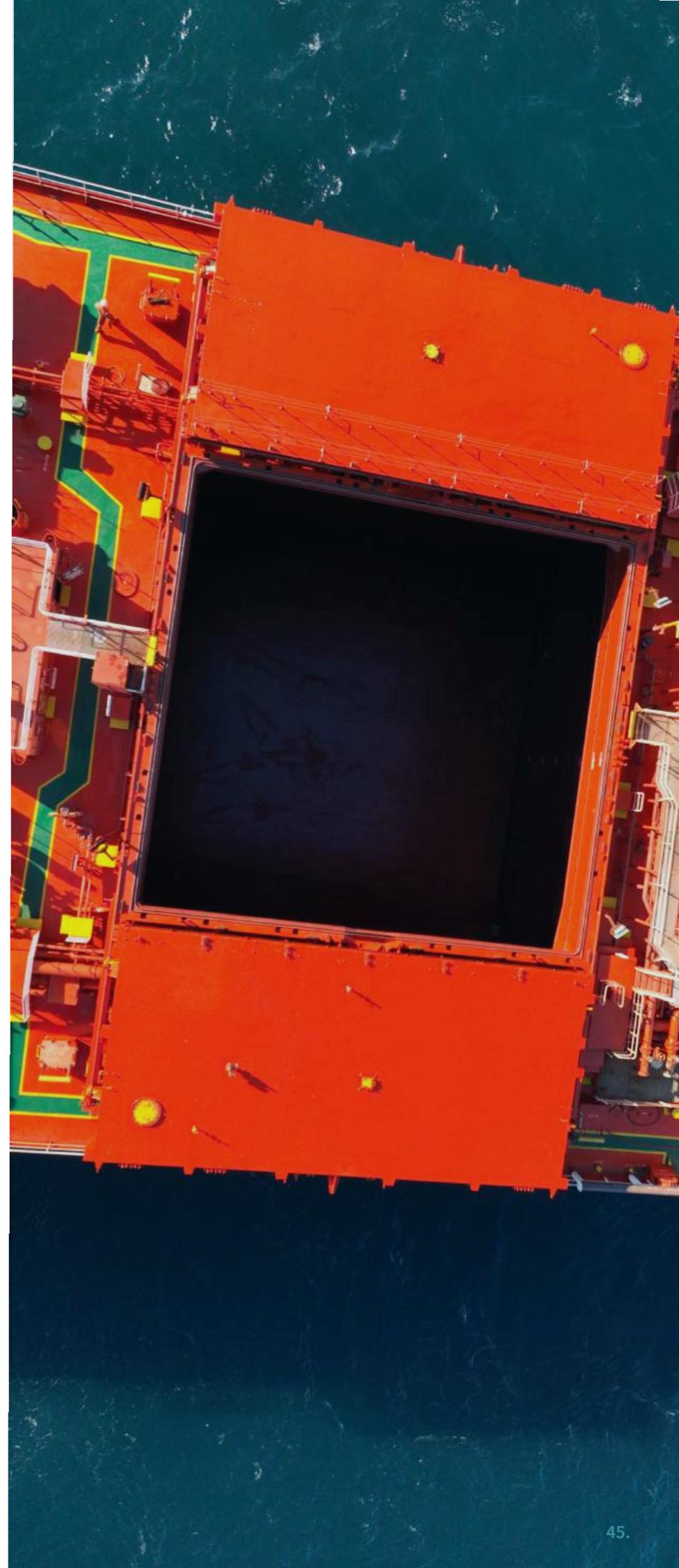
¹⁵ % of days in combination trades = number of days in combination trades as a percentage of total on-hire days. A combination trade starts with wet cargo (usually caustic soda or clean petroleum products), followed by a dry bulk cargo. A combination trade is one which a standard tanker or dry bulk vessel cannot perform. Exempt are trades with abnormal long ballast legs which are not defined as combination trades. The KPI is a measure of KCC's ability to operate our combination carriers in trades with efficient and consecutive combination of wet and dry cargoes versus trading as a standard tanker or dry bulk vessel. There are two exceptions to the main rule where the trade is a combination trade: Firstly, in some rare instances a tanker cargo is fixed instead of a dry bulk cargo out of the dry bulk exporting region where KCC usually transports dry bulk commodities. E.g., the vessel transports clean petroleum products to Argentina followed by a veg oil cargo instead of a grain cargo on the return leg. Secondly, triangulation trading which combines two tanker (dry bulk) voyages followed by a dry bulk (tanker) voyage with minimum ballast in between the three voyages (e.g., CPP Middle East-Far East +CPP Far East Australia +Dry bulk Australia-Middle East) are also considered combination trade.

¹⁶ Ballast in % of on-hire days = Number of days in ballast /number of on-hire days. Ballast days when the vessel is off-hire are not included.

¹⁷ Benchmark: The EEOI and % ballast for "Benchmark standard vessels" are calculated based on standard vessels (Panamax/Kamsarmax dry bulk vessels, MR-tankers and LR1-tankers) making the same transportation work in the same trades as performed by KCC's CABU and CLEANBU vessels. The EEOI for "Benchmark standard vessels" is calculated as the weighted average of EEOI for the trades performed. There is a degree of uncertainty related to the benchmark values as these are estimated using data from Baltic Exchange and AXS Marine. From Q1 2024 onwards the calculation method for the EEOI has been revised by weighting it based on the transport work instead of the number of voyages in each trade. The change reduces the benchmark of around 0.5 gCO2/tNM in 2024 compared to the previous method.

Energy consumption and mix

Energy intensity based on net revenue		2025	2024
Net revenue from activities other than in high climate impact sectors	USD	0	0
Net revenue from activities in high climate impact sectors	USD	144 397 000	191 940 000
Total energy consumption from activities in high climate impact sectors	MWh	1 051 857	1 071 965
Energy intensity from activities in high climate impact sectors (total energy consumption per net revenue)		1 %	1 %
Renewable energy production	MWh	0	0
Non-renewable energy production	MWh	0	0



Gross scope 1, 2, 3 and total GHG emissions

Total GHG emissions for 2025 stood at 363,432 tCO₂e, a decrease of 3% compared to 2024. Once again, 99% of total GHG emissions came from fossil fuel burned on board KCC vessels including upstream emissions from the production and distribution of these fuels: scope 1 + category 3 of scope 3. The amount of fossil fuel burned by vessels decreased by 2%.

Scope 3 emissions outside category 3, representing 1% of KCC's total emissions, decreased by 46%, mainly explained by a decrease in category 1 emissions relating to dry-docking activity. Although more vessels were drydocked in 2025 compared to 2024, and not with narrower scope as vessels were still retrofit with energy efficiency measures and older vessels were strengthened with additional steel, scope 3 category 1 emissions fell by 59%. This is probably a consequence of using spend-based emission factors for category 1 (as opposed to all other scope 3 categories, which use emission factors based on weight, or use reported emissions directly from the supplier).

(tCO ₂ eq)	2025	2024	Change in %
Scope 1 GHG Emissions			
Gross Scope 1 GHG emissions			
	292 501	298 127	-2%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0.3%	1.5%	
Scope 2 GHG Emissions			
Gross location-based Scope 2 GHG emissions	2	2	5%
Gross market-based Scope 2 GHG emissions	23	12	88%
Significant scope 3 GHG emissions			
1 Purchased goods and services	3 320	8 118	-59%
2 Capital goods	1 157	308	276%
3 Fuel and energy-related Activities (not included in Scope1 or Scope 2)	66 025	67 293	-2%
4 Upstream transportation and distribution	322	345	-7%
5 Waste generated in operations	104	336	-69%
Total Gross indirect (Scope 3) GHG emissions	70 928	76 400	-7%
Total Scope 1+2+3 GHG emissions (location-based)	363 432	374 529	-3%
Total Scope 1+2+3 GHG emissions (market-based)	363 452	374 539	-3%

Internal carbon pricing

As a part of the updated Environmental Strategy published in March 2023, KCC implemented in 2023 an internal shadow carbon cost to all chartering decisions involving long ballasting. See section E1-3 Actions and resources in relation to climate change policies for more information. KCC will during 2026 consider expanding this mechanism to apply to other decisions.

Anticipated financial effects from material physical and transition risks and potential climate-related opportunities

Within KCC's 2025 work to develop both a transition plan and risk framework, the financial effects of relevant risks and opportunities were assessed, mainly qualitatively. This assessment builds on KCC's established enterprise risk management processes and longstanding use of operational and commercial modelling in decision-making.

For example, vessels may be required by regulation to transition to zero-emission fuels. For the vast majority of the world fleet the only option currently available would be to bunker sustainable drop-in biofuels which are compatible with existing engine technology. The Net Zero Framework as written would require all vessels to bunker a share of biofuels around 30% in 2035, increasing fuel expenditure by around 5 USD per tonne of cargo transported for KCC, at current/projected biofuel prices. Although this could be seen negatively as it increases KCC's costs, the net effect for KCC would be overwhelmingly positive, due to the sustainability and efficiency advantage combination carriers have over standard vessels: which would see a much higher cost increase closer to 8 USD per tonne cargo.

KCC has not explicitly quantified the financial effects of all considered risks and opportunities. Further quantification, including assessment of potential impacts on costs, revenues, assets and financing, will be undertaken as part of the continued development of KCC's transition plan and risk framework during 2026. As described in ESRS 2 – Risk Management, Enterprise Risk Management (ERM) is one component of KCC's broader risk management ecosystem, and the Group aims to further integrate ESRS requirements into its risk management processes going forward.

Accounting policies

Scope and consolidation

The consolidation of greenhouse gas (GHG) emissions data is based on the financial consolidation approach and is reported in line with the GHG Protocol, Corporate Accounting and Reporting Standard Revised edition. KCC has financial control of its entire fleet of 16 combination carriers (owned 100% by the Group). The reported GHG emissions include consolidated data from the parent company, Klaveness Combination Carriers ASA, and subsidiaries controlled by KCC. Data is collected per legal entity per activity and the figures are consolidated line-by-line.

Emission conversions and calculations

GHG emissions are calculated using conversion factors for energy consumption and other GHGs. The key external sources used as a basis for the calculations are delivered by CEMAsys' Emission Factor Database, and emission factors used by KCC come from the International Maritime Organization; the EU Association of Issuing Bodies; the International Energy Agency; Cornerstone; Ecolnvent; the UK Department for Environment, Food & Rural Affairs.

Gross scope 1 emissions

Gross scope 1 includes all direct GHG emission sources. More than 99.99% of Scope 1 emissions come from the combustion of fossil fuels on KCC's vessels. Fuel consumption data is from vessel fuel consumption records and emission factors from IMO 2020 have been used to convert to CO₂e. Less than 0.01% of Scope 1 emissions is from heating oil, propane gas and diesel trucks consumed by the Oslo office, which has been converted to CO₂e using emission factors from DEFRA 2025 based on fuel use reported by the landlord.

Percentage of scope 1 GHG emissions from regulated emission trading schemes

Percentage of scope 1 GHG emissions from regulated emission trading schemes is the share of KCC's gross scope 1 GHG emissions covered by the EU ETS. The EU ETS applied to shipping emissions for the first time from 1st January 2024. 0.3% of total emissions (1,017 tCO₂) was in scope for KCC after having applied a 70% phase-in factor for 2025 (ramping up to 100% in 2026), counting CO₂ only (CH₄ and N₂O will be included from 2026), and a 50% reduction for voyages into Europe.

Gross scope 2 GHG emissions

Gross scope 2 emissions are indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling. For KCC, only electricity purchased in leased office buildings where KCC has organizational control is relevant (office building for employees in Oslo and Singapore). Although Scope 2 emissions physically occur at the facility where the electricity is generated, they are accounted for in KCC's GHG accounting inventory because they are a result of KCC's energy use. Scope 2 emissions are immaterial when comparing with Scope 1 emissions.

Both location-based and market-based scope 2 emissions are presented in the table. The location-based method reflects the average emission intensity of the grids on which energy consumption occurs, while the market-based method reflects emissions from electricity that companies have purposefully chosen (or not chosen).

Location-based energy emission factors used are from IEA 2025. Market-based energy emission factors used are from AIB 2025 for Oslo; for Singapore, no market-based emission factor was available. Factors are not based on Guarantees of Origin.

Significant scope 3 GHG emissions

Scope 3 includes indirect emissions resulting from emissions created in the value chain both upstream and downstream as a result of KCC's activities, but that are not controlled by the company. The GHG Protocol has divided scope 3 emissions into 15 categories. Five categories have been evaluated as relevant to KCC (category 1-5), all of which are related to upstream activities. Another two categories were calculated in 2023, but deemed irrelevant due to the negligible contribution to the overall GHG accounting (category 6: business travel and category 7: employee commuting). Categories 8-15 are deemed not relevant for KCC due to course of business (e.g. KCC does not operate leased assets or have franchises or investments beyond the fleet of vessels, KCC does not sell products, only transportation services of which CO₂e emissions related to the transportation of goods are reported in scope 1). Scope 3 categories calculated in 2025 were:

- Purchased goods and services (Category 1) - this category includes all upstream (i.e. well-to-wake) GHG emissions from the production of products purchased or acquired by the reporting company in the reporting year. Products include both goods (tangible products) and services (intangible products). The CO₂e emissions from category 1 have been calculated using the spend-based method which estimates emissions for goods and services by collecting data on the economic value of goods and services purchased and multiplying it by relevant secondary emission factors (source: Cornerstone (2025) Supply Chain GHG Emission Factors for US Commodities, and USD spending from the purchase system). This category relates closely to KCC's dry-docking activity.
- Capital goods (Category 2) - this category includes emissions relating to the production of the steel used for building of new vessels and for upgrading and repairing existing vessels during dry-docking. The Bantry required significant steel renewal in 2025. KCC had no new vessels delivered in 2025; the Group has 3 newbuildings on order with delivery in 2026, but no steel from newbuildings have been included in 2025. Mass of steel to CO₂e emission factors used are from Ecolnvent 3.12.
- Fuel-and-energy-related activities (Category 3) - this category includes upstream emissions from fuel consumed with its direct emissions accounted in scope 1 (more than 99.99% of this category) and electricity consumed with its direct emissions accounted in scope 2 (less than 0.01% of this category) and includes emissions related to the production, refining and transportation of fuels that are consumed by the vessels (well-to-tank) and emissions associated with grid loss where relevant. Fuel and energy emission factors used are from DEFRA 2025 and IEA 2025.
- Upstream transportation and distribution (Category 4) - this category includes emissions from the transportation and distribution of products purchased in the reporting year. The CO₂e emissions from upstream transportation and distribution have been calculated and reported by KCC's ship manager's transport service provider.
- Waste generated in operations (Category 5) - GHG emissions related to the disposal, recycling, and incineration of various types of waste onboard vessels and in the Oslo office. The activity data is provided by KCC's ship manager and by the waste management supplier in Oslo. All waste has been reported in different garbage categories with different conversion factors. Volume or mass of waste is converted to emissions using conversion factors from CEMAsys based on Ecolnvent 3.12 and from DEFRA (2025).

E2 Pollution

// E2

Material impacts, risks and opportunities

KCC actively manages material impacts, risks and opportunities related to pollution prevention and control. Actual and potential pollution to air and water arising from KCC's operations is assessed as material. Pollution prevention in the maritime industry is regulated internationally through the International Maritime Organization (IMO), primarily via the International Convention for the Prevention of Pollution from Ships (MARPOL) and related instruments, as well as through regional, national and MARPOL-designated special-area regulations that impose more stringent requirements. The material impacts identified by KCC in this area are described below.



Actual negative impact: Pollutants from value chain and own operations

Pollution from both KCC's value chain and from own operations has a harmful effect on both water and air quality and may particularly affect people who work or live near locations where such pollution takes place.

Environmental impacts from own operations extend beyond carbon emissions. Non-greenhouse gas emissions such as NO_x and SO_x are released during fuel combustion for the power generation and heating systems required to run the vessels. The emission of these pollutants varies as a function of engine load and temperature, except for SO_x which depends on the sulphur level in the fuel. KCC's vessels may also contribute to water pollution through sewage, grey water, bilge water, and garbage spills. Paint flakes from underwater hull cleaning and hull blasting at shipyards may also pollute water. Ballast water discharged is mainly sea water, hence this is included in ESRS E4 Biodiversity and ecosystems.

Environmental impacts from KCC's value chain include pollutants from production of steel, extraction of bunkers, and the newbuilding process and maintenance at yards. Such pollutants can be non-greenhouse gas emissions or major chemical leaks such as oil, gasoline, and solid waste.

Potential negative impact: Oil spills

KCC's vessels may contribute to water pollution through oil spills. Accidental oil spills from deep-sea vessels can have devastating effects on ecosystems.

Risk: Oil spills

In the event of oil spills, as described above, there is a risk that this may lead to sanctions and fines. Such incidents could also result in negative impact on reputation and losing customers, negatively impacting financial results.

// E2-1

Policies related to pollution

Code of Conduct

KCC's commitment to act responsibly and avoid harm to the environment is funded in the Code of Conduct further described in section E1-1.

Counterparty Code of Conduct

Our Counterparty Code of Conduct states that all our counterparties shall comply with any applicable national and international laws and regulations, continuously maintain, improve, and develop safe and

healthy working conditions and act responsibly and avoid harm to the environment by complying with and using high standards for environmental protection. Our expectations and requirements to our counterparties are further described in section G1 Business conduct.

Know Your Counterparty procedures

All companies KCC does business with are subject to Know Your Counterparty procedures (KYC) which is further described in section G1 Business conduct.

Environmental policy and strategy

Decarbonization of KCC's fleet remains a key pillar of KCC's Strategy for 2026-2030. Strategy, targets, performance, and actions described in section E1 Climate Change will have a direct effect of improving air and water quality. KCC also has firm commitments and requirements related to recycling of vessels, waste reduction, and local air quality. KCC is resolutely committed to following IMO regulations and guidelines including the MARPOL Convention which sets standards for the prevention of pollution from ships. KCC is dedicated to avoiding oil spills and waste to sea. See section E1-2 for further information.

Cleaning operations and discharge of effluent water are always performed in accordance with applicable national and local laws and regulations so that viable biofouling or chemical and physical pollutants are not released into the local aquatic environment where they may cause harm. Care is also taken to prevent the erosion of the anti-fouling paint so that harmful biocides are not released into the port water. All anti-fouling paints also comply with the 'International Convention on the Control of Harmful Antifouling Systems on Ships' and do not contain organotin compounds acting as biocides.

KCC's and KSM's overall objective is to meet or exceed all stakeholder environmental expectations without compromising on safety under any circumstances. This is stated in KSM's Quality Management System (further described in S1-1). The policy is posted onboard all vessels and the zero spill ambition is clearly stated in the policy.

KSM is certified with ISO 14001, which is a voluntary certification of the environmental management system. The HSEQ team in KSM conducts an annual internal audit of the environmental management system, which is also audited annually by DNV.

KCC is compliant with the Shipboard Marine Pollution Emergency Plans required by MARPOL which set out that all vessels shall have an approved shipboard marine pollution emergency plan for oil or noxious liquid substances.

// E2-2

Actions and resources related to pollution

Non-greenhouse gas emissions such as NO_x and SO_x are released during fuel combustion. KCC has complied with the IMO 2020 sulphur regulation since it was introduced 1 January 2020 (maximum 0.5%/0.1% when sailing in designated Sulphur Emission Control Areas (SECA)), (MARPOL Annex VI Reg. 14 (IMO Global Sulphur Cap 2020)).

The CLEANBU vessels (50% of the KCC fleet of 16 vessels) are equipped with Selective Catalytic Reduction (SCR) systems for reducing the emissions of NO_x, hence complying with IMO's Tier III regulations applicable for all newbuild vessels with keel laid after 1 January 2016. Operation of the SCR systems is mandatory whenever the vessels are in Nitrogen Emission Control Areas (NECA) currently only applicable in North American waters, the Baltic Sea as well as the southern parts of the North Sea.

KCC has ambitions beyond compliance with environmental regulations, and has therefore decided to increase the use of the SCR system outside the NECA zones to reduce NO_x air pollution in densely populated areas. Starting in 2023, KCC has used SCR systems on the CLEANBU fleet for NO_x reduction whenever feasible also in Australian ports while vessels are laying alongside during loading and discharge operations.

Actions described as part of the safety section of S1 are also connected to preventing pollution and protecting the marine environment. Other actions to prevent and control the risk related to pollutants from own operation are:

- Weekly drills onboard the vessels in 2025 with focus on emergency response procedures like bunkers spill, fire, collision/grounding events, or pipeline leakage. Similar drills are conducted for crew ashore and office personnel in the KSM organization.
- In accordance with ISO 14001 and The International Safety Management (ISM) Code, to test responsiveness and train on response actions for cargo and oil pollution events, all vessels performed monthly drills in 2025. Training objectives and approach were as per the company's emergency response procedures and each vessel's pollution emergency plans.
- ESG Assessment with document review and site visit is carried out every second year for all yards used for periodic dry docking and for newbuilding. Environmental management and protection are part of the scope.
- All planned effluent streams (e.g. produced water, sewage, engine room bilges, food waste) have been discharged within regulatory requirements and industry guidelines.

Targets related to pollution

At present, there are no targets set for pollutant reductions. We have a responsibility to reduce our emissions of NO_x and SO_x and adhere to global regulations regarding the emissions of these gases. KCC's targets for reducing the use of fossil fuels in our fleet will have a positive impact on reducing all pollutants to air. Increased use of biofuels or zero-emission fuels such as methanol or ammonia could drastically reduce, or even potentially eliminate, our emissions of SO_x and PM to air. Targets for decarbonization of the fleet are described in detail in E1 Climate Change.

KCC has set a target of no spills to the environment. The target is directly linked to acceptance from customers, making spills to the environment an important and material strategic topic for KCC.

// E2-4, E2-6

Pollution metrics

The table below present KCC's pollutants from own operation. KCC has at present no data on pollutants from the value chain. KCC had no spills to the environment in own operation in 2024 and 2025.

	2025	2024
Pollution to water		
Spills to the environment	0	0
Pollution to air (in tonnes)		
NOX (nitrogen oxides)	4 048	6 579
SOX (sulfur oxides)	784	803
PM10 (particulate matter < 10 µm)	384	390
CH4 (methane)	5	5
CO (carbon monoxide)	266	270
N2O (nitrous oxide)	16	17

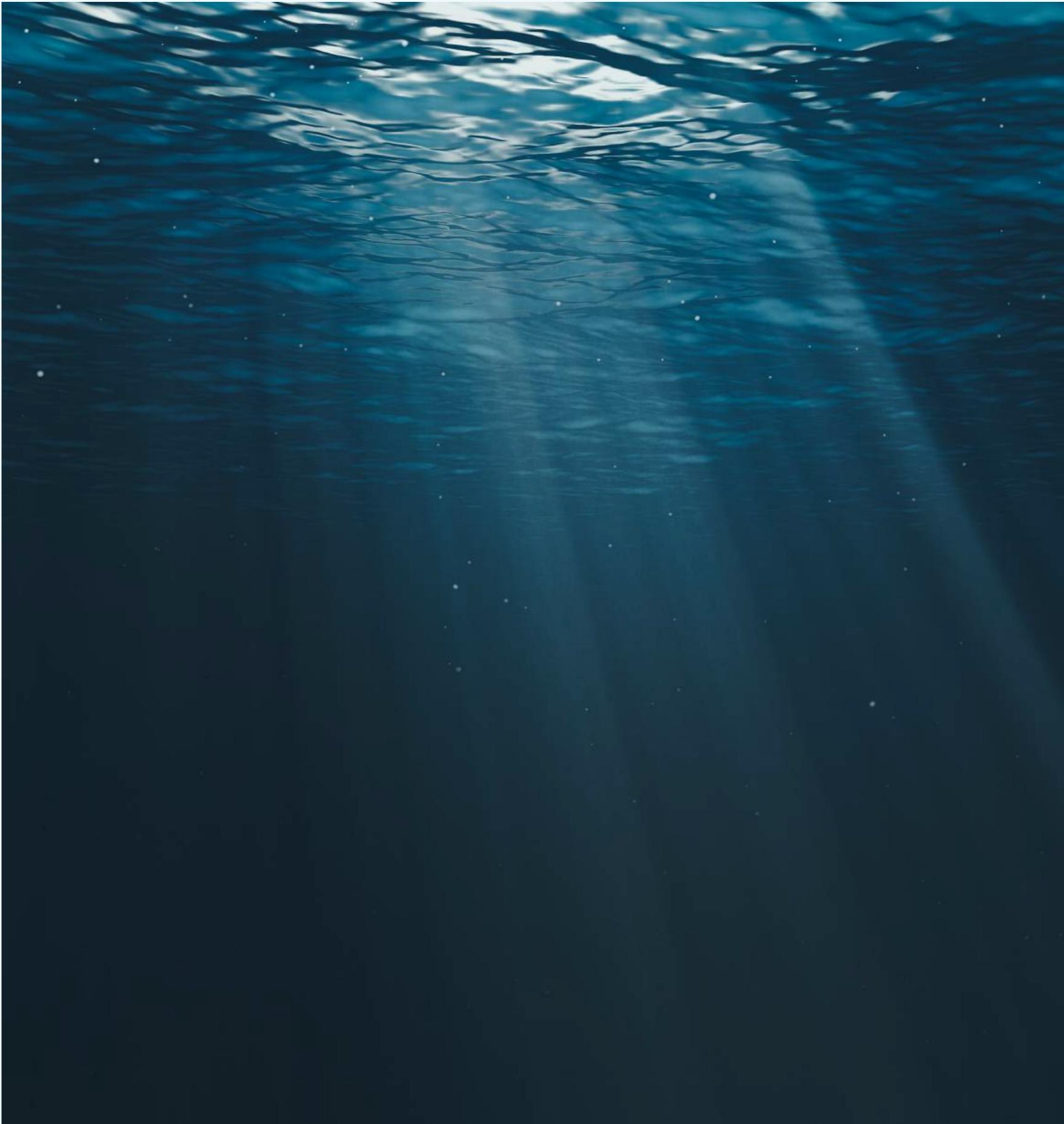
In case of an oil pollution, KCC is covered under a Protection and Indemnity (P&I) insurance in place for all our vessels. The cover is limited to USD 1 billion per event for oil pollution and the deductible is USD 7k. The insurance coverage includes coverage for pollution and clean up and third-party liabilities.

E4 Biodiversity and Ecosystems

// E4 SBM-3

Material impacts, risks, and opportunities and their interaction with strategy and business model

There has been an increasing focus on biodiversity and ecosystem impacts within the shipping industry in recent years. This has been driven by regulatory developments such as the revised IMO biofouling guidelines and ballast water management requirements, alongside growing regional attention particularly from Australia. In parallel, global reports and policy initiatives, including the Global Risks Report 2023 (World Economic Forum), the EU Biodiversity Strategy for 2030, and the introduction of voluntary frameworks such as the Taskforce on Nature-related Financial Disclosures (TNFD), have further elevated biodiversity topics.



As described in the previous section (E2 pollution), the shipping industry has negative impacts on marine habitats through pollution. Some shipping lanes pass through areas where marine mammals feed, mate, and sleep. There are also recent studies on how flood lights from anchored vessels impact fish behaviour in the adjacent waters. Underwater noise also impacts marine life, such as interfering with the ability of marine mammals to communicate, navigate, and hunt. We also know that thousands of whales are killed by vessel strikes annually. Beyond the loss of an individual animal, whale strikes can slow or reverse population recovery, disrupt social structures and reproduction, reduce ecosystem functioning, and diminish whales' role in long-term carbon sequestration.

KCC's vessels operate across the world which increases the risk of moving invasive species between ecosystems. Pollution from the shipping industry is regulated through the International Maritime Organization (IMO) Ballast Water Management Convention regulations and national biosecurity regulations, e.g. in Australia. Ballast water is used to provide stability and manoeuvrability to ships during a voyage, which is essential for safe and efficient shipping operations. However, it can introduce invasive aquatic species to new environments, causing ecological, economic, and health issues.

Invasive species may also be transferred from one region to another through biofouling. Biofouling is the growth of marine organisms on the hull and propeller, and ranges from the creation of thin layers of biofilm consisting of single-celled organisms and algae to the growth of barnacles, seaweed, and mussels. In addition, biofouling on vessels hulls increases the surface roughness, which in turn increases frictional resistance and ultimately fuel consumption and GHG emissions directly linked to KCC's decarbonization strategy.

The vessel hull coating system is designed to protect the structural integrity of the vessel by reducing the risk of corrosion in the marine environment, while also limiting the development and accumulation of biofouling. Effective fouling control contributes to improved hydrodynamic performance and reduced fuel consumption.

At the same time, hull coating systems will introduce environmental risks, including the release of microplastics through coating wear and discharge of biocides into the surrounding waters. Both factors can have effects on marine ecosystems, with short- and long-term impacts on biodiversity and ocean health.

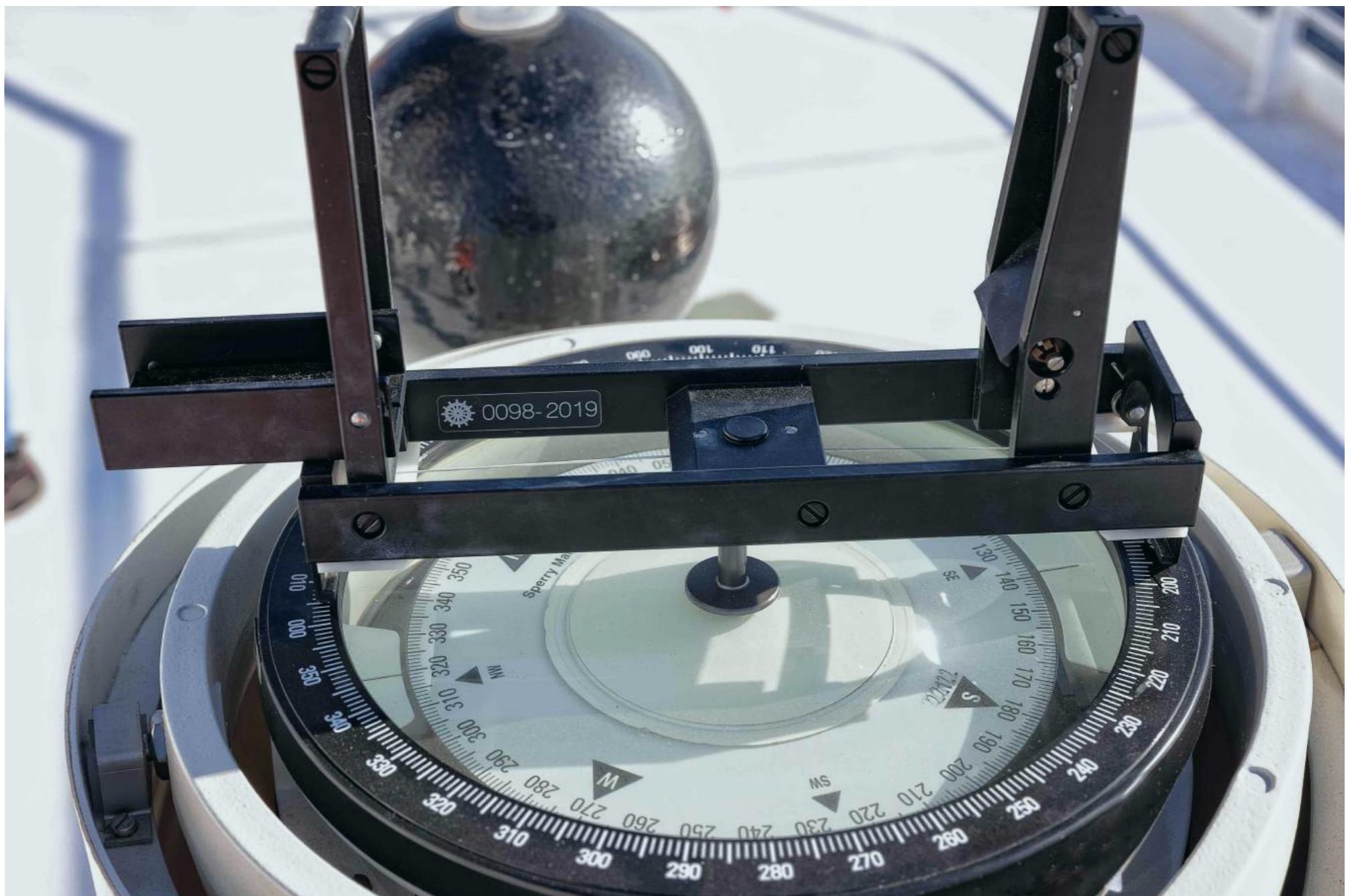
KCC has identified material impacts within this topic and continues to assess and evaluate this area, with the aim of improving relevant policies, targets, and actions.

Actual negative impact: Marine life

Some shipping lanes pass through areas where marine mammals feed, mate, and sleep. Vessels of any size and type can strike and kill or injure marine life like marine mammals and sea turtles. Underwater noise may also have adverse impacts on marine life, such as interfering with the ability of marine mammals to communicate, navigate, and hunt. The KCC fleet sometimes operate in sensitive and protected marine areas, where the negative impacts may be more severe.

Actual negative impact: Invasive species

KCC's vessels operate across the world which increases the risk of moving invasive species between ecosystems. This leads to a negative impact where invasive species may be transferred between ecosystems. This could happen through biofouling of the ship's hull or through the ballast water system.



// E4-1

Transition plan on biodiversity and ecosystems in strategy and business model

KCC has not conducted a resilience analysis related to biodiversity and ecosystems.

// E4-2

Policies related to biodiversity and ecosystems

KCC's commitment to follow mandatory IMO regulations and guidelines on the management of ballast water, biofouling, and anti-fouling systems helps prevent the transfer of aquatic organisms to new environments via shipping. This reduces the risk of invasion from non-indigenous species that can harm local ecosystems.

KCC's biofouling management policies comply with IMO regulations. In addition, KCC has a philosophy to dry dock its vessels older than five years at intervals of approximately 2.5 years to safeguard overall technical condition and maintain high hull efficiency, thereby supporting reduced fuel consumption and emissions, subject to fleet utilization and condition-based assessments.

KCC has been an early adopter in the testing and application of silicone-based fouling-release coating systems when vessels are undergoing dry dockings and re-application of hull coating systems. These coatings are generally considered to have lower environmental impact than traditional self-polishing antifouling paints, as they typically rely on far less biocides and therefore present reduced toxicity to the marine environment. Unlike self-polishing systems, silicone-based coatings are not designed to gradually release paint layers (ref; "self polish") during their operational lifetime. As a result, this technology is expected to reduce coating wear and the associated release of microplastics into the ocean, while maintaining effective fouling control.

A designated Particularly Sensitive Sea Area (PSSA) has high significance for recognized ecological or socio-economic or scientific reasons, while the IMO considers that it may be vulnerable to damage by maritime activities. The IMO regulatory framework grants additional protection through measures to control the maritime activities in that area, including non-mandatory guidelines such as guidelines for ship routing.

KCC follow all the mandatory restrictions, and in addition certain voluntary measures to protect life in sea. For instance, the voyage procedures in the QMS were improved during 2024 to go beyond the mandatory requirements to protect marine mammals.

The voyage procedures define a set of certain whale protection actions for the Master and Chief Officer on watch to follow when planning the voyage and when the vessel enters into PSSAs and other areas with likelihood of encountering marine mammals as per available advice, including the recognized WSC Whale Chart. The WSC Whale Chart is a global mapping of all mandatory and voluntary governmental measures to reduce harm to whales from vessels. These measures are designed, in most cases, to either prevent accidental collisions with whales or to reduce underwater noise. This publication sets out guidelines for voyage planning, reducing speed, and considering routing in key areas for marine mammals. KCC's interaction with the WSC Whale Chart zones has been analyzed in 2025 with results presented in the E4-5 section.

// E4-3

Actions and resources related to biodiversity and ecosystems

KCC has during 2024 and 2025 taken actions to progress our biodiversity-related commitments through education and awareness, in addition to initiatives and investments in technology with positive impact on the environmental and energy efficiency benefits that can be achieved.

Protecting marine mammals

Several initiatives that have been implemented primarily to reduce GHG emissions also have a positive impact on underwater noise. Operational measures to avoid high speed voyages reduce the risk of cavitation and noise from the ship. Installation of shaft generators removes the use of auxiliary engines at sea, reducing ship noise, and the air lubrication carpet is likely to reduce the hull and engine noise due to insulating properties of the thin air carpet. The CLEANBU fleet has made modification to the air ejectors in the engine room and a fan housing has been equipped with noise dampening plates. Actions and progress in 2024 and 2025 include:

- Voyage procedures in QMS were updated in 2024 with a separate procedure on how to protect marine mammals, which we continue to highlight towards the ship management/crew.
- KCC has through its membership in Sustainable Shipping Initiative (SSI) been part of working groups with other stakeholders in the shipping industry to discuss best practices.
- A joint project with HUB Ocean during 2025 has increased our understanding of how KCC's operations intersect with sensitive marine life with focus on marine mammals and whale zones.

Invasive species

Actions taken to reduce the risk of spreading and/or prevent the spread of harmful aquatic organisms from one region to another:

- Ballast Water Treatment Systems (BWTS) are installed on all vessels in compliance with IMO's Ballast Water Management Convention.
- Implementation of a Biofouling Management Plan (BFMP) onboard with measures to reduce the risk of invasive species through use of high-quality anti-fouling paint, frequent hull and propeller cleaning operations, avoidance of long idle periods, and other operational measures.
- We maintain a consistent focus on applying high-quality silicone antifouling coatings across the fleet during dry-dockings. In 2025, two additional vessels were upgraded with silicone coatings when undergoing hull renewal efforts, and all existing vessels received targeted silicone touch-ups to damaged areas. These measures significantly reduce the risk of biofouling in operation.
- KCC normally conducts 2.5-years dry-docking intervals to safeguard a high-quality anti-fouling system on all ship hulls.
- In total eight in-transit hull cleaning robots are used on the fleet of 16 vessels to remove potential fouling from the vessels' vertical sides during voyages.

// E4-4

Targets related to biodiversity and ecosystems

KCC's current work is focused on a better understanding our interactions with biodiversity. No targets have yet been set.

Based on increased insight gained during the year on nature impacts, KCC will in 2026 consider implementing targets related to biodiversity and ecosystems. Relevant targets would be to establish a fleet-wide target to limit vessel speed to max 10 knots in WSC Whale Chart zones with both mandatory and voluntary speed restrictions, given safe and operationally feasible, and to avoid such areas where practicable through voyage planning and incorporating "no-go" zones with our weather routing companies where possible.

Biodiversity and ecosystem metrics

100 % of the fleet has installed BWTS.

A focus area for 2025 has been to increase our understanding of how KCC's operations intersect with sensitive marine life, quantify duration in sensitive marine ecosystems and identify ways to reduce impact.

In a joint project with HUB Ocean, we have mapped the fleet's AIS data by analyzing our operational footprint with global biodiversity datasets like the WSC Whale Chart, Important Marine Mammal Areas (IMMA) dataset and Ocean Sensitive Areas (OSA) layers.

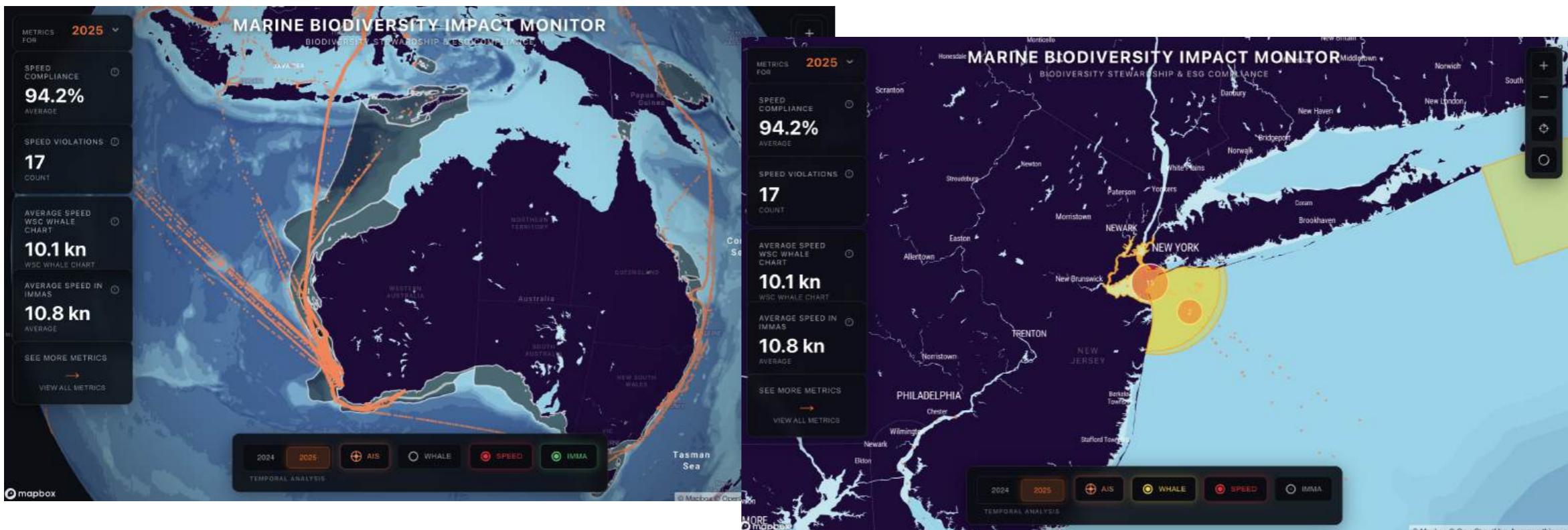
The analysis relies on AIS data with a one-hour resolution to estimate time spent and vessel speeds between these points. The data have not been validated against reported vessel positions or logs, but we consider the data to represent a sound approach for the purpose of this project.

Main insights include:

- The AIS data suggested that KCC's fleet of vessels operated ~47,000 sailing hours¹⁸ and ~41% of total sailing hours within IMMA e-atlas zones in 2025. The KCC fleet intersected with 63 different zones during 2025 with an average speed of 10.8 knots. Top ten most visited zones cover 76% of the total sailing hours in IMMA zones, located in the areas of Australia/New Zealand/Southeast Indian Ocean and South West Atlantic Ocean which are key geographical trading areas for the entire KCC fleet.
- The KCC fleet operated approximately ~1,310 hours/1% of total sailing hours within WSC Whale Chart Zones. Top five zones are all related to US North Atlantic East Coast, mainly outside New York and New Jersey which are key trade areas for the CLEANBU fleet.
- Mandatory speed restrictions and voluntary speed recommendations are in place in these zones. Mandatory speed restrictions in Mid-Atlantic U.S. are seasonal with speed restrictions < 10 knots from 1 November to 30 April, while the voluntary speed recommendations are year-long with recommendations to slow down to 10 knots or less, 20 nautical miles outside of the Territorial Sea Line. KCC's vessels have been 100% compliant with mandatory speed restrictions, and 90 % compliant with voluntary speed recommendations in 2025. Overall KCC has been 94.2% compliant with mandatory speed restrictions and voluntary speed recommendations in 2025.

- Average speed in the WSC Whale Chart areas was 10.1 knots in 2025 for KCC's vessels. Most whale protection zones require vessels to slow down to 10 knots, but some areas specify different maximum speeds (such as 11 or 14.5 knots), conditional slowdowns, or no speed measures.
- Research indicates that vessel speed is a key factor influencing the risk of ship strikes involving whales, as well as the level of underwater noise generated by shipping. Reduced speeds are associated with lower collision risk and reduced acoustic disturbance, which can otherwise interfere with whale communication and habitat use. Speed management in whale-sensitive areas is therefore an effective measure to reduce potential impacts on marine biodiversity.
- The fleet spent zero time in areas to be avoided as per defined by WSC.
- Sailing hours in Ocean Sensitive Areas (OSA) are summarized in the table below. The data document interactions with cold-water corals, mangroves, seagrass and tropical reefs, reflecting the ecological diversity of KCC's global footprint.

The findings from the HUB Ocean project will be further evaluated in 2026 and the ambition is to include restrictions and recommendations in the weather routing optimization tools and to implement KPIs.



KCC fleets' trading pattern west of Australia within an IMMA zone (*image to the left*) and into New York/New Jersey within a WSC Whale Chart zone (*image to the right*). Both images are visualisations from HUB Ocean dashboards.

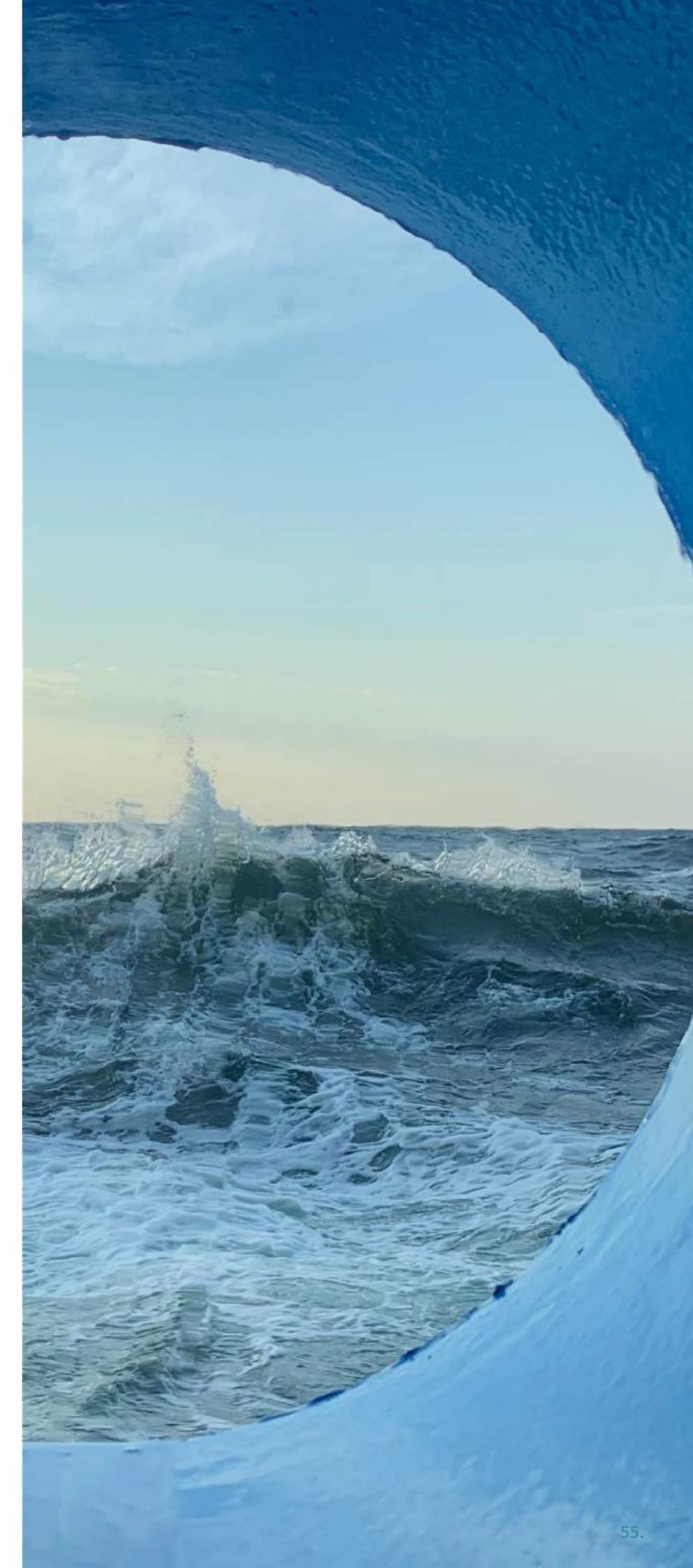
¹⁸ Some limitations in data as missing AIS data for one vessel for 3 months in 2024 and entire 2025. KPIs are calculated based on AIS data with a 1 hour reporting frequency. The analysis is based on AIS data and is subject to data gaps, signal inconsistencies, and resolution limitations, which may result in differences between recorded AIS positions and the actual timing and duration of operations occurring within the geographical area between two signals.

The World Shipping Council (WSC) Whale Chart is a global mapping of all mandatory and voluntary governmental measures to reduce harm to whales from vessels. These measures are designed, in most cases, to either prevent accidental collisions with whales or reduce underwater radiated noise that impacts marine life.

Important Marine Mammals Areas (IMMA) dataset identifies zones of ecological significance for marine mammal populations used to evaluate exposure to sensitive habitats.

The Ocean Sensitive Areas (OSA) layers combine global information from authoritative ecological datasets. These include the Allen Coral Atlas for coral reef systems, the Ocean Biodiversity Information System for species occurrences, Global Mangrove Watch for mangrove extent, as well as additional datasets covering seagrasses, bird areas, marine protected areas and other sensitive habitats.

Metrics	Unit	2025
Total sailing hours for the fleet	hours	113 615
Metrics for IMMA zones		
Sailing hours in IMMA e-atlas zones	hours	46 850
% of sailing hours in IMMA e-atlas zones	%	41 %
#of IMMA e-atlas zones	number	63
Average speed in IMMA e-atlas zones	knots	10.8
Metrics for WSC Whale Chart		
Sailing hours in WSC Whale Chart	hours	1 308
% of sailing hours in WSC Whale Chart zones	%	1 %
Sailing hours in areas to be avoided as per defined by WSC		0
Sailing hours in areas with mandatory speed restrictions	hours	679
% speed violations in areas with mandatory speed restrictions	%	— %
Sailing hours in areas with voluntary speed restrictions	hours	629
% speed violations in areas with voluntary speed restrictions	%	10 %
Average speed in WSC Whale Chart areas	knots	10.1
Compliance in WSC Whale Chart areas with mandatory and voluntary speed restrictions	%	94.2 %



IMMA zone	Geographical Area	Sailing hours in 2025
Western Australian Humpback Whale Migration Route IMMA	Australia, New Zealand and Southeast Indian Ocean	9 725
Eastern Indian Ocean Blue Whale Migratory Route IMMA	Australia, New Zealand and Southeast Indian Ocean	9 497
Houtman Abrolhos to Rottnest Shelf Waters IMMA	Australia, New Zealand and Southeast Indian Ocean	3 224
Geographe Bay to Eucla Shelf and Coastal Waters IMMA	Australia, New Zealand and Southeast Indian Ocean	2 437
Laje de Santos - Ilha Grande IMMA	South West Atlantic Ocean	2 218
Coastal Waters of Santa Catarina, Paraná and São Paulo State IMMA	South West Atlantic Ocean	2 199
Australian East Coast Migration Corridor IMMA	Australia, New Zealand and Southeast Indian Ocean	1 898
Southern Brazil and Uruguay Coastal Ecosystems IMMA	South West Atlantic Ocean	1 856
Southwest Atlantic Humpback Migratory Corridor IMMA	South West Atlantic Ocean	1 254
Hinchinbrook to Round Hill Network IMMA	Australia, New Zealand and Southeast Indian Ocean	1 205
Total sailing hours top 10 IMMA zones		35 513

WSC Whale Chart zone	Geographical area	Sailing hours in 2025
Voluntary Port Authority of New York & New Jersey Clean Vessel Incentive (CVI) Program - Non-VSR Zone	Mid Atlantic (New York and New Jersey)	596
Voluntary Port Authority of New York & New Jersey Clean Vessel Incentive (CVI) Program - VSR Zone	Mid Atlantic (New York and New Jersey)	517
Seasonal Management Area - Ports of New York/New Jersey	Mid Atlantic (New York and New Jersey)	158
Mobile Space for the Protection of Cetaceans		34
Seasonal Management Area - Entrance to the Delaware Bay	Mid Atlantic	4
Total sailing hours for top 5 WSC Whale Chart zones		1 309

Sailing hours in Ocean Sensitive Areas (OSA)	2 024	2025
Sailing hours in OSA Cold Water Corals	11 897	12733
Sailing hours in OSA Mangroves	1 837	1834
Sailing hours in OSA Marine Mammals	33 333	34302
Sailing hours in OSA OBIS Indexes	28 022	28259
Sailing hours in OSA Seagrass	4 166	3574
Sailing hours in OSA Seamounts	2 922	2602
Sailing hours in OSA Tropical Coral Reefs	2 611	1882

E5 Resource use and circular economy

// E5

Material impacts, risks and opportunities

There are strict requirements when it comes to material quality and construction for the vessels. Materials must be able to withstand harsh environments and significant compression and stress over time. Steel, aluminum alloys, and composite materials are often used and the industry primarily uses virgin material rather than recycled material in order to ensure sufficient quality levels in the absence of carbon-neutral steel supply.

There is a long-established practice for dealing with ships at the end of their operational life, and there are international conventions, as well as national laws, that regulate this area to ensure ships are recycled in a safe and responsible manner.

Additionally, we have identified waste handling as a material impact. The material impacts identified by KCC within this area are described next.



Actual negative impact: Vessel construction and maintenance

KCC has identified an actual negative impact related to resource use. Vessel construction and maintenance lead to resource depletion and added pressure on scarce materials. Steel is a vital material for KCC's newbuilding and dry-dock activity and there is currently no or low use of recycled materials or green steel in construction and maintenance of vessels.

Potential negative impact: Recycling of vessels

There is a negative impact on the environment if vessels are not recycled responsibly. Recycling should be carried out in compliance with current relevant regulations (Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships (Hong Kong convention), EU Ship Recycling Regulation, guidelines of the Norwegian Shipowners Association).

Actual negative impact: Waste from vessel operations

There is a negative impact on the environment if waste onboard the vessels are not disposed or recycled responsibly

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Policies related to resource use and circular economy

Vessel construction

KCC has no policy for resource use or use of recycled materials or green steel in the construction of vessels.

Ship Recycling

Code of conduct

The Environment section of the Code of Conduct describes our policy for recycling. We will ensure proper recycling of our ships, including ships sold to third-parties prior to recycling. This includes complying with applicable waste shipment and ship recycling regulations.

KCC commits to carry out recycling of the vessels in full compliance with the Hong Kong convention, the guidelines of the Norwegian Shipowners' Association and, where relevant, the EU Ship Recycling Regulation.

Waste management

All KCC vessels have a Garbage Management Plan onboard in accordance with the IMO guidelines published in resolution MEPC.201(62). Waste is sorted into 11 different garbage categories and recorded in an onboard garbage record book before being disposed at a waste reception facility in port or incinerated onboard, except for minor food waste which may be disposed at open sea. Ash from incineration is also delivered to an appropriate reception facility. Both ANNEX I and ANNEX II slops, including wash water, are discharged in accordance with relevant MARPOL regulations.

There are hazardous materials on board the vessels that may harm health and the environment if they are released or disposed of in an uncontrolled manner. It is important to know the location and type of the hazardous materials to ensure safe and responsible repair and recycling of these materials. KCC maintains Inventory of Hazardous Material (IHM) in line with Hong Kong Convention and EU SRR regulation 1257/2013. KCC has a third-party supplier that continually maintains the IHM. IHM reports are available online for access by vessels and office staff.

// E5-2

Actions and resources related to resource use and circular economy

The steel industry is responsible for 7-9 % of global GHG emissions, and as a primary shipbuilding material, steel is a primary source of scope 3 emissions for shipping. KCC is participating in the Ship Lifecycle Working Group of the Sustainable Shipping Initiative (SSI). In 2023, SSI launched the report "Green steel and shipping" discussing the current steel production and decarbonization efforts, and identifying a number of drivers and barriers to achieving greater circularity for the maritime sector. In 2025, SSI launched the report "Green Steel - Insight Brief" identifying actionable pathways to increase green steel adoption in the ship lifecycle. The brief builds on SSI's ongoing work and aligns with the goals of the Ship Lifecycle Working Group to support decision-making among stakeholders in green steel adoption and circularity in the ship lifecycle.

GHG emissions can be reduced by increased uptake of recycled steel and green Hydrogen Direct Reduced Iron (Green H2-DRI), and SSI's Ship Lifecycle Working Group is continuing its work to explore opportunities including developing a business case for green steel in shipping.

// E5-3

Targets related to resource use and circular economy

No targets are currently set for use of recycled materials for the newbuildings or for periodic maintenance of current fleet.

Recycling of vessels will be made in full compliance with the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships (Hong Kong convention) and the guidelines of the Norwegian Shipowners' Association.

KCC fully complies with MARPOL Annex V regulations for waste and garbage management. In line with these regulations, we are dedicated to reduce overall waste generation. No further targets set for waste management onboard the vessels.

// E5-4, E5-5, E5-6

Resource use and circular economy metrics

In 2023, KCC entered into newbuilding contracts for construction of three CABU vessels. Steel cut was made in 2025 and the vessels are scheduled for delivery in 2026 with an estimated use of 41,100 tons of steel. No use of recycled or green steel is planned.

Eight vessels have during 2025 completed periodic maintenance, of which one vessel with significant steel renewal: 308 tons used on Bantry, out of 504 tons total across all eight vessels. No use of recycled or green steel was made. In KCC's GHG accounts, use of steel has been reported under scope 3 emissions category 2.

The last recycling of a Klaveness vessel was performed in China by Grieg Green in 2014. Estimated lifetime for the KCC fleet is assumed at 25 years, and KCC will have three CABU vessels that turn 25 years in 2026-2027. One of the vessels has during 2025 completed renewal docking extending its operational life beyond 25 year. Decisions around the other two vessels will be made in 2026/2027.

The total volume of waste generated per ship was approximately 110m³ in 2025, with the largest category being oily sludge (40%). KCC policy is that KCC vessels shall endeavour to deliver oily sludge to a port reception facility for appropriate environmental handling when available. Only when no such port facility is available may the sludge be incinerated onboard according to relevant regulations. The next two largest contributors being plastic waste sent to recycling (21%) and domestic waste (16%), of which around a quarter was incinerated onboard the vessels and three quarters was disposed at port reception facilities.

In the list of waste categories from the fleet tabulated to the right, KCC has defined the following categories to be hazardous due to their potential content of heavy metals, hydrocarbons, and hazardous chemicals and cargo residues (in line with Annex I of the Hong Kong Convention and Basel Convention on the Control of Trans Boundary Movements of Hazardous Wastes and their Disposal): oily sludge, operational waste, incinerator ash and EE (electric and electronic) waste. Operational waste is defined by IMO's MARPOL Annex V to be all solid wastes (including slurries) not covered by other Annexes that are collected on board during normal maintenance or operations of a ship or used for cargo stowage and handling. Operational waste also includes cleaning agents and additives contained in cargo hold and external wash water.

According to these definitions, hazardous waste accounts for approx. 54% of all waste generated in 2025, of which the largest component is oily sludge waste (74% of all hazardous waste). Residual waste from ships is considered to be non-hazardous, as this is domestic waste and is defined by IMO's MARPOL Annex V as all types of waste not covered by other Annexes that are generated in the accommodation spaces on board the ship.

All waste from the headquarter office in Oslo is collected, sorted into 13 different waste categories, and sent to Norsk Gjenvinning AS, which either recycles it, incinerates it for district heating or produces biogas/fertilizer from the organic waste. Waste from offices accounted for less than 1% of total waste generated in KCC in 2025.

The table next gives an overview of the mass of waste recycled, incinerated and disposed to landfill, for both KCC Oslo office and KCC fleet. Values for 2024 are adjusted compared to KCC's 2024 Annual Report, which were in some cases incorrect due to unit errors (cubic metres reported as tons) during data aggregation.

Waste category	Disposal method	KCC Offices (ton)	KCC Fleet (ton)	KCC Total 2025	KCC Total 2024
Hazardous					
Hazardous	Recycled	0	0	0	0
EE waste	Recycled	0.1	11	11	7
Incinerator ashes	Treated	0	4	4	3
Operational	Treated	0	46	46	19
Operational	Incinerated	0	2	2	4
Oily sludge	Incinerated	0	116	116	120
Oily sludge	Treated	0	64	64	64
Subtotal Hazardous		0	244	244	218
Non-hazardous					
Organic	Recycled	0.6	6	6	5
Organic	Disposed at sea	0	38	38	43
Wood	Recycled	0.3	0	0	0
Paper	Recycled	0.4	33	33	23
Glass	Recycled	0	33	33	22
Metal	Recycled	0	33	33	22
Plastic	Recycled	0	27	27	25
Residual	Incinerated	0.2	14	14	28
Residual	Landfill	0.4	22	22	4
Subtotal Non-hazardous		1.9	206	208	172
Total		1.9	450	452	390



— Social information

ESRS S1 Own workforce

61

ESRS S2 Workers in the value chain

73

S1 Own workforce

// S1-SBM3

Material impacts, risks and opportunities and their interaction with strategy and business model

KCC is reliant upon talented and dedicated employees, as well as having a stable crew base which provides reliable and safe operations. KCC had 19 employees at year-end 2025, located in Oslo and Singapore. Absence due to sick leave increased to average 2.52% in 2025 mainly due to a longer sick leave for one employee (0.22% in 2024). The work environment is considered good.

In addition, KCC's own workforce also includes the 642 crew members in the crew pool as per year-end 2025. The crew are supplied by Klaveness Ship Management AS ('KSM') and are employed on contracts with KSM varying between four to eight months pending rank and nationality. The crew base is stable with a retention rate of 100% for 2025. The crew are classed as non-employees. KCC may also from time to time use consultants to cover longer-term absence or for specific projects. As per year-end 2025, KCC had three consultants related to specific projects, which is considered to be supplying labor, and hence classified to be included in KCC's own workforce.



There are a number of inherent risks within the shipping industry, particularly related to the crew and to the workers involved with yard/ newbuilding activity. The particular risks and impacts this group of non-employees are exposed to have been identified through a deep knowledge of the industry and operations. In close cooperation with KSM we make great efforts to build a strong safety culture and to continuously seek further safety improvements. Reducing the likelihood and the potential impact of such risks are essential for KCC, and this is therefore a key consideration in the development of the business model and KCC's strategy.

Decarbonization of the deep-sea shipping industry is likely to provide additional growth opportunities for KCC, supported by KCC's business model and strategy. This transition will likely create more opportunities for development and job creation for KCC's own workforce, rather than creating additional risks and negative impacts related to restructuring or job loss.

The material impacts, risks and opportunities related to own workforce are described next.

Working conditions

In KCC we are convinced that the success of our company is completely dependent on reaching the highest safety standards. Safety is priority number one for KCC and the goal is that no one shall be injured doing work for KCC. Shipping is a high-risk business and to maintain safe and reliable operations, KCC works with KSM to foster a strong safety culture every day. The comprehensive safety culture program referred to as Klaveness Always Safe and Secure (KLASS) is developed and strengthened on a continuous basis along with learning and new experiences.

Potential negative impact: Health and safety

Safety and security at work are basic human rights. There are inherent safety and security risks related to operations at sea. These must always be managed carefully to safeguard crew and all others working for KCC. These risks are primarily related to the crew, but could also impact KCC employees when they are visiting the vessels.

Potential negative impact: Adequate wages and labor rights

KCC is committed to recruiting and retaining competent and motivated maritime personnel. This includes ensuring that crew have a good and positive working environment, where labor rights such as collective bargaining agreements, social dialogue and adequate wages are respected. Decent remuneration of personnel in line with market levels is a priority for KCC, always meeting collective bargaining agreements (CBA) as a minimum.

Breaches of labor rights and/or not paying adequate wages are inherent industry risks and could affect individuals or a larger group of crew members negatively. No specific risk related to incidents of forced labor or child labor has been identified. In the Quality Management System (QMS) it is stated that no crew below 18 years shall be recruited to KCC's fleet. The QMS is compliant with the Maritime Labour Convention (MLC) which means that seafarer's rights and working conditions are protected.

Risk: Security, health and safety

The crew are exposed to emerging security risks, such as war, due to increased geopolitical tensions. Through recent years global security risks have been high in areas such as Black Sea and the Bab al-Mandab Strait. KCC has not traded in these areas during 2025. During 2025, merchant vessels operating in the Arabian/Persian Gulf and Gulf of Oman continued to face security risks from regional tensions and Den Norske Krigsforsikring for Skib classified the hijack and kidnap-for-ransom threat in the Western Indian Ocean as moderate throughout 2025. KCC together with KSM take precautionary measures in these areas and monitor the development to make sure the crew is safe. KCC is dependent on having sufficient crew for safe operations, and a heightened risk of health and safety incidents could lead to difficulty in attracting and retaining crew members. If an actual incident was to take place, this could also negatively impact KCC's reputation.

Equal treatment and opportunities for all

KCC strives to lead the way in promoting equal opportunities in the shipping industry. All employment related decisions shall be based upon relevant qualifications, merit, performance, and other job-related factors. We shall ensure equal rights for all, irrespective of gender, gender identification, ethnicity, religion, sexual orientation, disability, or social status.

Potential negative impact: Equality, diversity and inclusion

A workplace encouraging equality, diversity and inclusion could make the company more successful, keep employees happy and motivated and prevent serious or legal issues arising, such as bullying, harassment and discrimination. If KCC does not manage to sufficiently encourage equality, diversity and inclusion, this could have a negative impact on both employees and crew.

Potential positive impact: Training and development

KCC believes that equipping employees with the right skills and tools, at the right time, is essential. This could have a positive impact on employees' motivation and contribution. Through valuing growth and

fostering a culture of learning and development, KCC encourages employees to become the best versions of themselves. KCC hence takes part in Torvald Klaveness' "Klaveness Academy", an education hub which caters varied training needs of employees. This potential impact is primarily relevant for own employees.

Risk: Attract and retain crew with relevant skills and training

The combination carriers are specialized vessels and hence require specialized training of crew for familiarization with the vessel, operational procedures, safety policies and guidelines and other compliance routines. This dependency on crew with specialized training is a risk factor. If the company is not able to attract and retain people with the right skills, this increases the likelihood of incidents on the vessels, as well as unsatisfactory results from vetting inspections and port state controls. This, in turn, could lead to loss of customer contracts and lower revenues.

Actual positive impact: Openness and transparency

KCC promotes a culture of openness and transparency, and encourages whistleblowing regarding blameworthy activities or circumstances within its business. Policies and guidelines clearly state KCC's expectations towards employees' behavior. This includes, but is not limited to, being a good colleague and speaking up about incidents related to safety, harassment and bullying, as well as ensuring familiarization with the Code of Conduct and the whistleblower channel. The responsibilities of both KCC, as an organization, and the managers in KCC are also clearly set out and communicated.

These measures contribute towards the open and transparent culture, which is also followed up through an annual compliance survey, where employees are asked to give feedback on these areas and to raise any concerns. For crew on board the KCC vessels, there are a number of channels through which the expectations and responsibilities related to speaking up about any unwanted incidents are highlighted.

This positive impact relates to both employees and the crew as they all have multiple channels through which they can give feedback and the whistleblowing channel is available to employees, crew and external parties.

Policies related to own workforce

The following section describes the relevant policies KCC has in place in relation to own workforce. KCC ensures that all employees are familiar with the policies through mandatory training for all new employees, repeat training in policies and procedures, as well as ensuring the policies are available for all employees. Torvald Klaveness Code of Conduct (described below) applies for KCC employees, while the OSM Thome Code of Conduct applies for the crew. The Code of Conduct is included as part of the employment contract for all crew. Relevant policies are distributed to the crew through the occupational health and safety management system of KSM and available for all crew through the crew management system. This is communicated as part of pre-departure orientation seminar.

Code of Conduct

The Torvald Klaveness Code of Conduct ("CoC"), together with the KCC values (described in G1-1), form the foundation of the company culture. The CoC is also described within E1 Climate change and G1 Business Conduct, and the information particularly relevant to KCC's own workforce is described below. The CoC applies to all KCC's directors and employees. The general description of the CoC is included in the G1 section.

In relation to people and society, the Code of Conduct specifically addresses the following areas:

- Safety and Security; the safety of all Klaveness employees, including those in offices and those on board the vessels, is priority number one and KCC aims to continuously maintain, improve and develop healthy working conditions/environment.
- Human Rights: KCC supports and respects the protection of internationally proclaimed human rights as set out in the fundamental principles of the Universal Declaration of Human Rights and the core international human rights treaties. KCC strives to avoid causing or contributing to adverse human rights impacts through our business activities and addresses such impacts if and when they occur.
- Labor Rights: KCC supports and respects internationally recognized labor rights as set out in the fundamental ILO conventions, including the freedom of association and the right to Collective Bargaining Agreements within national laws and regulations, and we support i) the elimination of all forms of forced and compulsory labor; ii) the effective abolition of child labor; iii) the elimination of discrimination in respect of employment and occupation.

- Equal Opportunities: KCC is reliant upon talented and dedicated employees. All employment related decisions shall be based upon relevant qualifications, merit, performance and other job-related factors. KCC shall ensure equal rights for all, irrespective of gender, gender identification, ethnicity, religion, sexual orientation, disability or social status.
- Working environment: KCC wants to have a diverse and inclusive working environment with employees that have different backgrounds, skills, genders, and cultures. KCC has a zero tolerance for harassment, intimidation or other behavior which may be regarded as disrespectful, threatening or degrading, in our offices, on board our ships or in any other setting where people interact.
- The CoC does not explicitly address trafficking in human beings, but this is considered to be implicitly covered by the term 'all forms of forced and compulsory labor'.

In order to support the CoC, KCC as part of the Torvald Klaveness Group has issued a "Be a Good Colleague" statement. The statement sets out six areas addressing expectations for employee behavior. It covers a safe and secure working environment, mutual respect, collaboration, equality, harassment and bullying. For the crew, Klaveness Ship Management has issued a "Be a Buddy Policy" that encourages mutual respect, promotes collaboration, and states that harassment or bullying in any form is unacceptable, and that one shall address situations where one sees colleagues being harassed or bullied.

Employment Manual

KCC follows the established HR policy and guidelines in the Torvald Klaveness Group for employees onshore, which are set out in the Employment Manual. The Employment Manual is adapted to local rules and regulations and it complies with the mandatory provisions of the Norwegian Working Environment Act and the local rules in Singapore. It has been designed to provide a comprehensive picture of the current HR policy and guidelines and aims to explain rights and obligations attached to employment, provide consistency and security, contribute to equal treatment of employees and explain current welfare benefits. The Employee Manual is updated regularly by the HR Department. The Chief HR Officer in the Torvald Klaveness Group is the most senior level responsible for the implementation of the Employee Manual. In cases where material changes are made, the Joint Working Environment Committee (SAMU/ AMU) will be informed and invited to comment.

The Employment Manual is applicable for all KCC employees and is made available to them through the organization's intranet.

Health and Safety Policy

Safety is priority number one for KCC and the ship manager, Klaveness Ship Management AS (KSM), and the goal is that no one shall be injured doing work for KCC.

The crew must adhere to the OSM Thome Code of Conduct and comply with KSM Quality Management System, as set out in the KSM Company Policy. A Document of Compliance ("DOC") is issued to the ship manager KSM, and the DOC-holder has established a formalized occupational health and safety system (the "Quality Management System" or "QMS") that documents processes, procedures, and responsibilities related to safety, security, IT- & cybersecurity, environmental standards, ethical standards, Corporate Social Responsibility (CSR), and compliance with quality policies and objectives. The QMS is the foundation on which we prevent, mitigate, and remediate all impacts and risks related to health & safety for crew. The Quality Management System is certified to comply with the International Safety Management (ISM) Code, the International Ship and Port Facility Security (ISPS) Code, the Maritime Labour Convention (MLC), the ISO 9001 Quality Management System, the ISO 14001 Environmental Management System and the ISO 45001 Occupational Health and Safety Management System. The DOC-holder also complies with the ISO 37001 Anti-Bribery Management System without having maintained the certification itself. The Head of Fleet Management in KSM has overall responsibility for the implementation of the QMS. The QMS includes operational policies like Personal Protective Equipment (PPE) Policy, Navigation Policy, Drug and Alcohol Policy and Emergency Response Policy that provide more details and guidance to the personnel.

KSM carries out internal audits annually on board all vessels and in the office. Part of the scope is to evaluate the implementation of the policies. External audits of ISO certifications and the ISM code are conducted annually by DNV. The audit approach focuses on what matters and assesses the effectiveness of the safety management system.

The QMS is applicable for all KSM employees ashore and for all vessel crew and is available for crew through the intranet and as a hard copy on the walls on all vessels. All visitors on board the vessels (e.g. service engineers, authorities, pilots or agents) are subject to the QMS when visiting the vessels. The system is subject to continuous improvement with periodical updates.

Stop Work Policy

The Stop Work Policy states that every employee in KSM and crew are empowered with a Stop Work Authority ("SWA"). Employees and crew have a right and duty to call for a Stop Work Order ("SWO") if there is reason to believe that personnel health, safety, security, the environment, or property may be endangered. The SWA is independent of position, seniority, or discipline. The SWA is based on a no-blame culture. There shall be no retaliation of any kind against any person(s) for invoking a SWO even if it later turns out that it might have been unnecessary. Stop Work events shall be recorded and will be used to learn and improve. The Head of Fleet Management in KSM is

responsible for the implementation of the policy. All on-signers and contractors are familiarized with the Stop Work Policy. Regular training and familiarization are carried out. Every day at the Tool Box Meetings onboard, the crew is reminded about the Stop Work Policy. The policy is available for all crew through intranet and posters around on the vessels.

// S1-2

Processes for engaging with own workers and workers' representatives about impacts

Employee surveys and dialogue

KCC has a relatively low number of own employees, and HR initiatives and functions are therefore handled in cooperation with Torvald Klaveness' HR function. The dialogue with employees is done directly with the employees and not through any employee representatives. This dialogue is primarily handled through employee development dialogues, the annual compliance survey and the biannual employee engagement survey.

The Performance, Target and Development ("PTD") process is a mandatory dialogue that takes place between the employee and their immediate manager minimum twice per year. The purpose of the PTD is to ensure each employee can see their own strategic role in ensuring that KCC reaches its ambitions, as well as discussing the development goals of the individual. Valid from 2026, an updated PTD form was introduced built around a 7-step flow that links performance, development, our values and updated leadership principles. Through the PTD, the employee can give feedback on the effectiveness of actions to mitigate any negative impacts, suggest relevant approaches and actions to negative impacts, and flag any new impacts, risks or opportunities that are relevant for KCC. The process ensures that feedback, motivation, and the work environment are properly addressed. The PTD is not a stand alone dialogue, but it is part of a process that builds on feedback given and received throughout the year.

The annual compliance survey is a compulsory employee survey covering topics including, but not limited to, Code of Conduct and ethical standards, anti-bribery and corruption, whistleblowing and harassment, health and safety, IT, and cybersecurity. The employees must both confirm their familiarity with the compliance program and knowledge of their responsibility and possibility to report any breaches. The process is owned by the Chief Legal and Compliance Officer in the Torvald Klaveness Group and the aim includes evaluating knowledge and awareness in the organization, assessing the compliance culture, identifying risks and vulnerabilities, measuring program effectiveness, improving training and communication and establishing benchmarks. The results of the survey are presented to all employees, as well as to the Management and the Board of Directors.

The employee engagement survey is conducted every two years. It includes questions on work-life balance, training and development and working environment. It gives the employee an opportunity to give feedback on the effectiveness of actions to mitigate impacts and allows KCC to assess if there are areas that are emerging as new impacts, risks or opportunities. The Chief HR Officer in the Torvald Klaveness Group is responsible for ensuring the surveys and dialogues take place, and follow up potential action points. The results are shared and discussed with management and all employees.

Additionally, both KCC and the Torvald Klaveness Group have regular townhall meetings to provide information and updates to all employees. Such townhalls take place at least every quarter.

Crew feedback, consultation and communication

The Shipboard management review is a structured annual process to gather feedback from the shipboard management team from all vessels consisting of Master, Chief Engineer, Chief Officer and First Assistant Engineer. The purpose of the review is to evaluate and improve the QMS. Crew participation is encouraged, and report forms are made available in print to be submitted in dedicated collection boxes in addition to the digital system.

The safety culture assessment is normally a bi-annual assessment carried out by a third party. The anonymous survey includes an open question regarding how safety could be improved. All of the proposals are distributed to the relevant office department for consideration and input on coming safety initiatives.

When signing off, crew members are encouraged to respond to questions related to the Maritime Labour Convention ("MLC"), anti-corruption, psychosocial conditions, and safety onboard through an electronic debriefing form ("EDF"). The electronic debriefing is anonymous, and results are used to improve policies, processes, and procedures. The results are presented during annual officer conferences and ratings seminars. The EDF is reviewed and updated regularly, adding/deleting questions focused on trends and developments in the fleet and society in general. KCC/KSM measures and follows up the response rate, and initiates actions if the response rate is low.

All vessels are manned with a Safety Officer. The main purpose of the position is to monitor and verify that safety routines are implemented and followed up, to maintain records of safety, and engage in activities related to the working environment, such as participation in the Working Environment Committee ("WEC") and conducting monthly safety meetings onboard. The WEC works to ensure safe and proper conditions onboard with regards to health and work environment. The committee is composed of crew from different vessel departments and meets monthly. Minutes are shared with all crew on a monthly

basis and reviewed by KSM. The Fleet Management Department in KSM is responsible for following up actions from WEC.

Onboard the vessels, the crew engage in daily Tool Box Meetings for jobs to be carried out, e.g. engine overhaul, and an evaluation afterwards. All crew are trained to speak up if they have any concerns, and are empowered to do so by the Stop Work Policy.

Yearly conferences are carried out for cadets, ratings and officers.

The majority of the crew are males, so to gain insight from female seafarers and cadets a Female Forum has been established. This is a network established to have a common forum for items of interest. In addition to regular reporting and support channels, female seafarers can benefit from the ship manager's Designated Women Support Desk which is an initiative within the OSM Thome system aiming to promote diversity, inclusion and equality among crew.

All feedback and other insights from these processes are used to improve policies, processes and procedures to ensure safe operations every day. Internal auditors and external inspectors and auditors ensure that engagement of workers happen and that the results influence the approach to procedures, jobs and operations. The effectiveness of the engagement with crew is formally evaluated in connection with the annual management review, or more often if needed. The Head of Fleet Management in KSM has overall responsibility for ensuring engagement happens.

// S1-3

Processes to remediate negative impacts and channels for own workforce to raise concerns

Channels for raising concerns

There are a number of ways in which KCC's workforce can raise concerns. Own workforce can raise concerns through the Working Environment Council, through their supervisor or directly to the management. In addition, concerns can be raised to the Designated Person Ashore (DPA), through the whistleblowing channel or anonymous electronic debriefing (EDF) after contract onboard.

KCC's external whistleblowing channel is available on the KCC website for both employees and external parties. The whistleblowing channel is described in more detail within G1 Business Conduct. Employees, crew and others who have reason to believe that there are blameworthy activities or circumstances within KCC's business have the right to and are encouraged to whistleblow.

The crew has a whistleblowing channel in KSM/OSM Thome. All crew onboard our vessels are trained in these systems and processes for raising concerns both openly and through anonymous whistleblowing. The KLASS culture development program aims at developing certain behaviors in the team, including but not limited to trust, feedback and speak up. During internal audits onboard, individual interviews with crew are carried out, and knowledge about the systems for raising concerns is checked. Corrective actions will be implemented if it should be inadequate knowledge about systems or inadequate trust in them.

Remediation of negative impacts

The process for remediating any actual negative impacts is not a formalized process, as any remedy will need to be adapted and tailored to the individual circumstances and details. However, in relation to a complaint related to own employees, there will typically be a follow-up involving separate meetings with the parties concerned and HR to assess the situation and discuss the potential remedies and consequences.

In case of an accident onboard the vessels, the KSM Company policy puts protection of people as the first priority. All vessels have a medical officer and hospital onboard, with free access to Radio Medico which is a service provided by Haukeland University Hospital in Norway. All crew and their families have access to ISWAN's¹⁹ helpline and resources and TeleMedicine services through Nordic Medical Clinic in the Philippines.

Hazard identification, risk assessment and incident investigation

For crew, the Risk Matrix is the framework used to assess the likelihood and impact of operational risks and hazards during risk assessments as part of Toolbox Meetings (performed prior to operational procedures and situations implying risk for people, environment, and assets), issuance of work permits and management of change processes. The framework is part of the QMS and includes a Hazard Identification and Risk Assessment Library (HIRA) which acts as a register of relevant operational risks.

The QMS also includes a reporting system of accidents, near-misses, hazardous situations, and suggestions for improvement. The reports are reviewed on a weekly basis and are an important source for cross organizational improvement initiatives.

All incidents shall be reported. It is the responsibility of the HSEQ Department in KSM to investigate and to oversee that appropriate corrective and preventive actions are implemented, and that experience is shared with other vessels or related departments when relevant. The purpose of carrying out systematic registration of incidents is to continuously improve safety.

// S1-4

Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

Health and safety

To maintain safe and reliable operations, KCC and KSM work together to foster a strong safety culture every day. The comprehensive safety culture program referred to as Klaveness Always Safe and Secure (KLASS) is developed and strengthened on a continuous basis along with learning and new experiences. The safety work focused on the following actions and initiatives in 2025 to deliver by the safety mantra KLASS in all parts of operation:

- Safety awareness campaigns were carried out on monthly basis through 2025. Safety campaigns have included generic topics like "Safe Work Planning and Effective Supervision", "Work Area Assessment", "Cyber Security Campaign" and "Wellbeing and Mental Health Campaign". Other campaigns are addressing specific areas like "Precautions and safety equipment during work at height and overside, including reflective learning around a Shell case of falling to water", and the "Combination Carrier Stability Campaign". Following each campaign, feedback is received and evaluated by the HSEQ department in KSM, and learning and conclusions are shared with vessels for better understanding.
- A safety culture program (KLASS) has been implemented with our junior officers onboard facilitating discussions in group sessions ensuring understanding and compliance of the KLASS behaviors as defined through trust, care, open, learn, feedback, speak up, teamwork and dilemma. The junior officers were trained for the facilitator role together with shore- and sea staff in Oslo and Manila in 2024.
- High management attention and frequent interaction in meetings between vessel and shore teams to prepare for and to learn across the fleet from vettings and other inspections.
- Investment in enhanced safety equipment and where necessary, making physical modifications to enhance safety on the vessels. An example is OrcaAI which was piloted to understand the potential of AI technology around the topic of navigational awareness support to reduce risk of collisions. We have ended the pilot but will continue to monitor this development.

- High-capacity internet connectivity via Starlink is available on all vessels in eligible areas. This contributes to a positive impact on crew welfare as access to the internet secures connectivity with family and friends.

KSM is tracking and assessing the effectiveness of these actions and initiatives in delivering outcomes for its own workforce via internal audits onboard, electronic debriefing surveys and participating in surveys allowing comparison with previous results and benchmarking with industry.

KSM usually engages a third-party consultant to facilitate safety culture survey bi-annually. The survey indicates what is working well and what needs improvement in teamwork and safety culture. Results are analyzed to understand pain points and development since the last survey. 82% of the crew (including those on leave) completed the survey in 2024 which indicates a high level of engagement and interest in our KLASS culture. A new safety culture survey is planned for 2026.

The crew also participated in the Re:fresh Well-being survey 2024 organized by Marine Benefits which focuses on physical, psychological and social well-being aspects. On overall "Happiness, all things considered" almost 97% of the crew responded either "extremely happy" or "happy". The plan is to participate in the Re:fresh Well-being survey 2026 to assess current status and evaluate the development since the previous survey.

Trainings on occupational health and safety, including competency requirements related to the specialized combination carriers are done on a continuous basis and include:

- Familiarization when signing on vessel.
- Weekly familiarizations related to safety.
- Practical onboard training in monthly emergency drills.
- Periodic campaigns and safety focus areas.
- Computer based trainings (CBT) on health and safety required by the Company. The requirements are defined for rank and vessel type and are monitored prior to embarkation ensuring compliance.
- Semi-annual conferences and seminars for all ranks and a crisis management seminar. Leadership training for officers and senior ratings.
- KLASS reflective learning workshops with videos and group discussions involving all onboard.

¹⁹ ISWAN is a network of international organisations and companies committed to improving welfare of seafarers.

Adequate wages and labor rights

Terms and conditions in the employment contract for the crew are in line with negotiated Collective Bargaining Agreements (CBA) with respective countries where KSM recruits sailors. The CBA agreements are negotiated on behalf of KSM by the Norwegian Shipowners' Association (NSA). Regular benchmarking is done on service conditions for sailors pending country and proper actions are taken on conditions to be competitive in the market. This includes market allowance, seniority, high license bonus, medical insurance and pension schemes. All of the crew are paid an adequate wage.

KCC is member of the Sustainable Shipping Initiative (SSI) and works proactively to deliver on seafarers' rights. The SSI has since 2020 developed a seafarers' rights and welfare Code of Conduct that seeks to reinforce compliance with the Maritime Labour Convention (MLC) and other relevant maritime conventions. This goes beyond compliance by focusing on valuing seafarers and the full spectrum of their human rights. It aims to address systemic risks and impacts experienced by seafarers through: (i) emphasizing rights in the MLC that are not being adequately enforced; and (ii) including rights and issues that are important to seafarers but not currently covered in the MLC. Improving attention to seafarers' rights can provide added benefits such as reducing risks of incidents and secure stable high crew retention for KCC. Important commitments in the Code of Conduct include fair terms of employment, prohibits payment of recruitment fees, priorities for crew well-being and crew protection. Read more about the SSI [here](#).

KSM utilizes anonymous electronic debriefing as part of its verification that maritime personnel are treated in line with MLC and the OSM Thome Code of Conduct. One target here is that no crew was asked to pay or paid for employment. No use of recruitment fees was identified in 2024 and 2025 in line with the company policy.

All seafarers carry out a medical check prior to joining the vessel to ensure person is fit for contract without posing an undue risk to health and the operation. All crew members and their families, either onboard or at home, are covered by health insurance.

KSM has an agreement with International Seafarers' Welfare and Assistance Network ("ISWAN") to provide a mental health helpline to crew through e-mail, WhatsApp, phone, and chat. ISWAN is an international maritime charity working to improve the lives of seafarers and their families with services, resources, strategies and advocacy. KSM has also entered into agreements with prescription psychiatrists and psychologists in The Philippines and in Romania to support crew and their families in relation to mental health and family issues. All services are provided directly from the external service provider to the crew and their families and KCC/KSM do not have access to any information.

Equality, diversity and inclusion

Gender balance and pay for the KCC employees are areas which are monitored by the Chief HR Officer on a regular basis. In all recruitment processes, the recruitment decision should always be based on the best fit for the job. However, the recruiting manager is expected to ensure there is diversity amongst the candidates in the process as far as possible. There are currently no targets set in relation to this area.

For crew, a diversity, equity and inclusion policy is part of the QMS. We believe that fostering an inclusive and respectful workplace enhances safety, teamwork, and the overall effectiveness of our operations. The purpose of the policy is to communicate that we aim to create a maritime community where every seafarer feels safe, valued, supported, and empowered to contribute their best and succeed.

Through SSIs Code of Conduct, [delivering on seafarers' rights](#), KCC commits to equal opportunities in recruitment, hiring, placement, development, promotion, terms and conditions of employment and benefits, recognizing underrepresented groups in the industry.

The manning agencies encourage both genders to apply for open positions. Since 2023, we have a 50/50 gender ratio in recruitment for new cadets. Out of 87 cadets in the crew pool/in training, 24 (28 %) are women as of year-end 2025. At the end of 2025, 4.5% of our officers were female.

Training and development - employees

Klaveness Academy provides training across several topics to the employees. KCC strives to build a culture that embraces development and creates trust, a culture where every employee can reach their full potential. The Company aims for its employees to grow and develop continuously.

In 2025, training within the compliance program was conducted on key topics related to commercial business conduct, including anti-corruption and bribery, handling conflicts of interest, policies and ethical guidelines. The training took the form of physical dilemma-based and compliance trainings were conducted in all of KCC's office locations.

The purpose of this training is to increase awareness related to these topics, encourage employees to report incidents and further strengthen a culture of openness and transparency. The effectiveness of the program will be measured through the annual compliance survey and the biannual employee engagement survey. Nearly all KCC employees attended the physical compliance training in 2025. All new employees are required to complete online compliance training as part of the onboarding process.

Following the initiative launched in 2024, a mentoring program for KCC and Torvald Klaveness was conducted in 2025. The program has been run twice, with 8-10 employees paired in cross-functional and cross-location pairs for a period of 6-8 months. The purpose of the program is to encourage an exchange of experience, culture, ideas and new perspectives within a structured framework, facilitated by an external resource. The program has received very positive feedback, and plans are being considered for a new round.

In 2025, all Torvald Klaveness employees were invited to a two-day gathering, "Connect 2025", held in either Norway or in the Philippines. The program included practical innovation training for all as well as social activities, with the aim of building relationships across locations and business areas.

AI has emerged with full force. Klaveness embraces its use, and has made defined and approved tools accessible to all employees. A detailed policy has been implemented to ensure safe and responsible use. In 2025, all employees were invited to gain inspiration for practical and efficiency-enhancing use of AI, and to increase awareness of the challenges associated with its use.

To further embed a feedback culture in Klaveness, practical feedback training was introduced to all employees in 2023-2024. The training aimed at upskilling employees in how to give and receive feedback, while encouraging managers to actively support and reinforce these practices. The purpose remains to strengthen individual development and contribute to the Company's broader ambitions for growth and continuous improvement. Follow-up training videos are available to all employees and were mandatory to complete for all new hires in 2025. Previous training initiatives are also available in the Klaveness Academy training portal, including the mandatory Decarbonization training from 2021.

As a new internal initiative from 2026, Klaveness Academy will introduce a leadership training program for KCC and Torvald Klaveness employees across locations. The program will be delivered by an external facilitator and includes eight participants, supporting both experienced leaders and those relatively new to their leadership journey. The aim is to strengthen leaders' skills and self-awareness, while creating consistent leadership practices aligned with Klaveness values, leadership principles and strategy.

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

To manage health and safety at sea, KCC has set targets for injuries and incidents and performance on vetting inspections and port state control inspections. The targets are directly linked to the overall target that no-one shall be injured doing work for KCC.

Targets for health and safety are included in tables under S1-14 and tables for vetting and port state controls below. These targets are set to ensure continuous safe and reliable operations, and have been developed over time. The target levels and KPIs are evaluated and set for one year at a time. Performance is reported to management and the BoD on a quarterly basis. The targets have been developed in cooperation between the management in KCC and the KSM organization based on key priorities, ambitions, industry-practice and benchmark.

To manage risk for adequate wages and labor rights for crew, KCC targets a retention rate above 90% and that no crew are asked to pay or have paid for employment (recruitment fees). The targets have been developed within the KSM organization, in line with industry practice and guidance from participation in initiatives like the Sustainable Shipping Initiative.

KCC aims for a diverse and inclusive working environment with employees that have different backgrounds, skills, genders, and cultures. KCC are currently satisfied with diversity in own employees, both at management level and for the entire company, so KCC has not defined targets for increasing diversity in the current strategy period. For crew, there are no specific targets for diversity, however initiatives to attract and employ more female crew are in process.

Targets for human capital includes ensuring respect for human rights, which are set out in the CoC (described in S1-1), and 100 % completion rate for PTD for own employees. The PTD process is owned by the HR department which facilitates the framework and deadlines, but it is the responsibility of the managers that PTDs are carried out.



Characteristics and diversity metrics - employees

No new employees started in the Company or left during 2025. Six employees were transferred from Klaveness Ship Management AS as per 31 December 2024 after Rederiaksjeselskapet Torvald Klaveness sold 100% of the shares in KSM to OSM Thome.

Number of employees by genders

Gender	31/12/2025	31/12/2024
Female	6	6
Male	13	13
Total employees	19	19

Number of employees per country

Country	31/12/2025	31/12/2024
Norway	16	16
Singapore	3	3
Total employees	19	19

Number of employees by contract and gender

31/12/2025	Female	Male	Other	Not Disclosed	Total
Number of employees (head count)	6	16	0	0	22
Number of permanent employees (head count)	6	13	0	0	19
Number of temporary employees (head count)	0	3	0	0	3
Number of non-guaranteed hours employees (head count)	0	0	0	0	0

Employees by age group (31.12.2025)

Age group	Headcount in number		— %
		Headcount in percent	
<30	0		
30-50	14		74 %
>50	5		26 %
Total	19		100 %

// S1-7, S1-9, S1-10

Characteristics and diversity metrics - crew

The crew is from the Philippines, Romania, South Africa, Poland and The Czech Republic. They are employed on contracts with the crew manager OSM Maritime Crew Ltd serving onboard our vessels which are technically managed by Klaveness Ship Management (KSM). The retention rate in 2025 was 100%, above the target of 90%, securing safe, stable, and reliable operations. Crew recruitment, training and development are performed by manning agencies in Romania (50% owned by Torvald Klaveness) and the Philippines (OSM Thome ownership) in accordance with regulations and as per company requirements.

Characteristics of crew	2025	2024	Target
Total workforce at sea	642	619	n.a.
Crew per nationality			
Romania	83	87	n.a.
Philippines	524	498	n.a.
South Africa	29	28	n.a.
Poland	3	3	n.a.
The Czech Republic	3	3	n.a.
Crew per gender			
Men	631	612	n.a.
Women	11	7	n.a.
Retention rate			
Retention rate (%)	100	99	90

No crew has been paid below adequate wage in 2024 and 2025. No use of recruitment fees was identified in 2024 or 2025 in line with company policy.

// S1-13

Training and skills development employees

% of employees that participated in PTDs

Gender	2025	2024	Target
Female	83 %	60 %	100 %
Male	77 %	— %	100 %

Participation in the Performance, Target and Development (“PTD”) process is a mandatory dialogue for all employees. Only 83% of female employees and 77% of male employees registered their PTD documentation in the HR system in 2025, but 100% of the employees carried out the PTD dialogue with their superior.

Employees have in 2025 conducted training and workshops in AI and mandatory compliance training. Estimated average number of training hours per employee is 6.2 hours for 2025.



Training and skills development crew

KSM conducts continuously a number of trainings on subjects of special importance to enhance and uphold the human well-being of all crew, collaboration and mutual respect onboard and to ensure safe operations. E-learning programs for 2024 and 2025 and completion rate are presented in the table below.

E-learning programs for crew

	2025	2024
Completion rate		
Maritime Anti-Corruption (MACN)	96 %	98 %
Harassment and bullying	97 %	96 %
Mental health and well-being	96 %	97 %
Cyber-security	100 %	100 %

Health & safety

In 2025, the fleet experienced no cases of recordable work related ill health. Lost Time Injury Frequency (LTIF) for the KCC fleet in 2025 was 0.6 as the fleet experienced two injuries classified as Lost Workday Cases, up from 0.3 in 2024 and 0 in 2023. The LTIF was above both the KCC target of <0.5 and the average in Intertanko's²⁰ benchmarking system (0.4). The development is monitored and there is high focus on safety and learning from inspections, incidents and safety observations.

A sustainable and strong safety performance relies on continuous improvement of the Quality Management System (QMS) and on building and strengthening a sound collaborative safety culture. We use all actual and high-risk potential accidents and incidents to learn and improve the way operations are performed and to prevent serious accidents from happening in the future.

Health and safety metrics

Crew	2025	2024	Target
Number of days lost to work-related injuries and fatalities (LTI)	2	1	0
Number of hours worked*	3.3 mill	3.3 mill	n.a
Lost Time Injury Frequency (LTIF)	0.6	0.3	<0.5
Number of cases of recordable work related ill health	0	0	0
Total Recordable Cases (TRC)	6.00	6.00	0
Total Recordable Cases Frequency (TRCF)	1.80	1.88	0
Percentage of crew covered by health and management system	100 %	100 %	n.a.
High potential incidents	0	1	0

*2024 figure corrected from 3.7 million reported in Annual Report 2024.

Number of fatalities as a result of work-related injuries and work-related ill health

Employee group	2025	2024
Employees	0	0
Crew	0	0
Value chain workers on employer's sites	0	0
Total	0	0

// S1-17

Incidents, complaints and severe human rights impacts

The DPA and KSM received seven whistleblowing cases in 2025, mainly from the crew onboard KCC's fleet. Investigations have been conducted in all cases. The majority of the received cases involve alleged non-compliance with company policies. The outcomes varied across cases, with employment measures taken in two instances, and no non-compliance identified in the others. Some of the cases were of such nature that they principally should have been dealt with through the grievance procedures set out in the Quality Management System. However, insights gained through the relevant matters have been used to implement corrective actions, coaching and improvements.

Number of incidents of discrimination, including harassment

	2025	2024
Own employees	0	0
Crew at sea	0	0

Case	2025	2024
Severe human rights issues and incidents connected to own workforce	0	0
Severe human rights issues and incidents connected to own workforce that are cases of non respect of UN Guiding Principles and OECD Guidelines for Multinational Enterprises	0	0
Severe human rights cases where undertaking played role in securing remedy for those affected	0	0

Number of complaints

Source of complaint	Own employees		Crew and consultants	
	2025	2024	2025	2024
Channels for people in own workforce to raise concerns	1	0	6	14



Vetting and Port State Control (PSC)

KCC's ambition is to establish a higher safety standard than pure tanker companies. The average number of high-risk observations from OCIMF²¹ SIRE vetting inspections increased from 0.3 in 2024 to 2.0 in 2025, in line with the 2025 target of maximum two. The total number of observations per inspection increased from 5.0 in 2024 to 6.7 in 2025. Increase in observations relates to the new SIRE 2.0 regime which started in September 2024. KCC expects a global/general increase in average number of observations under the new regime.

The fleet had zero PSC detentions in 2025 compared to one detention in 2024 for one CABU vessel built 2001. The main reason for the detention was an opening/window between the pantry and crew mess room which local PSC officers declared illegal and not meeting the protection requirements. The opening had been approved by Class from the time of vessel delivery, fitted with a fire classed shutter, however it was not inserted on the Fire and Safety Plan. The PSC officers did not accept present conditions and declared detention.

The fleet was inspected by PSC 45 times in 2025 with average result of 1.5 deficiency per inspection. Average number of deficiencies increased by 0.1 from last year, still above the target of less than an average of 1.0 deficiency per inspection. KCC and KSM will have high focus on PSC and vessel operational readiness to improve PSC performance in 2026.

The Vetting & HSEQ team in KSM works diligently to learn from every observation received and works closely with the crew in identifying and eliminating potential issues and improving further the vetting performance.

Vetting and port state control	2025	2024	Target
Vetting inspections (SIRE)	46	46	n.a.
Average number of observations per inspection for the Ship Inspection Report Programme (SIRE)	6.7	5.0	n.a.
Average number of high risk observations per inspection for the Ship Inspection Report Programme (SIRE)	2.0	0.3	<2
Port state controls	45	41	n.a.
Average number of deficiencies per port state control	1.5	1.4	<1.0
Port state control detentions	0	1	0

Definitions and accounting principle

Characteristics and diversity own workforce

- Number of employees and workforce at sea (crew) are reported by head count as per year end. Number and gender categorization are based on registrations in HR systems.
- Number of employees per country and age group are reported based on which legal entity the employee is employed by and registered age in HR system as per year end. Nationality of crew is based on registration in the HR system as per year end.
- Temporary employees are consultants related to specific projects, considered to be supplying labor, and hence classified to be included in KCC's own workforce.
- Retention rate for crew expresses the Company's ability to retain crew within the crew pool, calculated in line with the Intertanko¹⁶ definition: 100 % - [(number of terminations from whatever cause - (number of unavoidable terminations + number of beneficial terminations)) / average number employed] x 100%.

Health and safety

- LTI = Lost Time Injury, injury leading to loss of productive work time, number of injuries.
- LTIF = Lost Time Injury Frequency, LTI per 1 million working hour. Lost Time Injury (LTI) refers to any work-related injury or illness that results in an employee being unable to perform his/her regular duties and requires him/her to take time off from work. The time lost can vary from a day, weeks, or even months depending on severity of the injury. In line with OCIMF (Oil Companies Reporting Guidelines for Oil Companies International Marine Forum).
- An injury or illness is a recordable case if it results in any of the following: death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness.
- Rate of recordable work-related accidents = Total Recordable Case Frequency (TRCF), Total Recordable Cases (TRC) per 1 million working hours.
- High potential incidents are tracked with the purpose of learning from near incidents to prevent serious accidents taking place in the future.

Vetting and Port State Control

- Ship Inspection Report (SIRE) vetting is a process used by oil and chemical companies to assess the safety and suitability of ships used to transport products. It involves a thorough inspection of the ship and its equipment, and a review of the vessel's crew and operating history. The vetting process, though not legally mandated, has become a necessary commercial practice for companies to assess the suitability of a ship to carry their cargo, helping to avoid costly accidents, spills and potential damage to the company's reputation.
- High risk observations per SIRE inspection is an internal definition of a significant legislative, safety or pollution risk.
- Port State Control (PSC) is the inspection of foreign ships in national ports to verify that the condition of the ship and its equipment comply with the requirements of international regulations and that the ship is manned and operated in compliance with these rules, e.g. meet IMO requirements.

²¹ The Oil Companies International Marine Forum (OCIMF) is a voluntary association of oil companies promoting safe and environmentally responsible transportation of crude oil, oil products, petrochemicals and gas.

S2 Workers in the value chain

// S2-SBM3

Material impacts, risks and opportunities and their interaction with strategy and business model

The KCC Group owns and operates 17 combination carriers following delivery of the first newbuilding in February 2026. They are employed globally, currently with main trading areas in the Far East, Middle East, Australia, India, South America and the US. Dry-docking of vessels every 2-5 years are mainly performed in China, and KCC has ordered three vessels for construction in China with delivery in 2026.

KCC's maintenance and operation of vessels as well as investments in the construction of vessels include products and services from industries and geographies with an inherent risk to workers' rights. The inherent risks within KCC's value chain could relate to working conditions and work-related rights or lack of health and safety systems and procedures resulting in accidents or incidents that result in injuries, ill health, or death.



KCC has defined the following categories of workers in the value chain as being at an elevated risk level for exposure to such negative impacts:

- KCC has three vessels under construction in China and dry-docks several vessels for maintenance, repair and upgrading every year, mainly in China. Within the shipbuilding and ship repair industry risks related to health and safety standards and procedures are considered to be some of the main human rights related risks as well as tight production schedules that may negatively impact working conditions and labor standards. The industry often relies on temporary and subcontracted labor, increasing the risk of labor rights violations and exploitation and may limit transparency and effective monitoring of working conditions. In addition, the use of recruitment fees for crew has been identified as a known risk in the sector, which may contribute to an increased risk of forced labor²².
- Visitors onboard the vessels and workers in port or in relation to port- and bunkering activities. The vessels are operated globally, with main discharge and loading areas currently being Far East, Middle East, Australia, India, South America and the US. Main bunkering areas are Fujairah, US Gulf, Argentina/Brazil, Singapore, Korea and China. KCC expects all direct counterparties to accept our Counterparty Code of Conduct or to have equally strict policies including requirements to their suppliers. KCC's customers and bunker suppliers are mainly large international companies with equally or stricter standards than KCC, and we have not experienced any accidents or discovered any reprehensible conditions in relation to our activities over the last years. However, it is likely that human rights risks related to health and safety and general labor standards are inherent in these activities in some areas where KCC operates. Further information is needed to better understand potential relevant risks in this part of the value chain.
- Workers of outsourced services such as supervision, project management and ship management services. Ship management workers are mainly employed in KSM, a company incorporated in Norway and sold from Rederiaksjeselskapet Torvald Klaveness to OSM Thome, effective 1 January 2025. KSM also hires consultants for specific projects, when in lack of the necessary competence or due to shortness of resources. KCC has a site team of 13 persons in China contracted through a third party supplier for newbuilding supervision services. Consultants hired directly by KCC are hired based on Norwegian regulations. If consultants are hired through manning agencies or structures in other countries, it is a requirement that the manning agency accepts KCC's Counterparty Code of Conduct.

- Workers extracting and refining raw materials for vessel construction and maintenance (mainly steel) and vessel operation (mainly bunkers). The steel is sourced by the yard and bunkers are sourced by the bunkering company. KCC has less detailed knowledge of the working conditions and human rights for second-, third-tier etc supplier workers. Globalized and fragmented raw material supply chains present challenges to monitoring and risk awareness. Lack of transparency and visibility in these supply chains make it difficult to identify and track responsibility related to human rights and working conditions. The lack of transparency is an indicator that this part of the value chain could represent a high-risk area when it comes to human and labor rights.

The material impacts, risks and opportunities related to workers in the value chain are described next.

Working conditions

KCC acknowledges that there are inherent risks related to the working conditions for workers in the value chain and sets clear expectations to our suppliers', business partners' and customers' human rights and working condition standards. KCC expects them all to implement the principles described in the Counterparty Code of Conduct (described in G-1 Business conduct) or have at least equivalent standards adopted and conduct their business in accordance therewith.

All KCC's direct counterparties are evaluated through the Know Your Counterparty Procedure (described in G-1 Business conduct). The procedure includes a business ethics check among other things related to human rights and working conditions.

Actual negative impact: Health and safety

There are inherent health and safety risks related to vessel operation such as discharge and loading, bunkering, repair and building of vessels, directly linked to KCC's activities and indirectly in the value chain. The risk level is impacted by, including but not limited to, the standard of procedures, quality of equipment, level of competency and training of the workers, and access to medical treatment.

Since beginning of 2025, the ship manager KSM has had a different ultimate beneficial owner than KCC. However, KSM has retained a separate Document of Compliance (DoC) and the policies, procedures and standard for health and safety and human rights are unchanged. The risk of negative impact on health and safety is therefore higher for outsourced services and related consultants within the value chain. Workers at yards, in relations to port- and bunkering activities and in the raw material supply chain may not have adequate equipment, training and health and safety standards and hence are exposed to risks of work-related injuries or fatalities. Lack of transparency in the raw material value chain makes it hard to assess the risk.

Other work-related rights

KCC supports and respects the protection of internationally proclaimed human rights as set out in the fundamental principles of the Universal Declaration of Human Rights and the core international human rights treaties. KCC strives to avoid causing or contributing to adverse human rights impacts through our business activities.

For workers in the value chain, there are a number of inherent risks related to work-related rights and KCC has focus on assessing and monitoring direct counterparties such as suppliers, business partners and customers and setting clear expectations to their human rights standards.

Actual negative impact: Human rights and working conditions

Within the extended value chain, it is likely that there are actual negative impacts on workers related to human rights, such as forced labor or child labor, and/or related to access to decent working conditions such as working time regulations, adequate wages and contracted employment terms. This impact is particularly relevant for workers at the yards, at steel-production plants and mines, and workers in port- and bunkering related activities.

// S2-1

Policies related to value chain workers

The following section describes the relevant policies KCC has in place in relation to workers in the value chain. This is also covered in part within G1 Business Conduct.

Counterparty Code of Conduct

The Counterparty Code of Conduct ("CCoC") is developed based on our values, to embody our expectations and requirements from those who do business with us (our "Counterparties"). We expect our Counterparties to implement the principles described in the CCoC in their businesses or to have at least equivalent standards adopted and conduct their business in accordance therewith. We also expect our Counterparties to establish systems to ensure compliance. KCC reserves the right to conduct Counterparty audits and reviews to verify compliance, and our Counterparties must make relevant information available accordingly. The CCoC is available on KCC's website, and the governance and implementation related to the policy is included in G1 section.

²² Institute for Human Rights and Business briefing from 2019 and updated in 2022: https://ihrb-org.files.svcdn.com/production/assets/uploads/briefings/Shipping_Lifecycle_2022-09-12.pdf

The following is stated in the CCoC in relation to human rights and working conditions: KCC expects its Counterparties and their agents and sub-contractors to:

- Continuously maintain, improve and develop safe and healthy working conditions and environment;
- Support and respect the protection of internationally proclaimed human rights as set out in the fundamental principles of the Universal Declaration of Human Rights and the core international human rights treaties;
- Support and respect internationally recognized labor rights as set out in the fundamental ILO conventions, including the freedom of association and the right to collective bargaining within national laws and regulations;
- Support: (i) the elimination of all forms of forced and compulsory labor; (ii) the effective abolition of child labor; and (iii) the elimination of discrimination in respect of employment and occupation;
- Ensure equal rights for all, irrespective of gender, gender identification, ethnicity, religion, sexual orientation, disability or social status;
- Have zero tolerance for harassment, intimidation or other behavior which may be regarded as disrespectful, threatening or degrading;

Non-compliance with the CCoC is a breach of our trust and may render the Counterparty ineligible as a contractual counterparty in the future. It may also constitute a breach of contract, enabling us to terminate the relationship and/or claim damages.

Know Your Counterparty Procedures

KCC's Know Your Counterparties Procedures ("KYC Procedures") include sanctions checks, business ethics checks and credit rating of all counterparties. Companies can be excluded from doing business with KCC based on the KYC checks.

Other measures KCC may apply to manage the risks are reporting and monitoring requirements, commitments from counterparties to change operations in the future, increase frequency of controlling a company and reducing exposure towards the counterparty. The KYC Procedures are described in more details within G1 Business Conduct.

// S2-2, S2-3

Engaging with value chain workers and channels for reporting concerns

KCC has different processes to engage with workers in the value chain. KCC works closely with the employees in KSM and interact on a daily basis as they share office space with KCC. Structured processes include weekly meetings across business divisions and bi-monthly townhall meetings, aiming to foster good cooperation, to identify actions and improve engagement and work environment.

Engagement with the site team at the newbuilding yard is essential for ensuring quality, compliance and timeline adherence. KCC engages with the site team through weekly meetings, compliance training and onsite visits to the yard at least on a quarterly basis during the construction period.

KCC has in specific cases engaged with workers in the value chain directly. Prior to signing the newbuilding contracts in 2023, an integrity and human rights due diligence was performed by KCC in cooperation with a third party. The investigations included, among other things, interviews with local workers including former yard workers.

During an ESG audit conducted in 2025, KCC has engaged directly with workers at the newbuilding yard with the purpose of better understand working conditions and work-related rights for yard workers and sub-contractors.

KCC promotes a culture of openness and transparency and encourages whistleblowing regarding blameworthy activities or circumstances within its business. Employees and other stakeholders, including crew, consultants and workers in the value chain who have reason to believe that there are blameworthy activities or circumstances within KCC's business have the right to, and are encouraged to, whistleblow. The whistleblower shall be protected against retaliation from doing so. More details on whistleblowing is described within G1 Business Conduct.

// S2-4

Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions

Actions related to value chain workers are to a large extent based on continuous focus, procedures and follow-up, rather than individual actions over a limited time period. The ongoing procedures which contribute to mitigating, preventing and limiting negative impacts and risks are described below.

Risk mapping and due diligence

Prior to the implementation of the Norwegian Transparency Act in 2022, a heatmap identifying high-risk areas for human rights violations and substandard working conditions based on geographical areas and activities/value chains was implemented. Based on the heatmap additional due diligence checks are performed whenever high risks are involved. The due diligence questionnaire used when assessing counterparties also requires information about counterparties' suppliers and sub-contractors. The heatmap was established based on several workshops involving employees in KCC and the wider Torvald Klaveness system covering a wide range of business functions such as bunkering, technical management, procurement, operations, chartering, legal, finance and risk management. The map is evaluated on a regular basis, latest in 2024.

Special concerns related to specific counterparties and/or their value chains uncovered through the KYC Procedure, are assessed by the Business Ethics Committee ("BEC"). The BEC recommends measures based on the severity of the findings, such as abstaining from entering new business, start a dialogue with the relevant counterparties or establish other preventive or mitigating measures.

Based on issues identified through the KYC Procedures, 10 potential counterparties were per year-end 2025 excluded from business with KCC and/or other Klaveness companies, whereof one was subsequently approved. About half of the cases related to lack of transparency in ownership information, while the remaining 50% were excluded due to sanctions and/or affiliation with Russia. No new counterparties were excluded on grounds of business ethics concerns related to human rights and working conditions in 2025, as was the case in 2024. There are still companies having been excluded in 2022 and 2023 retaining the status pending improved ESG performance.

Policies and processes related to KSM employees, site team and work at yard

KCC, through KSM and the site team or through hiring independent consultants, is always present at yard, both when building vessels and when dry-docking vessels for maintenance and repair. In addition to following up the quality and progress of the work, the supervision team controls the working conditions and alerts the yard and KCC management in case of deviations to the protocol.

In 2025, KCC together with KSM and a consultancy firm conducted an ESG audit of the newbuilding yard, including assessment of human rights and working conditions. The main findings of the audit were communicated to the yard, KCC, and KSM. The supervision team will work collaboratively with the yard to address and improve the identified areas for improvement until the vessels are delivered during 2026.

The Stop Work Policy states that every employee is empowered with a Stop Work Authority (“SWA”). KSM employees and KCC’s newbuilding site team have a right and duty to call for a Stop Work Order (“SWO”) if there is reason to believe that personnel health, safety, security, the environment, or property may be endangered. The SWA is independent of position, seniority, or discipline.

The Quality Management System (QMS) applies to all KSM employees ashore and for all vessel crew. All visitors on board the vessels (e.g. service engineers, authorities, pilots or agents) are subject to the QMS when visiting the vessels. The QMS is an occupational health and safety system that documents processes, procedures, and responsibilities related to safety, security, IT- & cybersecurity, environmental standards, ethical standards, Corporate Social Responsibility (CSR), and compliance with quality policies and objectives.

The SWA and the QMS are described in more detail within S1 Own workforce.

See also the Transparency Act Report dated 12 February 2026 published on KCC’s web site.

// S2-5

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

KCC sets clear expectations to their suppliers', business partners' and customers' human rights and working condition standards. KCC expects them to implement the principles described in the Counterparty Code of Conduct or have at least equivalent standards adopted and conduct their business in accordance therewith. KCC targets to screen all direct counterparties for human rights and working condition risks through the Know Your Counterparty Procedure.



Images: Yard workers gather ready for lunch (left) and compliance training taking place with site team (right)



Governance information

G1 Business Conduct

78

G1 Business Conduct

// G1

Material impacts, risks and opportunities

KCC operates in a global environment with extensive international interactions across the value chain, which entails increased exposure to risks related to corruption and bribery. KCC has zero tolerance for corruption and is committed to contributing to preventing and counteracting all forms of corruption. Compliance is a cornerstone of KCC's business activities, and the organization continually works to build awareness and understanding of applicable legal requirements and internal policies.

The material impacts, risks and opportunities related to Business Conduct are described in this section.



Corporate culture

Corporate culture includes the shared values, beliefs, behaviors and practices that shape how employees and management interact within an organization. It also sets the precedent for how they interact with stakeholders. A strong corporate culture is imperative to align the employees with the organization's objectives and to ensure adherence to relevant laws and policies.

KCC promotes a culture of openness, transparency, and continuous improvement, where questions, concerns, and differing perspectives are welcomed as a basis for learning and development.

KCC encourages whistleblowing regarding blameworthy activities or circumstances within its business. Employees and others who have reason to believe that there are blameworthy activities or circumstances within KCC's business, have the right to and are encouraged to whistleblower. The whistleblower shall be protected against retaliation because of such whistleblowing.

Potential negative impact: Business ethics

Failure by KCC employees to adhere to KCC's business ethics could negatively impact the corporate culture. Having offices in, operating in and having crew and employees from many different countries, it is important for KCC to focus on building a common corporate culture. This is done both formally, such as through the Code of Conduct, Business Ethics Guidelines and Be a Good Colleague Statement, and informally through behavior and actions from the management and key employees.

The corporate culture is affected by all KCC employees, but the negative impact as a consequence of not following the business ethics and corporate culture could affect both own employees, non-employees, workers in the value chain and other stakeholders. Non-compliance with the Code of Conduct increases the risk of violating legislation, potentially causing criminal charges and penalties such as fines and prison sentences for involved employees.

Potential negative impact: Protection of whistleblowers

If there are instances where the whistleblower is not sufficiently protected, this could have a significantly negative impact for that individual, relevant for both employees, crew and external parties, as the whistleblower channel is available to all of these stakeholders. It could as well cause reputational damage for KCC.

Risk: Sanctioned parties

There is a risk that insufficient adherence to Know Your Counterparty ("KYC") and Due Diligence ("DD") procedures as well as other checks will result in KCC doing business with a sanctioned party.

This could, in turn, lead to sanctions and fines for KCC, as well as reputational damage for the organization.

Corruption and bribery

Due to the nature of KCC's business activities, the organization is exposed to attempts of corruption and facilitation payments. KCC prohibits payment of bribes and kickbacks of any kind. KCC's entire business activities are regularly assessed for corruption risk, with the main risk areas considered to be port calls and execution of voyages, purchasing and yard work.

Potential negative impact: Corruption and bribery incidents in own operations and in the value chain

Corruption and bribery contribute to increased inequality, reduced public trust as well as increasing cost of doing business, inefficient allocation of resources and potential political instability and environmental harm.

KCC's operation in a global environment with many international interactions and port calls is vulnerable to corruption and facilitation payments.

Due to the inherent risks related to corruption and bribery within KCC's value chain, there is a possibility that incidents could occur potentially resulting in violation of regulations, fines as well as reputational damage and negative impact on business activities. It is therefore imperative for KCC to manage the compliance risks across the activities in the value chain.

Risk: Allegations of corruption or bribery

There is a risk that KCC could face allegations of corruption or bribery. Such allegations could result in commercial liabilities due to contractual obligations to comply with Code of Conduct principles, in addition to loss of business opportunities, credit and increased reputational risk.

// G1-1, G1-2

Business conduct policies and corporate culture

KCC's ambition is to improve the nature of shipping and contribute to developing the standards for compliance in our industry. We are truly committed to acting in accordance with applicable legislation, our internal policies and core values: craftsmanship, integrity, commitment and curiosity.

We are continually working to strengthen our compliance culture. This is done through our policies, whistleblower system, compliance training and awareness, and through leadership communication and behavior that set the tone from the top on conducting business with integrity.

The Klaveness Compliance Program

The Klaveness Compliance Program is an overarching structure which sets out the governance processes and policies for all companies that are part of the Torvald Klaveness Group. The objective of the Compliance Program is to:

- Prevent, detect and correct violations of laws, rules, regulations and the Code of Conduct within the organization and onboard our vessels;
- Outline the organization's internal control procedures related to compliance with laws, regulations and internal standards;
- Ensure adequate compliance training;
- Review compliance documents and training on a regular basis; and
- Ensure that all known or suspected violations are reported, and appropriate responses initiated.

The Compliance Program includes a number of policies and these policies are applicable to all directors and employees. New employees must complete an online training program covering all relevant policies and receive regular training in the compliance program. Policies, codes and procedures are available for all on the intranet. Compliance is the cornerstone of KCC's business activities, and the training program has been designed to address the importance of compliance and to build awareness both to the relevant legal requirements and to internal policies.

Anonymous online compliance surveys for all employees and interviews with selected employees are made annually. No material risks or new issues were revealed by the survey conducted in early 2025. However, due to the rapid advancement of artificial intelligence

(AI) and the use of AI tools among employees, an AI policy was established in 2025. Based on feedback from the compliance survey and subsequent interviews, key focus areas in the 2025 compliance training included anti-corruption, entertainment and non-acceptable expenses, gifts, Know Your Counterparty procedures, and business ethics. 95%²³ of KCC's employees participated in compliance training during 2025.

The Compliance Program also sets out the designated compliance roles, including the Compliance Committee, the Chief Compliance Officer, and the local Compliance Officers. The Compliance Committee, consisting of the Chief Legal and Compliance Officer in Torvald Klaveness, Chief HR Officer in Torvald Klaveness, and CFO in KCC, meet on a regular basis to discuss relevant topics, such as the annual compliance survey and compliance issues.

The Compliance Program including the policies, procedures and guidelines that form part of this program are approved by the Torvald Klaveness Board of Directors. The CEO of Torvald Klaveness/Chair of KCC is responsible for following up on the Klaveness Compliance Program and for implementing all underlying compliance policies, company policies and group wide operating principles.

The legal department and the KYC/risk team are supporting the organization in how to implement policies and practices for responsible business conduct. Policies included in the Compliance Program are reviewed by the Board of KCC regularly, normally every 2-3 years.

The following policies, which form part of the Compliance Program, relate to our identified material impacts, risks and opportunities and how we conduct our business. They are described in more detail below:

- Code of Conduct (CoC)
- Counterparty Code of Conduct (CCoC)
- Know Your Counterparty Procedures (KYC)
- Anti-corruption and Business Ethics Guidelines
- Guidelines for Whistleblowing

The crew is covered by KSM's compliance program including related policies and procedures. The crew members receive a copy of all policies as part of their contract and the crew receives regular compliance training.

²³ Excluded one employee that was on paternal leave.

Code of Conduct

The Code of Conduct ("CoC") defines the core legal and ethical standards and forms the foundation for the company culture, along with our values. The CoC should act as a compass and provide all directors and employees with one set of policies, guidelines, and expectations. Core issues addressed in the CoC are in addition to responsibilities and core values divided into the following three sections; People and Society (further described in S1), Environment (further described in E1) and Business Principles. The Business Principles section of the CoC covers anti-corruption, compliance with principles and legislation concerning loyalty and conflict of interest, accounting, tax, competition, insider information/trading, whistleblowing and what we expect and require of our counterparties.

The CoC and company values form the foundation of the company culture and they support responsible business conduct and being a value driven company. The values serve as a strong basis for how KCC employees interact with each other, customers, other counterparts, sub-contractors, competitors and with society in general. When dilemmas arise and answers cannot be found in laws and regulations, the CoC will act as a compass and provide a set of policies, guidelines, and expectations.

The CoC is published on the Company's website, or shared directly on request. Compliance with the CoC is monitored with annual compliance surveys (described in S1-2). The whistleblower channel is also monitored to track and act upon incidents being reported by both employees and external stakeholders.

Counterparty Code of Conduct

KCC's Counterparty Code of Conduct ("CCoC") defines the minimum legal and ethical standards expected from subcontractors, contractual counterparties and others KCC does business with (both upstream and downstream). It includes, among other things, topics such as safety and working conditions, environment, recycling of vessels, anti-corruption, human and labor rights, child labor and harassment. A reference to the CCoC is incorporated into relevant agreements entered into by KCC, and breaches of the CCoC may result in contractual liabilities for the counterparty. KCC expects those who do business with us to implement the principles described in KCC's CCoC in their business or to have at least equivalent standards adopted and conduct their business in accordance therewith.

KCC monitors its counterparties on a regular basis as part of the KYC procedures. Application of, and adhering to, the CCoC reduces the risk of violation of responsible business conduct in KCC's value chain. As such, the CCoC is a central policy in complying with the Norwegian Transparency Act and requirements set by counterparties towards KCC to manage and mitigate ESG-related risks throughout its value chain.

The CCoC is described in more detail under section S2 and it is published on the Company's website.

Know Your Counterparty Procedures

All companies KCC does business with are subject to Know Your Counterparty procedures ("KYC"), including sanctions- and business ethics checks to assess the risk of violations to responsible business conduct and the CCoC. Counterparties are asked to complete a self reporting form (KYC questionnaire) if public information is limited and information about the counterparty and its business operation is collected from public sources and third-party providers/systems.

A top-down approach based on location of the counterparty's business and business sector/industry is also applied. Challenging cases with respect to business ethics are assessed by a Business Ethics Committee consisting of top management, commercial roles and risk roles.

Companies can be excluded from doing business with KCC based on non-adequate business ethics in isolation, for example related to low recycling standards, environmental incidents, corruption or harassment incidents and/or lacking handling of such incidents. Other measures KCC may apply to manage the risk of non-compliance are reporting and monitoring requirements, commitments from the counterparty to change operations in the future, increase frequency of controlling a company and reducing exposure towards the counterparty.

Existing counterparties are re-evaluated on a defined frequency dependent on the perceived risk level; from annual vetting to new assessment for each individual transaction. These procedures are critical for assessing counterparty risk and for ensuring compliance with applicable legal requirements, including relevant sanctions regimes, the Norwegian Transparency Act, and anti-corruption and anti-money laundering legislation and from a business ethics perspective.

The day-to-day work related to the KYC Procedures is performed by a specialist department in Torvald Klaveness. The procedures are evaluated by a Compliance Committee from time to time and changes are approved by the CEO of Torvald Klaveness/Chair of KCC and by the KCC Board of Directors when relevant. The CCoC and KYC Procedures were updated in 2022 as part of the implementation of the Transparency Act from 1 July 2022.

KCC conducts a KYC process before entering into business with a supplier, as described above. KCC does not have a policy to prevent late payments, however KCC aims to treat all suppliers fairly and has established good internal control procedures to make sure invoices from suppliers are paid in time.

Anti-corruption and Business Ethics Guidelines

KCC is opposed to, and will contribute to counteract, all forms of corruption, and this is clearly stated in the CoC and the Anti-Corruption and Business Ethics Guidelines. The Anti-Corruption and Business Ethics Guidelines set out expectations for employees around topics such as gifts and events, payments to others, commission agreements, conflicts of interests and violation of the guidelines.

The guidelines for payments to others state that Klaveness prohibits payment of bribes and kickbacks of any kind, whether in dealings with public officials or individuals in the private sector. Facilitation payments shall not be made, and the guidelines state that KCC is willing to face the extra time, cost and effort to avoid such payments.

An exemption may be made to circumstances of an imminent threat to the life, safety, or health of personnel or the integrity of a vessel, and there are no other alternatives but to make the payment. All demands for facilitation payments are reported to the ship manager immediately. Violation of the Anti-Corruption and Business Ethics Guidelines may result in disciplinary action and/or may also result in termination of employment or may entail criminal liability.

Guidelines for Whistleblowing

KCC promotes a culture of openness and transparency and encourages whistleblowing regarding blameworthy activities or circumstances within its business. Employees and others who have reason to believe that there are blameworthy activities or circumstances within KCC's business have the right to, and are encouraged to, whistleblow and the whistleblower shall be protected against retaliation from doing so. This is set out in the Guidelines for Whistleblowing, which also describe the procedures for whistleblowing and how such notifications shall be dealt with. The Guidelines also highlight that anyone who has whistleblown shall be protected against retaliation, in accordance with the Norwegian Working Environment Act Section 2-4.

KCC has an external whistleblowing channel available on KCC's website for both employees and external parties. The receiver of whistleblowing is the Chief Compliance Officer (CCO) in Torvald Klaveness. The Chief Compliance Officer notifies KCC's Audit Committee about whistleblowing related to KCC independent of where the whistleblowing is coming from. Whistleblowing cases are reported to the Audit Committee at least on a quarterly basis and the BoD if of critical concerns. The crew has a separate whistleblowing channel in KSM and cases related to KCC's vessels are reported by KSM to KCC's management and audit committee on a regular basis.

Statistics for whistleblowing cases are reported in S1 Own workforce, section S1-17.

Corruption or bribery

KCC has zero tolerance for corruption and bribery, and we condemn corrupt behavior and business practices. The company requires both employees and counterparties (suppliers and customers) to oppose and contribute to counteract all forms of corruption, including extortion and bribery, and conduct their business in compliance with applicable anti-corruption and anti-bribery laws and regulations. Under no circumstances are any direct or indirect promise, giving or demands for gift, bribes, kickbacks or other unlawful advantages to secure business, improper preference or personal advantage acceptable.

These principles are communicated to employees through the CoC and Anti-Corruption and Business Ethics Guidelines, which are mandatory training for all new employees. Employees undergo regular anti-corruption and anti-bribery compliance training through a combination of online training, lectures and case studies. The training is mandatory for all positions and all levels in the organization, including the Chair of KCC. The crew completes online anti-corruption training and all pre-deployment briefings, seminars and conferences have anti-corruption on the agenda. Anti-corruption issues are

discussed in a weekly cross-functional KCC-KSM meeting, and statistics and experience related to specific ports and issues are distributed to crew, KSM onshore employees and the ship owner, KCC. In case of a corruption or bribery incident, the BoD will be informed.

The KYC Procedures, are used to identify counterparties that represent an elevated corruption risk. If the corruption risk is unacceptable or if a counterparty fails to take proper measures to address identified incidents of corruption, KCC will ultimately exit a relationship with a counterparty involved in corruption practices after having been in dialogue with the counterparty.

KCC's entire business activities are regularly assessed for corruption risk and the main risk areas are considered to be port calls and voyage execution, purchasing and yard work. Main functions at risk are considered to be crew, employees in KCC and KSM handling customers and suppliers and the KCC Management. 100% of functions at risk is covered by training programs. KCC and the ship manager (KSM) work systematically to eliminate facilitation payments.

KCC has not been convicted for violation of anti-corruption or anti-bribery laws during 2025 and thus no fines have been paid in relation to such cases. No crew or employees were dismissed or disciplined for

corruption in 2025, however, one crew member was dismissed due to breach of policies. No contracts with business partners were terminated or not renewed due to violations related to corruption in 2025.

KCC and KSM encourage the vessels to report requests for facilitation payments as statistics are used to improve the anti-corruption work both in KCC/KSM and in the Maritime Anti-Corruption Network (MACN). Vessels are routinely registered with the MACN help desk in high-risk corruption areas where such is available, as a preventative measure. The help desks provide guidance material and support to crews if required. In 2025, three requests for facilitation payments were reported, compared with seven in 2024 and five in 2023. The 2025 incidents occurred in China and Iraq and involved demands for cigarettes and/or cash.

In 2025, KCC conducted ten calls off Comoros to embark armed guards for transits along the East African coast. In the fourth quarter, piracy activity was observed further offshore from Somalia than previously. Following a risk assessment, it was concluded that it would be safer to route vessels at least 750 nautical miles off Somalia and east of Madagascar, without armed guards. KCC also engaged armed guards and an escort vessel in connection with a port call in Togo.

Incidents of corruption and bribery	2025	2024	Target
Number of convictions for violation of anti-corruption and anti-bribery (#)	0	0	0
Amount of fines for violation of anti-corruption and anti-bribery laws (USD)	0	0	0
Number of calls in ports that are ranked the lowest on Transparency International Corruption Perception Index (#)	2	8	n.a.
Anti-corruption training for crew	96 %	98 %	>75%

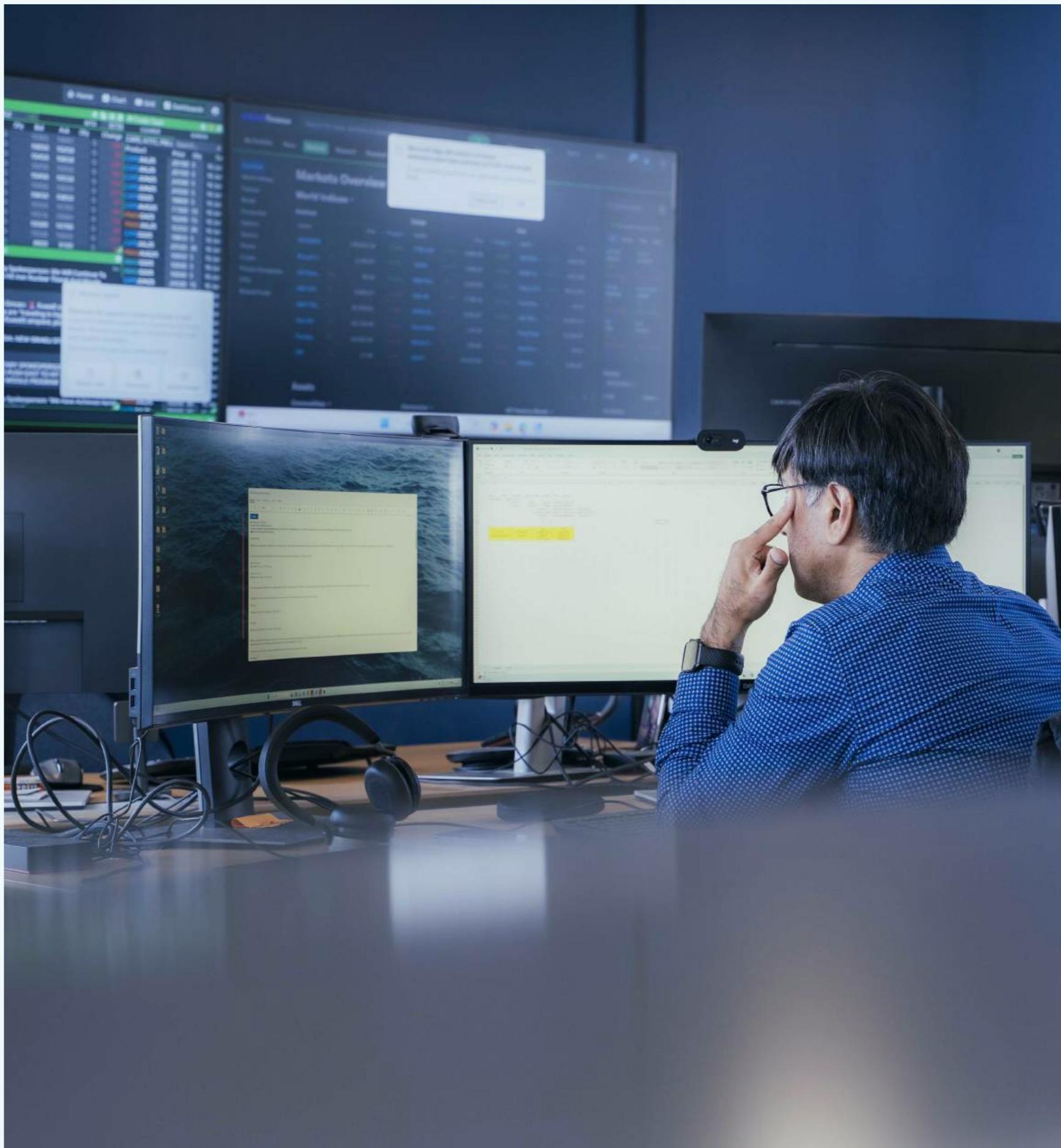
Entity specific topic

Cybersecurity

// Entity specific topic

Material impacts, risks and opportunities

Cybersecurity continues to be a material risk and operational priority for companies across all industries, with particular significance for the maritime shipping sector due to its role in global trade and critical supply chains. While increased digitalization has brought significant benefits, it has also increased exposure to cyber threats. The maritime industry is an attractive target due to its strategic importance and reliance on interconnected vessel and shore-based systems.



For KCC, protecting operational stability, vessel safety, and data integrity are all critical for the company, its customers, and other stakeholders. Cyber and information security risks have increased due to a growing threat landscape, convergence between Information Technology (IT) and Operational Technology (OT), increased use of third-party services, and evolving legal and regulatory requirements.

KCC takes cyber and information security seriously and invests in best practices and technologies to safeguard data assets and business operations. Key cyber threats relevant to the maritime sector include malware and ransomware attacks, phishing and social engineering, unauthorized access, GPS spoofing, AIS manipulation, OT system vulnerabilities, and supply chain risks. KCC's monitoring indicates that the majority of attempted cyber incidents are related to social engineering and phishing activities, combined with attempts to exploit technical vulnerabilities in systems and infrastructure.

Risk: Cybersecurity

Cybersecurity attacks pose a risk to KCC's business operations, vessel safety and the safety of own workforce and workers in the value chain. As an international shipping company operating globally and with interconnected vessel and shore-based systems, KCC is exposed to cyber threats that may disrupt critical operations and supply chains. Cybersecurity is hence considered a material sustainability matter for KCC.

Policies

Torvald Klaveness has established an Information Security Management System (ISMS) governing information security across the Klaveness Group. The Information Security Policy defines the objectives of information security activities and applies to KCC's onshore operations as well as relevant interfaces with vessel operations. The objectives of the policy are to:

- Secure the confidentiality, integrity and availability of information and data supporting Klaveness' strategic business objectives
- Ensure that information security activities are directed, governed, and consistently applied across Klaveness-controlled systems
- Ensure compliance with contractual and regulatory obligations
- Provide assurance to internal and external stakeholders that information security is managed and integrated across operations

The Information Security Policy is approved by the CEO of Torvald Klaveness who is also the Chair of the KCC Board of Directors and who is the policy owner. The Head of Cybersecurity in Torvald Klaveness is responsible for maintaining the policy framework, developing standards, conducting risk assessments and overseeing implementation of security controls for Klaveness-managed IT systems.

In 2025, OSM Thome (OSMT) became responsible for hosting and managing IT systems onboard KCC vessels, while IT Klaveness retains responsibility for onshore IT systems. Information security requirements for vessel IT systems are addressed through contractual obligations, governance interfaces, and oversight activities towards OSMT.

The ISMS applies to all Klaveness employees, contractors and others that have access to our IT systems. The policy named "Acceptable use of IT, OT and Communication" defines obligations for employees and contractors using company provided IT resources. Operational technology (OT) includes computer-based ship systems such as navigational equipment and is addressed through applicable maritime cyber security standards and supplier requirements. The policy is owned by Head of IT and was last updated in June 2024.

The policies, standards and procedures within the ISMS are communicated through internal announcements and e-learning. IT Governance is part of the Compliance Program described in section G1 Business conduct. Awareness and training activities are conducted periodically to support a strong security culture. Externally, KCC engages with vendors through security assessments, and with regulatory bodies through compliance activities as required.

Information security efforts are aligned with ISO27001 principles (without certification) and relevant maritime cybersecurity regulations, including IMO requirements.

Actions

To support a strong cybersecurity environment and ensuring security and resilience in business systems, Torvald Klaveness focused on the following actions and initiatives in 2025, also covering KCC:

- Continued cybersecurity awareness activities to strengthen employees' ability to recognize and respond to cyber threats
- Phishing simulations and targeted training to reduce the risk of social engineering attacks
- Tabletop exercises to test incident response and business continuity capabilities for cyber-related scenarios affecting onshore operations and vessel interfaces

- Ongoing monitoring of threats and vulnerabilities within Klaveness-managed IT systems
- Governance and oversight activities towards OSMT to ensure alignment with KCC's cybersecurity expectations for vessel operations

In Q4 2025, independent OT and IT cybersecurity assessments were conducted by DNV Cyber on two vessels (one CLEANBU and one CABU). The assessments included onboard inspections, interviews, documentation reviews, and technical testing of selected systems. The results indicated a generally strong IT cybersecurity maturity, supported by centralized monitoring and SOC services. Improvements were identified in relation to operational technology (OT) governance, documentation and lifecycle management. Key findings and recommendations are being followed up by the ship manager in close dialogue with KCC to strengthen cybersecurity resilience and support future regulatory and operational requirements.

Targets

Cybersecurity remains an area of continuous improvement. The IT organization in Torvald Klaveness is responsible for the development and implementation of information security for onshore systems and for oversight of vessel-related cybersecurity through OSMT. Key focus areas for 2026 include:

- Strengthening cyber incident response and business continuity capabilities through further exercises
- Improve cybersecurity awareness training participation to 100% of all employees
- Improving vulnerability management and monitoring critical systems
- Conducting structured follow-up and assurance activities related to OSMT's management of vessel IT systems

Metrics

- During 2025, KCC employees have on average been exposed to 30 phishing training campaigns
- 90% of the employees have responded to phishing training campaigns by reporting the incident through the cybersecurity training platform
- 55% of KCC employees conducted additional awareness micro training

The Board of Directors of
Klaveness Combinations Carriers ASA

Oslo, 31 December 2025

12 February 2026

Ernst A. Meyer

Chair of the Board

Magne Øvreås

Board member

Brita Eilertsen

Board member

Marianne Møgster

Board member

Gørán Andreassen

Board member

Engebret Dahm

CEO



KCC Anual report 2025_for signing-compressed.pdf

Name	Method	Signed at
Møgster, Marianne	BANKID	2026-02-12 19:07 GMT+01
Øvreås, Magne	BANKID	2026-02-12 18:44 GMT+01
Dahm, Engebret	BANKID	2026-02-12 18:44 GMT+01
MEYER, ERNST ANDRÉ	BANKID	2026-02-12 18:32 GMT+01
Andreassen, Gørán	BANKID	2026-02-12 18:42 GMT+01
Eilertsen, Brita	BANKID	2026-02-12 19:03 GMT+01

Disclaimer:

This report contains certain forward-looking statements that involve risks and uncertainties. The forward-looking statements reflect current views about future events and are, by their nature, subject to significant risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. There are a number of risks, uncertainties and other factors that may cause actual results, events, and developments to differ materially from those expressed or implied by these forward-looking statements.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot assure you that our future results, level of activity, performance or achievements will meet these expectations. We, our subsidiary undertakings, and any such person's officers, directors, or employees are unable to provide any assurance that the assumptions underlying such forward-looking statements are free from errors, nor do any of the aforementioned persons accept any responsibility for the future accuracy of the opinions expressed in this report or the actual occurrence of the forecasted developments described herein. Unless we are required by law to update these statements, we will not necessarily update any of these statements after the date of this report, either to make them conform to actual results or changes in our expectations. You should therefore not place undue reliance on forward-looking statements.

Corporate Governance Report

Klaveness Combination Carriers ASA (“KCC” or the “Company”) strives to protect and enhance shareholder values through openness, integrity and equal shareholder treatment, and sound corporate governance is a key element in KCC.

The corporate governance principles of the Company are adopted by the Board of Directors of Klaveness Combination Carriers ASA (the “Board”). The principles are based on the most recent Norwegian Code of Practice for Corporate Governance, dated 28 August 2025 (the «Code of Practice»). The below description follows the same structure as the Code of Practice and covers all sections thereof.

The corporate governance report follows the “comply and explain” principles. Where KCC does not fully comply with the Code of Practice, an explanation of the reason for the deviation and what alternative solution the Company has selected have been included.

Deviations from the Norwegian code of practice for corporate governance

In the Board of Directors’ assessment, KCC has one minor deviation from the Code of Practice:

Section 6, General meetings

KCC has one deviation from this section:

“Ensure that the members of the Board of Directors ... attend at the General Meeting”: All Board members have historically not been present at the General Meetings.

Matters under consideration at the General Meetings of Shareholders have not up until now required this. The Chair of the Board of Directors is always present at the General Meetings. Other board members participate when needed. The Board of Directors considers this to be adequate.

1. Implementation and reporting on corporate governance

The Board of Directors ensures that appropriate goals and strategies are adopted, that the adopted strategies are implemented in practice, and that the results achieved are subject to measurement and follow-up. The principles also contribute to ensure that the activities of the Company are subject to adequate controls. An appropriate distribution of roles and adequate controls contribute to the largest possible value creation over time, for the benefit of the shareholders and other stakeholders.

The Company maintains a high ethical standard in its business activities and relations with customers, suppliers, employees, and other stakeholders. Klaveness Code of Conduct (published on www.combinationcarriers.com) applies to the Company and all services provided to the Company under service- and management agreements between the Company and any of its subsidiaries and Torvald Klaveness companies.

No deviations from the Code of Practice.

2. Business

According to the Company’s articles of association, its purpose is to invest in and operate wet and dry bulk combination carriers and everything associated with such, including participating in other companies that own or operate wet- and dry bulk combination carriers.

The principal objectives and strategies of the Company are presented in the annual report, and on the Company’s website and are subject to annual assessments. ESG in general and more specifically decarbonization of KCC’s activities are highly integrated in the Company’s strategy and are focus areas in everything from daily operations to Board decisions.

No deviations from the Code of Practice.

3. Equity and dividends

Given the cyclical nature of the shipping industry and to accommodate the business strategy, the Company needs to maintain a solid capital structure at levels which will give sufficient assurance to the debt and equity providers. The Board regularly reviews and monitors the Company’s capital structure to ensure it is in line with the Company’s objectives, strategies, and risk profile. The Company has prepared a statement of its Finance Policy, providing information about the Company’s capital allocation priorities, funding policy and risk management activities. A summary of the Finance Policy can be found on www.combinationcarriers.com.

The book equity of the Klaveness Combination Carriers Group as per 31 December 2025 was USD 366.1 million, which represents an equity ratio of 55.0%. Cash and cash equivalents were USD 49.7 million per year-end 2025 and the Group has in addition USD 68.0 million in available long-term undrawn bank debt. The debt sources are diversified (mortgage bank debt and bond issue) and have a distributed maturity profile. The Board believes the capital structure is appropriate based on KCC’s objectives, strategies, and risk profile.

The Board has established a dividend policy based on a targeted quarterly dividend distribution. Although there can be no assurance of any such distribution being made, the Company currently intends to distribute a minimum 80% of free cash flow generation to equity after debt service and maintenance cost as dividends to its shareholders, provided that all known, future capital and debt commitments are accounted for, and the Company’s financial standing remains acceptable. The Company further intends for any new material investments to be subject to separate funding through equity and debt.

At the Annual General Meeting (AGM) in April 2025, the Board was granted an authorization to resolve distribution of dividends. The authorization is valid until the Annual General Meeting in 2026, however no longer than until 30 June 2026. Dividends of USD 0.31 per share, in total USD 18.1 million, were approved and distributed to shareholders in 2025.

The Board’s authorizations to increase the share capital and to buy own shares shall normally not be granted for periods longer than until the next Annual General Meeting of the Company.

At the AGM in 2025, the Board of Directors were granted an authorization to increase the share capital by up to NOK 11,900,000, which equalled 20% of the share capital. The authorization may only be used to raise additional capital for future investments or for general corporate purposes, or to issue shares in connection with acquisitions, mergers, demergers or other transactions. The authorization is valid until the AGM in 2026, but no longer than 30 June 2026.

Furthermore, at the AGM in 2025, the Board of Directors was granted an authorization to increase the share capital by up to NOK 50,000, which equalled approximately 0.10% of the share capital. The authorization may only be used to issue shares to the Group’s and or the Group’s management company’s employees’ in connection with incentive programs. The authorization is valid until the AGM in 2026, however no longer than until 30 June 2026. No new shares have been issued in 2025, as employees’ share purchases in 2025 were settled through use of treasury shares (38,205 shares of par value NOK 1).

As part of the Long Term Incentive Program (LTIP), the AGM in 2025 granted an authorization to provide financial assistance limited to NOK 1,200,000 in the aggregate for the purpose of offering loan financing to employees of an amount up to 50% of the purchase price payable by the respective participants in connection with the acquisition of shares by employees under the Company’s LTIP for 2025. A loan of in total NOK 427,781 was provided in connection with share purchases in May 2025.

At the AGM in April 2025, the Board was granted an authorization to acquire own shares, with a total nominal value of up to NOK 5,950,800, which equalled 10% of the share capital. The authorization may only be used for the purpose of using treasury shares for investment purposes, to realize the shares, use the shares as consideration in connection with acquisitions, mergers, demergers or other transactions or in connection with incentive programs, or to cancel the shares and consequently decrease the Company's share capital.

The authorization is valid until the AGM in 2026 but will last no longer than until 30 June 2026. The Company initiated a share buyback program on 13 December 2024, based on the authorization granted at the AGM in 2024. The program covered purchases of up to 1 200 000 shares, equivalent to approximately 2% of the Company's current share capital. The program was finalized in Q1 2025. 1 200 000 were repurchased in Q4 2024 and Q1 2025 for a total of USD 7.8 million. On 24 June 2025, The Company redeemed 950 000 of the shares, reducing the share capital of the Company by USD 109 637 and other paid in capital by USD 6 112 524. The remaining 250 000 of the shares repurchased will be used for the LTIP.

No deviations from the Code of Practice.

4. Equal treatment of shareholders

The shares of KCC are listed on Oslo Stock Exchange. All issued shares carry equal shareholder rights in all respects, including the right to participate and vote in General Meetings, and there are no restrictions on transfer of shares. The articles of association place no restrictions on voting rights.

Historically, transactions involving own shares have been executed on the stock exchange and buybacks of own shares have been executed at the current market rate.

The Board monitors that all shareholders are treated equitably and without discrimination, including in relation to large shareholders, related parties, capital increases or special transactions. KCC's Corporate Governance Policy includes a clause (revised in 2025) to reflect the Code's language that any decision to waive preferential rights shall be justified and publicly disclosed where applicable.

No deviations from the Code of Practice.

5. Shares and negotiability

KCC's shares are freely tradable and there are no restrictions on the sale and purchase of the Company's shares beyond those pursuant to Norwegian law.

Each share carries one vote.

No deviations from the Code of Practice.

6. General meetings

The Annual General Meeting will normally be held before 30 April every year. Notice of the meeting shall be sent to the shareholders no later than 21 days prior to the meeting.

The notices for such meetings shall include documents providing the shareholders with sufficient detail for the shareholders to assess all the cases to be considered as well as all relevant information regarding procedures of attendance and voting, including: (i) the procedure for representation at the meeting through a proxy, including a form to appoint a proxy, and (ii) the right for shareholders to propose resolutions in respect of matters to be dealt with by the General Meeting and (iii) that the notice of attendance to the General Meeting from shareholders shall not expire earlier than two business days before the General Meeting. The Board of Directors may in connection with notices of General Meetings determine that shareholders shall be able to cast their votes in writing, including electronic communication, in a period prior to the General Meeting.

The Board will arrange matters so that shareholders who are unable to attend in person, will be able to vote by proxy.

The Chair of the Board and the CEO are present at the Annual General Meeting, and the Chair of the Nomination Committee and the auditor are normally present as well. An independent person has historically been elected to chair the Annual General Meeting.

Deviations from the Code of Practice: See "Deviations from the Norwegian code of practice for corporate governance" section on the first page of this report.

7. Nomination Committee

According to the articles of association, the Company shall have a Nomination Committee which is elected by the Annual General Meeting. The Nomination Committee has the responsibility of proposing members to the Board of Directors and members of the Nomination Committee. The Nomination Committee also proposes fees payable to the members of the Board and the members of the Nomination Committee.

The members of the Nomination Committee are selected to consider the interests of shareholders in general. The current three members of the Nomination Committee are considered independent of the Board of Directors and the executive management team. Two of the members of the Nomination Committee are owners of the two largest shareholders in the Company (Rederiaksjeselskapet Torvald Klaveness and EGD Shipping Invest AS). Members of the Board of Directors and the executive management team are not members of the Nomination Committee. Instructions for the Nomination Committee are approved by the Company's Annual General Meeting.

The service period is two years unless the Annual General Meeting decides otherwise. The Nomination Committee is to maintain contact with shareholder groups, members of the Board of Directors and the Company's executive management team in its work with proposing members to the Board of Directors.

The current members of the Nomination Committee are:

- Trond Harald Klaveness (Chair) – until 2026
- Espen Galtung Døsvig – until 2027
- Anne Lise Ellingsen Gryte – until 2027

No deviations from the Code of Practice.

8. Board of Directors: Composition and independence

In appointing members to the Board of Directors, it is emphasized that the Board shall have the required competency to independently evaluate the cases presented by the executive management team as well as the Company's operation. It is also considered important that the Board can function well as a body of colleagues and that the Board Members meet the Company's need for expertise and diversity.

The Directors are elected for a period of two years, with the possibility of re-election. Board Members are encouraged to own shares in the Company.

The Board currently consists of five board members. The Board Members work together to exercise proper supervision of the Company's business, compliance, performance, and work done by the Company's management. The Chair of the Board is elected by the shareholders.

Two out of five of the Board Members are independent of the Company's main shareholders and the majority of the Board Members are independent of the Company's material business contacts and executive management. The Company's executive management is not represented on the Board of Directors.

The Board of Directors currently consists of the following five members:

- Ernst Andre Meyer (Chair) – until 2026
- Magne Øvreås – until 2026
- Marianne Møgster (independent) - until 2026
- Brita Eilertsen (independent) – until 2026
- Gøran Andreassen – until 2026

An introduction to the members of the Board of Directors and their experience can be found on www.combinationcarriers.com.

No deviations from the Code of Practice.

9. The work of the Board of Directors

Instructions have been issued for the Board of Directors, the Audit Committee, and the CEO.

The Board prepares an annual plan for its work with special emphasis on goals, strategy and implementation. The Board's primary responsibility is to (i) participate in the development and approval of the Company's strategy, (ii) perform necessary monitoring functions and (iii) act as an advisory body for the executive management team. Its duties are not static, and the focus will depend on the Company's ongoing needs. The Board is also responsible for ensuring that the operation of the Company is compliant with the Company's values and ethical guidelines in addition to the relevant legislative frameworks.

The Board shall ensure that the Company has a competent management with clear internal distribution of responsibilities and duties. The Board is regularly briefed on the Company's financial situation. The Board performs evaluation of its work annually. For information on how related party transactions are handled, see the Board of Directors Report and note 19 in the Annual Report 2025.

The Board of Directors has established an Audit Committee consisting of Brita Eilertsen (Chair, independent) and Magne Øvreås. The function of the Audit Committee is to prepare matters to be considered by the Board and to support the Board in the exercise of its management and supervisory responsibilities relating to financial and non-financial reporting, statutory audit and internal control. The Audit Committee has prepared an annual plan of topics to be covered including internal audit procedures. The Company's CFO is the secretary of the Audit Committee. The auditor participates in discussions of relevant agenda items in meetings of the Audit Committee and the Audit Committee holds separate meetings with the auditor several times every year.

No deviations from the Code of Practice.

10. Risk management and internal control

The Board shall ensure that the Company has sound internal control and systems for risk management that are appropriate in relation to the extent and nature of the Company's activities. The internal control and systems shall also encompass the Company's corporate values and ethical guidelines. The objective of the risk management and internal control is to manage exposure to risks to ensure successful conduct of the Company's business and to support the quality of its financial and non-financial reporting.

Governing documents, code of conduct, policies, guidelines, processes, and procedures are documented and available to the Company's employees and to employees of the main service providers, and shall ensure:

- That the Company operates in accordance with the relevant legislation and regulations as well as in line with its internal guidelines for its activities, including the Company's ethical guidelines and corporate values.
- That the Company facilitates targeted and effective operational arrangements and makes it possible to manage commercial risk, operational risk, climate related risks, the risk of breaching applicable legislation and regulations as well as all other forms of risk that may be material for achieving the Company's objectives.
- The quality of internal and external reporting.

The Board of Directors every year reviews the Company's most important areas of exposure to risk. Internal control and risk exposure are regularly tested and evaluated by the Audit Committee. Some of the main risks are presented in the Board of Directors report and note 16 in the Annual Report 2025.

KCC encourages whistleblowing regarding blameworthy activities or circumstances within its business. The whistleblower shall be protected against retaliation because of such whistleblowing. The Chief Compliance Officer in Torvald Klaveness is the contact person for whistleblowing for KCC and whistleblowing may be done anonymously. The Chief Compliance Officer in Torvald Klaveness notifies the Audit Committee in KCC about whistleblowing related to KCC.

No deviations from the Code of Practice.

11. Remuneration of the Board of Directors

Remuneration of Directors is determined by the Annual General Meeting. The remuneration reflects the responsibilities of the Board, its expertise, the amount of time devoted to board-related work, and the complexity of the Company's businesses. To maintain the Board's independence, the Board's remuneration is not linked to the Company's performance, nor does the Company grant share options, similar instruments or retirement benefits to Board Members as consideration for their work.

None of the current Directors have performed assignments for the Company in addition to their appointment's as members of the Board of Directors in 2025.

More information about the remuneration of the individual Directors is provided in note 7 in the Annual Report 2025.

No deviations from the Code of Practice.

12. Salary and other remuneration for executive personnel

The Board determines the salary and other compensation for the CEO. The CEO's salary, long-term incentive program and bonus shall be determined on the basis of an evaluation with emphasis on the following factors: Progress towards and achievement of strategic business goals, profitability and sustainability, long-term growth in shareholder value and adherence to the Company's values and ethical standards. Any fringe benefits shall be in line with market practice, be simple and transparent, competitive while well-balanced, and reflect the performance and responsibility of the individual. The CEO determines the remuneration of executive employees. The remuneration is based on a base salary, bonus and a long-term incentive program.

The Board proposed a new Long-Term Incentive Program (LTIP) that was included in the Remuneration Guidelines approved by the General Meeting in April 2023. For information about remuneration of executive personnel and the LTIP see note 7 in the Annual Report 2025. The "Statement on Remuneration" approved by the Annual General Meeting in 2025 and the "Remuneration Guidelines" are available on the Company's website.

No deviations from the Code of Practice.

13. Information and communications

The Company has established Investor Relations Guidelines and the Company aims to keep analysts, investors and other stakeholders continuously updated on the Company's operations and performance. The Company provides information to the market through quarterly and annual reports; investor and analyst presentations open to the media and by making operational and financial information available on the Company's website. Information of importance is made available to the stock market through notifications to the Oslo Stock Exchange in accordance with the Oslo Stock Exchange regulations. Information is provided in English. All stock exchange announcements and press releases, including the financial calendar, are made available on the Company's website.

No deviations from the Code of Practice.

14. Take-overs

In the event of a take-over process, the Board has a duty to ensure that the Company's shareholders are treated equally and that the Company's activities are not unnecessarily interrupted. The Board will also ensure that the shareholders have sufficient information and time to assess the offer.

In the event of a take-over bid, the Board will, in addition to complying with relevant legislation and regulations, seek to comply with the recommendations in the Norwegian Code of Practice for Corporate Governance.

No deviations from the Code of Practice.

15. Auditor

The auditor participates in most Audit Committee meetings. Annually, the auditor submits an audit work plan to the Audit Committee.

The auditor is present at Board meetings when the annual accounts and sustainability reporting are on the agenda. The auditor will assess any important accounting estimates and matters of importance on which there have been disagreement between the auditor and the Company's executive management and/or the Audit Committee. The auditor shall present to the Board or the Audit Committee a review of the Company's internal control procedures, including identified weaknesses and proposals for improvement. Further, the Board normally holds a meeting with the auditor at least once a year at which no representatives of the executive management team are present.

The auditor is required to annually confirm his or her independence in writing to the Audit Committee.

There were no disagreements between management or the Audit Committee and the auditor, EY, during 2025. For the financial year 2025, Johan Lid Nordby was the Company's engagement partner from EY.

The auditor's fees are approved by the Annual General Meeting. Auditor's fees are disclosed in note 6 in the Annual Report 2025.

No deviations from the Code of Practice.

Consolidated Financial Statements

Consolidated Financial Statements

Klaveness Combination Carriers ASA - Consolidated Group

Income Statement

Year Ended 31 December			
(USD '000)	Notes	2025	2024
Freight revenue	3	218 870	240 225
Charter hire revenue	3	19 585	38 034
Total revenue, vessels		238 455	278 259
Voyage expenses	4	(94 058)	(86 319)
Net revenue from operations of vessels		144 397	191 940
Other income	3	1 142	817
Operating expenses, vessels	5	(54 090)	(54 794)
Group commercial and administrative services	19	(4 368)	(5 248)
Salaries and social expense	7	(4 738)	(4 190)
Tonnage tax	21	(194)	(166)
Other operating and administrative expenses	6	(2 379)	(1 843)
Operating profit before depreciation (EBITDA)		79 769	126 516
Depreciation	9	(34 746)	(30 444)
Operating profit after depreciation (EBIT)		45 024	96 072
Finance income	8	3 867	5 679
Finance costs	8	(15 477)	(20 341)
Profit before tax (EBT)		33 414	81 410
Income tax expenses	21	-	-
Profit after tax		33 414	81 410
Attributable to:			
Equity holders of the parent company		33 414	81 410
Total		33 414	81 410
Earnings per Share (EPS):			
Basic earnings per share	18	0.56	1.35
Diluted earnings per share	18	0.56	1.35

Statement of Comprehensive Income

Year Ended 31 December			
(USD '000)	Notes	2025	2024
Profit/ (loss) of the period		33 414	81 410
<i>Other comprehensive income to be reclassified to P&L</i>			
Net movement fair value on cross-currency interest rate swaps (CCIRS)	12	9 795	(6 903)
Reclassification to profit and loss (CCIRS)	12	(8 960)	4 758
Net movement fair value on interest rate swaps	12	(3 741)	(1 564)
Net movement fair value bunker hedge	12	(20)	107
Net movement fair value FFA futures	12	(32)	-
Net other comprehensive income to be reclassified to P&L		(2 958)	(3 601)
Total comprehensive income/(loss) for the period, net of tax		30 456	77 808
Attributable to:			
Equity holders of the parent company		30 456	77 808
Total		30 456	77 808

Klaveness Combination Carriers ASA - Consolidated Group

Statement of Financial Position

Assets (USD '000)	Notes	31 Dec 2025	31 Dec 2024	Equity and liabilities (USD '000)	Notes	31 Dec 2025	31 Dec 2024
Non-current assets							
Vessels	9	486 742	493 341	Share capital	18	6 868	6 977
Newbuilding contracts	10	78 361	19 170	Share premium		196 772	202 949
Long-term receivables	7	186	157	Other reserves		2 833	5 955
Long-term financial assets	12	6 252	4 382	Retained earnings	18	159 579	143 984
Total non-current assets		571 541	517 050	Total equity		366 051	359 866
Current assets							
Short-term financial assets	12	2 315	2 142	Non-current liabilities			
Inventories	11	11 206	12 665	Mortgage debt	12	167 054	128 559
Trade receivables and other current assets	13	30 326	23 514	Long-term financial liabilities	12	10	4 529
Short-term receivables from related parties	19	218	706	Bond loan	12	79 567	70 625
Cash and cash equivalents	15	49 732	56 139	Total non-current liabilities		246 631	203 713
Total current assets		93 796	95 166	Current liabilities			
Total assets		665 337	612 216	Short-term mortgage debt	12	22 493	25 199
				Short-term financial liabilities	12	43	555
				Trade and other payables	14	29 675	22 154
				Short-term debt to related parties	19	248	556
				Tax liabilities	21	197	174
				Total current liabilities		52 656	48 637
				Total equity and liabilities		665 337	612 216

The Board of Directors of
Klaveness Combinations Carriers ASA

Oslo, 31 December 2025

12 February 2026

Ernst A. Meyer
Chair of the Board

Marianne Møgster
Board member

Magne Øvreås
Board member

Gørar Andreassen
Board member

Brita Eilertsen
Board member

Engebret Dahm
CEO

Klaveness Combination Carriers ASA – Consolidated Group

Statement of Changes in Equity

Attributable to equity holders of the parent								Year ended 31 December		
2025 (USD '000)	Notes	Share capital	Other paid in capital	Treasury shares	Hedging reserve	Cost of hedging reserve	Retained earnings	Total		
Equity 1 January 2025		6 977	202 949	(1 262)	7 217	-	143 984	359 866		
Profit (loss) for the period		-	-	-	-	-	33 414	33 414	33 414	81 410
Other comprehensive income for the period		-	-	-	(2 958)	-	-	(2 958)	194	166
Share buyback program	18	-	-	(6 637)	-	-	-	(6 637)	34 746	30 444
Share redemption	18	(110)	(6 112)	6 222	-	-	-	-	1 435	1 184
Employee share purchase	17,18	-	(65)	250	-	-	256	441	(154)	450
Dividends		-	-	-	-	-	(18 075)	(18 075)	256	-
Equity at 31 December 2025		6 868	196 772	(1 428)	4 260	-	159 579	366 051		
2024 (USD '000)	Notes	Share capital	Other paid in capital	Treasury shares	Hedging reserve	Cost of hedging reserve	Retained earnings	Total		
Equity 1 January 2024		6 977	202 852	(97)	11 533	(714)	141 147	361 698		
Profit (loss) for the period		-	-	-	-	-	81 410	81 410	81 410	(26 712)
Reclassification*		-	-	-	(714)	714	-	-	(28 146)	(26 712)
Other comprehensive income for the period		-	-	-	(3 601)	-	-	(3 601)	(56 686)	(1 578)
Share buyback program	18	-	-	(1 231)	-	-	-	(1 231)	(84 831)	(28 290)
Employee share purchase	17,18	-	97	66	-	-	-	163	Share buyback program	(6 637)
Share options granted through LTIP		-	-	-	-	-	12	12	Repurchase bond incl premium (KCC04)	-
Dividends		-	-	-	-	-	(78 584)	(78 584)	Proceeds from new bond issue (KCC05)	(18 259)
Equity at 31 December 2024		6 977	202 949	(1 262)	7 217	-	143 984	359 866	Transaction costs on issuance of loans	29 203

*Cost of hedging reserve was recycled over P&L together with the underlying transaction in 2022, but the recycling was wrongly recorded against hedging reserve rather than cost of hedging reserve. The error is not considered material for restatement, and has therefore been corrected in 2024 with this reclassification, with zero effect on total equity.

Cash Flow Statement

(USD '000)	Notes	2025	2024
Profit before tax		33 414	81 410
Tonnage tax expensed		194	166
Depreciation	9	34 746	30 444
Amortization of upfront fees bank loans		1 435	1 184
Financial derivatives unrealised loss / gain (-)	8	(154)	450
LTIP expense		256	-
Gain /loss on foreign exchange	8	(336)	(67)
Interest income	8	(3 007)	(5 602)
Interest expenses	8	12 904	18 657
Change in current assets		(4 865)	290
Change in current liabilities		6 475	4 086
Collateral paid/received on cleared derivatives		(39)	(245)
Interest received		2 102	5 310
A: Net cash flow from operating activities		83 125	136 082
Acquisition of other tangible assets	9	(28 146)	(26 712)
Installments and other cost on newbuilding contracts	10	(56 686)	(1 578)
B: Net cash flow from investment activities		(84 831)	(28 290)
Share buyback program		(6 637)	(1 231)
Repurchase bond incl premium (KCC04)	12	-	(18 259)
Proceeds from new bond issue (KCC05)	12	-	29 203
Transaction costs on issuance of loans	12	(2 144)	(444)
Drawdown of mortgage debt	12	107 000	10 000
Repayment of mortgage debt	12	(23 023)	(37 200)
Gain/loss on realization of financial instruments	8, 12	-	(4 199)
Repayment of debt facility	12	(47 351)	-
Interest paid	12	(14 656)	(19 114)
Paid in long term incentive plan	7	185	102
Dividends	18	(18 075)	(78 584)
C: Net cash flow from financing activities		(4 701)	(119 724)
Net change in liquidity in the period (A + B + C)		(6 408)	(11 932)
Cash and cash equivalents at beginning of period		56 139	68 071
Cash and cash equivalents at end of period		49 732	56 139
Net change in cash and cash equivalents in the period		(6 408)	(11 932)
Cash and cash equivalents (as presented in cash flow statement)		49 732	56 139

Notes

01	Accounting Policies
02	Segment Reporting
03	Revenue from Contracts with Customers
04	Voyage Expenses
05	Operating Expenses
06	Other Operating and Administrative Expenses
07	Salary
08	Financial Items
09	Vessels
10	Newbuildings
11	Inventories
12	Financial Assets and Financial Liabilities
13	Trade Receivables and Other Current Assets
14	Trade Payables and Other Current Liabilities
15	Cash and Cash Equivalents
16	Financial Risk Management
17	Long-Term Incentive Plan
18	Share Capital, Shareholders, Dividends and Reserves
19	Transactions with Related Parties
20	List of Subsidiaries
21	Taxes
22	Events After the Balance Sheet Date

01 Accounting Policies

Corporate information

These consolidated financial statements of Klaveness Combination Carriers ASA and its subsidiaries (collectively referred to as the "Group") for the period ended 31 December 2025 were authorized by the Board of Directors on 12 February 2026. Klaveness Combination Carriers ASA (the "Company"/the "Parent Company"/"KCC") is a private limited company domiciled and incorporated in Norway.

The Parent Company has headquarters and is registered in Drammensveien 260, 0283 Oslo. The share is listed on Oslo Stock Exchange with ticker KCC. The Parent Company was established on 23 March 2018.

The objectives of the Group are to provide transportation for dry bulk, chemical and petroleum tanker clients, as well as to develop new investment and acquisition opportunities that fit the Group's existing business platform (see [note 2](#) for more information).

The ultimate parent of the Company is Rederiaksjeselskapet Torvald Klaveness. The consolidated financial statement for the ultimate parent is available at www.klaveness.com.

Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with IFRS Accounting Standards as adopted by the European Union and been prepared under the historical cost convention, except for certain financial assets and liabilities that are revalued to fair value either through the income statement or other comprehensive income statement (disclosed in [note 12](#)).

The Group's consolidated financial statements comprise Klaveness Combination Carriers ASA (KCC) and all subsidiaries over which the Group has control.

ESEF/iXBRL reporting

The Company is required to prepare and file the annual report in the European Single Electronic Format (ESEF), and the Annual Report for 2025 is therefore prepared in the XHTML format that can be displayed in a standard browser. The primary statements in the consolidated financial statements and notes to the consolidated financial statements are tagged using inline extensible Business Reporting Language (iXBRL). The iXBRL tags comply with the ESEF taxonomy, which is included in the ESEF Regulation and developed based on the IFRS taxonomy published by the IFRS Foundation. Where a financial statement line item is not defined in the ESEF taxonomy, an extension to the taxonomy has been created. Extensions are anchored to elements in the ESEF taxonomy, except for extensions which are subtotals.

The Annual Report submitted to the Norwegian Financial Supervisory Authority consists of the XHTML document together with certain technical files.

Significant accounting judgements, estimates and assumptions

Preparing financial statements in conformity with IFRS requires the management to make judgments, use of estimates and assumptions which affect the application of the accounting policies and the reported amounts of assets and liabilities, revenues and expenses.

Management has made estimates and assumptions which have significant effect on the amounts recognized in the financial statements. In general, accounting estimates are considered significant if:

- the estimates require assumptions about matters that are highly uncertain at the time the estimates are made
- different estimates could have been used
- changes in the estimates have a material impact on Klaveness Combination Carriers ASA's financial position

The areas in which the Company are particularly exposed to material uncertainty over the carrying amounts at the end of 2025 are included within the individual note outlined below:

[Note 9](#) – Useful life, residual value, cash-generating units and impairment testing.

Functional and presentation currency

The presentation currency for the Group is US Dollar (USD). The Group companies, including the Parent Company, have USD as their functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Income and expenses in NOK are converted at the rate of exchange on the transaction date. The average exchange rate was 10.3981 USD/NOK in 2025 (2024: 10.7481). At 31 December 2025 an exchange rate of USD/NOK 10.0605 (2024: 11.3381) was used for the valuation of balance sheet items.

Cash flow statements

The cash flow statements are based on the indirect method.

Standards, amendments and interpretations

The financial statements have been prepared based on standards, amendments and interpretations effective for 2025.

There was no material impact of new accounting standards or amendments adopted in the period.

The Group has not early adopted any mandatory amendments and interpretations to existing standards that have been published and are relevant to the Group's annual accounting periods beginning on 1 January 2026 or later periods.

IFRS 18, which replaces IAS 1, will be effective for annual reporting periods beginning on or after 1 January 2027. Based on preliminary assessments, the implementation of IFRS 18 is not expected to have material impact on the Group's financial position, performance or cash flows, but may result in changes to the presentation and disclosure of information in the financial statements. The Group plans to adopt IFRS 18 in line with the effective date in 2027.

02 Segment Reporting

The Group is an owner and operator of combination carriers mainly operating within the dry bulk and the product tanker markets. The Group owns eight CABU vessels, three CABU newbuild contracts and eight CLEANBU vessels. The Group's vessels operate globally and are not allocated to specific geographical areas. Accordingly, geographical information has not been disclosed.

The CABU vessels capacity range from 72,456-80,344 dwt and have the capacity to transport caustic soda solution (CSS), floating fertilizer (UAN) and molasses as well as all types of dry bulk commodities.

The CLEANBU vessels capacity range from 79,995-82,500 dwt. The CLEANBUs are both full-fledged LR1 product tankers and Kamsarmax bulk carriers transporting clean petroleum products (CPP), heavy liquid cargoes such as CSS, UAN and molasses as well as all types of dry bulk commodities.

Operating income and operating expenses per segment (USD '000)	2025			2024		
	CABU	CLEANBU	Total	CABU	CLEANBU	Total
Operating revenue, vessels	132 307	106 149	238 455	143 079	135 179	278 259
Voyage expenses	(57 295)	(36 763)	(94 058)	(52 152)	(34 165)	(86 319)
Net revenue from operations of vessels	75 012	69 386	144 397	90 927	101 012	191 940
Other income	154	988	1 142	278	540	817
Operating expenses, vessels	(25 249)	(28 841)	(54 090)	(25 272)	(29 522)	(54 794)
Group commercial and administrative services	(2 039)	(2 329)	(4 368)	(2 420)	(2 827)	(5 248)
Salaries and social expenses	(2 212)	(2 527)	(4 738)	(1 933)	(2 258)	(4 190)
Tonnage tax	(100)	(87)	(194)	(89)	(77)	(166)
Other operating and administrative expenses	(1 110)	(1 268)	(2 379)	(850)	(993)	(1 843)
Operating profit before depreciation (EBITDA)	44 455	35 322	79 769	60 642	65 874	126 516
Depreciation	(15 557)	(19 189)	(34 746)	(13 667)	(16 776)	(30 444)
Operating profit after depreciation (EBIT)	28 898	16 133	45 024	46 975	49 098	96 072

Alternative performance measures (APMs)

Average TCE earnings per onhire day is an alternative performance measure. Alternative performance measures (APMs) are defined and reconciled in the excel sheet "APM4Q2025" published on the Company's homepage (www.combinationcarriers.com) see Investor Relations/Reports and Presentations under the section for the Q4 2025 report.

(USD '000)	2025			2024		
	CABU	CLEANBU	Total	CABU	CLEANBU	Total
Net revenue from operations of vessels	75 012	69 386	144 397	90 927	101 012	191 940
On-hire days	2 708	2 787	5 495	2 779	2 648	5 427
Average TCE earnings per on-hire day (\$/d)	27 700	24 897	26 278	32 717	38 151	35 368

Accounting policy

The operating segments are reported in a manner consistent with the internal financial reporting provided to the chief operating decision-maker, who is responsible for allocating resources, making strategic decisions and assessing performance. The chief operating decision-maker has been identified as the Board of Directors.

The reporting of the financial results separates the CABUs and CLEANBUs as two segments, to better evaluate and follow up on the performance of the different vessel concepts. The Group identifies and reports its segments based on information provided to the Management and the Board of Directors. Resources are allocated and decisions are made based on this information.

03 Revenue from Contracts with Customers

Disaggregated revenue information

The Group has income from Contract of Affreightment (COA) contracts, spot voyage contracts and Time Charter (TC) contracts. Set out below is the disaggregation of the Group's revenue from different contracts with customers.

Revenue types (USD '000)	Classification	2025	2024
Revenue from COA contracts	Freight revenue	132 512	162 877
Revenue from spot voyage contracts	Freight revenue	86 359	77 348
Revenue from TC contracts	Charter hire	19 585	38 034
Total revenue, vessels		238 455	278 259

Other income (USD '000)	Classification	2025	2024
Loss of hire income	Other income	834	817
No-claims bonus from Den Norske Krigsforsikring for Skib (DNK)	Other income	307	-
Total other income		1 142	817

The Group had four customers in 2025 that each represented more than ten percent of operating revenue in the Group: USD 25.3 million, USD 23.3 million, USD 25.7 million and USD 24.7 million. In 2024, the Group had three customers that each represented more than ten percent of operating revenue in the group: USD 47.0 million, USD 41.6 million and USD 28.2 million.

Geographical information

Revenue for the shipping activities is distributed based on the port of discharge for all vessels operated by the Group, including leased vessels on time charter agreements. The table below presents revenue based on the port of discharge.

Region (USD '000)	2025	2024
Middle East	41 825	18 %
Australia / Oceania	75 836	32 %
North East Asia	43 405	18 %
South America	32 180	14 %
North America	24 717	10 %
Europe	2 375	1 %
Africa	5 580	2 %
South East Asia	6 376	3 %
South Asia	5 847	2 %
Total Revenue, regions		238 141
Gain/(loss) of FFAs	137	-
IFRS adjustments	177	(384)
Total revenue, vessels		238 455
		278 259

Contract balances

(USD '000)	Notes	31 Dec 2025	31 Dec 2024
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Trade receivables from charterers	13	13 606	14 918
Contract assets	13	8 217	5 359
Contract liabilities		4 965	4 801

Contract assets are accrued income related to ongoing voyages (revenue recognised from load-to-discharge). Total income related to ongoing voyages as per 31 December 2025 to be recognized in 2026 is USD 10.2 million. Contract liabilities are prepaid revenue from customers.

For dry bulk cargo lifted, payment is generally due within 10 days after the cargo is loaded, while payment for wet cargo is generally due immediately upon discharge.

Accounting policy

The Group is in the business of transporting cargo at sea.

Contracts of affreightment

The combination carriers are employed on both long and short term contracts of affreightment (COAs) as well as in the spot market. The ambition is to have a large part of the wet exposure covered by contracts of affreightment (COAs) and to a larger extent employ the vessels in the spot market when trading dry. The mix of COAs and spot business creates ability to optimize the trading of the fleet and provide the COA customers with the flexibility they need in their logistics. When the COA contracts were signed, they had duration between 1-6 years. Revenue from the Group's COA commitments is classified as freight revenue in the Income Statement.

Revenue from contracts with customers is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods. The Group has concluded that the performance obligation under a voyage charter is satisfied over time, and begins from the point at which cargo is loaded until the point at which a cargo is discharged at the destination port.

Other revenue from services, such as demurrage, is recognised when earned and is included in freight revenue.

Performance obligations

IFRS 15 requires the Group to identify the performance obligations, determine the transaction price, allocate the transaction price to performance obligations for each contract with a customer to the extent that the contract covers more than one performance obligation, determine whether revenue should be recognised over time or at a point in time and recognise revenue when or as performance obligations are recognised. The Group's voyage charters and time charter (TC) contracts qualify for recognition over time. The nature of the Group's revenue from TC contracts with its customers is categorised in two groups, the leasing element of the vessel and the service element related to the leased vessel.

Expenses between discharge and load are deferred and amortised over the voyage to the extent they qualify as cost to fulfil under IFRS 15.

Time charter (TC) agreements

The time charter revenue is generated from fixed rate time charter contracts. Revenue from time charters is accounted for as lease in accordance with IFRS 16 and is classified as charter hire revenue in the Income Statement. The Group's time charter contracts normally have a duration up to 3 months and a significant portion of the risks and rewards of ownership is retained by the lessor (KCC), hence the lease is classified as operating lease.

04 Voyage Expenses

(USD '000)	2025	2024
Freight expenses	21 931	14 479
Bunker consumption	41 874	45 995
Port costs	17 362	15 631
Commission	5 682	6 991
Fuel hedge settlement	350	(255)
Accrued voyage expenses	1 314	(935)
Various expenses	5 546	4 413
Total voyage costs, vessels	94 058	86 319

05 Operating Expenses

(USD '000)	2025	2024
Technical expenses	19 666	20 171
Crewing expenses	25 386	24 210
Insurance	2 878	3 407
Crewing agency fee to Klaveness Ship Management AS	-	1 482
Ship management fee to Klaveness Ship Management AS	5 120	4 477
Other operating expenses	1 040	1 046
Total operating expenses	54 090	54 794

Technical expenses are costs related to spare parts, consumables, cargo handling, power supply, navigation and communication. Crewing expenses include sea personnel expenses such as wages, social costs, travel expenses and training. Costs related to technical management, maintenance and crewing services are recognised as operating expenses, see [note 19](#) for transactions with related parties. The crewing fee was reclassified to the ship management fee line in 2025.

06 Other Operating and Administrative Expenses

(USD '000)	2025	2024
Audit fees	201	193
Legal fees	81	46
Office and administrative expenses	2 096	1 605
Total other operating and administrative expenses	2 379	1 843

Remuneration to the auditor

(USD '000)	2025	2024
Statutory audit	161	147
Other assurance services	40	46
Total audit fees	201	193

Auditor's fee are stated excluding VAT.

07 Salary

(USD '000)	2025	2024
Salaries and other remuneration	3 960	3 650
Social security tax	501	386
Pension benefit	250	111
Other social costs	28	27
Other personnel related expenses	-	16
Salaries and social expenses	4 738	4 190

The Group had nineteen employees as per year-end 2025. Two new employees started during 2024 and seven were transferred from other companies in the Torvald Klaveness Group, where six of them were employed on 31 December 2024 following the sale of Klaveness Ship Management AS (KSM) to OSM Thome.

In 2025 USD 0.3 million of salaries was capitalized as newbuildings and USD 0.1 million was capitalized as vessels for upgrades during dry-dock.

Diversity of employees	2025	2024		
	Number	Percentage	Number	Percentage
Women	6	32 %	6	32 %
Men	13	68 %	13	68 %
Total employees in KCC at year end	19	100 %	19	100 %
Average number of employees	19.0		11.0	
KCC ASA in Norway	16	84 %	16	84 %
KCC Asia in Singapore	3	16 %	3	16 %
Nationalities	7		7	
Sick leave		2.52 %		0.22 %
Remuneration to key management				
(USD '000)	2025	2024		
Base salary	428	386		
Bonus	312	316		
Pension benefit	18	15		
Total remuneration paid to CEO	758	717		

Bonus paid in 2025 is earned in 2024, and bonus paid in 2024 is earned in 2023.

The Company has provided loans to CEO Engebret Dahm of USD 147k in relation to the share purchase part of the LTIP. Interest on the loans is set to the Norwegian Tax Administration's normal interest rate for the taxation of low-cost loans. The loans fall due in 2028, 2033 and 2034.

The Board has established guidelines for determining remuneration to executive personnel. The remuneration is based on a base salary, bonus and a share option scheme. The CEO has an agreement of 12-month severance payment including a 6-month period of notice in case of involuntary resignation or by redundancy. For details on remuneration to executive management, see Remuneration Report published on our website.

Bonus scheme

The bonus scheme is based on annual distribution and is divided into two: i) Formula bonus based on return on equity for the relevant year, and ii) Discretionary element. The cap payment is set at 12 months fixed salary for the CEO and nine months for the CFO in the Remuneration Guidelines. If not employed for a full year, the cap will be pro-rated according to number of months employed. The bonus cap is reached at 20% return on equity. The discretionary bonus is based on goal achievements and individual performance. Any discretionary bonus to the CEO is decided by the Board. The existing bonus scheme is applicable for 2025 and 2026.

The return on equity was above 20% for 2024, hence bonuses of 12 months salary for the CEO and 9 months salary for the CFO were awarded for 2024 and paid in 2025. Bonus provision for 2025 has been made in the 2025 accounts and will be paid in 2026.

Long-term incentive program (LTIP)

The Board proposed a new LTIP which was approved by the General Meeting in April 2023. See [note 17](#) for more information.

In 2024, employees of the Company purchased in total 20 295 shares in KCC as part of the Company's long-term incentive program (of which the CEO, purchased 10 000 of the total shares). The shares were acquired at a price of NOK 85.70 per share. In connection with the share purchases, and in accordance with the terms of the LTIP, employees were awarded 60 525 share options in KCC (of which the CEO, was awarded 30 000 share options) at a strike price of NOK 107.10.

In 2025, employees of the Company purchased in total 38 205 shares in KCC as part of the Company's long-term incentive program (of which the CEO purchased 12 500). The shares were acquired at a price of NOK 50.70 per share. In connection with the share purchases, and in accordance with the terms of the LTIP, employees were awarded 112 543 share options in KCC (of which the CEO was awarded 43 750 share options) at a strike price of NOK 63.4.

Pension scheme for all employees

The Group has defined contribution plan for all employees in Norway. The contribution plan includes full-time and part-time employees and comprises 6% of salary up until 7.1G and 21% of salary between 7.1G and 12G. As of 31 December 2025 there were sixteen members of the defined contribution plan. The expense recognised in the current financial period in relation to the contribution plan was USD 250k (2024: USD 111k). KCC does not make any pension contributions to employees in Singapore in line with national legal requirements.

Remuneration Board of Directors

(USD '000)	2025	2024
Ernst Meyer (Chair of the Board)*	59	57
Magne Øvreås (Board member and member of Audit Committee)	42	40
Gørjan Andreassen (Board member)*	36	34
Winifred Patricia Johansen (Board member until 23 April 2024)	-	11
Marianne Møgster (Board member from 23 April 2024)	36	23
Brita Eilertsen (Board member and Chair of Audit Committee)	45	44
Total	217	210

*Remuneration paid to Klaveness AS, a wholly owned subsidiary of the main shareholder Rederiaksjeselskapet Torvald Klaveness. The persons are employed by Klaveness AS. Compensation for Board work is thus included in the regular salary since such positions are a part of their regular employment.

Board remuneration is proposed by the Nomination Committee and approved by the Annual General Meeting. The Directors receive a fixed remuneration for the year based on the Board position, i.e. the Chair receives higher remuneration than the Board Members, which have an equal remuneration. The Directors do not receive profit-related remuneration, share options or retirement benefits. Board Members participating in committees such as the Audit Committee have received extra remuneration for these tasks. For details on remuneration to the Board of Directors, see Remuneration Report published on our website.

Diversity of Board of Directors	2025		2024	
	Number	Percentage	Number	Percentage
Women	2	40%	2	40%
Men	3	60%	3	60%

In appointing members to the Board of Directors, it is emphasised that the Board shall have the required competency to independently evaluate the cases presented by the executive management team as well as the Company's operation. It is also considered important that the Board can function well as a body of colleagues and that they meet the Company's need for expertise and diversity. An introduction to the members of the Board of Directors and their expertise can be found on www.combinationcarriers.com.

08 Financial Items

Finance income (USD '000)	2025	2024
Other interest income	3 006	5 310
Gain on currency contracts	524	10
Other financial income	1	292
Gain on foreign exchange	336	67
Finance income	3 867	5 679

Finance cost (USD '000)	2025	2024
Interest expenses mortgage debt	6 619	10 515
Interest expenses bond loan	6 068	6 743
Amortization capitalized fees on loans	1 435	1 184
Commitment fee	1 099	981
Other financial expenses	217	418
Loss on currency contracts	38	500
Finance cost	15 477	20 341

Gain on currency contracts of USD 0.5 million on USD/NOK futures maturing in 2026.

09 Vessels

Vessels (USD '000)	CABU	CLEANBU	31 Dec 2025	CABU	CLEANBU	31 Dec 2024
Cost price 1.1	344 108	438 168	782 276	333 327	422 236	755 564
Dry docking	11 787	7 290	19 077	6 131	7 352	13 482
Energy efficiency upgrade	3 673	3 884	7 557	4 036	7 384	11 420
Technical upgrade	344	1 168	1 512	614	1 196	1 810
Cost price end of period	359 912	450 510	810 422	344 108	438 168	782 276
Acc. Depreciation 1.1	210 560	78 374	288 936	196 893	61 598	258 492
Depreciation vessels	15 557	19 189	34 746	13 667	16 776	30 444
Acc. Depreciation end of period	226 117	97 563	323 682	210 560	78 374	288 936
Carrying amounts end of period*	133 795	352 947	486 742	133 548	359 794	493 340
*) carrying value of vessels includes dry-docking						
No. of vessels	8	8	16	8	8	16
Average age	17.3	5.4	11.4	16.3	4.4	10.4
Useful life vessel			25		25	
Useful life Dry Docking			2-5		2-5	
Depreciation schedule			Straight-line			Straight-line

Additions

Four (three) CABU vessels and three (three) CLEANBU vessels dry-docked in 2025 (2024). Total costs of USD 19.1 million were recognized in 2025. In addition, technical upgrades of USD 1.5 million and energy efficiency upgrades of USD 7.6 million related to general improvement of the technical performance of the vessels and energy efficiency initiatives were recognized during the year.

Pledged vessels

All owned vessels except MV Bangor, MV Banastar, MV Bantry and MV Barcarena are pledged to secure the various debt facilities (refer to [note 12](#) for further information).

Impairment assessment

Identification of impairment indicators is based on an assessment of development in market rates (dry bulk, MR tanker, LR1 tanker and fuel), TCE earnings for the fleet, vessel opex, operating profit, technological development, change in regulations, interest rates and discount rate. New regulations may lead to material cost related to upgrades and retrofits, higher operating costs or impact the lifetime of the fleet, however no such indicators identified as per year-end 2025. Expected future TCE earnings for both fleets of CABUs and CLEANBUs, diversified market exposure, development in second-hand prices and the combination carriers' trading flexibility support the conclusion of no impairment indicators identified as per 31 December 2025.

Accounting policy

Significant accounting estimates

Non-current assets such as vessels, the cost of dry-docking and newbuildings are carried at cost less accumulated depreciation and impairment charges. Cost is defined as directly attributable cost plus borrowing cost during the construction period.

Impairment testing

At the end of each reporting period the Group will assess whether there is any indication of impairment. If any indication exists, the Group will estimate the recoverable amount of the asset. Recoverable amount is set as the highest of fair value less cost to sell and value in use. If carrying value exceeds the estimated recoverable amount, impairment is recognised. Impairments are reversed in a later period if recoverable amount exceeds carrying amount. Identification of impairment indicators is based on an assessment of development in market rates (dry bulk, MR tanker, LR1 tanker and fuel), TCE earnings for the fleet, vessel opex, operating profit, technological development, change in regulations, interest rates and discount rate. As per year end 2024 and 2025 no indicators for impairment were identified.

Cash-generating units

The Group operates combination carrier vessels which can switch between dry and wet cargo. The CABUs have the same characteristics in terms of cargo type, number of cargo holds, and approximate vessel size. The same applies to the CLEANBUs. CLEANBU vessels have higher cargo carrying capacity than the CABUs, and can in addition transport other types of wet commodities. All the CABUs vessels are interchangeable, same for all the CLEANBU vessels. Investment, continuance and disposal decisions are made by class of vessels. The CABU and CLEANBU vessels are operated by KCC Chartering AS (KCCC). Contracts (COAs) are normally not negotiated based on a specific vessel. It is the sum of vessel capacity at any time that determines the optimization of voyages. A portion of the voyages are also executed in the spot market, and KCCC is dependent on operating the vessels as a portfolio according to free vessel capacity and available cargos. The Group has defined the fleet of CABUs (including newbuildings) and the fleet of CLEANBUs as two separate cash generating units.

Government grants

The government grants related to assets are presented in the statement of financial position by deducting the grants from the carrying amounts of the assets. Government grants are recognized according to the percentage of completion method in the proportion to which depreciation expense of the assets is recognized. The grants are recognized in profit or loss over the life of the depreciable asset as a reduced depreciation expense.

10 Newbuildings

The Group had per 31 December 2025 three CABU combination carrier newbuildings on order at Jiangsu New Yangzi Shipbuilding Co., Ltd in China. The contract price is USD 57.4 million per vessel and estimated fully delivered costs are approximately USD 193.7 million for all three vessels. The expected delivery of the vessels is Q1-Q3 2026 ([note 22](#)).

Installments of USD 71.3 million are paid as of year end 2025 where USD 54.2 million was paid in 2025. The newbuildings are partly financed through an equity raise in 2023 and cash on the balance sheet. As of 31 December 2025 there were no specific debt drawdowns related to the newbuildings, but loan expenses of USD 2.5 million were capitalized in 2025 based on the Group's general borrowings in line with IFRS. A mortgage debt facility agreement covering the newbuildings was signed in September 2025 and drawdown will be made in connection with the delivery of each of the vessels ([note 12](#)). Project fees of USD 2.3 million have been capitalized during 2025.

Newbuildings, net carrying amount (USD '000)	Notes	31 Dec 2025	31 Dec 2024
Cost 1.1		19 170	17 591
Yard installments paid		54 213	-
Capitalized borrowing costs		2 506	-
Other capitalized cost	19	2 472	1 578
Net carrying amount		78 361	19 170

Remaining newbuilding installments ¹ (USD '000)	2026
CABU III - Hull 1560	31 543
CABU III - Hull 1561	31 543
CABU III - Hull 1562	37 278
Total remaining newbuilding installments	100 364

¹Delivery costs not included. Delivery costs will include costs for change orders, supervision, project management fee, upstoring and energy efficiency investments.

Accounting policy

Newbuildings

Vessels under construction are classified as non-current assets and are recognised at cost as expenditures related to the asset are incurred and paid. Newbuildings are not depreciated until delivery. Borrowing costs directly attributable to the construction of vessels are added to the cost of the vessels, until such time as the vessels are ready for their intended use. Borrowing costs capitalized in 2025 are based on the Group's general borrowings in line with IFRS.

11 Inventories

Inventories (USD '000)	31 Dec 2025	31 Dec 2024
Bunkers	9 228	9 817
Spare parts	772	1 254
Luboil	1 187	1 381
EU ETS allowances	19	214
Inventories	11 206	12 665

Accounting policy

EU ETS allowances, bunkers and lubricant oil on board vessels are recorded in the balance sheet at acquisition cost. Acquisition cost is based on FIFO (first in, first out) principle..

12 Financial Assets and Financial Liabilities

The below tables present the Group's financing arrangements as per 31 December 2025.

In September 2025, a subsidiary of KCC signed a USD 180 million mortgage debt facility to part finance the CABU newbuilds and to refinance the existing CABU facility falling due in December 2026. The new facility comprises a USD 120 million revolving credit facility related to the three CABU newbuilds and a USD 60 million term loan related to four existing CABU vessels. The new loan bears interest of Term SOFR + 1.80%, has a tenor of 6 years, and a 20 years age-adjusted repayment profile. In October 2025, drawdown was made on the USD 60 million term loan and the existing CABU facility was fully repaid. Due to the upsizing of the facility, this resulted in a positive cash effect of approximately USD 10 million.

In December 2025, a subsidiary of KCC extended its overdraft facility by additional 364 days. The commitment under the overdraft facility remains at USD 8 million.

Mortgage debt USD '000	Type (vessels)	Maturity	Interest rate	Type	Undrawn and available amount	Carrying amount
USD 60 million Facility*	CLEANBU (Bass, Balzani)	March 2027	Term SOFR + 2.35 % (Commitment fee: 40% of Margin p.a.)	Term Loan	13 236	
USD 190 million Facility**	CLEANBU (Baru, Barracuda, Barramundi, Baleen, Bangus, Baiacu)	June 2028	Term SOFR + 2.15 % (Commitment fee: 0.75%)	Term Loan	62 592	
USD 180 million Facility	CABU (Bakkedal, Balboa, Baffin, Ballard)	July 2031	Term SOFR + 1.80 % (Commitment fee: 40% of Margin p.a.)	Term Loan	60 000	
Capitalized loan fees				RCF***	(3 280)	
Mortgage debt December 2025					68 000	189 548

* Potential margin adjustments up to +/- 10 bps once every year based on emission performance.

** Potential margin adjustments up to +/- 5 bps once every year based on emission performance.

*** Total amount of USD 120m, where availability is linked to vessel deliveries. USD 40m will become available upon delivery of each CABU newbuild in 2026

In 2025, the Group made a total drawdown of USD 57 million under the USD 190 million revolving credit facility. The Group had available and undrawn revolving credit facility capacity of USD 68 million and USD 8 million available capacity under a 364-days overdraft facility per year-end 2025.

Bond loan	Face value (NOK '000)	Year of maturity	Carrying amount (USD '000)
KCC05	500 000	05/09/2028	47 077
Tap issue KCC05 (Q2 2024)	300 000		28 011
Exchange rate adjustments			4 431
Capitalized expenses			(712)
Bond premium			760
SUM KCC05	800 000		79 567
Total bond loan	800 000		79 567

Interest bearing liabilities (USD '000)	Fair value 31 Dec 2025	Carrying amount 31 Dec 2025	Carrying amount 31 Dec 2024
Mortgage debt	170 334	170 334	131 003
Capitalized loan fees	-	(3 280)	(2 443)
Bond loan	82 157	79 519	70 559
Bond premium	-	760	1 037
Capitalized expenses bond loan	-	(712)	(970)
Total non-current interest bearing liabilities	252 491	246 621	199 184
Mortgage debt, current	22 493	22 493	25 199
Total interest bearing liabilities	274 984	269 114	224 383

Maturity profile of financial liabilities at 31 December 2025 is presented in [note 16](#).

Covenants

As per 31 December 2025, the Group was in compliance with all financial covenants and is expected to remain compliant over the next 12 months, provided that the Group's operation will continue in accordance with the current plan and course of business. On Group consolidated level, the financial covenants are minimum equity (USD 125 million), minimum equity ratio (30%), and minimum cash and cash equivalents (USD 15 million). The financial covenant on KCC Bass AS level is minimum cash and cash equivalents (USD 750k). Financial covenants on KCC Shipowning AS level are minimum cash and cash equivalents (the higher of USD 10 million and 5 % of net interest-bearing debt) and net interest-bearing debt to EBITDA (NIBD/EBITDA) of max 7x. The NIBD/EBITDA ratio can be higher than 7x for one reporting period (measured semi-annually) provided that the NIBD/EBITDA was below 7x in the prior reporting period. The loan agreements also include a dividend restriction of 50% of net profit (based on audited annual consolidated accounts) if the equity ratio is below 35%. In addition, some of the mortgage debt facilities contain minimum value clauses related to the value of the relevant vessels compared to outstanding loan and a change of control clause. In case of KCC Shipowning AS and KCC Bass AS, a change of control event occurs if the two companies cease to be owned and/or controlled, directly or indirectly, 100% (in issued shares and voting rights) by KCC and in case of KCC, if it ceases to be owned, directly or indirectly, 33.1/3% (in issued shares and voting rights) by Trond Harald Klaveness and/or his direct lineal descendants or if any other person or group of persons acting in concert, other than Trond Harald Klaveness and/or his direct lineal descendants, directly or indirectly, gain control of 33.1/3% or more of the shares and/or voting rights in KCC.

Securities

As security for the mortgage debt, the subsidiaries KCC Shipowning AS and KCC Bass AS have provided a first priority pledge in all vessels built after 2005 (12 out of 16 vessels), security in earnings accounts, and assignment of the earnings and insurances of the vessels in favour of the creditors. As security for the overdraft facility, the subsidiary KCC Chartering AS has provided security in receivables, inventory and tangible assets. KCC has issued guarantees in respect of the creditors under the mortgage debt agreements.

Book value of collateral and mortgaged assets (USD '000)	2025	2024
Vessels	459 100	467 358
Bunkers inventory	9 228	9 817
Earning accounts	7 604	2 020
Accounts receivables	24 629	23 388
Total book value of collateral and mortgaged assets	500 561	502 582
Risk management activities		
To reduce interest rate risk, the Group may enter into various interest rate derivatives, such as interest rate swaps, caps and cross-currency interest rate swaps (CCIRS). The fixed rate interest rate derivatives had a total notional amount of USD 75.5 million per end of 2025 and durations until 2028-2030. The interest derivatives are considered to be effectiveness based on an assessment on a portfolio basis. Interest rate swaps qualifying for hedge accounting are recognised at fair value with changes through other comprehensive income. The NOK bond loan has been converted from floating NOK (NIBOR + 3.65%) to floating USD (Term SOFR + 3.69%) at a weighted average USDNOK of 10.65 through cross-currency interest rate swaps (CCYIRS). The CCYIRS qualify for hedge accounting with changes through other comprehensive income.		
The Group had during 2025 bunker fuel swaps and forward freight agreements (FFA) that qualify for hedge accounting. The Group uses bunker fuel swaps to hedge a portion of its floating bunkers cost to a fixed cost to reduce the Group's exposure to changes in bunker prices. Similarly, the Group can use forward freight agreement (FFAs) to fix freight rates in future periods to reduce its exposure to the dry bulk or product tanker freight markets (via open capacity and index linked COA commitments). The Group is exposed to cost fluctuations under the EU Emissions Trading System (EU ETS), where the price of emission allowances (EUAs) is subject to market volatility and potential increases. The Group uses derivatives, such as forward allowance purchase contracts to mitigate this risk.		
Financial assets (USD '000)	31 Dec 2025	31 Dec 2024
<i>Financial instruments at fair value through OCI</i>		
Cross-currency interest rate swaps	5 006	120
Interest rate swaps	3 561	6 404
Financial assets	8 567	6 524
Current	2 315	2 142
Non-current	6 252	4 382
Financial liabilities (USD '000)	31 Dec 2025	31 Dec 2024
<i>Financial instruments at fair value through OCI</i>		
Cross-currency interest rate swaps	10	4 920
Forward Freight Agreements	32	-
<i>Financial instruments at fair value through P&L</i>		
Forward currency contract	11	164
Financial liabilities	52	5 084
Current	42	555
Non-current	10	4 529

Set out below is a comparison by class of the carrying amounts and fair value of the Group's financial assets and liabilities included in the financial statements.

(USD '000)	Carrying amount	Carrying amount	Fair value	Fair value
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Financial assets at fair value through OCI				
Interest rate swaps	3 561	6 404	3 561	6 404
Fuel hedge	-	-	-	-
Cross-currency interest rate swaps	5 006	120	5 006	120
Financial assets at fair value through P&L				
Forward currency contract	-	(164)	-	(164)
Total financial assets at fair value	8 567	6 359	8 567	6 359
Financial assets measured at amortised costs				
Accounts receivable	13 606	14 918	13 606	14 918
Receivables from related parties	218	706	218	706
Total financial assets measured at amortised costs	13 824	15 623	13 824	15 623
Cash and cash equivalents				
	49 732	56 139	49 732	56 139
Total financial assets	72 122	78 122	72 122	78 122
Total current	65 870	73 582	65 870	73 582
Total non-current	6 252	4 540	6 252	4 540
(USD '000)	Carrying amount	Carrying amount	Fair value	Fair value
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Financial liabilities at fair value through OCI				
Cross-currency interest rate swaps	10	4 920	10	4 920
Forward Freight Agreements	32	-	32	-
Financial liabilities at fair value through P&L				
Forward currency contract	11	164	11	164
Total financial liabilities at fair value	52	5 083	52	5 083
Other financial liabilities at amortised cost				
Accounts payable	4 493	7 524	4 493	7 524
Interest bearing debt, non-current	167 054	128 560	170 334	131 003
Interest bearing debt, current	22 493	25 199	22 493	25 199
Bond loan	79 567	70 625	82 157	73 058
Overdraft facility	-	-	-	-
Current debt to related parties	247	556	247	556
Total financial liabilities at amortised cost	273 854	232 463	279 724	237 339
Total financial liabilities	273 906	237 546	279 776	242 422
Total current	27 274	33 278	27 274	33 278
Total non-current	246 632	204 267	252 502	209 144

Fair value hierarchy

The fair values of the financial assets and liabilities are recognised as the value at which they could be exchanged in a transaction between willing parties other than in forced or liquidation transactions. The following methods and assumptions were used to estimate the fair value of each class of financial instrument:

- Cash and restricted cash, trade receivables, trade payables and other current liabilities are recognised at their carrying amounts largely due to the short term maturities of these instruments.
- Fair value of loans from banks and other financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.
- Fair value of derivatives is based on market to market reports received from banks.
- Fair value of the bond loans is based on transaction price on Oslo Stock Exchange (bond loans listed).

Accounting policy

Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments, such as forward currency contracts, fuel contracts, Forward Freight Agreements and interest rate swaps to hedge its foreign currency risks, interest rate risks and to reduce exposure to volatile and potentially rising fuel costs and volatile freight rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

As per 31 December 2025 all the Group hedges are classified as cash flow hedges.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged

and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is an economic relationship between the hedged item and the hedging instrument.
- The effect of credit risk does not dominate the value changes that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

The effective portion of the gain or loss on the hedging instrument is recognised directly as other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in profit and loss. Amounts recognised as other comprehensive income are transferred to profit and loss when the hedged transaction affects profit and loss, such as when the hedged financial income or expense is recognised or when a forecast transaction occurs. Derivative financial instruments designated as effective hedging instruments are classified as current or non-current in line with the classification of the underlying item.

Fair value hierarchy

The Group uses financial hierarchy under IFRS 13 for determining and disclosing the fair value of financial instruments by valuation techniques. Below table presents fair value measurements to the Group's assets and liabilities at 31 December 2025.

31 December 2025	Level 1	Level 2	Level 3	Total
Financial assets (USD '000)				
Financial assets at fair value through OCI				
Cross-currency interest rate swaps	-	5 006	-	5 006
Interest rate swaps	-	3 561	-	3 561

31 December 2025				
Financial liabilities (USD '000)	Level 1	Level 2	Level 3	Total
<i>Financial liabilities at fair value through OCI</i>				
Cross-currency interest rate swaps	-	10	-	10
<i>Financial liabilities not measured at fair value, but for which fair value is disclosed</i>				
Mortgage debt, non-current	-	-	170 334	170 334
Mortgage debt, current	-	-	22 493	22 493
Bond loan	-	82 157	-	82 157
31 December 2024				
Financial assets (USD '000)	Level 1	Level 2	Level 3	Total
<i>Financial assets at fair value through P&L</i>				
Forward currency contract	-	(164)	-	(164)
<i>Financial liabilities at fair value through OCI</i>				
Cross-currency interest rate swaps	-	-	-	-
Fuel hedge	-	20	-	20
Interest rate swaps	-	6 144	-	6 144
31 December 2024				
Financial liabilities (USD '000)	Level 1	Level 2	Level 3	Total
<i>Financial liabilities not measured at fair value, but for which fair value is disclosed</i>				
Mortgage debt, non-current	-	-	131 003	131 003
Mortgage debt, current	-	-	25 199	25 199
Bond loan	-	73 058	-	73 058

Reconciliation of movements of liabilities and equity to cash flow arising from financing activities.

(USD '000)	Liabilities			Equity		Total
	Interest payable	Interest bearing short-term debt	Interest bearing long-term debt	Share capital/ premium/ reserve	Other equity	
Balance on 1 January 2025	-	25 199	199 184	208 664	151 201	486 387
Repayment of mortgage debt	-	(8 706)	(61 668)	-	-	(70 374)
Proceeds from mortgage debt	-	6 000	101 000	-	-	107 000
Repayment bond loans	-	-	-	-	-	-
Proceeds from bond loan	-	-	-	-	-	-
Reclassification as short-term debt	-	-	-	-	-	-
Transaction costs on issuance of loans	-	-	(2 144)	-	-	(2 144)
Interest paid	(14 656)	-	-	-	-	(14 656)
Paid in registered capital increase	-	-	-	-	-	-
Transaction costs on capital increase	-	-	-	-	-	-
Repayment of overdraft facility	-	-	-	-	-	-
Dividends	-	-	-	-	(18 075)	(18 075)
Total Changes from financing cash flow	(14 656)	(2 706)	37 188	-	(18 075)	1 751
Liability-related						
Expensed capitalised borrowing costs	-	-	1 435	-	-	1 435
Non-cash movement	-	-	8 814	-	-	8 814
Total liability-related changes	-	-	10 249	-	-	10 249
Total equity-related other changes	-	-	-	(6 452)	30 713	24 261
Balance on 31 December 2025	22 493	246 621	202 212	163 839	522 649	

Accounting policy

Fair value measurement

Derivatives are measured at fair value. The fair value of financial instruments traded in active markets is determined by reference to quoted market prices or dealer price quotations, without any deduction for transaction costs. The fair value of financial instruments not traded in active markets is determined using appropriate evaluation techniques.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value are measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets and liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The fair value of financial instruments that is not traded in an active market (for example over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instruments are included in level 2.

If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. During the reporting periods there were no transfers between any of the levels.

(USD '000)	Liabilities			Equity		Total
	Interest payable	Interest bearing short-term debt	Interest bearing long-term debt	Share capital/ premium/ reserve	Other equity	
Balance on 1 January 2024	-	25 199	221 732	209 732	137 725	529 882
Repayment of mortgage debt	-	-	(37 200)	-	-	(37 200)
Proceeds from mortgage debt	-	-	10 000	-	-	10 000
Repayment of bond loans	-	-	(18 259)	-	-	(18 259)
Proceeds from bond loans	-	-	29 203	-	-	29 203
Reclassification as short-term debt	-	-	-	-	-	-
Transaction costs on issuance of loans	-	-	(444)	-	-	(444)
Interest paid	(19 114)	-	-	-	-	(19 114)
Paid in registered capital increase	-	-	-	-	-	-
Transaction costs on capital increase	-	-	-	-	-	-
Repayment of overdraft facility	-	-	-	-	-	-
Dividends	-	-	-	-	(78 584)	(78 584)
Total Changes from financing cash flow	(19 114)	-	(16 700)	-	(78 584)	(114 398)
Liability-related						
Expensed capitalised borrowing costs	-	-	1 184	-	-	1 184
Non-cash movement	-	-	(7 033)	-	-	(7 033)
Total liability-related changes	-	-	(5 849)	-	-	(5 849)
Total equity-related other changes				(1 069)	77 819	76 751
Balance on 31 December 2024	-	25 199	199 184	208 664	151 201	486 387

13 Trade Receivables and Other Current Assets

(USD '000)	31 Dec 2025	31 Dec 2024
Trade receivables from charterers	13 606	15 044
Contract assets	8 217	5 359
Prepaid expenses	5 219	2 508
Claims	292	555
Other short term receivables	2 991	48
Trade receivables and other current assets	30 326	23 514

Accounts receivable comprises all items that fall due for payment within one year after the balance sheet date. For dry bulk cargo lifted, payment is generally due within 10 days after the cargo is loaded, while payment for wet cargo is due immediately upon discharge. Trade receivables are non-interest bearing.

14 Trade Payables and Other Current Liabilities

(USD '000)	31 Dec 2025	31 Dec 2024
Accounts payable	4 493	7 524
Unearned income	4 965	4 801
Accrued expenses	15 266	5 787
Wages to crew	1 799	1 239
Other current liabilities	3 152	2 804
Trade payables and other current liabilities	29 675	22 154

15 Cash and Cash Equivalents

The Group has bank deposits in the following currencies:

(USD '000)	31 Dec 2025	31 Dec 2024
Bank deposits, NOK	1 148	1 973
Bank deposits, USD	45 910	52 514
Bank deposits, EUR	2 095	1 157
Bank deposits, other	262	38
Cash	145	356
Payroll withholding tax account (restricted cash NOK)	171	101
Cash and cash equivalents	49 732	56 139

Cash includes cash in hand, bank deposits and other highly liquid investments with original maturities of three months or less.

16 Financial Risk Management

Capital management

The Group intends to maintain an efficient capital structure, provide financial ability to execute on the strategy and ensure the Group has sufficient liquidity to meet liabilities and commitments as they fall due. KCC targets to over time have an equity ratio above 40% and gearing ratio (NIBD/EBITDA adjusted) of below 5x with flexibility to stretch key ratios in some periods, for example in periods with growth. Furthermore, KCC shall have sufficient funds to withstand at least twelve months of weak markets/earnings. The equity ratio as of 31 December 2025 was 55% (2024: 59%) and cash was USD 49.7 million (2024: USD 56.1 million). In addition, the Group had USD 68 million in undrawn long-term revolving credit facilities available as of 31 December 2025. The Group's covenants are described in [note 12](#).

The capital structure and dividend payments are considered in view of debt service ability, capital commitments and expectations of future cash flows. Available cash, loan covenants and the balance sheet composition are monitored to make sure that the Group has the necessary financial strength to continue operating as a going concern.

The Group aims to spend free cash flows as follows:

- Maintain sufficient financial capacity. To accommodate the business strategy KCC must maintain sufficient financial capacity, prepare for future uncertainty and see through the cycle by having a solid capital structure, available liquidity position and active and strong risk management.
- Maintain an attractive dividend policy and, when relevant, share repurchase programs: KCC intends on a quarterly basis to distribute a minimum 80% of free cash flow generation to equity after debt service and maintenance capex to its shareholders, provided that all known, future capital and debt commitments are accounted for, and the Company's financial standing remains acceptable. The main way of distribution is through dividends, but the Board of Directors will as well evaluate the potential for share buy-back programs.

The Group's capital structure consists of mortgage debt ([note 12](#)), bond loan ([note 12](#)), overdraft facility ([note 12](#)), cash and cash equivalents ([note 15](#)) and equity attributable to the shareholders ([note 18](#)).

Risk Management

The objective of the Group's risk management and internal control is to manage, rather than eliminate, exposure to risks to successfully conduct the Group's business, achieve its strategic objectives, and support the quality of its financial reporting.

In 2025, the Group established an updated Enterprise Risk Management (ERM) Framework, providing a more structured and integrated approach to risk management across the organisation. The framework applies the COSO Internal Control – Integrated Framework (2017). It defines governance, roles and responsibilities, risk appetite and tolerance, and a common methodology for identifying, assessing and managing risks at enterprise level. In KCC, ERM is one component of the company's broader risk management ecosystem. As a general principle, business units and specialized functions such as Chartering, Operations, Finance and the Project department manage specific risks within their activities and are responsible for their own procedures and controls, while ERM provides an overarching view of how these risks interact and potentially impact KCC.

The Group is exposed to a variety of risks from its operations in shipping markets e.g., freight rate risk, bunker fuel price risk, carbon price (EUA) risk as well as risks relating to foreign currency exchange rates, interest rate, counterparties (including credit), operations, technical, geopolitical, regulations and other risks.

Financial risk management is handled by the Group as part of its operations. The management team identifies, evaluates and manages risks in close co-operation with all operating units. The Board of Directors reviews and approves policies for overall risk management, as well as for specific areas, such as foreign exchange risk, interest rate risk, credit risk and use of derivative and non-derivative financial instruments.

Risk management activities to reduce interest rate risk, freight rate risk and bunker fuel risk are further described in [note 12](#).

The ERM assessment is a multi-disciplinary process generally performed on a quarterly basis. The process is designed to identify, assess, prioritise and manage risks across the Group's activities, including strategic, operational, financial and compliance-related risks. The value chain is assessed both upstream and downstream in addition to direct effects on the Group's business activities. The risks are assessed based on defined impact and probability levels, with main focus on the next 12 months. In addition to the rolling 12-month assessment, medium- and longer-term risks are also considered as part of each assessment.

The risk management process includes the following:

- The treasury department, in close corporation with commercial, operation, technical and management functions, facilitates the identification, assessment and prioritisation of risks, including assessment of impact, probability and potential mitigation actions. Identified risks and mitigation actions are monitored on an ongoing basis.
- Identified risks are evaluated against the Group's defined risk appetite and tolerance level, and the main risks are reported to and discussed with the Audit Committee and the Board of Directors. A main risk is a risk that could materially impact the Group's financial results, reputation, business model or strategic objectives.
- When the combination of probability and impact exceeds acceptable levels, mitigating actions are implemented based on management decisions or, where relevant, following discussions with the Board of Directors.

Main risks

The following table presents the risks considered to be the main risks for KCC over the next 12 months and the main longer-term risks.

Risk	Description	Risk type
Main risks next 12 months		
Freight rates and trade flows	<p>The Group's primary revenue driver is freight rates, and sustained low freight rates for dry bulk commodities, caustic soda, or clean petroleum products may have a material adverse effect on the Group's earnings, cash flow and financial performance. The effect of weaker freight markets is partly mitigated by the low historical correlation between dry bulk and product tanker freight rates. In addition, partly fixed-rate contract coverage for the CABU fleet in 2026 reduces exposure to freight rate volatility over the next 12 months. The Group has also entered into forward freight agreements (FFAs) on the dry bulk market to hedge part of its exposure.</p>	Strategic
	<p>The Group's business model relies on efficient combination trading, which is dependent on stable and predictable trade flows. Production disruptions at plants, mines and refineries, changes in regional commodity price differentials, and shifts in global supply and demand may impact trade patterns and volumes. Unfavourable changes in trade flows may reduce trading efficiency and negatively affect earnings and financial performance.</p>	
	<p>Geopolitical risks, including territorial disputes, war, political instability, terrorism, piracy and trade conflicts, may adversely impact global trade flows, market levels and operating conditions. Such events may result in increased costs, including crew-related expenses and insurance premiums, as well as reduced revenues due to market disruptions, sanctions and trade restrictions. Limitations on the Group's ability to operate in key regions or to efficiently deploy vessels in combination trading could have a material adverse effect on the Group's business and financial performance.</p>	
	<p>Regulatory initiatives arising from geopolitical tensions may further affect trading patterns and costs. In this context, the United States Trade Representative (USTR) has proposed port fees targeting Chinese-owned and Chinese-built vessels calling at U.S. ports. The implementation of these measures has been postponed by one year until October 2026. The initiative may not be implemented, and its final scope and potential impact remain uncertain. Based on current information, KCC expects that any impact on its operations would not be material, either due to applicable exemptions or the implementation of mitigating measures.</p>	
	<p>Geopolitical disruptions may also create opportunities, as changes in trade patterns and longer-haul trades can, in certain circumstances, support freight markets. To mitigate all sorts of trade disruption or changes in trade flows, the Group maintains operational flexibility by aiming to maintain and further increase the number of customers, terminal acceptances, trade lanes, and commodities carried.</p>	

Risk	Description	Risk type	Risk	Description	Risk type
Main risks next 12 months					
Vessel age	<p>Due to stricter customer requirements, vetting requirements and environmental regulations, older tonnage faces a higher risk of being re-rated, subject to additional inspections or detained by port state control authorities, and of losing competitiveness compared to more modern tonnage. This may result in lower utilization due to increased waiting time, a higher risk of commercial discounts and, in certain cases, vessels not being accepted by some customers.</p> <p>For the Group, this may lead to reduced operational flexibility and lower net revenue for the oldest vessels in the fleet. As of year-end 2025, the Group owns four CABU vessels above 20 year age, which are therefore more exposed to these risks. To mitigate this risk, the Group has taken measures to secure employment and extend the operating life of selected vessels, including the conclusion of a long-term contract of affreightment starting in 2026 for one of the CABU I vessels and the completion of a renewal docking extending the vessel's operating life. The Group also focuses on maintaining the vessels well to ensure safe operations and to mitigate the risks described in this section.</p>	Operational	Global economic growth, geopolitics and the impact on energy and commodity markets	The general development of the global economy, in particular the oil and commodities markets, may impact demand for KCC's services and the profitability of the Group. Furthermore, the demand for seaborne transportation is dependent on open economies and low barriers to trade. There has historically been a strong link between the development of the world economy and demand for dry bulk commodities and oil products. A period of deterioration in the outlook for the world economy could reduce the overall demand for these commodities and for the Group's services. Trade restrictions such as tariffs and embargoes may have a negative impact on the demand for seaborne transportation. This may impact revenues negatively and may also make it more difficult to raise equity or debt.	Strategic
Non-standard vessel concepts	<p>The Group operates non-standard vessel concepts, such as the CLEANBU vessels, which entails both commercial and technical risks, including the ability to establish and maintain trades, position the vessels in the clean petroleum product market, and obtain and retain acceptance from customers and terminals to operate in combination trades involving consecutive dry bulk and clean petroleum product cargoes.</p> <p>For the Group, limitations in market acceptance, changes in customer requirements or operational constraints related to combination trading may result in reduced utilisation, lower earnings or increased operating costs, which could adversely affect financial performance.</p>	Strategic/ Operational	Competitiveness of key customer industries	<p>The Group which is exposed to risks related to the competitiveness and long-term development of industries the Group provides transportation services to. Structural changes in key customer industries, including changes in cost competitiveness, energy prices, regulatory requirements, emissions regulations and global supply chains, may affect production levels, trade flows and demand for seaborne transportation.</p> <p>In particular, the Group has significant exposure to the Australian alumina value chain, where it holds a high market share in shipments of caustic soda solution. Changes in the competitiveness of the Australian alumina industry may lead to reduced production volumes, refinery closures or shifts in trade patterns. Such developments could negatively affect cargo volumes, vessel utilisation and the Group's profitability. While four of the five Australian alumina refineries are currently among the world's most cost-competitive, uncertainties remain for certain older facilities and the longer-term outlook beyond 2030.</p>	Strategic
Newbuilding program	The Group is scheduled to take delivery of all three CABU III newbuildings under construction in 2026. The Group is exposed to risks related to project execution and delivery, as well as the phase-in of vessels into established trades. These risks may result in delayed commercial deployment, higher costs and lower earnings in the initial period after delivery, which could adversely affect cash flows and return on investment.	Operational		<p>At the same time, potential growth in other industries importing caustic soda solution in Australia and in other regions, including Indonesia and India, will likely have a positive effect on transported caustic soda volumes over time.</p> <p>A transition to a low-carbon economy may have a material adverse impact on the Group through several channels:</p>	
Energy savings devices	<p>As an early adopter of energy efficiency technologies, the Group is exposed to risks related to cost-effective execution and the actual performance of such technologies meeting expectations. Improving the energy efficiency of the existing fleet is a key pillar of the Group's strategy and is closely aligned with its emissions reduction ambitions.</p> <p>During 2023-2025, the Group retrofitted five vessels with air lubrication system and shaft generator to reduce fuel consumption. One additional vessel is scheduled to undergo similar retrofits during 2026. In addition, the Group has decided to install suction sails on one of the CABU newbuildings. The successful outcome of these initiatives depends on the ability to execute retrofit projects within budget and planned timelines, and on the technologies delivering the expected fuel and emissions savings.</p> <p>Actual emission reductions from the initial retrofits have improved over time following initial observations, supported by configuration improvements. Further work is ongoing to realise the full potential of the technologies. However, as some of the technologies applied have limited large-scale operational track records, the Group is exposed to due diligence, execution and performance risks when evaluating and implementing new energy efficiency measures.</p>	Operational	Impact of low-carbon transition on demand, regulation and fleet competitiveness	<ul style="list-style-type: none"> Emerging propulsion technologies and fuels might negatively affect the competitiveness of the Group's existing fleet, potentially leading to lower revenue and/or impairment of vessel values. The increasing diversity of low carbon alternatives also heightens the risk of selecting the wrong technology. New regulations may lead to material cost related to upgrades and retrofits and/or higher operating costs. It may also impair operational flexibility or ultimately lead to higher vessel recycling activity and/or stranded vessels. Increased pressure on financial institutions to incentivize reduction in CO₂ emissions and new regulations could reduce access to capital, increase cost of capital, and raise breakeven levels for the Group. Demand for the transportation of certain commodities may be materially affected by emissions regulations and decarbonisation efforts across multiple industries, not limited to fossil fuels. Structural changes in industrial value chains and production methods may reduce transport demand for commodities shipped by the Group. 	Compliance/ Strategic
			Fleet renewal and recycling risk	<p>As some of the vessels in the Group's fleet approach an assumed lifetime of approximately 25 years, the Group may be required to recycle vessels. Vessel recycling is subject to stringent environmental and regulatory requirements, and failure to comply may result in additional costs, delays, penalties or reputational impact.</p> <p>In addition, fleet renewal may expose the Group to risks related to timing of the newbuilding market, availability of shipyards willing and able to construct non-standard combination vessels, and higher or volatile newbuilding prices.</p>	Compliance/ Strategic

Risk	Description	Risk type
Main medium- to long-term risks		
Impact of technology disruptions	<p>Rapid technological developments, including increased use of artificial intelligence, may impact the Group's customers, markets and operations. Changes in how customers optimise logistics, trading patterns or decision-making processes may affect demand for the Group's services, while increased automation and data-driven solutions may alter competitive dynamics in the industry.</p> <p>For the Group, failure to adapt to technological developments or to effectively integrate new technologies into operations and processes may result in reduced competitiveness, higher costs or operational inefficiencies. At the same time, uncertainty related to the pace and direction of technological change may affect investment decisions and the long-term relevance of existing systems and processes.</p>	Strategic

Risk types

The risks have been divided into the following categories:

- Strategic risk
- Operational risk
- Financial risk
- Compliance risk

Strategic risk

The Group operates in cyclical dry bulk and product tanker shipping markets and is exposed to strategic risks related to market volatility, changes in trade flows and structural shifts in global commodity transportation. Fluctuations in freight rates, vessel values, profitability and cash flows, as well as the risk of impairment of vessel values and breaches of financial covenants, are inherent to cyclical shipping markets. These fluctuations are influenced by imbalances in vessel and commodities supply and demand, geopolitical events, sanctions, tariffs and disruptions to global trade routes, competitiveness of key customers KCC depends on and are largely beyond the Group's control.

A sustained downturn in relevant markets could materially adversely affect the Group's operations, financial performance and cash flows. To manage market exposure, the Group uses contracts of affreightment (COAs) and, from time to time, time charters and forward freight agreements (FFAs) to secure coverage for part of its future exposure.

The Group is also exposed to volatility in bunker fuel prices, which are influenced by factors such as geopolitical developments, global supply and demand dynamics and environmental regulations. Bunker exposure may be managed through hedging instruments or bunker adjustment factors (BAF) in contracts, although such measures may not fully offset the financial impact of significant price movements.

Operational risk

Operational risks are primarily related to the operation of the Group's vessels. The Group's vessels are on technical management to Klaveness Ship Management AS which ensures compliance with IMO, flag state, class and port state control regulations.

Operational risk is managed through established quality assurance procedures, systematic training of crew and land-based personnel, and ongoing monitoring of vessel performance. Vessels trading in piracy-exposed areas implement appropriate preventive measures. Operational risks are further mitigated through insurance coverage, including loss of hire, war risk, protection and indemnity (P&I), hull and machinery and total loss insurance. Insurance coverage is aligned with vessel values, earnings levels and financing arrangements/loan agreements, and the financial impact of a total loss of a vessel is not expected to be material for the Group.

Financial risk

Financial risk includes foreign currency risk, interest rate risk, counterparty and credit risks, and liquidity risk.

The Group's functional currency is USD, including all significant entities in the Group. The majority of operating revenues, interest-bearing debt and contractual obligations for vessels under construction are denominated in USD. The Group is exposed to foreign currency risk primarily related to operating and administrative expenses, dividend payments, taxes and certain capital expenditures (e.g., energy efficiency investments) denominated mainly in NOK and EUR. In addition, the Group has issued bonds in NOK. The Group may from time to time use derivative instruments to hedge foreign currency exposure related to expenses, while foreign currency exposure related to dividend payments and the bond loan is fully offset through the use of derivative instruments. As of year-end, foreign currency risk is considered limited.

The Group is also exposed to interest rate risk through floating interest rate debt. Bank debt is denominated in USD, while bonds issued in NOK are swapped to USD with floating interest rates based on CME Term SOFR. The Group uses interest rate derivatives, primarily interest rate swaps, to manage exposure to changes in benchmark interest rates. As of 31 December 2025, the gross hedge ratio (interest-bearing debt less cash and cash equivalents) was 29% and the net hedge ratio was 35%. The Group continuously evaluates the need to adjust its interest rate exposure.

The table below illustrates the estimated impact on the Group's profit before tax and equity from changes in interest rates in 2025 and 2024, based on net interest-bearing debt adjusted for interest rate hedges at year-end. In 2025, a 100 basis point increase in interest rates would increase annual interest expenses by approximately USD 1.4 million

Change in bps (effect in USD'000)	Profit before tax		Equity	
	2025	2024	2025	2024
100		(1 382)	(1 027)	(418)
50		(691)	(514)	(200)
-50		691	514	182
-100	1 382	1 027	345	(191)

Counterparty/credit risk

Counterparty risk is managed through mandates approved by the Board of Directors and established know-your-counterparty (KYC) procedures. Mandates define acceptable exposure levels based on the credit standing of counterparties.

The Group is exposed to counterparty risk, inter alia and in particular under fixed-rate contracts of affreightment (COAs). For various reasons, including but not limited to adverse market conditions, decreased demand, increased competition, cost saving schemes, force majeure situations, accidents and governmental or political restrictions, counterparties may seek to cancel or renegotiate COAs, or invoke suspension of periods. A downturn in the dry bulk and/or product tanker markets may result in an increase in occurrences of renegotiations, suspension or termination of contracts. The cash flows and financial conditions of the Group may be materially adversely affected should its counterparties terminate, renegotiate or suspend their obligations under existing contracts.

Further, the ability of the Group's customers to meet their obligations towards the Group is affected by the customers' financial and liquidity position. If a key customer declares bankruptcy, insolvency or files for a similar protection under the customer's jurisdiction, it may have a material adverse effect on revenues, profitability, cash flows and the financial position of the Group. The key customers for the CABUs are mainly some of the world's largest aluminium companies, many of them with investment grade rating. The key customers for the CLEANBUs are large oil and petrochemical companies and trading companies, many with investment grade ratings.

The Group is also exposed to counterparty risk under shipbuilding contracts, which is largely mitigated through refund guarantees from Tier I Chinese banks.

If the Group has a legal right to insurance coverage, the Group will make provision for the deductible amount. As such, default by an insurance institution may have material financial consequences.

Credit risk related to cash deposits is managed by placing deposits with investment-grade financial institutions, although concentration risk exists as deposits are held with a limited number of banks.

Total unrisked credit exposure (book value of trade receivables, other current assets and bank deposits) at 31 December 2025 amounted to USD 80.1 million (2024: USD 79.7 million).

Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its financial obligations as they fall due. Key sources of liquidity risk include volatility in freight rates, daily settlement of cleared derivatives and potential collateral requirements related to certain OTC derivatives.

Liquidity risk is managed by maintaining sufficient cash reserves, access to unutilised portions of revolving credit facilities and a short-term overdraft facility, and through regular liquidity forecasting and stress testing based on expected cash flows and related sensitivities. The Group's capital commitments and financing arrangements are monitored closely, and liquidity risk is considered limited based on available liquidity, committed financing and expected cash flows. The Group's financing arrangements are subject to financial and non-financial covenants.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments. Interest bearing debt includes estimated interest payments and is net of interest rate hedges and cross currency derivative hedges. [Note 10](#) shows the capital commitments the Group has related to its newbuilding program.

Maturity profile financial liabilities	< 1 year	2-3 years	4-5 years	> 5 years	Total
	2026	2027-2028	2029-2031	2032-	
Mortgage debt (incl interests)	29 370	136 435	16 178	30 980	212 963
Bond loan (incl interest)	5 407	84 040	-	-	89 447
Trade and other payables	29 675	-	-	-	29 675
Current debt to related parties	248	-	-	-	248
Total	64 700	220 475	16 178	30 980	332 333

Maturity profile financial liabilities	< 1 year	2-3 years	4-5 years	> 5 years	Total
	2025	2026-2027	2028-2030	2031-	
Mortgage debt (incl interests)	33 832	93 777	47 751	-	175 360
Bond loan (incl interest)	5 905	11 656	78 464	-	96 025
Trade and other payables	22 154	-	-	-	22 154
Current debt to related parties	556	-	-	-	556
Total	62 446	105 433	126 215	-	294 094

Compliance risk

The Group operates in a complex and evolving regulatory environment. Systems and processes are in place to ensure compliance with applicable laws and regulations, including tax legislation, anti-corruption and anti-bribery laws, securities laws, competition law, international sanctions, environmental regulations and requirements related to human rights and working conditions.

Three of the Group's subsidiaries are subject to the Norwegian tonnage tax regime. Non-compliance with the qualifying conditions of this regime would have a material adverse effect on the Group's financial position.

Climate-related risks

Climate-related risks include both transition and physical risks, with transition risks considered to have the highest potential impact for the Group. Transition risks relate primarily to regulatory developments, potential reductions in demand for the Group's services, stranded asset risk and changes in customer requirements as the global fleet transitions towards lower-carbon solutions.

From 1 January 2024, shipping was part of EU's emission trading system (EU ETS). The Group is required to submit allowances for 100% of emissions for voyages within EU, and 50% of voyages in and out of EU, including ballast legs. The share of emissions required to be covered by allowances increases from 40% of reported emissions for 2024, to 70% for 2025 and 100% from 2026. In addition, FuelEU Maritime was introduced from 1 January 2025, setting progressively stricter requirements for the greenhouse gas intensity of energy used onboard vessels. The Group's exposure to these regulations is limited, as a relatively small share of the Group's trading is in and out of the EU, and the related costs are in most cases covered by customers through contractual arrangements.

Physical risks related to climate change, including extreme weather events, may affect voyage planning, operational performance and safety. Climate-related risks are assessed in strategic planning, fleet development and capital expenditure decisions for both existing and next-generation vessels. For 2025 (2024), fossil fuel shipments accounted for 28% (34%) of the Group's transported volumes in metric tons.

17 Long-term Incentive Plan

In April 2023, the Board proposed a new Long Term Incentive Program (LTIP) that was approved by the General Meeting. The new LTIP program consists of two elements:

1. A share purchase program where Senior Executives are offered to purchase shares 20% below the market price to reflect the value reduction represented by the lock-up undertaking. The Senior Executive has a possibility for optional loan financing of up to 50% of the purchase price. The share purchase program includes a three-year lock-up period.

2. A share option program with a strike price equal to market price at the time of grant. Participation in the share option program is subject to purchase of shares under the share purchase program. The share options will vest 1/3 each year. Vested options may be partly exercised at any time after two years and partly at any time after three years from the grant date but no later than five years after the date of grant. The share options have no voting or other shareholder rights.

In May 2024, employees of the Company purchased in total 20 295 shares in KCC as part of the Company's long term incentive program (of which the CEO, Engebret Dahm purchased 10 000 of the total shares). The shares were acquired at a price of NOK 85.70 per share.

In connection with the share purchase in May 2024, and in accordance with the terms of the long term incentive program, Senior Executives were awarded 60 525 share options in KCC (of which the CEO, Engebret Dahm was awarded 30 000 share options) at a strike price of NOK 107.10, adjusted for any distribution of dividends made before the relevant options are exercised.

On 31 March 2025, employees of the Company purchased in total 38,205 shares in KCC as part of the Company's LTIP (of which the CEO, Engebret Dahm purchased 12 500). The shares were acquired at a price of NOK 50.70 per share. Some of the share purchases are partly financed through loans.

In connection with the share purchases in March 2025, and in accordance with the terms of the LTIP, six senior employees were awarded in total 112,543 share options in KCC (of which the CEO, Engebret Dahm was awarded 43 750 share options) at a strike price of NOK 63.4, adjusted for any distribution of dividends made before the relevant options are exercised.

The fair value of the share options granted in 2025 were calculated based on the Black-Scholes-Merton method at the time of grant. The significant assumptions used to estimate the fair value of the share options are set out below:

	Model inputs
--	--------------

Dividend yield (%)	14 %
Expected volatility (%)*	28 %
Risk-free interest rate (%)**	3.60 %
Expected life of share options (year)	5
Weighted average share price (NOK)	62.20

*The expected volatility reflects the assumption that the historical shipping industry average is indicative of future trends, which may not necessarily be the actual outcome.

**Average five-year Norwegian Government bond risk-free yield-to-maturity rate of 3.6 % as of March 2025 was used as an estimate for the risk-free rate to match the expected five year term of the share options.

Number of shares	Average exercise price	2025	2024
Outstanding at 1 January		101 025	40 500
Granted during the year	NOK 69.5	112 543	60 525
Exercised during the year		-	-
Forfeited during the year		-	-
Expired during the year		-	-
Outstanding on 31 December		213 568	101 025

The fair value of the share options granted in 2025 is calculated to USD 213, i.e. USD 1.9 per share option. The cost incurred of the share options program in 2025 is USD 0.2m (2024: USD 82k).

Accounting policy

Equity-settled share-based payments are treated as an increase in equity at fair value. The purchase price is recognized as a capital increase immediately, and the discount is periodized as a wage/equity increase over the vesting period.

Employee share options are calculated at fair value at the time they are granted and charged to expense over the vesting period as payroll cost with a corresponding increase in equity. The market value of the employee share options are estimated based on the Black-Scholes-Merton method.

18 Share Capital, Shareholders, Dividends and Reserves

Dividends of in total USD 18.1 million were paid to the shareholders in 2025 (in average USD 0.305 per share).

On 13 December 2024, the Company initiated a share buyback program. The program covered purchases of up to 1,200,000 shares, equivalent to approximately 2% of the Company's current share capital, with a maximum consideration of USD 9.1 million. In 2024, 195,843 shares were repurchased for a total of USD 1.2 million and in 2025 a further 1,004,157 shares were repurchased for a total of USD 6.6 million. The share purchases are booked at acquisition cost as Treasury shares reducing the Company's total equity.

On 24 June 2025, the Company redeemed 950,000 of the shares reducing the share capital of the Company by USD 0.1 million and other paid in capital by USD 6.1 million, with corresponding effect against Treasury shares. Net-effect on equity was zero. The remaining 250,000 of the shares repurchased will be used for the LTIP (note 17).

Share capital

Date	Shares	Notional (NOK)	Share capital (NOK)
Shares and share capital on 31 December 2022	52 372 000		52 372 000
Shares issued 30 May 2023	7 857 143	1	7 857 143
Shares issued 11 August 2023 (warrants)	14 020	1	14 020
Shares issued 6 September 2023 (warrants)	215 068	1	215 068
Shares and share capital on 31 December 2023	60 458 231		60 458 231
Shares and share capital on 31 December 2024	60 458 231		60 458 231
Share redemption	(950 000)		(950 000)
Shares and share capital on 31 December 2025	59 508 231		59 508 231

All shares have equal voting rights and equal rights to dividends. The shares are listed on Oslo Stock Exchange. KCC owns a total of 218,078 treasury shares, corresponding to 0.37% of the total number of issued shares.

Basic Earnings Per Share (EPS) in income statement are calculated based on the weighted average number of ordinary shares for the period, whereas diluted Earnings Per Share (EPS) is based on weighted average number of ordinary shares including dilutive shares if all convertible shares were exercised.

	2025	2024
Weighted average number of ordinary shares for basic EPS	59 333 409	60 397 369
Effects of dilution from:		
Share options	203 981	78 609
Weighted average number of ordinary shares for the effect of dilution	59 537 390	60 475 978

Largest shareholders at 31 December 2025	Ownership Number of shares	Ownership In %
Rederiaksjeselskapet Torvald Klaveness	32 537 608	54.7 %
EGD Shipping Invest AS	3 650 000	6.1 %
Hundred Roses Corporation	2 382 283	4.0 %
VPF Sparebank 1 Norge	1 934 224	3.3 %
J.P. Morgan SE (nominee)	1 798 745	3.0 %
J.P. Morgan SE (nominee)	1 696 043	2.9 %
Goldman Sachs & Co. LLC (nominee)	1 450 000	2.4 %
Landkreditt Utbytte	794 573	1.3 %
Kontrari AS	525 000	0.9 %
Surfside Holding AS	410 000	0.7 %
Other	12 329 755	20.7 %
Total	59 508 231	100.0 %

Management and members of the Board which hold shares in the Company are set out below.

Name	Position	Number of shares
Engebret Dahm	Chief Executive Officer	50 032 (held through E Dahm Invest AS)
Magne Øvreås	Board member	Indirectly owns 9.9 % of EGD Shipping Invest AS which holds 3 650 000 shares
Göran Andreassen	Board member	4 300
Brita Eilertsen	Board member	2 000
Ernst A. Meyer	Chair of the Board	5 000

19 Transactions with Related Parties

The ultimate owner of the Group is Rederiaksjeselskapet Torvald Klaveness (RASTK), which owns 54.7 % of the shares in Klaveness Combination Carriers ASA. Companies listed below are all part of the Torvald Klaveness Group.

Group commercial and administrative services

Type pf service/transaction (USD '000)	Provider*	Receiver*	Price method	2025	2024
Business administration services	KAS	KCC ASA, on behalf of KCC	Cost +5%/per employee	2 968	2 230
Business administration services	KA Ltd	KCCA Ltd	Cost +5%	72	67
Business administration services	KD	KCCC	Priced as other CargoValue Services	31	12
Business administration services	KSS	All	Cost +7.5%	336	-
Commercial services	KAD	KCCC	Cost +7.5%	675	631
Commercial services**	KDB	KCCC	Cost +7.5%	286	227
Commercial services***	KSM	KCCC	Cost +7.5%	-	815
Board member fee	KD	KCC ASA	Fixed fee as per annual general	-	(12)
Project management***	KSM	KCCS, KCC	Cost +7.5%	-	1 277
Total group commercial and administrative services				4 368	5 248

**Some bunkers purchases are done through AS Klaveness Chartering (KC), which holds the bunker contracts with the suppliers in some regions. No profit margin is added to the transactions, but a service fee is charged based on time spent (cost + 7.5 %) reflecting the time spent by the bunkering team and charged as part of the Commercial Services from KDB.

***On December 31 December 2024, six employees were transferred from KSM to KCC. Costs related to project management and commercial services are therefore part of salaries in Income Statement from 1 January 2025.

Other services/transactions

Type of service/transaction (USD '000)	Provider*	Receiver*	Price method	2025	2024
Technical management fee (opex)	KSM	KCCS	Fixed fee per vessel	-	4 477
Crewing and IT fee (opex)	KSM	KCCS	Fixed fee per vessel	-	1 727
Project management fee (newbuilding)	KSM	KCCS	Fixed fee per vessel	-	1 578
Board member fee (administrative expenses)	KAS	KCC	Fixed fee as per annual general meeting	80	77
Total other services/ transactions				80	7 859

Following the sale of KSM from Rederiaksjeselskapet Torvald Klaveness to OSM Thome on 31 December 2024, technical management fees, project management fees and crewing and IT fees are not a related party transaction in 2025.

Related party balances

Short term receivables and debt related parties (USD '000)	31 Dec 2025	31 Dec 2024
Klaveness Finans AS	39	-
Klaveness Ship Management AS	-	405
Klaveness AS	132	301
Klaveness Dry Bulk AS	46	-
Short-term receivables from related parties	218	706
Klaveness AS	49	154
Klaveness Ship Management AS	-	99
Klaveness Dry Bulk AS	-	31
Klaveness Asia-Dubai	139	234
Baumarine AS	14	6
Klaveness Digital AS	1	14
Klaveness Dry Bulk Asia Pte. Ltd.	5	-
Klaveness Shore Services Ltd.	18	-
AS Klaveness Chartering	-	1
Klaveness Asia Pte.Ltd	22	17
Short-term debt to related parties	248	556

Accounting policy

Parties are related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the party in making financial and operating decisions. Parties are also related if they are subject to common control or common significant influence. Related parties transactions are recorded to estimated fair value.

*Klaveness AS (KAS), Klaveness Ship Management AS (KSM), Klaveness Asia Pte.Ltd (KA Ltd), Klaveness Asia Pte. Ltd - Dubai Branch (KAD), Klaveness Combination Carriers ASA (KCC), KCC Shipowning AS (KCCS), KCC Chartering AS (KCCC), Klaveness Dry Bulk AS (KDB), Klaveness Combination Carriers Asia Pte. Ltd. (KCCA Ltd), and Klaveness Digital AS (KD)

20 List of Subsidiaries

Klaveness Combination Carriers ASA Group comprises of several subsidiaries. Below is a list of subsidiaries within the Group.

Company name	Location	Ownership interest per 31 Dec 2025	Ownership interest per 31 Dec 2024
KCC Shipowning AS*	Oslo, Norway	100 %	100 %
KCC Bass AS	Oslo, Norway	100 %	100 %
KCC Chartering AS	Oslo, Norway	100 %	100 %
Klaveness Combination Carriers Asia Pte. Ltd.	Singapore	100 %	100 %

*Direct (97%) and indirect ownership through 3% owned by KCC Chartering AS

21 Taxes

Tonnage tax

The vessel owning companies (KCC Shipowning AS, KCC Bass AS) and KCC Chartering AS are subject to taxation under the Norwegian tonnage tax regime. For the financial year 2025 KCC Shipowning AS, KCC Bass AS and KCC Chartering AS have payable tonnage taxes of USD 190k (2024: USD 162k).

Ordinary taxation

The Parent Company (Klaveness Combination Carriers ASA) is under ordinary taxation rules in Norway. The ordinary rate of corporation tax in Norway is 22 % for 2025 (2024: 22 %). The subsidiary Klaveness Asia Pte.Ltd is subject to ordinary taxation in Singapore. The ordinary tax rate in Singapore is 17 % for 2025. For the financial year 2025 Klaveness Combination Carriers Asia Pte. Ltd. has a tax receivable of USD 1k.

Deferred tax assets

Deferred tax assets are only recognised to the extent that future utilisation within the Group can be justified as per 31 December 2025. As a consequence, a tax position of USD 16.9 million per 31 December 2025 has not been recognised in the balance sheet. The tax position is mainly due to accumulated financial costs deductible under the tonnage tax regime as well as a tax loss on the internal vessel sales which will be deductible at a rate of 20 % annually going forward.

(USD '000)	31 Dec 2025		31 Dec 2024	
	Income taxes for the year		Income taxes for the year	
Income taxes payable	-	-	-	-
Change in deferred tax	-	-	-	-
Total tax expense / income (-) reported in the income statement	-	-	-	-
Tax on net (gain)/loss on revaluation of cash flow hedges	-	-	-	-
Deferred tax charged to OCI	-	-	-	-

(USD '000)	31 Dec 2025		31 Dec 2024	
	Income	Tax effect	Income	Tax effect
Profit / loss (-) before taxes, incl OCI	30 464	6 702	77 808	17 118
Income from shipping activity, tonnage tax system	(45 262)	(9 958)	(96 804)	(21 299)
Change in temporary differences	(11 518)	(2 534)	(258)	(57)
Change in tax losses carried forward	23 488	5 159	10 192	2 242
Exchange rate differences / Other permanent differences	2 868	631	9 071	1 996
Tax payable in the balance sheet	-	-	-	-
Effective tax rate				
Tax payable -foreign subsidiaries		7		4
Tonnage tax (included in operating profit)		190		162
Total tax payable in the balance sheet	197		166	

(USD '000)	Temporary difference	31 Dec 2025	Temporary difference	31 Dec 2024
Temporary differences - ordinary taxation		Tax effect		Tax effect
Temporary differences	6 627	1 458	(4 891)	(1 076)
Tax losses carried forward	83 370	(18 341)	(59 922)	(13 183)
Deferred tax asset not recognised in the balance sheet	76 773	16 883	64 813	14 259
Net temporary differences - deferred tax liability/asset (-)	-	-	-	-
Deferred tax asset in balance sheet				
Deferred tax liability in balance sheet				

Accounting policy

Under the tonnage tax regime, profit from operations is tax exempt. Companies within the tonnage tax regime pay a tonnage tax based on the deadweight tonnage of the vessels. The tonnage tax is recognised as an operating expense in the income statement. Taxable profit is calculated on the basis of financial income after deduction of a portion of financial expenses (based on financial assets in percent of total assets).

For companies subject to ordinary taxation, tax expense comprises tax payable and changes in deferred tax assets. Tax payable corresponds to the amount expected to be paid to authorities while deferred tax assets/liabilities are calculated based on temporary differences at the reporting date. Deferred tax assets are recognised to the extent that future utilisation is probable. Deferred tax liabilities/deferred tax assets within the same tax system that may be offset are recorded on a net basis. Income tax relating to items recognised directly in equity is included directly in equity and not in the statement of income.

Companies subject to tonnage tax regimes are exempt from ordinary tax on their shipping income. Within the Group, the subsidiaries KCC Shipowning AS, KCC Bass AS and KCC Chartering AS are subject to Norwegian tonnage taxation. Companies within the Norwegian tonnage tax system pay a tonnage fee based on the deadweight tonnage of the vessels. The fee is recognized as an operating expense. Financial income is taxed under the Norwegian tonnage tax regime, however only a portion of the interest cost and net currency expenses are deductible.

22 Events After the Balance Sheet Date

On 12 February 2026, the Company's Board of Directors declared to pay a cash dividend to the Company's shareholders of USD 0.08 per share for fourth quarter 2025, in total approximately USD 4.7 million.

On 6 February 2026, the Group took delivery of the first of three CABU vessels under construction in China. USD 32.9 million was paid to the yard in connection with the delivery and a drawdown of USD 40 million was made on a related bank debt facility.

There are no other events after the balance sheet date that have material effect on the financial statement as of 31 December 2025.

Financial Statements of the Parent Company

Statutory Financial Statements

Klaveness Combination Carriers ASA - Parent Company

Income Statement

(USD '000)	Notes	Year ended 31 December	
		2025	2024
Service and management fee revenue	5	2 581	1 181
Other revenue	5	-	12
Total revenue		2 581	1 193
Group commercial and administrative services	5	(1 402)	(1 128)
Salaries and social expense	6	(3 781)	(2 581)
Other operating and administrative expenses	2	(2 051)	(1 681)
Operating profit (EBITDA)		(4 654)	(4 196)
Operating profit after depreciation (EBIT)		(4 654)	(4 196)
Finance income	9	2 775	106 745
Finance costs	9	(6 382)	(7 983)
Profit before tax		(8 260)	94 566
Income tax expenses	7	-	-
Profit after tax		(8 260)	94 566

Statement of Comprehensive Income

(USD '000)	Notes	Year ended 31 December	
		2025	2024
Profit after tax		(8 260)	94 566
Other comprehensive income to be reclassified to P&L			
Net movement fair value on interest rate swaps		9 795	(6 903)
Reclassification to profit and loss (CCIRS)		(8 960)	4 758
Other comprehensive income/(loss) for the period, net of tax		835	(2 145)
Total comprehensive income/(loss) for the period, net of tax		(7 425)	92 421
Attributable to:			
Equity holders of the parent company		(7 425)	92 421

Statement of Financial Position

Year ended 31 December

Assets (USD '000)	Notes	2025	2024
Non-current assets			
Investment in subsidiaries	3	287 357	287 357
Long-term loan to related parties	5	4 870	32 750
Long-term financial assets	8	4 277	-
Other long-term receivables	5	186	157
Total non-current assets		296 690	320 265
Current assets			
Inventories		-	359
Short-term financial assets	8	729	120
Trade receivables and other current assets		825	323
Cash and cash equivalents	4	5 731	10 572
Short-term receivables from related parties	5	69	555
Total current assets		7 353	11 929
Total assets		304 043	332 194
Equity and liabilities			
(USD '000)			
Equity	Notes	2025	2024
Share capital	Group 18	6 868	6 976
Share premium		286 093	292 271
Other reserves		(2 014)	(2 683)
Retained earnings		(73 624)	(48 848)
Equity attributable to equity holders of the parent		217 323	247 716
Non-current liabilities			
Bond loan	8	79 567	70 625
Financial liabilities	8	10	4 529
Total non-current liabilities		79 577	75 154
Current liabilities			
Short-term debt to related parties	5	353	34
Short-term financial liabilities	8	11	555
Trade and other payables		6 779	8 734
Total current liabilities		7 143	9 324
Total equity and liabilities		304 043	332 194

The Board of Directors of
Klaveness Combinations Carriers ASA
Oslo, 31 December 2025

Oslo, 12 February 2026

Ernst A. Meyer

Chair of the Board

Marianne Møgster

Board member

Magne Øvreås

Board member

Gørar Andreassen

Board member

Brita Eilertsen

Board member

Engebret Dahm

CEO

Klaveness Combination Carriers ASA -Parent Company

Statement of Changes in Equity

2025 (USD '000)	Share capital	Other paid in capital	Treasury shares	Hedging reserve	Retained earnings	Total
Equity 1 January 2025						
	6 976	292 271	(1 262)	(1 421)	(48 848)	247 716
Profit (loss) for the period					(8 260)	(8 260)
Other comprehensive income for the period				835		835
Share buyback program			(6 637)			(6 637)
Employee share purchase		(65)	250		256	441
Dividends					(16 772)	(16 772)
Equity at 31 December 2025						
	6 868	286 093	(1 428)	(586)	(73 624)	217 323
 2024 (USD '000)						
	Share capital	Other paid in capital	Treasury shares	Hedging reserve	Retained earnings	Total
Equity 1 January 2024						
	6 976	292 174	(97)	724	(79 948)	219 828
Profit (loss) for the period					94 566	94 566
Other comprehensive income for the period				(2 145)		(2 145)
Share buyback program			(1 231)			(1 231)
Employee share purchase		97	66		12	175
Dividends					(63 478)	(63 478)
Equity at 31 December 2024						
	6 976	292 271	(1 262)	(1 421)	(48 848)	247 716

Cash Flow Statement

(USD '000)	Notes	2025	2024
Profit before tax		(8 260)	94 566
Interest income	9	(1 645)	(2 247)
Interest expenses	9	6 085	7 228
Dividends from subsidiaries	9	-	(104 000)
Amortization of transaction cost on issuance on loans	9	259	255
Gain (-) /loss on foreign exchange	9	(253)	(157)
Financial derivatives unrealised loss/gain (-)	9	(154)	450
Change in current assets		343	(443)
Change in current liabilities		(454)	1 148
Change in other working capital		-	-
Interest received		1 617	2 219
A: Net cash flow from operating activities			
		(2 207)	(981)
Received dividends from subsidiaries	9	-	31 250
Drawdown of loan from related parties	5	-	15 000
B: Net cash flow from investment activities			
		-	46 250
Repayment of loan from related parties		30 504	26 500
Share buyback program	Group 18	(6 637)	(1 231)
Interest paid		(6 112)	(7 312)
Loan to subsidiaries		(2 500)	-
Repurchase bond incl premium (KCC04)		-	(18 259)
Proceeds from new bond issue (KCC05)		-	29 203
Terminated financial instruments		-	(2 501)
Transaction costs on issuance of debt		-	(444)
Premium paid on financial instruments		-	(1 697)
Paid in long term incentive plan	Group 18	185	102
Paid in from exercise of warrants		-	-
Dividends	Group 18	(18 075)	(78 584)
C: Net cash flow from financing activities			
		(2 635)	(54 223)
Net change in liquidity in the period (A + B + C)			
		(4 841)	(8 954)
Cash and cash equivalents at beginning of period		10 572	19 527
Cash and cash equivalents at end of period	4	5 731	10 572
Net change in cash and cash equivalents in the period			
		(4 841)	(8 954)

Notes

- 01** Accounting Policies
- 02** Operating Expenses
- 03** Investments in Subsidiaries
- 04** Cash and Cash Equivalents
- 05** Transactions with Related Parties
- 06** Salary
- 07** Tax
- 08** Financial Assets and Liabilities
- 09** Financial Items
- 10** Events After the Balance Sheet Date

01 Accounting Policies

Basis of preparation

Klaveness Combination Carriers ASA (referred to as the "Company" / the Parent Company / "KCC") is a public limited company domiciled and incorporated in Norway. The Parent is headquartered and registered in Drammensveien 260, 0283 Oslo. Klaveness Combination Carriers ASA was established March 23, 2018. The share is listed on Oslo Stock Exchange with ticker KCC.

The financial statements as per 31 December 2025 of Klaveness Combination Carriers ASA have been prepared in accordance with simplified IFRS pursuant to the Norwegian Accounting Act §3-9 and regulations regarding simplified application of IFRS issued by the Norwegian Ministry of Finance on 7 February 2022.

Accounting principles for the consolidated statement of Klaveness Combination Carriers ASA (the "Group") also apply to the Parent Company except treatment of the dividends – see accounting policies related to dividend income presented below.

The main activity of the Company is to be a holding company in the Group, which owns and operates combination carriers.

Dividend income/group contribution

Dividend income and/or Group contribution from subsidiaries are recognized as finance income in the year they have been declared for by the subsidiaries. This includes dividend declared in the period subsequent to year end but prior to approval of financial statements for the subsidiary.

Dividend distribution/group contribution

Distribution of dividends is approved by the Board of Directors based on authorization from the Annual General Meeting. Dividend distribution to the Company's shareholders is recognized as a liability at the reporting date of the financial year that the proposal of dividend relates to.

02 Operating Expenses

(USD '000)	2025	2024
Statutory audit	102	88
Other assurance services from auditor	40	43
Total	142	131

Auditor's fee is stated excluding VAT.

03 Investment in Subsidiaries

(USD '000)	Location	Voting share/ownership	31 Dec 2025	31 Dec 2024
KCC Chartering AS	Oslo, Norway	100%	7 456	7 456
KCC Shipowning AS	Oslo, Norway	97%	240 093	240 093
KCC Bass AS	Oslo, Norway	100%	39 708	39 708
KCC Asia Pte.Ltd	Singapore	100%	100	100
Investment in subsidiaries			287 357	287 357

Shares in subsidiaries in Parent Company accounts are recorded at cost. The Company owns KCC Shipowning AS 100 % indirectly through KCC Chartering AS.

04 Cash and Cash Equivalents

The Company has bank deposits in the following currencies:

(USD '000)	31 Dec 2025	31 Dec 2024
Bank deposits, USD	4 489	8 634
Bank deposits, NOK	896	1 799
Bank deposits, EUR	175	38
Payroll withholding tax account (restricted cash, NOK)	171	101
Total cash and cash equivalents	5 731	10 572

05 Transactions with Related Parties

Service agreements

The Parent Company has sixteen employees as per year end 2025. The Parent Company delivers administrative and business management services to its subsidiaries. The level of fees is based on cost + a margin in accordance with the arm's length principle and OECD guidelines.

Type of service/transaction	Receiver*	Price method	2025	2024
Business administration services	KCCS	Cost + 5 %	436	561
Business administration services	KCCC	Cost + 5 %	814	569
Business administration services	KCCB	Cost + 5 %	36	51
Business administration services	KAS		1 294	-
Board member fee	KD	Fixed fee	-	12
Total revenue			2 581	1 193

Klaveness AS delivers administrative, commercial and project management services such as accounting, legal, IT, project and office services to the Parent Company. The level of fees is based on cost + a margin in accordance with the arm's length principle and OECD guidelines.

Type of service/transaction	Receiver*	Price method	2025	2024
Business administration services	KAS	Cost + 5% or overhead per employee	(1 322)	(825)
Project management	KSM	Cost + 7.5%	-	(227)
Board member fee	KAS	Fixed fee as per annual general meeting	(80)	(77)
Group administrative services			(1 402)	(1 128)

On December 31 December 2024, six employees were transferred from KSM to KCC. Costs related to project management and commercial services are therefore a part of salaries in Income Statement from 1 January 2025.

Type of service/transaction	Receiver*	Price method	2025	2024
Interest income loan to related party	KCCS	2.2%	978	500
Interest income loan to related party	KCCC	2.8%	-	44
Guarantee commission	KCCS	0.2%	322	293
Guarantee commission	KCCB	0.2%	31	38
Interest income from related party (note 9)			1 331	875

Type of service/transaction	Receiver*	Price method	2025	2024
Interest expense loan from related party	KCCS	2.75%	-	(236)
Interest expenses to related party (note 9)			-	(236)

06 Salary

Current assets related parties

(USD '000)	Counterparty*	31 Dec 2025	31 Dec 2024
Short- term receivables from related parties	KCCS	-	83
Short- term receivables from related parties	KCCC	15	-
Short- term receivables from related parties	KSM	-	229
Short- term receivables from related parties	KCCB	5	-
Short- term receivables from related parties	KAS	48	243
Short-term assets related parties		69	555

(USD '000)	Counterparty*	31 Dec 2025	31 Dec 2024
Long-term loan to related parties	KCCB	4 870	-
Long-term loan to related parties	KCCS	-	32 750
Other long-term receivables (loan to employees)	Employees	186	157
Long- term assets related parties		5 056	32 907

KCC, as lender, has provided a loan to KCC Bass AS (USD 4.9 million). The loan falls due at the end of 2027.

Loans to employees (and affiliates to employees) have been made in connection with employees' purchase of shares in the Company. Interest on the loan is set to the Norwegian Tax Administration's normal interest rate for the taxation of low-cost loans.

(USD '000)	Counterparty*	31 Dec 2025	31 Dec 2024
Short-term debt to related parties	KAS	49	5
Short-term debt to related parties	KCCC	-	2
Short-term debt to related parties	KCCS	305	-
Short-term debt to related parties	KD	-	14
Short-term debt to related parties	KSM	-	14
Current debt to related parties		353	34

06 Salary

(USD '000)	2025	2024
Salaries and other remuneration	3 493	2 449
Pension benefit	249	117
Other social costs	26	8
Other personnel related expenses	13	6
Salaries and social expense	3 781	2 581

The Company has sixteen employees as per year end 2025. For more information related to salary expenses - see Group [note 7](#).

07 Tax

The Company is regulated by ordinary taxation rules in Norway. The ordinary rate of corporation tax in Norway is 22 % for 2025 (22 % in 2024). The Company has a negative result before tax. Deferred tax assets are only recognised to the extent that future utilization can be justified which is not probable as per 31 December 2025. Tax expense for 2025 is zero.

(USD '000)	2025	2024
------------	------	------

Tax payable	-	-
Effect of the Group contribution	-	-
Total tax expense / income (-) reported in the income statement	-	-
Tax on net (gain)/loss on cash flow hedges	-	-
Deferred tax charged to OCI	-	-

Tax payable (USD '000)	Income	2025 Tax effect	Income	2024 Tax effect
Profit / loss (-) before taxes, incl OCI	(7 425)	(1 634)	92 421	20 333
Non-deductible expenses	140	31	82	18
Transaction cost capital increase charged over equity	-	-	-	-
Premium paid on financial instruments	(335)	(74)	946	208
Dividends/group contribution from investments covered by the tax exemption model	-	-	(104 000)	(22 880)
Unrealized gain/loss on financial instruments valued at fair	(174)	(38)	421	93
Change in tax losses carried forward	13 711	3 016	13 078	2 877
Total tax basis and tax payable before group contribution	5 917	1 301	2 948	649
Exchange rate differences	(5 917)	(1 301)	(2 948)	(649)
Tax payable in the balance sheet	-	-	-	-

Temporary differences - ordinary taxation (USD '000)	Temporary difference	2025 Tax effect	Temporary difference	2024 Tax effect
Temporary differences	750	165	-	-
Intercepted interest carry forward	(1 167)	(257)	(1 035)	(228)
Tax losses carried forward	(68 887)	(15 155)	(48 078)	(10 577)
Gains and losses account	(5 807)	(1 278)	(5 940)	(1 307)
Unrealised gain/loss financial instruments	4 996	1 099	(4 800)	(1 056)
Realised gain/loss financial instruments	(11)	(2)	946	208
Deferred tax asset not recognised in the balance sheet	70 126	15 427	58 907	12 960
Net temporary differences - deferred tax liability/asset (-)	-	-	-	-
Deferred tax asset/liability in balance sheet	-	-	-	-

08 Financial Assets and Financial Liabilities

Bond loan	Face value NOK'000	Year of maturity	Carrying amount USD'000
KCC05	200 000	05/09/28	47 077
Tap issue (Q2 2024)	300 000	05/09/28	28 011
Exchange rate adjustment			4 431
Capitalized expenses			(712)
Bond Premium			760
Sum KCC05	800 000		79 567
Total bond loan	800 000		79 567

The NOK bond loan, whereof NOK 500 million was issued in September 2023 and NOK 300 million was issued in May 2024 through a tap issue, has been converted from floating NOK (NIBOR + 3.65%) to floating USD (Term SOFR + 3.69%) at a weighted average USDNOK of 10.65 through cross-currency interest rate swaps (CCIRS). The CCIRS qualify for hedge accounting with changes through other comprehensive income.

Maturity profile to financial liabilities at 31 December 2025

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments including interest expenses and CCIRS.

Maturity profile (USD '000)	< 1 year	2-3 years	4-5 years	> 5 years	Total
	2 026	2027-2028	2029-2030	2031-	
Bond loan (incl interests)	5 407	84 040	-	-	89 447

Covenants

As per 31 December 2025, the Company is in compliance with all financial covenants. Covenants relate to minimum equity (USD 125 million), equity ratio (30%), and cash (USD 15 million) on a consolidated basis.

Financial assets (USD '000)	2025	2024
Financial instruments at fair value through OCI		
Cross-currency interest rate swap	5 006	120
Financial instruments at fair value through P&L		
Forward currency contracts	-	-
Financial assets	5 006	120
Current	729	120
Non-current	4 277	-

Financial liabilities (USD '000)	2025	2024
Financial instruments at fair value through OCI		
Cross-currency interest rate swap	10	4 920
Financial instruments at fair value through P&L		
Forward currency contracts	11	164
Financial liabilities	21	5 084
Current	11	555
Non-current	10	4 529

KCC guarantees on behalf of KCC Shipowning AS and KCC Bass AS (part of the KCC Group) to the lending banks for the mortgage debt including unpaid interest, costs and hedging agreements. As of 31.12.2025 sum of loans, accrued interest and net mark-to-market on hedging contracts amounts to USD 194.2 million.

(USD '000)	2025	2024
Mortgage debt	189 546	156 200
Net MtM hedging agreements	3 561	4 382
Accrued unpaid interest	1 059	304
Book value of guarantees provided	194 166	160 886

09 Financial Items

Finance income (USD '000)	Notes	2025	2024
Interest income		666	1 413
Interest income from related parties	5	978	544
Income from investments in subsidiaries		-	104 000
Gain on currency contracts		524	10
Gain on foreign exchange		253	157
Other financial income		1	290
Other financial income from related parties	5	353	331
Finance income		2 775	106 745

In 2024, the Company has recognized dividends of USD 104 million from subsidiaries of which USD 97 million from KCC Shipowning AS and USD 7 million from KCC Bass AS ([note 3](#)).

Finance costs (USD '000)	Notes	2025	2024
Interest paid to related parties	5	-	236
Other interest expenses		-	1
Interest expenses bond loan		6 068	6 743
Amortization capitalized fees on loans		259	255
Other financial expenses		17	248
Loss on currency contracts		38	500
Finance expenses		6 382	7 983

Responsibility Statement

The responsibility statement includes the Board of Directors and the CEO's approval of the Annual Report 2025

We confirm that, to the best of our knowledge, the consolidated financial statements for the period 1 January to 31 December 2025 have been prepared in accordance with IFRS Accounting Standards as endorsed by the European Union and give a true and fair view of the Company's assets, liabilities, financial position and profit.

We also confirm, to the best of our knowledge, that the Board of Directors' Report includes a fair review of important events that have occurred during the financial year and their impact on the consolidated financial statements of Klaveness Combination Carriers ASA, and a description of the principal risks and uncertainties for 2026.

10 Events After the Balance Sheet Date

On 12 February 2025, the Company's Board of Directors declared to pay a cash dividend to the Company's shareholders of USD 4.7 million for Q4 2025 (USD 0.08 per share). A provision of USD 4.7 million has been included as trade and other payables as per 31 December 2025.

A subsidiary of KCC took delivery of a CABU newbuilding on 6 February 2026. In connection with the delivery the subsidiary made a drawdown of USD 40 million on a mortgage debt facility. The facility, as all other mortgage debt facilities in the Group, is guaranteed by KCC.

There are no other events after the balance sheet date that have material effect on the Financial Statement as of 31 December 2025.



KCC Anual report 2025_for signing-compressed.pdf

Name	Method	Signed at
Møgster, Marianne	BANKID	2026-02-12 19:07 GMT+01
Øvreås, Magne	BANKID	2026-02-12 18:44 GMT+01
Dahm, Engebret	BANKID	2026-02-12 18:44 GMT+01
MEYER, ERNST ANDRÉ	BANKID	2026-02-12 18:32 GMT+01
Andreassen, Gøran	BANKID	2026-02-12 18:42 GMT+01
Eilertsen, Brita	BANKID	2026-02-12 19:03 GMT+01

Auditors Report



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Medlemmer av Den norske Revisorforening

To the General Meeting in Klaveness Combination Carriers ASA

INDEPENDENT AUDITOR'S REPORT

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Klaveness Combination Carriers ASA (the Company), which comprise:

- The financial statements of the company, which comprise statement of financial position as at 31 December 2025, the income statement, statement of comprehensive income, statement of cash flows and statement of changes in equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies, and
- The financial statements of the group, which comprise statement of financial position as at 31 December 2025, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including material accounting policy information.

In our opinion:

- the financial statements comply with applicable statutory requirements,
- the financial statements of the company give a true and fair view of the financial position of the company as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with simplified application of International Accounting Standards according to the Norwegian Accounting Act section 3-9, and
- the financial statements of the group give a true and fair view of the financial position of the group as at 31 December 2025, and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the audit committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company and the Group in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (the IESBA Code) as applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 8 years from the election by the general meeting of the shareholders in 2018.

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Penneo Dokumentnr:4GTDE-7P1Z0-0MAP9-TRPGK-ROCW7-3ZL1C



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Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for 2025. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Accounting estimates related to vessels

Basis for the key audit matter

The accounting estimates for vessels have a material impact for the Group due to their cumulative value and long-lived nature. The key estimates requiring judgment include determination of useful lives and residual values, identification of cash generating units (CGU), evaluation of indicators of impairment, and if present, testing carrying values for impairment based on estimated recoverable amounts. As these estimates have material impact for the Group, this was considered a key audit matter.

Management estimated useful lives based on experience as well as industry practice for conventional dry bulk and tanker vessels respectively and considering the risk of assets becoming stranded. The residual value has been based on an average of observable recycling prices, considering the expected impact of the EU Ship Recycling Regulation for safer and greener recycling.

Management considers the fleet of CLEANBU and the fleet of CABU as two separate cash generating units ("CGUs") in their assessment of impairment indicators. Management did not identify indicators of impairment for any CGU, and therefore no impairment test was performed. The assessment included an evaluation of external and internal factors, including market rates, changes in technological, economic or legal environment, changes to discount rates, market capitalization, physical damage and actual utilization of the vessels.

Our audit response

Based on our understanding of the nature of the Group's business and the economic environment in which its vessels operate, we assessed the determination of the different CGUs that make up the Group. We evaluated the management's estimation of useful lives and residual value, and compared these to industry practice, experience with similar type of vessels and environmental developments, available data for green recycling, experience from prior years and plans for docking and maintenance. We further recalculated depreciations for the year. We reviewed the potential indicators of impairment that would require impairment testing of CGUs and evaluated management's assessment of indicators. Finally, we read the disclosures regarding these judgments, which are included in note 9 of the Group's consolidated financial statements.

Other information

The Board of Directors and Chief Executive Officer (management) are responsible for the information in the Board of Directors' report and the other information presented with the financial statements. The other information consists of the information included in the annual report other than the financial statement and our auditor's report. Our opinion on the financial statements does not cover the information in the Board of Directors' report and the other information presented with the financial statements.

Independent auditor's report - Klaveness Combination Carriers ASA 2025

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Penneo Dokumentnr:4GTDE-7P1Z0-0MAP9-TRPGK-ROCW7-3ZL1C



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In connection with our audit of the financial statements, our responsibility is to read the information in the Board of Directors' report and the other information presented with the financial statements. The purpose is to consider if there is material inconsistency between the information in the Board of Directors' report and the other information and the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report and the other information presented with the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our statement on the Board of Directors' report applies correspondingly for the statement on Corporate Governance.

Responsibilities of management for the financial statements

Management is responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with simplified application of International Accounting Standards according to the Norwegian Accounting Act section 3-9, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group, or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.

Independent auditor's report - Klaveness Combination Carriers ASA 2025

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3



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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirement

Report on compliance with regulation on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of Klaveness Combination Carriers ASA we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name *kla-2025-12-31-1-en*, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (the ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF Regulation.

Management's responsibilities

Independent auditor's report - Klaveness Combination Carriers ASA 2025

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4

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Management is responsible for the preparation of the annual report in compliance with the ESEF Regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's responsibilities

Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in accordance with the ESEF Regulation. We conduct our work in accordance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in accordance with the ESEF Regulation.

As part of our work, we perform procedures to obtain an understanding of the company's processes for preparing the financial statements in accordance with the ESEF Regulation. We test whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Oslo, 12 February 2026
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The auditor's report is signed electronically

Johan Lid Nordby
State Authorised Public Accountant (Norway)

Independent auditor's report - Klaveness Combination Carriers ASA 2025
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Johan Lid Nordby

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Independent Assurance Report from EY



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INDEPENDENT ACCOUNTANT'S ASSURANCE REPORT

To the board of directors in Klaveness Combination Carriers ASA

Scope

We have been engaged by Klaveness Combination Carriers ASA to perform a limited assurance engagement, as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on Klaveness Combination Carriers ASA's selected indicators as defined and specified in the tables on page 43, 44 and 46 in Klaveness Combination Carriers ASA's Annual Report 2025, as of 31 December 2025 and for the period from 1 January to 31 December 2025 (the "Subject Matter") as for the year then ended. The selected indicators included in the "Subject Matter" are:

- EEOI (Energy Efficiency Operational Index)
- % in combination trade
- Ballast days in % of on-hire days
- Benchmark 2025
- Total greenhouse gas emission (scope 1, scope 2 and significant scope 3 categories)

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Sustainability Statement in the Annual Report 2025, and accordingly, we do not express a conclusion on this information.

Criteria applied by Klaveness Combination Carriers ASA

In preparing the Subject Matter, Klaveness Combination Carriers ASA applied two set of criteria (the "Criteria"). For EEOI (Energy Efficiency Operational Index), % in combination trade, Ballast days in % of on-hire days and Benchmark 2025, the applicable criteria is shown on page 43-44 of the report. For Total greenhouse gas emission reporting (scope 1, scope 2 and significant scope 3 categories), the relevant criteria applied is the Greenhouse Gas Protocol that can be accessed at www.ghgprotocol.org and are available to the public. Such Criteria were specifically designed for companies and other organizations that want to report their sustainability impacts in a consistent and credible way. As a result, the Subject Matter information may not be suitable for another purpose.

Klaveness Combination Carriers ASA's responsibilities

Klaveness Combination Carriers ASA's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ISAE 3000 (Revised)') and the terms of reference for this engagement as agreed with Klaveness Combination Carriers ASA on 28. August 2025. This standard requires that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject



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Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Our Independence and quality management

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements*, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained if a reasonable assurance engagement had been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

The Greenhouse Gas quantification process is subject to scientific uncertainty, which arises because of incomplete scientific knowledge about the measurement of GHGs. Additionally, quantification of GHG's is subject to estimation (or measurement) uncertainty resulting from the measurement and calculation processes used to quantify emissions within the bounds of existing scientific knowledge.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other appropriate procedures.

Our procedures included:

- Interviews with key personnel to understand the business and the reporting process.
- Interviews with key personnel to understand the process for collecting, processing and reporting the Subject Matter during the reporting period.
- Test on a sample basis the calculation Criteria against the methodologies outlined in the Criteria.
- Analytical review procedures of the data
- Test of assumptions supporting the calculations
- Comparison, on a sample basis, the underlying source information



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We believe that our procedures provide us with an adequate basis for our conclusion. We also performed such other procedures as we considered necessary in the circumstances.

Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Subject Matter as of 31 December 2025 and for the year then ended in order for it to be in accordance with the Criteria.

Oslo, 12 February 2026
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The attestation report is signed electronically

Johan Lid Nordby
State Authorised Public Accountant



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Johan Lid Nordby

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