

Transparency Act Report 2025

12 February 2026

KCC structure and operations

This report has been developed to comply with the legal requirements as stated in the Norwegian Transparency Act of June 2021. The reporting requirement applies to Klaveness Combination Carriers ASA (“KCC”), KCC Shipowning AS (“KCCS”), KCC Chartering AS (“KCCC”) and KCC Bass AS (“KCCB”) as the companies are resident in Norway and each has consolidated total assets of more than NOK 35 million, combined with consolidated revenue of more than NOK 70 million. KCCS, KCCC and KCCB are owned 100% by the holding company, KCC, together defined as the “KCC Group”.

The KCC Group has offices in Oslo, Norway, and Singapore and in addition purchases services from subsidiaries of the majority shareholder, Rederiaksjeselskapet Torvald Klaveness, located in the Philippines and Dubai. The seafarers are from the Philippines, South Africa, Poland, Romania, and The Czech Republic and are employed on contracts with OSM Maritime Crew Ltd (“OSM Mar”). OSM Mar serves as the crewing manager for vessels under technical management with Klaveness Ship Management AS (“KSM”). Both KSM and OSM Mar is owned by OSM Thome. The crew base is stable with a retention rate of 100% for 2025. Crew are classed as non-employees in the category S1 Own Workforce in line with the Corporate Sustainability Reporting Directive and in this Transparency Act Report.

The KCC Group owns and operates 16 combination carriers that are employed globally, currently with main trading areas in the Far East, Middle East, Australia, India, and South and North America. Dry-dockings of vessels every 2-3 years are mainly performed in China and KCCS has three vessels under construction in China, to be delivered in 2026. The KCC Group’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 in turn could result in injuries, ill health, or death.

Policies, governance and training

As stated in KCC’s Code of Conduct available on KCC’s web site and applicable for all companies in the KCC Group:

- 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.
- 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.

The KCC Group expects those who do business with us (our “Counterparties”) to implement the principles described in the Counterparty Code of Conduct (“CoCC”) in their businesses or to have at least equivalent standards adopted and to conduct their business in accordance therewith. The CoCC is also available on KCC’s web site. KCC includes a clause referring to KCC’s expectations with reference to its CoCC in contracts when relevant.

The Code of Conduct and the Counterparty Code of Conduct have been approved by the Board of Directors of KCC. The Code of Conduct was revised in January 2025, while the Counterparty Code of Conduct was last updated in 2022. Policies and guidelines forming part of the Compliance Program are subject to regular review and are updated as necessary in response to new or amended regulations, as well as other material changes affecting the activities or organizational structure of the KCC Group. In addition to the revision of the Code of Conduct, the Guidelines for Whistleblowing, which are also relevant for the Transparency Act, were updated in 2025.

Risk mapping and due diligence

KCC's Know Your Counterparties Procedures ("KYC Procedures") applicable for all companies in the KCC Group include sanctions checks, business ethics checks and credit rating of all counterparties. The KYC Procedures seek to independently identify the risk that current and potential counterparties are not compliant with the CCoC. Prior to the implementation of the 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 established. The heatmap was evaluated and updated in 2024. Based on the heatmap, additional due diligence checks are performed whenever high risks are involved. The KYC questionnaire used when assessing counterparties was as well expanded in 2024, requiring information about counterparties' suppliers and sub-contractors. Special concerns related to specific counterparties and/or their value chains uncovered through the risk mapping and due diligence, are assessed by a 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.

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 heatmap is evaluated on a regular basis.

Main risks and risk management

The KCC Group did not detect severe human rights violations or substandard working conditions in our own operations in 2025. Crew safety is priority number one for the KCC Group and the ship manager, KSM. In 2025, the Group experienced no major injuries and one medium injury, which involved an ankle sprain sustained by a crew member. The Lost Time Injuries Frequency (LTIF)¹ for the fleet was 0.6 in 2025 as the fleet experienced two crew injuries. The LTIF was above KCC's target of 0.5 and

Human rights and working conditions risk map

Low risk Medium risk High risk

Geographical area/ Type of activity/value chain	Europe	North America	South & Central America	Oceania	Africa	Middle East	Singapore+ OECD Asia (Japan, South Korea)	Rest of Asia incl. China and India
Mining ,metals, minerals incl. alumina	Medium risk	Medium risk	Medium risk	Medium risk	High risk	High risk	Medium risk	High risk
Oil exploration and refining	Low risk	Low risk	Medium risk	Low risk	High risk	High risk	Low risk	High risk
Power plants	Low risk	Low risk	Medium risk	Low risk	High risk	High risk	Low risk	High risk
Food industries	Low risk	Low risk	Medium risk	Low risk	High risk	High risk	Low risk	High risk
Trading companies	Low risk	Low risk	Medium risk	Low risk	High risk	High risk	Low risk	High risk
Shipping and logistics (ship owners, ship management, operators etc.)	Medium risk	Medium risk	Medium risk	Medium risk	High risk	High risk	Medium risk	High risk
Ports and Agents (e.g., tug boats and stevedores)	Low risk	Low risk	Medium risk	Low risk	High risk	High risk	Low risk	High risk
Bunkering (incl. barges)	Low risk	Low risk	Medium risk	Low risk	High risk	High risk	Low risk	High risk
Dry docking and newbuilds (yards)	Low risk	Low risk	Medium risk	Low risk	High risk	High risk	Low risk	High risk
Equipment makers	Low risk	Low risk	Medium risk	Low risk	High risk	High risk	Low risk	High risk

the development is monitored and there is high focus on safety and learning from inspections, incidents and safety observations. In addition to safety, securing decent crew salaries and securing crew health and wellbeing are priority areas for the KCC Group. Terms and conditions in the crew's Contract of Employment ("CoE") are regulated by the Collective Bargaining Agreements ("CBA") between the Norwegian Shipowners' Association ("NSA") and the International Transport Workers' Federation entities ("ITF") in the respective countries and are as well covered by a special agreement with the ITF in Norway on behalf of beforementioned ITF entities. KSM is in addition Maritime Labor Convention ("MLC") certified adding further beneficial conditions for seafarers onboard and their rights as employees. KSM has as well its own beneficial conditions for seafarers giving them additional benefits related to financial matters, competence development and wellbeing for sailors and their families.

KCC has through the work with the Double Materiality Assessment (DMA) as part of the Corporate Sustainability Reporting Directive (CSRD) defined the following categories of workers in the value chain as being at an elevated risk level for exposure to negative impacts related to health, safety and other work-related rights. This evaluation has not changed materially from last year's report:

- Workers at newbuilding-, maintenance- and recycling yards. 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 has been identified as a known risk in the sector, which may contribute to an increased risk of forced labor.
- 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 bunkers suppliers are mainly large international companies with equally or stricter standards compared to 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 shortage 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 consultant 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.

Based on issues identified through the KYC Procedures, 10 potential counterparties were excluded from business with the KCC Group and/or other Klaveness companies during 2025, whereof one was subsequently approved. Half of the cases relates 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.

In 2024, all port agents were screened with no material findings. In 2025, additional KYC assessments likewise did not identify any breaches of human or worker rights related to port or bunkering activities.

A due diligence of the newbuilding yard did not uncover any findings preventing KCC from entering into the shipbuilding contracts in 2023. 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, and KCC, KSM, and 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. During 2026, KCC will also assess in more depth how one or more key service suppliers evaluate and address risks related to human rights and working conditions in their operations and value chains.

Whistleblowing mechanism

The KCC Group 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 the KCC Group's business have the right to and are encouraged to whistleblow and the whistleblower shall be protected against retaliation because of such whistleblowing.

The KCC Group has an external whistleblowing channel available on the KCC website for both employees and external parties, while OSM Thome has a whistleblowing channel for the crew. The receiver of whistleblowing from employees and external parties is the Chief Compliance Officer ("CCO") in Torvald Klaveness. The CCO notifies KCC's Audit Committee about whistleblowing notifications related to KCC independent of where the whistleblowing is coming from.

Klaveness Combination Carriers ASA, KCC Shipowning AS,
KCC Chartering AS and KCC Bass AS
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