

# Transparency Report

for year ended 31 December 2024

## Höegh Evi – Account of Due Diligence pursuant to the Norwegian Transparency Act for the Financial Year ended 31 December 2024

### 1. Introduction

The Höegh Evi Group offers a range of energy solutions including floating storage and regasification units (FSRUs) and LNG carriers (LNGCs) and is currently developing floating solutions for clean molecules like hydrogen with an onboard ammonia cracker for hydrogen production and a Hybrid FSRU for dual natural gas and hydrogen import. Höegh Evi is also developing carbon capture and storage (CCS) and transport solutions, including Floating CO2 Storage Units (FCSOs).

With its ultimate parent company being privately owned and being member of a group with worldwide operations, we are committed to responsible business practices, including compliance with the Norwegian Transparency Act, which ensures respect for human rights and decent working conditions.

This report outlines our adherence to the Transparency Act, applicable to larger enterprises resident in Norway, including Höegh Evi AS, Höegh Evi Services AS, and Höegh Evi Fleet Management AS, all subsidiaries of Höegh Evi Ltd. (together referred to as the Höegh Evi Group).

### 2. Our Business, Structure, and Supply Chains

Höegh Evi AS, Höegh Evi Services AS and Höegh Evi Fleet Management AS adhere to the same corporate values, policies and compliance framework. Due diligence activities, as required by the Transparency Act Section 4, are conducted uniformly across these entities, collectively referred to as "Höegh Evi". Differences in structure, operational areas and human rights impacts are highlighted where relevant.

#### 2.1. Höegh Evi AS

Höegh Evi AS provides management services to the Höegh Evi Group from its head office in Oslo, ensuring smooth and efficient operations. The company engages primarily with Norwegian entities for various services, including office space, cleaning, catering and employee-related services, fostering strong community ties and supporting local businesses. Additionally, Höegh Evi AS employs individuals in Norway under Norwegian labor laws and regulations, ensuring fair and compliant employment practices that uphold the rights and well-being of its workforce.

#### 2.2. Höegh Evi Fleet Management AS

Höegh Evi Fleet Management AS provides technical management services for vessels owned by the Höegh Evi Group and its joint ventures, ensuring that these vessels operate efficiently and safely. The company oversees various aspects of vessel management, including maintenance, compliance and operational support to maintain high standards of performance and reliability.

Operating from its head office in Oslo, Höegh Evi Fleet Management AS has a branch in the UK. The UK branch provides technical management to the vessels Arctic Princess and Arctic Lady.

To support its operations, Höegh Evi Fleet Management AS sources local suppliers for essential services such as office rental in London (United Kingdom), administrative

consulting services and accounting systems. Additionally, Höegh Evi Fleet Management AS collaborates with other companies within the Höegh Evi Group to meet their procurement needs. External business partners are engaged only for strategic and operational procurement, mainly involving suppliers of spare parts and marine maintenance services, which are procured on behalf of the vessel-owning entities in the Group. Occasionally, the company assists in arranging drydocking, modifications and repairs to be done onboard the vessels at shipyards.

In addition to the above, Höegh Evi Fleet Management AS is the Document of Compliance (DOC) holder under the ISM Code for the Vessel owning entities in the Group. As the DOC Holder, Höegh Evi Fleet Management AS is responsible for establishing and maintaining a Safety Management System (SMS) for each of the relevant entities that complies with the ISM Code, ensuring that the company's operations are in compliance with mandatory rules and regulations, and that applicable codes, guidelines, and standards recommended by the International Maritime Organization (IMO) are taken into account.

Moreover, Höegh Evi Fleet Management AS manages the locally employed seafarers in the Höegh Evi Group and directly employs the Norwegian seafarers. In this capacity, the company oversees the employment and welfare of more than 700 seafarers, ensuring they are fit for duty, properly trained and adhere to safety protocols.

### 2.3. Höegh Evi Services AS

Höegh Evi Services AS provides technical, operational, commercial and financial management services for the Höegh Evi Group and its joint ventures. Operating from its main office in Oslo, the company also maintains a Regional Operating Headquarter in Manila, Philippines ("Höegh Evi Services ROHQ"). To support its operations, Höegh Evi Services ROHQ engages local suppliers for various essential services, including office rental, food services and cleaning.

## 3. Human Rights Commitment

Höegh Evi is committed to respecting and promoting human rights in our operations and supply chain. We adhere to the Universal Declaration of Human Rights (UDHR) and the International Labour Organization's fundamental conventions (ILO Conventions). Our internal policies are founded on principles developed by the United Nations (UN) and The Organization for Economic Cooperation and Development (OECD), including:

- UN Guiding Principles on Business and Human Rights
- OECD Due Diligence Guidelines for Responsible Business Conduct
- OECD Guidelines for Multinational Enterprises
- The UN Global Compact's Ten Principles

We adhere to applicable laws and regulations on responsible business conduct and supply chain management in the countries we operate, and work to promote respect for the rights of all individuals impacted by our activities, including employees, partners and communities. We are committed to continuous improvement by actively collaborating with stakeholders to enhance our practices. Our goal is to contribute positively to society, particularly in the locations where we operate.

Throughout 2024, the Legal and Compliance team has updated our governance policies. This includes revisions to our Code of Conduct and Supplier Code of Conduct to align with

best practice under the Transparency Act and the latest sustainability standards with a particular focus on human rights and modern slavery protection in the supply chain. Additionally, we have updated our Speak Up and Investigation procedure to comply with the EU whistleblower directive and to include the new features of our external SpeakUp® tool (introduction of the possibility to report through an app).

### 3.1. Due Diligence Procedures

Corporate responsibility is integral to our culture at Höegh Evi. The principles developed by the UN and OECD are fundamental components of our corporate culture, encapsulated within our Code of Conduct, which serves as a governing document ratified by the board of directors of Höegh Evi Ltd. Supported by a Sustainability Policy, this framework demonstrates clear commitment to operating as a socially responsible corporate group, integrating social and environmental considerations into our core business practices.

Every employee shares responsibility for upholding our values, as outlined in our Code of Conduct and the Sustainability Policy. In addition to these codes, our commitment to assessing and mitigating sustainability-related risks is integrated within functional policies such as procurement, as well as broader policies encompassing sustainability, health, safety, and environmental (HSE) concerns, and our integrity due diligence procedure. Adherence to these policies and procedures is expected from all employees. Operational Managers are more specifically responsible for overseeing interactions with suppliers and intermediaries. This engagement takes place during supplier onboarding, contract negotiations, performance assessments, and incident resolution processes. A Sustainability Manager oversees our sustainability roadmap, with working groups established across the organization. Furthermore, human rights are integrated into our sustainability initiatives, overseen by our Legal & Compliance Team, ensuring compliance with the Transparency Act.

Oversight of our sustainability policy rests with our Board of Directors, who are tasked with managing enterprise risk and ensuring robust sustainability management throughout the Höegh Evi Group.

### 3.2. Risk Assessments and Continuous Monitoring

Through risk-based due diligence processes, we evaluate new business partners and continuously monitor existing ones. The following specific measures are used to identify, assess and mitigate risks and potential adverse impacts on human rights and working conditions:

- All business partners of the Höegh Evi Group are registered in an enhanced compliance screening database, Compliance Catalyst. Implemented in 2023, this tool has proven integral to identifying relevant risks and ensuring compliance with established standards and regulations. Combined with the Höegh Evi Group's established risk model, this tool offers an integrated solution for risk assessment, screening and ongoing risk monitoring of business partners.
- Selected suppliers and customers undergo additional risk assessments. The selection is based on factors such as the size of the contract, the importance of the relationship with Höegh Evi, compliance risk level and the involvement of subcontractors.
- Our centralized procurement function, our Supplier Relationship Management program and established group policies ensure proper oversight and control of our supply chain.

- In 2024, we integrated EcoVadis, a third-party risk rating tool, into our operations to evaluate suppliers across four main topics, with a focus on labor and human rights. EcoVadis continuously monitors suppliers to ensure compliance with standards and regulations, addressing any emerging risks promptly. The detailed scorecards provided by EcoVadis highlight specific actions needed to improve performance, allowing us to identify underperforming suppliers and request corrective actions.
- EcoVadis recently introduced a new report tailored to the Transparency Act, identifying partners that need to comply with the act and analyzing priorities in five key areas covered by the law. The report specifies necessary steps for suppliers to improve compliance and Høegh Evi requests suppliers to implement these corrective actions and are monitoring their completion to ensure effective follow-up.
- We actively use ShipServ, an online trading platform specifically designed for the maritime industry which offers a global network of trusted and verified products and services.
- We are members of the procurement organization Incentra, which ensures access to quality suppliers, verified specifically for adherence to the Transparency Act.
- We undergo audits and vetting by relevant authorities, clients and Flag States for compliance with international conventions, including the Maritime Labour Convention.
- We are members in the Maritime Anti-Corruption Network (MACN), which allows us to participate in collective actions for additional support in high-risk ports.
- Our contracts include provisions for responsible business practices and audit rights applicable to suppliers. During 2024, our standard purchase conditions were updated with stricter provisions on human rights and supply chain management.
- Our Supplier Code of Conduct encompasses various aspects such as human rights, labor standards, health, safety, anti-corruption, and conflicts of interest. All suppliers, including agents, lobbyists, and intermediaries, are required to adhere to these standards. Exceptions are allowed only under very specific circumstances, necessitating thorough due diligence assessment in collaboration with the Legal & Compliance Team.
- We provide training and awareness programs for employees and maintain a speak-up procedure for reporting anonymously. Our SpeakUp channel, accessible to all workers in the value chain, facilitates anonymous reporting of grievances. Suppliers are also required to establish their own grievance channels and inform Høegh Evi of any significant issues within their workforce.
- Supplier compliance is monitored through both audits, corrective action plans and follow-up inspections. Suppliers found in violation of the Supplier Code of Conduct and other contractual provisions on human rights may receive formal warnings, face contractual penalties, and/or be terminated for non-compliance.

Overall, our commitment to upholding human rights and ethical standards is deeply ingrained in our operations and supply chain, supported by both policies, binding contracts and proactive measures.

#### 4. Adverse Impacts and Significant Risks Identified

Høegh Evi encounters various business risks in its current operations and when forming new business partnerships and agreements. We prioritize collaboration with entities that share our core values of business integrity, safety, sustainability, and respect for human rights and compliance. Through our established due diligence processes, we have identified areas

where our operations could potentially cause or contribute to human rights violations or indecent working conditions.

The supply chain has been identified as the primary area of risk for human rights violations. The level of risk and the specific areas within the supply chain where adverse impacts or significant risks may arise vary and will be addressed separately for Höegh Evi AS, Höegh Evi Fleet Management AS and Höegh Evi Services AS.

#### 4.1. Höegh Evi AS

The risk of adverse impact is low due to the limited number of external business partners, most of whom are located in Norway. Labor rights issues within high-risk sectors such as cleaning and catering are the main concern, but proactive measures like due diligence and cooperation with partners help mitigate these risks. Most of the business transactions are governed by long-term agreements, characterized by a strong foundation of cooperation and trust between parties.

Höegh Evi AS' business associates are subject to rigorous labor laws and robust collective agreements applicable to relevant sectors. These measures effectively mitigate the risk of human rights violations, resulting in a low residual risk.

There have been no reported or suspected human rights violations in 2024.

#### 4.2. Höegh Evi Fleet Management AS

Höegh Evi Fleet Management AS collaborates with a select group of business partners, including both affiliated entities within the group and external collaborators. External partners primarily consist of larger enterprises supplying spare parts, insurance, logistics and vessel-related consumables to the Höegh Evi Group. Many of these suppliers comply with the Transparency Act or have been vetted and approved by Incentra or ShipServ, while others are global or regional firms operating in areas where Höegh Evi Group vessels are trading or have operation.

The main risk of human rights impacts is linked to the supply chain, especially companies in high-risk jurisdictions. Procuring spare parts and consumables introduces geographical and sector-related risks, particularly from countries like Colombia, Brazil, Jamaica and Indonesia, where regulatory oversight may be limited.

Particularly in countries with limited enforcement of labor standards, there can be medium-scale, reversible material impacts on supplier workers. These impacts may include sex discrimination, wage disparities or underrepresentation of minority workers, especially in shipyards.

Risks of forced or child labor are present in Höegh Evi Fleet Management AS's value chain, particularly in connection with upstream services performed at shipyards in countries with weak governance. These situations can result in severe, often irreversible material impacts on workers, including loss of liberty, safety, and education. These effects are critical in scale and may be permanent in nature. Poor working conditions at shipyards may also expose workers to unsafe environments, wage exploitation, and denial of labor rights such as freedom of association. Moreover, workers may face inadequate living conditions, restricted freedom of movement (e.g., workers housed onsite), or surveillance violating their privacy.

In addition to the above, employing and/or managing the employment of seafarers involves several human rights risks, including forced labor, human trafficking, and occupational safety and health hazards. This is especially relevant for the seafarers working in high-risk jurisdictions such as Brazil, Indonesia, Colombia, Jamaica and Egypt. Other significant risks identified include insufficient right to privacy and limited freedom of association. Additionally, adverse impacts may arise in connection with delayed crew change and repatriation, especially during crises, which may negatively affect seafarers' well-being.

Despite these challenges, there were no known or suspected human rights violations reported in 2024.

#### 4.3. Höegh Evi Services AS

The primary concern for Höegh Evi Services AS regarding human rights violations and poor working conditions arises from its operations in the Philippines, particularly within the local supply chain and employee recruitment. The jurisdiction's comparatively lower legislative standards for employee rights, in contrast to OECD guidelines, pose a risk of breaching fundamental labor rights such as freedom of association, non-discrimination, and the right to privacy. Additionally, there is a risk of inadequate working conditions, including insufficient wages. These risks extend to both the supply chain and internal operations of Höegh Evi Services AS in the Philippines.

Höegh Evi Services AS exclusively serves internal companies within the Höegh Evi Group. Employee hiring aligns with the corporate values, policies and strict compliance framework of Höegh Evi, supplementing national and regional legislation and employee rights in the Philippines. These procedures are actively managed and supervised by Höegh Evi AS' HR Department in Oslo. Hiring processes adhere to Höegh Evi Group's joint procedures and selection criteria, incorporating tools and systems to prevent unconscious bias and discrimination. Once employed, workers benefit from employment contracts and a Personnel Handbook ensuring decent working conditions and rights equivalent to or better than OECD guidelines. The group maintains a zero-tolerance policy against discrimination based on gender, age, or ethnicity, actively promoting diversity, equality, and inclusion (DEI) through systematic initiatives covering all aspects of people processes, workplace dynamics, and culture, emphasizing flexibility and work-life balance.

No known or suspected human rights violations were reported within Höegh Evi Services AS throughout the financial year ending on December 31, 2024.

### 5. Procedures for Handling Adverse Impacts

With the adverse impacts and significant risks identified above, Höegh Evi faces diverse challenges that require a structured approach to responsible business conduct.

#### 5.1. Supply Chain

By the end of 2024, we had onboarded 68 suppliers for ESG rating as part of the EcoVadis implementation, ensuring alignment with our sustainability commitments. We performed targeted interventions for non-compliant suppliers, including corrective action plans (CAPs), training programs, and continuous monitoring.

Believing in collective action, we strategically collaborate with organizations like Incentra, ShipServe, and MACN to mitigate risks and combat corruption among suppliers.



In 2024, Höegh Evi audited 22 suppliers in addition to 13 audits conducted by Incentra. These audits evaluated and addressed specific human rights concerns, HSEQ standards, and supplier ESG performance based on the applicable contractual standards.

### 5.2. Engaging with Employees and Stakeholders

To effectively mitigate human rights violations and indecent working conditions, we prioritize creating an environment where employees feel empowered to speak up. Our remediation processes are designed to comprehensively address identified impacts.

Engaging with local communities, especially in high-risk areas, is a priority for us. We actively listen to and address their concerns, fostering a "speak up" culture that encourages employees and stakeholders to report any issues anonymously. By encouraging employees and other stakeholders to voice their concerns and ensuring their protection when doing so, we actively work towards mitigating human rights violations and improving working conditions. This approach fosters a long-term culture of transparency and accountability.

Employee hiring aligns with the corporate values, policies, and strict compliance framework of Höegh Evi, supplementing national and regional legislation in the high-risk jurisdictions we operate, for example, the Philippines. These procedures are actively managed by Höegh Evi AS' HR Department in Oslo. Once employed, workers benefit from employment contracts and a Personnel Handbook ensuring decent working conditions and rights equivalent to or better than OECD guidelines. The group maintains a zero-tolerance policy against discrimination based on gender, age, or ethnicity, actively promoting diversity, equality, and inclusion (DEI) through systematic initiatives covering all aspects of people processes, workplace dynamics, and culture.

If we cause or contribute to negative impacts, we take direct remedial actions, such as updating policies, implementing management interventions, or adjusting workplace practices.

### 5.3. The Philippines Office of Höegh Evi Services AS

To mitigate risks and handle adverse impacts, the Philippines office of Höegh Evi Services AS undergoes annual audits and site visits by Höegh Evi's Group's Quality Assurance and Risk Management Team. Human rights and sustainable working practices are a key focus area during such audits.

With the upcoming office renovation in Manila in 2025, Höegh Evi has implemented specific additional requirements to ensure compliance with the regulatory standards we expect from our suppliers.

### 5.4. Höegh Evi Fleet Management AS

Höegh Evi Fleet Management AS adheres to applicable safety regulations for ships, shipyards, ports, and terminals. The company's occupational health, safety, and working environment policy underscores its commitment to safe operations, supported by a strong track record. Compliance with international laws and standards is essential to mitigate the risks identified.

Mitigating adverse impacts on seafarers involves several key strategies. First, ensuring regular communication between office staff and seagoing personnel helps build trust and allows crew members to raise grievances comfortably. Providing fair wages, decent working conditions, and respecting seafarers' rights to freedom of association and collective



bargaining are essential. The company also implements robust safety measures and policies on board all vessels, conducts regular safety- and emergency drills, and offers specialized training for difficult situations and emergency scenarios to enhance crew safety

Additionally, avoiding long continuous services onboard helps mitigate fatigue and promotes mental well-being. Enhancing communication technologies to ensure daily contact with family members is also in place to support seafarers' mental health. All operations comply with international standards and best practice, including the Maritime Labour Convention and the International Transport Workers' Federation (ITF) guidelines for seafarers.

As DOC Holders under the International Safety Management (ISM) Code, Höegh Evi Fleet Management AS undergo several audits to verify compliance with industry safety standards. These audits ensure the safe operation of ships and include both internal and external evaluations. Internal audits are conducted by the company to verify that its Safety Management System (SMS) is effectively implemented and maintained. These audits must be objective, with auditors independent of the areas being audited. External audits are performed by recognized organizations or flag state administrations to assess compliance with the ISM Code. Successful completion of these audits has resulted in the issuance of a Document of Compliance (DOC) for the company and a Safety Management Certificate (SMC) for each vessel.

The ISM Code also requires Höegh Evi Fleet Management AS to adhere to strict documentation procedures. The company is required to establish and maintain procedures for controlling all documents and data relevant to the SMS. This includes ensuring documents are updated as necessary to maintain safe operations.

### Human Rights Goals for 2025

Human rights and decent working conditions are integral to our business practices, and we are increasing our focus on them in 2025.

#### 5.5. Conversion of Hoegh Gandria

Going into 2025, one of our key human rights goals is to oversee the conversion of an LNG carrier to a Floating Storage and Regasification Unit (FSRU) at a shipyard in Singapore. This project will start in 2025, and given its high-risk nature and significant contract value, it requires meticulous planning and stringent compliance measures to ensure adherence to human rights and labor standards.

We have undertaken extensive preparations for this project starting in 2024, including comprehensive compliance assessments, integrity due diligence (IDD) checks, internal audit of the shipyard, and thorough screening through multiple third-party providers. These steps are crucial to identifying and mitigating potential risks associated with the high-risk shipyard industry in Singapore.

Continuous monitoring, regular audits, and targeted training of the site team tasked with supervising the contract are essential components of our strategy for 2025. Additionally, we will closely follow up on the owner furnished equipment to be provided to the shipyard. This includes ensuring that all equipment suppliers meet our stringent compliance requirements and that all handling and use of this equipment adhere to our human rights and labor standards.

By focusing on these goals, we aim to maintain high ethical standards and promote a safe and fair working environment throughout the conversion project, reinforcing our commitment to human rights and responsible business practices.

#### 5.6. Prioritizing Human Rights in New Contracts and Supplier Evaluation

We will continue to prioritize human rights in our selection criteria for new business ventures. This includes conducting thorough impact assessments to identify potential human rights risks and developing action plans to address them.

The continuous use of EcoVadis and our Supplier Relationship Management program tracks progress and collaborates on improving ESG practices and enables the procurement team to prioritise and follow up suppliers accordingly.

#### 5.7. Stakeholder Engagement on Human Rights

Höegh Evi maintain ongoing dialogue with customers, employees, financial institutions, suppliers and local stakeholders through dedicated roles and procedures, including sustainability audits. We engage with governments, regulators and NGOs to ensure regulatory compliance and mitigation of ESG risks. Regular communication with financial institutions includes reporting on sustainability performance and ensuring alignment with both financial and human rights goals.

In 2025, we aim to deepen engagement with global customers and strengthen collaboration with stakeholders on human rights issues, while continuing to enhance relationships with local communities. Our new Supplier Code of Conduct and contractual regulation of human rights will serve as a framework for such enhanced focus.

#### 5.8. Transparency and Reporting

We will maintain open communication channels for stakeholders to report any concerns or violations. This includes our speak-up procedure for employees and an external speak-up tool for third parties. We plan to raise awareness among stakeholder to make the speak-up procedure more accessible and well-known to relevant third parties.

By focusing on these goals, we aim to make more informed decisions and drive positive change across our supply chains, ensuring that human rights and decent working conditions remain at the forefront of our business practices.

For inquiries under the Transparency Act, please contact our Chief Legal & Compliance Officer at [compliance@hoeghevi.com](mailto:compliance@hoeghevi.com).

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Board of Directors of Høegh Evi AS

Oslo, 19 June 2025

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**Board of Directors of Høegh Evi Fleet Management AS**

Oslo, 19 June 2025

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**Board of Directors in Høegh Evi Services AS**

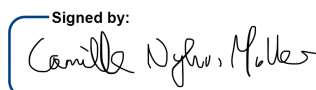
Oslo, 19 June 2025

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