



Knutsen
Group

Knutsen Group Transparency Act Report 2026



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1.0 Introduction

Knutsen Group has a strong focus on health, safety, security, environment, and quality throughout the Group's entire range of activities. This is fundamental in our business.

Knutsen Group is committed to promoting and respecting fundamental human rights and decent working conditions throughout business activities. This includes monitoring, as well as setting clear expectations and requirements for our suppliers and partners to operate in accordance with the Norwegian Transparency Act, concerning enterprises and the protection of fundamental human rights and decent working conditions.

Knutsen Group has established specific procedures and risk mitigation barriers to ensure fundamental human rights for all personnel working on or on behalf of the Company.

Knutsen Group supports the international human rights as outlined by the UN declaration and conventions, the ten principles of global impact, and the national legislation in the country of production. No one shall in any way cause or contribute to the violation or evasion of human rights. Knutsen Group does not accept any form of harassment or discrimination of or by our employees. Knutsen Group does not accept any form of child labour, forced labour, slave labour or any form of human trafficking in any part of our organization or in the value chain. Knutsen Group is committed to providing healthy, safe, and secure working conditions for all employees, and expects the same of all business partners. Knutsen Group places significant importance on ensuring the compliance with employees' basic human rights as outlined in the International Labor Organization's core conventions.

Knutsen Group conducts human rights due diligence in line with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles (UNGPs) on Business and Human Rights, covering both our own operations and our global value chain.



2.0 Knutsen Group

Knutsen Group consists of multiple fully integrated shipping groups and companies where Seglem Holding AS has direct or indirect ownership of 50% or more and are under management by Knutsen Group. The headquarters are in Haugesund, Norway. Knutsen Group includes Knutsen NYK Offshore Tankers, (Shuttle Tankers and Floating Storage and Offloading Tankers), KNOT Offshore Partners Group (Shuttle Tankers), Knutsen LNG Group (LNG Carriers) and Knutsen NYK Carbon Carriers and the management companies KNOT Management AS (a member of Knutsen NYK Offshore Tankers Group) and Knutsen OAS Shipping AS. This report is valid of all the entities in Knutsen Group and managed by either KNOT Management AS or Knutsen OAS Shipping AS.

Knutsen Group provides full in-house shipping management including technical and commercial operation, chartering, as well as building supervision, conversion- and project development. Knutsen NYK Offshore Tankers Group is the largest shuttle tanker operator in the world, and Knutsen LNG Group a major operator of LNG carriers. Our objective is to maintain a fleet of high quality- and technically advanced vessels. Every vessel Knutsen Group owns and operates is of a high technical standard.

Further information about Knutsen Group can be found here www.knutsenoas.com.

3.0 Knutsen Group's Due Diligence Assessment

Knutsen Group acknowledges the responsibility to promote a positive influence on suppliers, business partners, and stakeholders. Consequently, Knutsen Group undertakes due diligence in good faith, aiming to positively influence all associated parties. As a result, all aspects of the due diligence process are managed internally.

3.1 Method

Knutsen Group has established structured processes to ensure that human rights due diligence is embedded into our governance, risk management, and operational practises. The due diligence process follows key elements of the OECD framework. Knutsen group utilizes the following due diligence process:



Figure 1. Overview of Due Diligence Process



3.1.1 Embedding Responsible Business Conduct

Human rights & decent working conditions are embedded through the Code of Conduct, Supplier Code of Conduct, Internal policies, procedures, and the Management System.

Furthermore, these requirements are integrated into the Company's certified management systems ensuring alignment with internationally recognized standards such as the ISM Code, ISO 9001 (Quality Management), ISO 14001 (Environmental Management), and ISO 45001 (Occupational Health and Safety). These frameworks define expectations for employees, suppliers, business partners and are systematically communicated and enforced throughout Knutsen Group.

3.1.2 Identifying & Assessing Risk

Knutsen Group conducts regular and structured risk assessments to identify actual and potential negative impacts on human rights & working conditions. Knutsen Group utilizes established methodologies, such as 5 Whys, Man–Technology–Organization (MTO), and Sequential Timed Events Plotting (STEP), to conduct systematic risk assessments of actual and potential adverse impacts on human rights and working conditions.

Identifying & assessing risk includes:

- Value chain mapping – Covering both internal operations and external stakeholders.
- Cross function workshops – Including relevant departments within Knutsen Group.
- Analysis methodology – Techniques like SWOT (Strengths, Weaknesses, Opportunities, and Threats) and PESTEL (Political, Economic, Social, Technological, Ethical, and Legal) are used to evaluate both internal and external risk drivers, along with broader external risk factors.

In 2025, the internal interested party's analysis was updated as part of the comprehensive review of the value chain. This process identified the current “interested parties” associated with Knutsen Group as well as assessing their expectations and potential impact on Knutsen Group operations. Each risk is assigned a risk score based on a pre-defined risk matrix which analyses the likelihood & severity, enabling prioritization of the most significant risks.

Additionally, in 2025 a formal Human Rights Risk Assessment was developed, including a risk matrix aligned with Article 19 of the UNGP, supporting systemic prioritization of high-risk areas.

3.1.3 Preventing & Mitigating Adverse Impacts

Knutsen Group applies a risk-based approach when determining appropriate preventive and mitigating measures whereby actions are identified, assessed, and prioritized based on the severity & likelihood of potential impacts. Based on this assessment, measures are implemented through both operational controls and supply chain management:

- Integration of Transparency Act requirements into audit checklists, including shipyard audits. In 2024 a comprehensive review of the internal shipyard audit checklists was conducted to include specific requirements relating to the transparency act. The updated shipyard audit checklist now includes dedicated items relating to human rights and decent working conditions.
- Strengthened supplier approval processes, including mandatory completion of questionnaires and adherence to the Supplier Code of Conduct.
- The use of risk-based due diligence tools, including third-party databases for screening ESG, sanctions, and corruption risks.
- Enhanced oversight of high-risk suppliers, including shipyards, agents, and external crewing agencies.

Where risks are identified as significant, a Management of Change (Moc) process is applied to ensure that mitigation measures are implemented in a structured and controlled manner.

3.1.4 Tracking Effectiveness

Knutsen Group monitors the effectiveness of the due diligence activities through:

- Internal and external audits of vessels, suppliers, and shipyards.
- Continuous monitoring through the Safety Management Systems (SMS) of KNOT Management and Knutsen OAS Shipping.
- Tracking and follow-up of findings, observations, and non-conformities.



- Development of internal guidelines for documenting, managing, and closing audit findings.

The SMS ensures that operational events are systematically recorded, analyzed, and used to drive continuous improvement in line with regulatory and company requirements.

3.1.5 Communicating & Reporting

Knutsen Group communicates due diligence efforts through an annual Transparency Act report, internal reporting systems and Management Reviews as well as ongoing engagement with stakeholders, including suppliers and business partners. This approach ensures transparency in how risk is managed and how Knutsen Group works to improve responsible business conduct.

3.1.6 Remediation & Grievance Mechanisms

Knutsen Group has established mechanisms to address concerns and facilitate remediation where required.

This includes:

- A Designated Person Ashore (DPA) and Compliance Officer to handle concerns.
- Established internal reporting channels for employees.
- Structured processes for investigation, documentation, and follow-up of reported issues.

These mechanisms ensure that concerns related to human rights or working conditions can be raised and addressed in a timely and confidential manner.



3.2 Policies and Guidelines

Knutsen Group maintains a comprehensive framework of policies and guidelines that support the due diligence process.

3.2.1 Supplier & Business Partner Requirements

- All suppliers must complete a supplier questionnaire and formally commit to the Supplier Code of Conduct.
 - Knutsen Group's Code of Conduct and Supplier Code of Conduct can be found here: <https://knutsenoas.com/sustainability/>.
- Suppliers are subject to systematic risk-based assessments, with enhanced due diligence applied to high-risk categories.
- Existing suppliers are periodically reviewed to ensure continued compliance.

To strengthen oversight, Knutsen Group is continuously working to improve supplier transparency and influence across the value chain.

3.2.2 Internal Governance & Control

Knutsen Group's internal policies apply to all employees, managers, and directors and set clear expectations on ethical conduct, compliance, and respect for human rights.

Operational compliance is ensured through:

- Certified management systems (ISM Code, ISO standards).
- Regular internal and external audits.
- Continuous monitoring of operations through SMS.

All vessels and personnel operate in compliance with applicable statutory and regulatory requirements, including international maritime standards

3.2.3 Continuous Improvement

Knutsen Group recognizes that human rights due diligence is an ongoing, evolving process and that it is to be conducted in good faith.

The Company is continuously:

- Updating policies, procedures, and audit tools.
- Enhancing risk assessment methodologies.
- Strengthening controls in high-risk areas.
- Improving internal awareness and competence.

This ensures that Knutsen Group remains aligned with regulatory requirements and international best practices, while continuously improving the ability to prevent and mitigate adverse impacts.

4.0 Findings

Knutsen Groups findings are based on the due diligence process described in section 3, including structured and systematic risk assessments, value chain mapping, audits, and internal workshops. These activities & processes have enabled the Company to identify and address both actual adverse risks and potential risks related to human rights and decent working conditions across the operations and the value chain.

4.1 Actual adverse impacts

Knutsen Group, through the due diligence process, did not identify any confirmed cases of actual adverse impacts on fundamental human rights or decent working conditions within its own operation or supply chain. However, Knutsen Group recognizes that the absence of identified adverse impacts does not eliminate the possibility of undiscovered or unreported issues, particularly in complex and global supply chains. Knutsen Group therefore applies a precautionary- and continuous improvement approach to its due diligence efforts.

Through audits and risk assessments, observations and areas for improvement have been identified, particularly in relation to supply chain oversight and subcontractor management. For example:

- External audits of shipyards identified limitations in oversight of subcontractors, including verification of working conditions.
- Variability in documentation and traceability related to labor conditions among subcontractors.
- Potential gaps in consistency of supplier follow-up across different regions and supplier categories.

While these observations did not constitute confirmed breaches of human rights standards, they represent areas of elevated risk requiring targeted mitigation measures.

As a result, Knutsen Group has:

- Strengthened shipyard audit requirements and frequency.
- Enhanced audit checklists to include specific Transparency Act criteria.

- Developed internal guidelines for the management and follow-up of audit findings and non-conformities.

These actions ensure that identified weaknesses are systematically addressed and monitored.

4.2 Significant Risks

Knutsen Group acknowledges factors such as short delivery deadlines, low-price requirements and limited predictability may create challenges for suppliers and other stakeholders. These conditions may increase the risk of adverse impacts on human rights and decent working conditions within a supply chain. Therefore, Knutsen Group is committed to continuously assess and address how our own practises impact supplier and stakeholder performance.

Based on the Human Rights Risk Assessment, including SWOT analysis, PESTEL analysis and audit findings, the following key risk areas have been identified:

- Shipyards / Newbuilding Yards
- Service Suppliers
- External agencies (for seafarers' employments)
- Recycling Yards

These areas are prioritized due to their potential exposure to labour standards, working conditions, corruptions risks and regulatory compliance challenges. The due diligence process identified several underlying factors that may contribute to increased risk. These include:

- Use of subcontractors, particularly in shipyards and service supply chains.
- Geopolitical risk exposure in regions with varying enforcement of labour standards.
- Commercial pressures from tight delivery schedules, cost constraints and limited predictability.
- Complex and multi-tiered supply chains, reducing direct visibility and control.

These factors may increase the likelihood of adverse impacts if not properly managed.

Table 1 provides an overview as to how Knutsen Group is working with the identified areas of heightened risk.



<u>Stakeholder</u>	<u>Risk Description</u>	<u>Potential Impact</u>	<u>Existing Controls</u>	<u>Additional Measures Implemented</u>
Shipyards / Newbuilding Yards	Limited oversight of subcontractors	Poor working conditions, lack of compliance, negative impacts on human rights & decent living conditions.	Yard audits, Site teams, HSE inspection reports.	Increased audit frequency, updated audit checklists with specific items relating to human rights, enhanced subcontractor verification.
Service Suppliers	Labour standards are not consistently met.	Risk of human rights violations.	Supplier Code of Conduct.	Supplier audits with strengthened follow-up.
External Agencies (for seafarer employments)	Weak employment conditions, including employee sign on fees.	Risk of human rights violations, non-compliance with MLC. Negative impact on crew mental health.	Framework agreements, supplier code of conduct.	Enhanced verification of recruitment practises, supplier audits.
Recycling Yards	Unsafe working conditions.	Risk of severe human rights violations.	Green recycling procedures, strict yard selection procedures.	Increased due diligence and alignment with international standards. Increased audit requirements and frequency.

Table 1. Knutsen Group Key Risk Areas

5.0 Measures and Results

In 2025 Knutsen Group conducted supplier audits with an enhanced focus on human rights and working conditions. Findings were subsequently followed up and closed through corrective actions.

5.1 Implemented & Planned Measures.

Knutsen Group has implemented a range of measures to strengthen its due diligence processes and mitigate identified risks. These measures address both internal operations and the external value chain.

5.1.1 Governance and System Improvements

- Revision and strengthening of policies and procedures to align with the Transparency Act.
- Formal implementation of a Human Rights Risk Assessment framework, including risk matrices, analyzing likelihood and severity.
- Integration of Transparency Act requirements into audit checklists and management systems.
- Development of internal guidelines for handling and follow-up of audit findings and non-conformities.

5.1.2 Supplier and Value Chain Measures

- Continued requirement for all suppliers to comply with the Supplier Code of Conduct.
- Risk-based due diligence assessments for high-risk suppliers.
- Reduction and consolidation of the supplier base to improve oversight and influence.
- Strengthened contractual requirements, including human rights clauses.



5.1.3 Operational and Audit Measures

- Increased focus on shipyard audits, including more frequent audits for high-risk locations.
- Introduction of specific Transparency Act criteria within audit checklists to ensure systematic assessment of working conditions and human rights.
- Strengthening of audit scope to include subcontractor conditions and documentation requirements.
- Enhanced monitoring and evaluation of ship agents and service suppliers, including corruption and data protection risks.
- Continued implementation of the Ship Agent Project, aimed at improving governance, standardization, and risk control.
- Systematic follow-up and closure of audit findings.

5.1.4 Employee Awareness and Training

- Workshops are conducted to raise awareness of human rights risks and due diligence processes.
- Targeted training initiatives for both onshore and offshore personnel. In 2026, training for offshore personnel will be implemented showing the link and correlation between Social Development Goals and MLC requirements.
- Strengthened focus on safety culture, working conditions and reporting mechanisms.



5.2 Results & Effectiveness

As a result of this review, Knutsen Group has increased awareness of fundamental human rights and decent working conditions, and how these potentially can be influenced. Knutsen Group has gained awareness regarding the power of influence, not only internally, but throughout the supplier chain.

Throughout this process we have strengthened our existing procedures, uncovered weaknesses that have been adjusted with mitigating measures as well as strengthening the existing and future operations.

For the future, the expected results are an increasing awareness as well as a continual improvement of our procedures and operations. This is with an enhanced focus on transparency and always working towards ensuring fundamental human rights and decent working conditions in the entire value chain.

06.05.2026

Haugesund, Norway