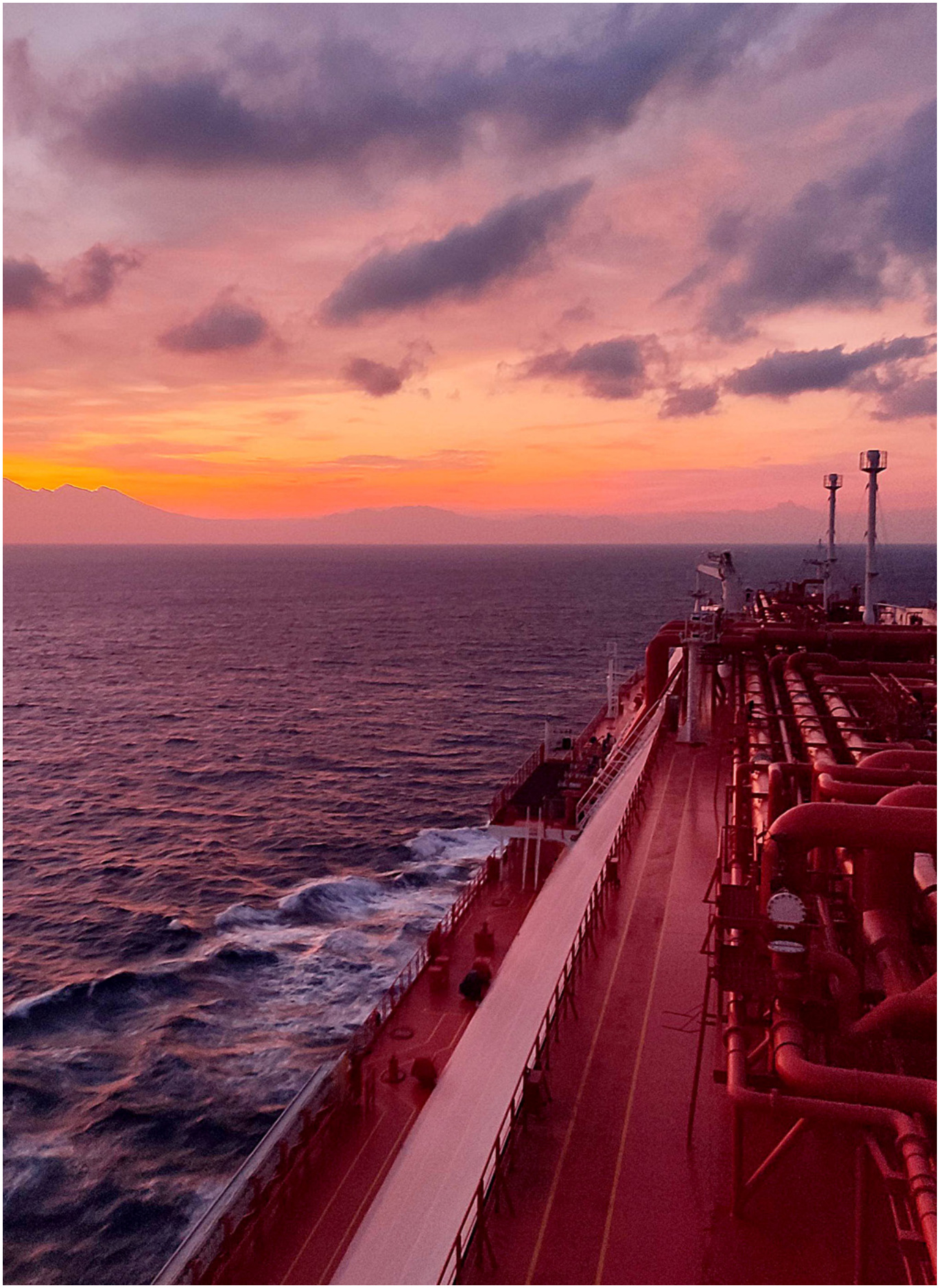
Knutsen OAS Shipping

2024 // ESG REPORT



ABOUT THE COMPANY

The Knutsen Group (the 'Group') is a world leading shipping company serving the energy industry. This report covers Knutsen OAS Shipping AS (Knutsen OAS Shipping / the Company), a wholly owned subsidiary within the Group, that undertakes the commercial and technical management of the Group's LNG carriers. Additionally, we support and supervise the Group's newbuilding operations.

Knutsen OAS Shipping provides high quality services and technology that ensures our employees' safety and wellbeing, and works hard to meet our customers' demands and societies' expectations. As of the end of 2024, Knutsen OAS Shipping operated a fleet of 29 LNG carriers, alongside an active newbuilding program for 14 state-of-the-art LNG carriers. During the year, the company also managed 2 product tankers, which were divested in July and August 2024. This divestment marks the conclusion of 35 years of operations within the product tanker segment. Following this strategic transition, Knutsen OAS Shipping now exclusively operates LNG carriers, reinforcing its position as a leading player in the liquefied natural gas transportation sector.

ABOUT THIS REPORT

This report is compiled in accordance with the Norwegian Shipowners' Association's ESG reporting guidelines. These guidelines are based on a set of predefined material issues and corresponding disclosures for the shipping industry developed by the Sustainability Accounting Standards Board (SASB)/Value Reporting Foundation, and reference is also made to the UN Sustainable Development goals. This report covers the period 1 January to 31 December 2024.

> ***Knutsen OAS Shipping is a fully integrated shipping company with operation, newbuilding supervision, chartering, ship management and project development in-house.***

** In 2024, both Eli Knutsen and Liv Knutsen were sold, bringing the company's product tanker operations to a close.*

Shipboard employees onboard at Dec 31, 2024:

1145

2023: 1 224

LNG carriers at Dec 31, 2024:

29

2023: 28

LNG carriers average age:

8.01 years

2023: 7.1 years

Fleet annual efficiency ratio | LNG carriers:

7.29 g CO2 / dwt nm

2023: 7.7 g CO2 / dtw nm

Nautical miles travelled by vessels in 2024:

2 795 878.57 nm

2023: 1 224

Product tankers at Dec 31, 2024

0*

2023: 2

Product tankers // Average age:

Not applicable

2023: 14.4 years

Fleet annual efficiency ratio // Product tankers:

Not applicable

2023: 17.1 g CO2 / dwt nm

Lost time injuries frequency (LTIF):

0.16

2023: 0.143

1. INTRODUCTION

The shipping industry stands at the intersection of energy security and environmental responsibility. As global concerns over energy supply intensify, Knutsen OAS Shipping remains committed to ensuring the reliable transportation of energy resources while proactively aligning with evolving climate regulations. Our strategic focus is on innovation and advancing technological solutions that address key environmental, social, and governance (ESG) challenges. We recognize our responsibility to the environment in which we operate, to our people, and to the broader stakeholder community.

A major development in 2024 was the inclusion of maritime shipping in the EU Emissions Trading System (EU ETS), applying carbon costs to emissions from voyages to, from, or within the European Economic Area. This marked a significant shift toward embedding emissions pricing into maritime operations and highlighted the sector's growing commitment to reducing greenhouse gas emissions.

The Group navigated a pivotal year of regulatory change, with a strong focus on the implementation of the EU Emissions Trading System (EU ETS) requirements and at the same time, we advanced preparations for the FuelEU Maritime regulation, which complement the EU ETS by shifting attention from stack emissions to the carbon intensity of fuel used onboard. The Fuel EU regulation would come into force on January 1, 2025. The regulation follows a GHG well-to-wake approach, evaluating emissions across the full lifecycle of fuel. In 2024, the Group continued to strengthen its readiness for upcoming emissions regulations. All vessels secured approval for updated monitoring plans, ensuring reliable systems for tracking and verifying emissions data. These steps demonstrate the Group's proactive approach to meeting future reduction targets and adapting to evolving regulatory requirements.

Throughout 2024, we reinforced our focus on lowering greenhouse gas (GHG) emissions and optimizing fleet performance. We have taken a hands-on approach to operational improvements, actively leveraging technology to minimize the environmental footprint of our fleet. Central to this effort is our strategy of replacing older vessels with newer, more energy-efficient models equipped with advanced technologies. This ongoing modernization supports the Group's long-term ambition to operate sustainably.

The Group's most critical objective is to operate safely, and ensuring the health, safety and motivation of the crew is our primary concern. We achieve this focus by treating health and safety with the same importance as operational and financial matters. Corporate governance remains essential for maintaining the trust of our stakeholders and the Company's standing in financial markets. We remain committed to implementing high standards in all areas of our business conduct and operations including through financial and operational audits, applying our Supplier Due Diligence policy, conducting business partner integrity due diligence.

In 2024, The Group undertook a comprehensive double materiality assessment as part of our broader sustainability strategy. This process involved collaboration across multiple departments and was guided by the requirements of the ESRS, in preparation for the CSRD, originally set to take effect on January 1, 2025.

In April 2025, the European Parliament and Council approved the Stop the Clock Directive, delaying implementation timelines for certain sustainability reporting and due diligence requirements. In light of the revised CSRD timeline, we anticipate publishing our first fully compliant sustainability report in 2028.

Recognizing the growing importance of data accuracy, we established a new partnership with DNV as our accredited verifier in 2024. Through the use of DNV's Emissions Connect platform, we have strengthened the precision and timeliness of our emissions reporting. This digital solution delivers daily verified emissions data, supporting compliance with key regulations including the Carbon Intensity Indicator (CII), EU Emissions Trading System (EU ETS), and FuelEU Maritime.

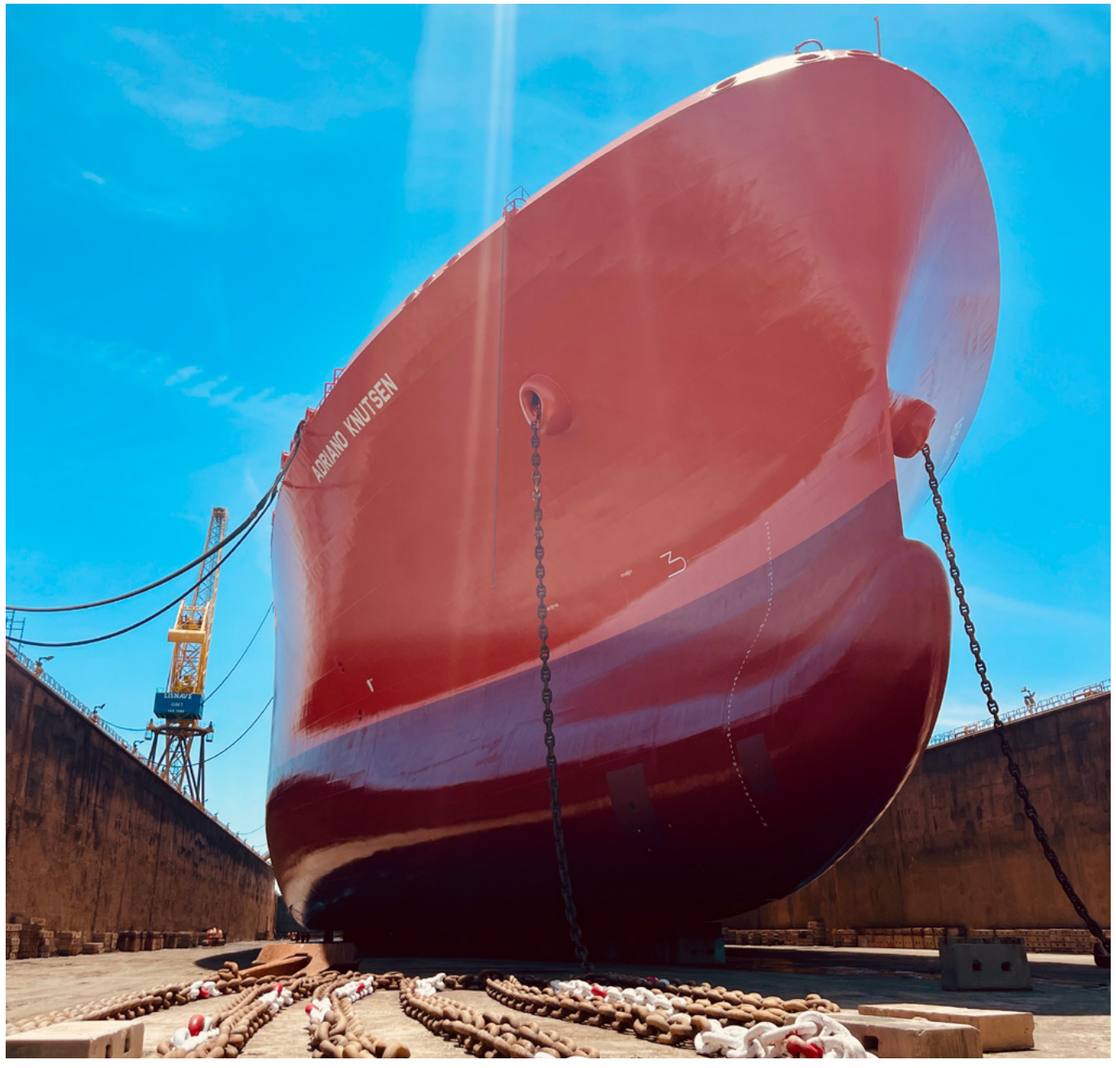
The adoption of Emissions Connect enables us to access trusted, high-frequency emissions data, significantly reducing the risk of reporting errors. This enhanced level of data transparency and accuracy ensures more informed decision-making and strengthens our ability to comply with evolving regulatory requirements in the maritime sector.

Through this publication, we aim to transparently convey our overriding commitment to ESG matters and provide consistent reporting on all of our key initiatives, policies and performance matters.

August 2025

Trygve Seglem
Chairman — Knutsen OAS Shipping

Synnøve Seglem
Managing Director — Knutsen OAS Shipping



2. ESG FRAMEWORKS AND DISCLOSURES

The Group is convinced that sustainable operations support the long-term interests of the Company and its stakeholders, as well as being in its best financial interest. The Group's core values are credibility, innovation, and care, and these are reflected in our work, culture and reputation amongst business partners.

Knutsen OAS Shipping reports on ESG topics in accordance with The Norwegian Shipowner's Association's Guidelines for the shipping and offshore industries as published in November 2021. The ESG topics identified by the Association allow The Group report on issues that are material to the shipping industry and that are relevant to both internal and external stakeholders.

The Guidelines are based on the following internationally recognized reporting frameworks:

THE GLOBAL REPORTING INITIATIVE is the most widely used international reporting framework for sustainability reporting, with over 90 per cent of the largest companies in the world using this standard.

GRI is based on international standards such as the UN Guiding Principles of Business and Human Rights, UN Global Compact and OECD Guidelines for Multinational Enterprises.

THE SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) aims to help businesses identify, manage and report on the sustainability topics that matter most to their investors.

SASB has developed 77 globally applicable industry-specific standards which identify a minimum set of financially material sustainability topics and their associated metrics for the typical company in an industry.

THE 17 SUSTAINABLE DEVELOPMENT GOALS (SDGS) define global sustainable priorities and aspirations for 2030.

The SDGs call for worldwide action among governments, business and civil society to end poverty and create a life of dignity and opportunity for all, within the boundaries of the planet. While not a reporting framework per se, many businesses refer to the SDGs in their reports.

POSEIDON PRINCIPLES: These principles aim to communicate relevant information to lenders, lessors, and financial guarantors allowing them to follow the Poseidon Principles when assessing and disclosing the climate alignment of their portfolios by providing:

1. Measurement of carbon intensity and an assessment of company climate alignment
2. Accountable data using the IMOs standard for collecting data on fuel consumption from ships.

COMMITMENT TO ENVIRONMENT, SOCIAL AND GOVERNANCE IN SHIPPING

The shipping industry is exposed to inherent risks related to emissions, spills, health and safety, corruption, and regulatory changes. Through its governing system, Knutsen OAS Shipping complies with applicable laws and regulations, while ensuring the quality of its services, the safety of its ship personnel and protection of the environment. Knutsen OAS Shipping is convinced that this is in the best financial interest of the Company and its stakeholders.

Our core values of credibility, innovation, and care are reflected in the performance of Knutsen OAS Shipping's work, our organizational culture, and reputation amongst business partners and society overall. They are central to governing documents and strategies, and thus to the development of The Group.

The Group's Governing Principles and Code of Business Conduct and Ethics (the 'Code') form the foundation for its ESG governance. It guides directors, managers, and other employees (including temporary employees and consultants) in complying with the legal and ethical requirements governing all business conduct. All employees are expected to conduct their actions in accordance with the Code and all applicable laws and regulations. All employees are required to undertake an anti-corruption and anti-bribery training course on a regular basis. Beyond that, employees are required to respect safety and environmental concerns and be sensitive to society at large. The Code provides procedures on how employees must report any breaches of the Code and follow up with any reported misconduct.

ESG MANAGEMENT AND RESPONSIBILITY

The Knutsen OAS Shipping's Board of Directors (the Board) is responsible for the management of the Company and for safe-guarding the proper organization of its operations. The Managing Director is responsible for ensuring that the determined frameworks and the decisions made by the Board are applied to day-to-day management and that governance is effectively implemented and monitored. The corporate and functional policy owners are responsible for complying with the policy principles and reporting to the Managing Director.

The HSSE&QA Director is responsible for establishing the general health, safety, security, environmental protection, and quality assurance (HSSE) policies and requirements applicable to The Group. The HSSE&QA Director is also responsible for monitoring the implementation and the effectiveness of the management system within The Group according to the ISM Code and relevant ISO standards.

The Compliance Officer is responsible for ensuring compliance with the corporate policy documents (Codes of Conduct and Governing Principles). The role includes assistance across The Group to ensure compliance and compliance monitoring is performed robustly. The Compliance Officer is responsible for preparing and coordinating company training programmes related to the Code of Conduct and Anti-Corruption policies.

THE KNUTSEN OAS MANAGEMENT SYSTEM

The Knutsen OAS Shipping Management System (SMS) is an ISM Code-certified system, ensuring compliance with all applicable requirements and regulations for vessels and companies. This system is regularly audited and approved by a third party. All vessels and crew hold the necessary permits, licenses and certificates to carry out operations and did so throughout 2024. Knutsen OAS Shipping is also ISO 14001-2015, ISO 9001-2015, ISO 14001-2015, ISO 9001-2015 and ISO 45001-2018 certified.

Knutsen OAS Shipping is strongly committed to safety, which requires the involvement of the whole organization and beyond. The Group carries out safety, environmental and behavior training for all crew and focuses on lessons learned from incidents or near incidents. Environmental, safety, legal and strategic risk assessments are carried out regularly and reported on annually. Management ensures that all operations have updated risk assessments with associated control activities. For HSE reporting,

Knutsen OAS Shipping uses Unisea software system for all its vessels. Unisea is a tool for registering, identifying and tracking all events that Knutsen OAS Shipping monitors i.e. emissions, spills, safety drills, near miss incidents or suggestions of improvements, but also incidents and root cause analysis reports. This allows The Group to continuously improve operations on vessels as well as its administrative systems.

The Group is regularly vetted and audited by the oil- and energy majors, Class and Flag States, which ensure alignment with regulatory standards. The vessels are vetted by the oil- and energy majors every 4 to 6 months. In parts of 2024, Knutsen OAS Shipping had seven office audits.

RESPONSIBLE SUPPLY CHAIN MANAGEMENT

In selecting suppliers, Knutsen OAS Shipping works hard to choose reputable business partners who are committed to the highest ethical standards and who maintain strong and robust business practices. All suppliers above the minimum limit must sign a Supplier Code of Conduct which states the Company's expectations and standards regarding legal obligations as well as covering issues such as human and labor rights, employment conditions, health and safety, environment and corruption.

COOPERATION INITIATIVES

The International Association of Independent Tanker Owners (INTERTANKO) is a trade association working on a range of operational, technical, legal and commercial issues affecting tanker owners and operators around the world. Knutsen OAS Shipping has been a member since the organization was established in 1970.

Knutsen OAS Shipping joined the **NCE Maritime Clean-Tech** in 2016. This is a Norwegian cluster focusing on finding new clean maritime solutions with commercial potential.

Knutsen OAS Shipping has been an active member of the **Maritime Anti-Corruption Network (MACN)** since 2014. This is a global business network, working towards the vision of a maritime industry free of corruption, enabling fair trade to the benefit of society at large.

As The Group has grown into a larger and more independent shipowner, it is no longer affiliated with Incentra. Originally established to support smaller shipowners in securing favorable procurement terms, Incentra no longer aligns with our current scale and operational priorities, and as such, we have chosen to conclude the partnership.

THE TMSA 2024

The Tanker Management and Self-Assessment (TMSA) allows shipping companies to benchmark and assess their safety management system. The program uses topic and sector-specific KPIs and sets four expectation levels (1-4), where one is “minimum expectation” and 4 is considered “best practice”. Knutsen OAS Shipping recorded a score of 3,44 in 2024.

3. ENVIRONMENT AND ECOLOGY

REGULATORY FRAMEWORK

International environmental regulations are primarily set by IMO (UN Agency for International Shipping). IMO’s Initial GHG Strategy envisages a reduction in the Carbon Intensity of international shipping by at least 40 per cent by 2030, pursuing efforts towards 70 per cent by 2050, compared to 2008. This Initial Strategy was updated in 2023 to align with the enhanced ambitions of the Paris Agreement. The revised strategy aims to achieve net-zero GHG emissions from international shipping by around 2050, encourages the adoption of zero and near-zero GHG fuels by 2030, and sets interim milestones for 2030 and 2040.

During the 81st session of the Marine Environment Protection Committee, two significant measures were established to achieve this strategy: a technical focus on the GHG intensity of fuels and an economic measure involving a GHG emissions pricing mechanism.

Knutsen OAS Shipping supports the Norwegian Shipowners’ Association’s Greenhouse Gas (”GHG”) Strategy for 2030 and towards 2050, which is more stringent than the current IMO’s ambitions. Ships must also comply with the regulations in the country of registration (Flag State). However, we believe that regional and national requirements, first and foremost EU and US regulations, will drive technical and operational improvements.

To prepare for the implementation of the FuelEU Maritime regulation in January 2025, The Group took early and strategic steps to ensure compliance. By 2024, all of our vessels had their FuelEU Monitoring Plans approved by an accredited verifier, confirming our readiness ahead of the deadline. These plans outline how emissions will be monitored and reported for each vessel. In addition, we continue to assess key regulatory mechanisms such as pooling, banking, and borrowing, with a focus on determining which entities within The Group may be eligible to apply these flexibilities. We are also developing streamlined systems for tracking compliance balances to support efficient and transparent reporting under FuelEU Maritime.

In alignment with the European Union’s decision to include maritime emissions in the EU Emissions Trading System (EU ETS) from 2024, The Group has taken active steps to ensure full compliance with the regulation. Under this framework, shipping companies are required to surrender EU Allowances (EUAs) corresponding to their verified CO_2 emissions. To facilitate EUA management, The Group opened a Maritime Operator Holding Account (MOHA) in the Union Registry, enabling us to receive and manage allowances efficiently. All EUAs related to our vessels were verified and submitted to the administering authority by March 31, 2025. We are currently finalizing the process of receiving the remaining outstanding EUAs from charterers, with the final submission deadline set for September 30, 2025.

We have proactively established contractual clauses with charterers to clarify EUA responsibilities for vessels trading into or within the EU. Charterers have been informed of the number of outstanding allowances required for compliance. To support accurate tracking and reporting, The Group has adopted Siglar Carbon's digital solution for effective EUA management across the fleet. While we have not yet purchased EUAs directly, our digital solution provides transparency and facilitates future decision-making.

It is important to note that the current EU ETS includes only carbon dioxide (CO_2) emissions. However, as part of the broader regulatory changes, the EU MRV (Monitoring, Reporting and Verification) system was expanded in 2024 to include the reporting of methane (CH_4) and nitrous oxide (N_2O), two additional greenhouse gases emitted by ships. These gases will be incorporated into the EU ETS from 2026, further extending the scope of the regulation.

THE COMPANY'S ENVIRONMENTAL RESPONSIBILITY

The Group recognizes its responsibility to take proactive measures in addressing the challenges – and opportunities - of climate change. We seek to protect the local environment and ecosystems where the vessels operate. The Company's policy commits to delivering environmentally friendly services that meet or exceed contractual obligations. Suppliers and business partners, including charterers, are expected to adhere to the same environmental standards as the Company, which are stated in the Company's Supplier Code of Conduct.

All operations within The Group's control are planned and executed with a focus on minimizing environmental consequences. Managing environmental risks is therefore integrated into the overall management of the Company, and environmental issues are aligned with other business priorities. The Company's environmental plan has a long-term focus, but as regulations and available technologies change, it is periodically revised.

In 2024, we initiated a feasibility study on installing wind-assisted propulsion system (WAPS) on one of our LNG carriers. The study assessed the number of WAPS units that could be installed, potential fuel and emissions savings, and terminal compatibility. The results were highly positive, and we are now at the investment decision stage. By equipping the vessel with wind sails, we could achieve daily savings of up to 6 tons of fuel, equivalent to reducing approximately 18 tons of CO_2 emissions per day. Going forward, all vessels contracted after January 1, 2025, will comply with Energy Efficiency Design Index (EEDI) Phase 3 standards. These vessels are designed to be 30 percent more energy efficient compared to EEDI Phase 0 vessels, which were introduced on January 1, 2013. These initiatives are fully aligned with the prioritized areas outlined in our five-year Environmental Plan (2024–2028), which focuses on reducing emissions, improving operational efficiency, and supporting the transition to a low-carbon shipping sector.

In 2024, we also increased the frequency of hull cleaning operations across the fleet as part of our efforts to enhance operational efficiency and reduce fuel consumption. Routine hull maintenance mitigates biofouling, thereby decreasing hydrodynamic drag and contributing to our overarching objective of reducing greenhouse gas emissions. In addition, we are testing Shipshave, an in-transit hull cleaning system that enables cleaning during voyages, eliminating the need to wait for a scheduled cleaning opportunity. Environmental risks are managed through the ISO and ISM-certified Knutsen OAS Shipping's Shipping Management System (SMS). The system allows for continuous monitoring of operations to make sure they are aligned with Company policies, international and statutory regulations, and contractual and legal obligations. The system registers, identifies and tracks all events including comprehensive preventive reporting and incidents covering all environmental aspects. This allows us to continuously improve operational procedures and technologies to meet environmental targets.

EFFORTS TO COMBAT CLIMATE CHANGE

The Carbon Intensity of our operations is reflected in the metrics "attained AER" and the corresponding "CII rating". The CII rating depends on vessel design as well as maintenance and operation of the ship and its equipment.

In 2024, The Group intensified its efforts to enhance operational sustainability through several key initiatives. As part of the GAAS (Green AI for Sustainable Shipping) project, the company began testing AI-driven optimization technologies to improve energy efficiency and reduce emissions. The Group continues to explore new ways to cut emissions, such as the use of biofuels, hull cleaning optimizing, as well as nuclear solutions. Additionally, the fleet saw expanded deployment of reverse osmosis systems, contributing to reduced boiler fuel consumption by minimizing reliance on traditional freshwater production methods. These developments reflect The Group's ongoing commitment to operational decarbonization and proactive compliance with upcoming maritime regulations.

OPTIMIZED DESIGN

The hull and propeller design of a vessel determines how efficiently it moves through water. The engine design determines its fuel efficiency, which is important for the Energy Efficiency Design Index (EEDI). Optimizing these designs is therefore important to improve energy efficiency and reduce emissions from the fleet. For the newest LNG carriers, the attained EEDI compared with the required EEDI has gradually improved and is 48% lower than required for the latest delivered ships.

The age of the world's fleet has implications for the sustainability of shipping as younger vessels are more energy efficient, robust and with less emissions to the air. Knutsen OAS Shipping has a young fleet compared to the global market: the LNG carriers average 8.01 years, while the global fleet average in 2024 was approximately 10 to 15 years.

Knutsen OAS Shipping has a long-standing commitment to reducing emissions through technological innovation. While our efforts in this area extend back more than a decade, including early adoption of diesel-electric propulsion and ME-GI engines, we continue to build on this foundation. The new LNG carriers to be delivered in the period 2022-2027 will be propelled by XDF or ME-GA Engines. In 2024, Knutsen OAS Shipping took delivery of 1 vessel (Nantes Knutsen). This vessel is a sister ship of previous

vessels delivered, featuring air lubrication systems installed for further improvement of the vessel's energy efficiency. Combined with the optimized ship hull design, the air lubrication system is expected to reduce CO2 emissions by up to 4-5 per cent, along with significant savings of fuel.

Newbuilds are contracted according to charterers' requirements with energy-saving and emission reduction designs. Knutsen OAS Shipping continues to explore innovative technologies that cut emissions, such as the use of ammonia as fuel and other fuel type alternatives, carbon capture technology, and renewable energy alternatives.

ENERGY SAVING INITIATIVES

Knutsen OAS Shipping has several initiatives in place to reduce emissions and to improve energy efficiency in its operations. Each vessel has a ship energy efficiency management plan (SEEMP) to improve and follow up energy-saving actions onboard. This includes a monitoring system for sailing efficiency (e.g. weather routing and speed optimization) to ensure that the ship's performance is in line with contractual obligations and to reduce fuel consumption.

Several measures have been taken to minimize the use of gas combustion units by way of cargo conditioning and heel of LNG used for ballast sailing. Knutsen OAS Shipping has installed re-liquefaction plants that can re-liquefy all boil-off gas generated in the cargo tanks to minimize fuel consumption on all LNG carriers delivered since 2016.

Since 2015, an ECO Care action plan to promote energy-saving onboard vessels has also been implemented. Each ship is requested to carry out at least 15 defined actions. ECO Care actions and other initiatives raise the awareness of environmentally friendly ship operations. Knutsen OAS Shipping's fleet reported in total 469 ECO Care actions in 2024 (2023: 566), with an average of over 16 per vessel. Combined with other initiatives, this contributes to raising the crew's awareness of environmentally friendly ship operations.

Knutsen OAS Shipping is continuously working to optimize its fleet speed through hull and propeller design, maintenance, and operational procedures. Sea life, such as algae and molluscs, fouls the hull of the vessel and creates increased drag and fuel consumption. To prevent this, all LNG vessels have the latest generation silicon-based coatings and antifouling applied to their hulls. Cleaning and polishing routines of the propeller and hull are based on close monitoring of each vessel's performance.

KNUTSEN GHG REDUCTION INITIATIVES

Knutsen OAS Shipping emissions to the atmosphere during the loading of cargo. Moreover, this technology is patented and sold as KVOC®. Knutsen takes an active approach regarding its operation and the development and employment of technology to reduce its fleet's emissions. An internal environmental group consisting of naval architects and environmental and operational personnel has been established to find solutions to the environmental challenges The Group faces. One very significant and prime example of this is when Knutsen Technology (part of the Knutsen Group) developed a technology to reduce VOC
OAS Shipping's focus on innovation and its passion for sustainable operations drive technological development in the direction needed to meet our responsibilities and face relevant challenges.

The product tanker fleet has installed a Lean Marine fuel optimization system that results in more energy-efficient operation of the vessels. This fuel optimization system reduces fuel consumption by controlling the propulsion and making sure the propulsive power is optimized based on the direct commands from the bridge.

Knutsen OAS Shipping is also a member of the NCE Maritime cleantech, which is a world-leading industry cluster for clean maritime solutions. Through this cluster the Company participates in a project assessing ammonia as marine fuel. This project is in collaboration with Wartsila who has conducted successful tests of this solution. The aim is to get knowledge on how ammonia works on large marine engines.

The Company is involved in NuProShip (Nuclear Propulsion of Merchant Ships), a research program where the purpose is to develop commercially viable zero-emission technology for deep-sea ships that satisfies all stakeholders and require no subsidies after the initial development process.

A ZERO-SPILL POLICY

14 Life Below Water

Knutsen OAS Shipping has a zero-spill policy. The Group's risk management systems and procedures and the implementation of its environmental plan, reduce the risk of harming the environment in which The Group operates, as well as ensuring compliance with international and local regulations. Knutsen OAS Shipping is conscious about the detrimental consequences an oil spill can have on ecosystems, and the safety, reputational and financial risks it poses to The Group. Precautions to reduce the risks of spills and emergency plans are in place should a spill occur. There were zero incidents related to spills in 2024.

GROUNDBREAKING BALLAST WATER TREATMENT SYSTEM

Ballast water is vital for the safe and efficient operation of modern ships. However, it can also pose significant ecological, economic and health risks due to the transfer of marine species between ecosystems.

As of September 2024, all vessels subject to the Ballast Water Management Convention are required to have an approved Ballast water treatment system installed onboard. In compliance with IMO regulations and The Group's Ballast Water management plan, each vessel must meet discharge standards and maintain the following:

- **An Approved Ballast Water Management Plan**
- **A Ballast Water Record Book**
- **An International Ballast Water Management Certificate**

All our vessels are compliant, and 12 of 28 vessels have the KBal system installed onboard, which is a Knutsen design.

RESPONSIBLE SHIP RECYCLING

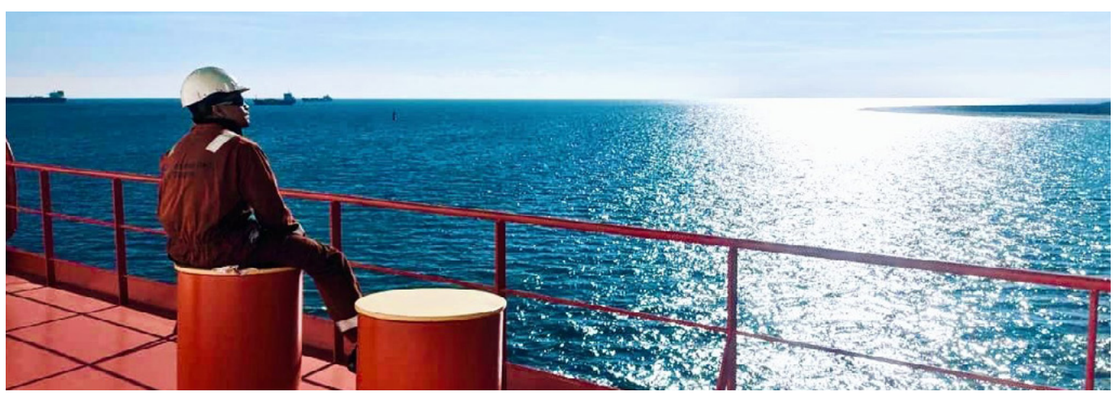
12 Responsible Consumption and Production

The Hong Kong Convention for the Safe and Environmentally Sound Recycling of Ships aims to ensure that ship recycling processes do not pose any unnecessary risks to human health, safety or the environment. The Hong Kong International Convention enter into force on 26th June 2025. The 2019 EU ship recycling regulations remain a key compliance framework for EEA/EU-flagged vessels and visiting third-party ships, guiding our continued commitment to safe hazardous material handling and sustainable recycling. These rules mandate the documentation of onboard hazardous materials through the Inventory of Hazardous Materials (IHM) and require the use of authorized ship recycling facilities.

Knutsen OAS Shipping supports the Hong Kong Convention and seeks to fulfil all requirements set by the EU regarding ship recycling. The Group is a member of industry groups supporting and working in favor of environmentally friendly and safe recycling of vessels. In the case of a sale to a recycling yard or to a buyer intending to recycle the vessel, environmental and safety procedures and audits are conducted prior to signing a contract.

REDUCING PLASTIC POLLUTION

Plastic pollution is harming the oceans, and it endangers life at sea and on land. The IMO has announced a plan to prevent plastic pollution caused by the shipping industry. Knutsen OAS Shipping supports this initiative and abides by the MARPOL Convention Annex V, which states that plastic must either be incinerated or delivered ashore.



OUR DECARBONIZATION TOOLBOX: ENERGY EFFICIENCY MEASURES OVERVIEW

As part of our ongoing commitment to environmental sustainability and emissions reduction, The Group has implemented a range of operational and technical initiatives to enhance the energy efficiency of our LNG carrier fleet. These measures are designed to optimize fuel consumption, reduce greenhouse gas (GHG) emissions, and support long-term compliance with IMO, EEDI, and future CII targets.

CATEGORY	MEASURE	DESCRIPTION	IMPLEMENTATION STAGE
OPERATIONAL *To improve hydrodynamic performance and propulsion efficiency*	**Shipshave technology**	Deployed to reduce hull resistance and fuel consumption	Pilot
	Ultrasound-based systems	Applied to prevent fouling and maintain clean hull surfaces	Not implemented
	Regular hull cleaning	Improves vessel performance and reduces drag	Fleet-wide implementation
	Propeller polishing	Achieves up to a 13% reduction in daily fuel consumption	Fleet-wide implementation
	Weather routing	Software used for fuel optimization and ensuring safety	Partly implemented
TECHNICAL *Our technical upgrades focus on machinery optimization and alternative energy integration*	**Reversed Osmosis Plant**	Achieves up to 50% reduction in boiler fuel consumption.	Not implemented
	Shaft generators (PTO systems)	Reduce genset runtime by supplying hotel/sea load during transit	Partly implemented
	Low-load and auxiliary boilers	Optimized for minimal fuel consumption during reduced demand operations	Partly implemented
	Engine de-rating (ShaPoLi)	Ensures optimal engine load for increased efficiency and ower emissions	Fleet-wide implementation
PROPULSION AND HULL SYSTEM *To boost energy efficiency by enhancing flow dynamics andpropulsion performance*	**Mewis ducts**	Improves propeller thrust and reduces fuel consumption	Partly implemented
	Advanced propeller design and retrofitting	Tailored to improve overall propulsion performance	Pilot
ALTERNATIVE ENERGY SOLUTIONS *We are actively exploring and integrating alternative fuel and energy sources*	**Liquefied Natural Gas (LNG)**	Alternative fuel to reduce emissions	Fleet-wide implementation
	Shore power readiness	Enables emission-free operation while docked	Partly implemented
	Biofuel	Supports renewable fuel integration	Pilot
	Wind-assisted propulsion system	Enables renewable power from the wind to increase propulsion power	Not implemented
	LED lighting	Reduces electrical load	Partly implemented
	Air lubrication system	Reduces hull frictional resistance	Partly implemented
	Waste heat recovery	Recovers exhaust heat for energy reuse	Not implemented
ENERGY-SAVING AND OPERATION-MONITORING SOLUTIONS	**Performance management systems**	Provides real-time energy use insights for continuous optimization	Fleet-wide implementation
	Remote monitoring	upports predictive maintenance and data-driven decision-making to enhance vessel efficiency	Pilot
	Real time methane monitoring system	Methane slip measurements to reduce reported GHG emissions	Pilot

4. HEALTH, SAFETY AND HUMAN RIGHTS

SECURING THE HEALTH AND SAFETY OF OUR CREW

Ensuring the health, safety, security and motivation of the crew was and is one of Knutsen OAS Shipping's highest concerns. Operations at sea pose inherent risks to health and safety, which must be managed carefully to prevent accidents. Knutsen OAS Shipping supports the International Convention for the Safety of Life at Sea (SOLAS). The Group's vision is for zero accidents or incidents to occur in operations. This includes personnel injuries, work-related illnesses, spills, and material damage.

Health and safety in all activities are treated with the same importance as operational and financial matters. The Group's Code of Business Conduct and Ethics outlines expectations for employees and business partners about respecting safety concerns in their work. The Code requires all employees to make sure that all business is conducted in a manner that abides by applicable rules and regulations and to have the highest regard for the health and safety of human life and the environment.

Health and safety risks are managed through the ISM-certified Knutsen OAS Management system. The system allows continuous monitoring of operations to ensure alignment with The Group's policies, international and statutory regulations, and contractual and legal obligations. The system registers, identifies and tracks all events, allowing the Company to continuously improve its operational procedures and technologies to meet its health and safety targets. Furthermore, The Group's Contingency Plan ensures an efficient chain of communication in case of an emergency, ensuring that the organization reacts in a timely and efficient manner.

In 2024, Knutsen OAS Shipping undertook a comprehensive study of the psycho-social work environment, with particular focus on bullying and harassment. The purpose of this initiative was to gain a deeper understanding of how employees experience their mental and social work environment, and to identify areas where improvements could strengthen well-being, retention, and safety.

The survey was developed jointly by our HSE&QA and Crewing departments in collaboration with an established maritime psychology firm. It reached nearly 3,000 employees across our global operations and achieved a strong 56% response rate. To complement the survey, more than 100 qualitative interviews were conducted onboard five vessels, 20 virtual follow-up interviews were held with participants, and 22 officers were interviewed during a company seminar.

The outcome was a nearly 300-page report delivered at the end of 2024, providing detailed analysis of strengths, areas for improvement, and expert recommendations. The findings form the basis for a targeted improvement plan to be developed and implemented in 2025–2026, with a strong emphasis on respect, trust, and mental well-being across our workforce. This study marks an important step in our ongoing commitment to ensuring a safe, supportive, and respectful workplace for all employees.

WORKING CONDITIONS AND COMPETENCE

Knutsen OAS Shipping adheres to the Maritime Labour Convention of 2006 and all applicable International Labour Organisation ("ILO") Conventions, which are also reflected in the Crew Policy, the Code of Business Conduct and Ethics and the Supplier Code of Conduct. The Knutsen OAS Management system ensures that the crew onboard all vessels, permanently and temporarily contracted, are certified and provided with adequate training at all times to ensure safety onboard. The Group's goal is to provide and maintain a safe, healthy, and orderly workplace, where the integrity of all employees is respected. Any form of discrimination or harassment, including those based on race, color, gender, religion, age, national origin, citizenship status, sexual orientation or disability, is not tolerated.

The Crew Policy defines the main principles regarding recruitment, employment and training, compensation and benefits and terms of terminations. This ensures that employment conditions are in accordance with local laws and regulations and that Knutsen OAS Shipping recognizes and respects employees' lawful right of free association. The different Collective Bargain Agreements ("CBA") with different nationalities and flags are negotiated through respective organized unions and the Norwegian Shipowner Association.

PIRACY

In accordance with Annex 29 / Resolution MSC.324(89), the Group implements all necessary measures to safeguard its vessels, onshore offices, and assets against unauthorized access or individuals seeking to harm the crew, ship, cargo, or business operations, or misuse the vessel as a means of causing harm to others. Consistent with recommendations issued by the Norwegian Maritime Authority, the Group has avoided transiting the Suez Canal. No vessels have passed through the canal since the guidance advised rerouting via alternative passages.

Knutsen OAS Shipping follows the guidelines laid down in the latest edition of Best Management Practice (BMP) to avoid, deter or delay piracy attacks in high-risk areas such as the Red Sea, Gulf of Aden, Arabian Sea, Indian Ocean and the Gulf of Guinea region. Knutsen OAS Shipping had no incidents with piracy in 2024.

HUMAN AND LABOR RIGHTS

Human rights issues are germane across the entire lifecycle of a ship – from design, finance and ordering, through building, operation and recycling. As a fully integrated shipping group with operations, newbuilding supervision, chartering and project strives to ensure that labor and human rights are upheld within the organization, development in-house, Knutsen OAS Shipping as well as throughout its supply chain.

The Suppliers Code of Conduct specifically states that suppliers are expected to respect internationally proclaimed human rights, including the personal dignity, privacy, and rights of each individual. It requires business partners to follow the ILO conventions and ensure and recognize the right of free association and collective bargaining. It also prohibits suppliers from using any form of forced or compulsory labor or from employing workers under the age of fifteen. Knutsen OAS Shipping had no reported incidents of human rights violations in 2024.

DIVERSITY

Knutsen OAS Shipping does not accept any form of discrimination at any stage in its recruitment process or whilst any person is employed in their role. This applies to employees and directors, including onboard and shore-based personnel. The shipping industry is male-dominated. The International Chamber of Shipping (ICS) reported in November 2021 that 7.5 percent of seafarers globally are female. In 2024, 2.01 per cent of Knutsen OAS Shipping's seafarers were female. The gender balance in the

5. GOVERNANCE, CONDUCT AND ETHICS

Governance can be split into two aspects: how a company ensures checks and balances internally (corporate governance), and how it complies with legal and ethical requirements (business ethics). Good corporate governance is about establishing a sound platform to govern and control operations, and this contributes to improving business performance. It is a prerequisite that The Group should maintain a strong reputation and high levels of trust in the market. This is achieved through correct attitudes, integrity and conscious responsibility by all employees in respect of health, safety and environment and quality in day-to-day tasks. Knutsen OAS Shipping and its Group's core values are credibility, innovation and care and our policy on corporate governance and ethics is described in The Group's Governing Principles and Code of Conduct.

ANTI-CORRUPTION AND INTERNATIONAL COOPERATION

As a global and essential industry, shipping is inherently exposed to ethical risks such as corruption and bribery. Complex regulations, bureaucratic processes, and overlapping port inspections create opportunities for illicit payment demands. Refusal to comply can lead to costly delays and, in some cases, compromise crew safety. These systemic issues continue to hinder economic and social development.

Risk assessments are performed annually. The risk level of corruption depends on where the operation takes place. While the product tankers mainly operate in the North Europe where corruption risks are considered low, LNG carriers operate in all corners of the world, including in places where the risks of corruption are considered higher. Management at all levels is responsible for ensuring that sufficient internal controls are in place and included as an integrated part of operations and procedures. The Group has a mandatory online training program on anti-corruption and bribery issues. The training is updated on a regular basis.

Knutsen OAS Shipping has independent channels for employees to report breaches and violations of the Group's Code of Conduct and Anti-corruption and anti-bribery policies. This is managed by the Company Compliance Officer. In 2024, zero incidents were reported. In 2024, the IMO published official guidance on maritime anti-corruption as part of the revised Explanatory Manual to the FAL Convention. Aligned with the United Nations Convention against Corruption (UNCAC), the guidance supports the implementation of anti-bribery practices across the sector.

Knutsen OAS Shipping has a zero-tolerance approach to corruption and clear anti-corruption policies are in place to make sure business is conducted with integrity and according to applicable laws and standards. These include The Norwegian Penal Code 2005, the UK Bribery Act 2010 and the United States Foreign Corrupt Practices Act 1977. The Group also has a system that continuously monitors regulations through approved channels, ensuring that vessels are well-informed about specific local requirements at all times. Tackling corruption across the shipping industry requires collective action. Knutsen OAS Shipping has been an active member of MACN – the Maritime Anti-Corruption Network – since 2014. Being a member has provided The Group with valuable know-how and material on how to best organize our efforts to combat potential corruption.

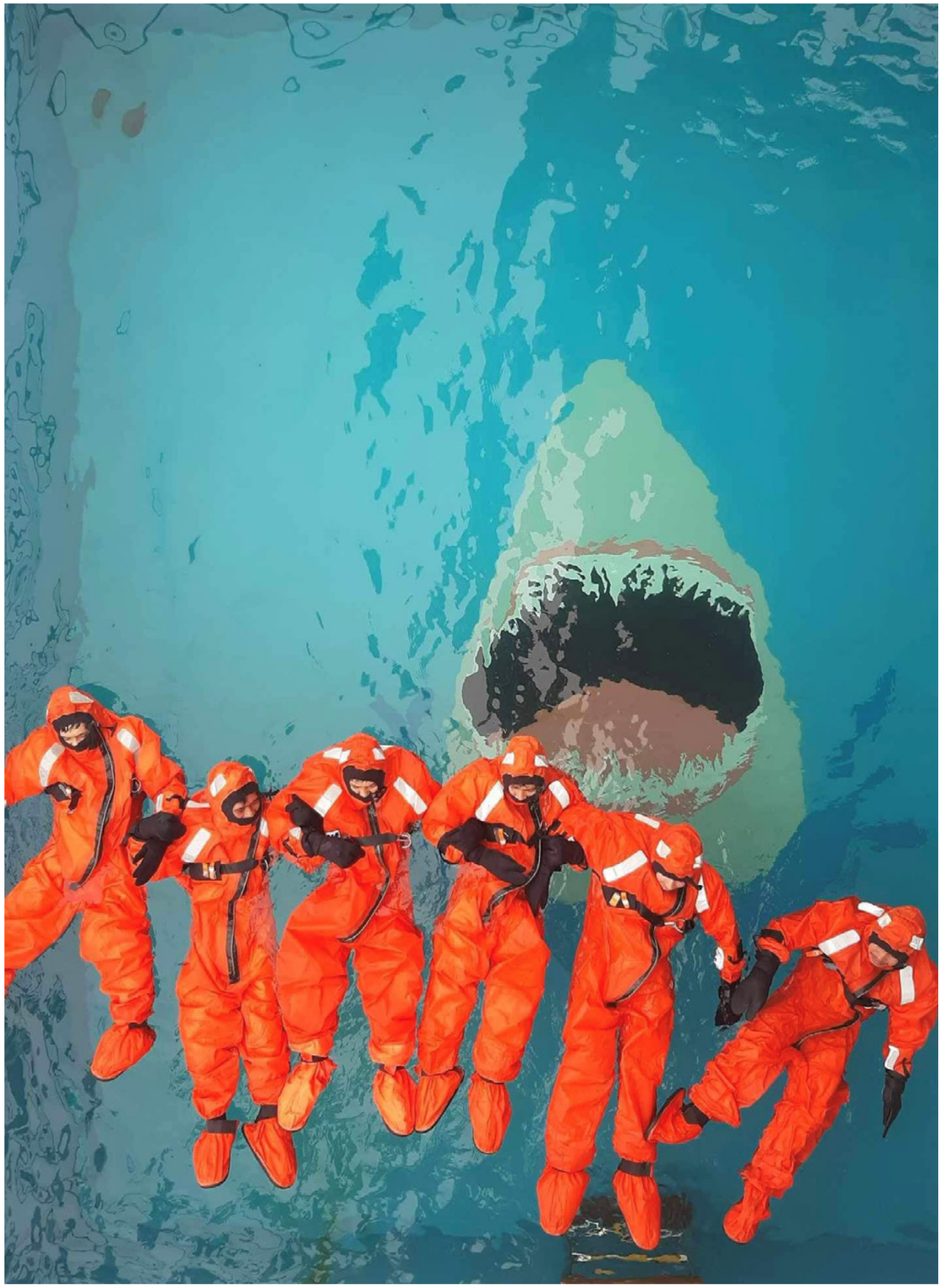
Additionally, the network has engaged civil society and authorities to act together with the industry. In 2024, MACN expanded its HelpDesk services to additional ports in India, Egypt, and Nigeria, helping vessels resolve bribery incidents without payment in the vast majority of cases. The network also advanced training and collaboration initiatives, including ethics programs for port officials and regional partnerships to promote transparency and standardized procedures across key maritime hubs.

ESG IN NUMBERS

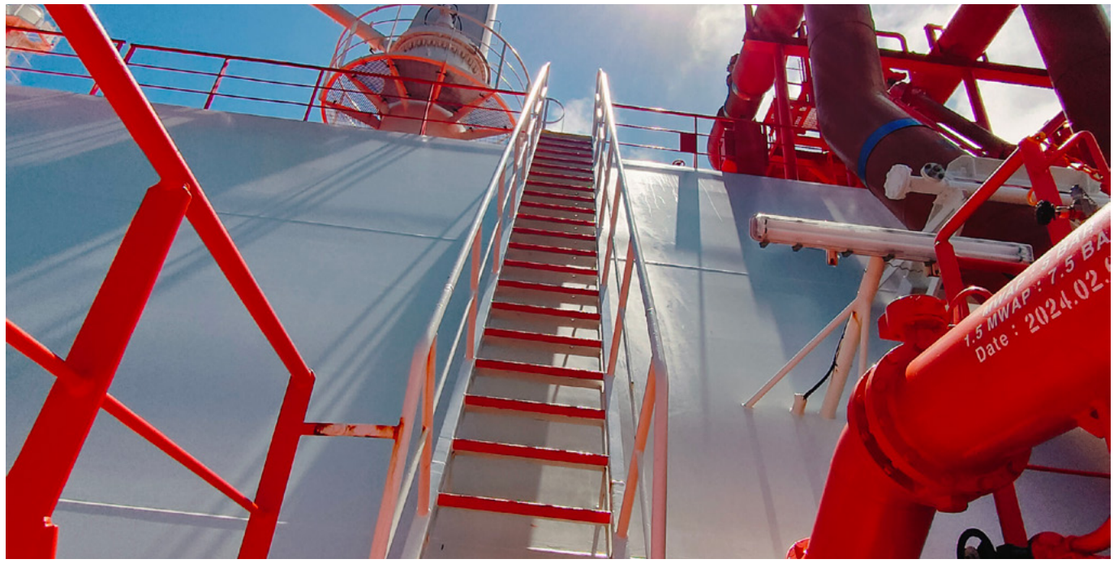
TOPIC	ACCOUNTING METRIC	UNIT OF MEASURE	DATA 2023	DATA 2024
GREENHOUSE GAS EMISSIONS	**CO_2 EMISSIONS [a]**			
	Scope 1 emissions: Gross global Scope 1 GHG emissions (i.e. fuel consumed) to the atmosphere, in line with the GHG Protocol.	Metric tons CO_2-e	1 640 657	**1 726 420**
	Scope 2 emissions	Metric tons CO_2-e	51	**38**
	ENERGY CONSUMED [b]			
	(1) Total energy consumed	Gigajoules (GJ)	27 244 197	**28 698 824**
	(2) Percentage light fuel oil (LFO/HFO)	Percentage (%)	11	**10**
	3) Percentage of energy consumed that is renewable/low-carbon energy	Percentage (%)	0	**0**
	4) MGO – Marine gas oil	Percentage (%)	5	**3**
	(5) Percentage LNG – Liquefied Natural Gas	Percentage (%)	84	**86**
	EEDI [c]			
	Average Energy Efficiency Design Index (EEDI) for new ships	Grams of CO_2 per ton-nautical mile	3.92	**3.72**
	CII / AER [d]			
	Average Efficiency Ratio (AER): weighted average	Grams of CO_2 per ton – nautical mile	LNG Carriers: 7.7	**LNG Carriers: 7.29**
			Product Tankers: 17.1	**Not applicable**
	Carbon Intensity Indicator (EEOI)	Grams of CO2 per ton – nautical mile (including total CO_2 emitted all voyages)	LNG Carriers: 23.98	**LNG Carriers: 20.15**
			Product Tankers: 47.7	**Not applicable**
AIR QUALITY	**OTHER EMISSIONS TO AIR [e]**			
	(1) NOX (excluding N_2O)	Metric tons	8747	**9041**
	(2) SOx	Metric tons	730	**653**
	(3) Particulate matter	Metric tons	259	**247**

TOPIC	ACCOUNTING METRIC	UNIT OF MEASURE	DATA 2023	DATA 2024
ECOLOGICAL IMPACTS	**MARINE PROTECTED AREAS [f]**			
	Shipping duration in marine protected areas or areas of protected conservation status	Number of travel days	Not recorded	**Not recorded**
	IMPLEMENTED BALLAST WATER [g]			
	(1) Exchange	Percentage (%)	100	**100**
	(2) Treatment	Percentage (%)	0	**0**
	SPILLS AND RELEASES TO THE ENVIRONMENT [h]			
	(1) Number	Number	Zero	**Zero**
	(2) Aggregate volume	Cubic metres (m^3)	Zero	**Zero**
BUSINESS ETHICS	**SHIP RECYCLING**			
	Responsible ship recycling	Number of ships recycled	Zero	**Zero**
	CORRUPTION INDEX [i]			
	Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Number	1 of 755 port calls	**Zero**
	FINES			
	Total monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and/or regulations	US dollar ($)	Zero	**Zero**
	FACILITATION PAYMENTS			
	Number of incidents where facilitation payments have been requested	Number	Zero	**Zero**
EMPLOYEE HEALTH & SAFETY	**LOST TIME INJURIES FREQUENCY [j]**			
	Lost time injuries frequency (LTIF)	Rate	0.143	**0.16**
ACCIDENT & SAFETY MANAGEMENT	**MARINE CASULTIES [k]**			
	Incidents	Number	Zero	**Zero**
	Very serious marine casualties	Percentage (%)	Zero	**Zero**
	PORT STATE CONTROL [l]			
	(1) Deficiencies	Number	162	**46**
	(2) Deficiencies	Rate	Zero	**0.6**
	(3) Detentions	Number	Zero	**Zero**

MATERIAL ISSUE	INTERNAL GOVERNANCE DOCUMENTS	INTERNATIONAL STANDARDS AND REFERENCES
CLIMATE CHANGE	• HSE policy • SMS • Code of Conduct • Supplier Code of Conduct • Environmental Plan 2024-2028	• The Paris Agreement • The Intergovernmental Panel on Climate Change (IPCC) • Initial IMO Strategy on Reduction of GHG Emissions from Ships • ISO 14001
AIR MISSIONS		• IMO MARPOL Convention Annex VI • EU Sulphur Directive 2016/802 • UNCLOS
ECOLOGICAL IMPACT		• OPA 90 (Oil Pollution Act of 1990) • IMO MARPOL Convention Annex VI • IMO Ballast Water Management Convention • Hong Kong Convention
ANTI-CORRUPTION	• Code of Conduct • Policy for Related Party Transactions • Policy for Closely Related Parties • Anti-facilitation of Tax Evasion Policy • Supplier Code of Conduct • Report of Misconduct	• Norwegian Penal Code of 2005 • The UK Bribery Act 2010 • The United States Foreign Corrupt Practices Act of 1977
EMPLOYEE HEALTH & SAFETY	• HSE policy • SMS • Code of Conduct • Supplier Code of Conduct • Privacy policy • Crew policy • Security Policy	• ILO Conventions • Maritime Labour Convention, 2006 (MLC, 2006) • International Management Code for the Safe Operation of Ships and for Pollution Prevention (The ISM Code) • Hong Kong Convention • STCW (International Convention on Standards of Training, Certification and Watch keeping for Seafarers) • SOLAS (International convention for the Safety of Life at Sea)
ACCIDENT & SAFETY MANAGEMENT	• HSE policy • SMS • Code of conduct • Supplier Code of conduct • Crew policy • Drug and Alcohol policy • Security Policy	• International Management Code for the Safe Operation of Ships and for Pollution Prevention (The ISM Code) • SOLAS (International convention for the Safety of Life at Sea) • International Ship and Port Facility Security Code (ISPS Code)



GLOSSARY OF TECHNICAL REFERENCES



FIGURES PROVIDED IN THIS REPORT ARE BASED ON THE ESTIMATES OUTLINED BELOW:

a CO_2 emission: Based on IMO emission factors. The "financial control" approach defined by the GHG Protocol has been applied. Scope 1: Owned vessels, based on fuel consumption for the year. The 2023 Scope 2 emissions figure includes an adjustment to account for a calculation correction

b Energy consumption: Calculated based on available fuel purchased data using fuel properties defined by DEFRA, Conversion factors, 2022.

c Average Energy Efficiency Design Index (EEDI) for new ships: The average EEDI reported is based on 1 LNG vessel, as Nantes Knutsen was the only new vessel delivered in 2024.

d Average efficiency ratio (AER): AER is reported as unit "grams of CO2 per ton mile" (gCO_2/dwt-nm) and calculated weighted average. By December 2024, there were no Product Tankers in KOAS' operations.

e Other emissions to air (NOX, excluding N_2O, SOX and particulate matter): PM, NOx and SOx emissions from the combustion of fuels from owned vessels have been calculated based on information from engine makers.

f Marine protected areas: Any area of intertidal or sub-tidal terrain, together with its overlying water and associated flora, fauna, historical and cultural features, which has been reserved by law or other effective means to protect part or all of the enclosed environment, listed in the World Database of Protected Areas (WDPA) and mapped on Protected Planet. Protected Planet is the most up-to-date and complete source of information on protected areas, updated monthly with submissions from governments, non- governmental organizations, landowners and communities. It is managed by the United Nations Environment World Conservation Monitoring Centre.

g Percentage of fleet implementing ballast water exchange and treatment: Only ships performing ballast water exchange with an efficiency of at least 95 percent volumetric exchange of ballast water have been included. When it comes to treatment, approved systems must discharge (a) less than 10 viable organisms per cubic meter that are greater than or equal to 50 micrometres in minimum dimension and (b) less than 10 viable organisms per millilitre that are less than 50 micrometres and greater than or equal to 10 micrometers in minimum dimension.

h Spills and releases to the environment (Number, Cubic meters (m3)): Any overboard spills and releases – intentional or accidental – shall be reported, even if the quantity is low and i.e. only causing a thin film or slight sheen upon or discoloration of the surface of the water.

i Number of calls at ports in countries that have the twenty lowest rankings in Transparency International's Corruption Perception Index (CPI): In the event that two or more countries share the 20th lowest ranking, all have been included in the scope of disclosure. The list is based on the CPI for 2024.

j Lost time injuries frequency (LTIF): A lost time incident is an incident that results in absence from work beyond the date or shift when it occurred. The rate is based on: (lost time incidents) / (one million hours worked).

k Marine casualties: Regarding SASB TR-MT-540a.1, the reporting is in accordance with the standard, however injuries to personnel as described in point 1.1.1 is reported as part of Health & Safety statistics. The threshold for reporting on material damages as outlined in 1.1.4 and 1.1.6 is defined as USD 1,000,000.

l Port state control: (1) An inspection includes CDI Inspection, Inspection by charterer, Non-SIRE inspection, Other External inspections requiring follow-up, Sire 2.0 Test Inspection, SIRE Inspection, Terminal/ Port Safety Inspection, THETIS/ EMSA Inspection, Vessel internal inspections requiring follow up, Port State Inspection, Internal Safety Inspection. (2) A deficiency is defined as a condition found not to be in compliance with the requirements of specific conventions, i.e. MARPOL, SOLAS, STCW, AFS or the ILO Maritime Labour Convention. (3) A detention is defined as an intervention action by the port state, taken when the condition of a ship or its crew does not correspond substantially with the applicable conventions and that a ship represents an unreasonable threat of harm to the marine environment etc.


VAPOUR LINE
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