

The Norwegian Transparency Act Report

This report has been prepared in accordance with section 5 of the Norwegian Transparency Act and summarises the approach taken by TECO 2030 to identify and assess actual and potential adverse impacts to human rights and decent working conditions in our own operations, supply chain or business partners, and provides.

- a general description of TECO 2030's business and the company's procedures for handling actual and potential adverse impacts on fundamental human rights and decent working conditions and
- the results of TECO 2030's human rights due diligence, including measures that have been or are planned to be implemented in this regard and the results or expected results of such measures.

The information in this report is valid for TECO 2030 ASA and its consolidated subsidiaries, these include TECO 2030 Future Funnel AS, TECO 2030 Carbon Capture AS, TECO 2030 Power Systems AS, TECO 2030 Innovation Center AS, TECO 2030 AS.

1. Organization and general information

TECO 2030 accelerates the green transition in the maritime sector by delivering technology that reduces environmental and climate impacts from the shipping industry. TECO 2030 is developing hydrogen fuel cells that enable ships and other heavy-duty applications to become emission-free. The company is also developing other solutions aimed at helping the maritime industry to reduce its emissions, such as carbon capture and storage (CCS) and exhaust gas cleaning systems (scrubbers) for ships. TECO 2030 was founded in 2019 and has its roots in the TECO Maritime Group, a group that has provided technology and repair services to the global shipping industry since 1994.

TECO 2030 is listed on Euronext Growth on Oslo Stock Exchange under the ticker TECO. The company is headquartered at Lysaker, just outside of Norway's capital Oslo, and has offices in Narvik (Northern Norway), Miami (Florida, USA) and Singapore.

More information about our business can be found in our corporate reports for 2022.

- Annual report [TECO2030_AnnualReport2022.pdf](#) (teco2030.no)
- Sustainability report [TECO2030_ESG2022.pdf](#) (teco2030.no)

Organization

TECO 2030 employs about 60 people, 14 nationalities, with offices in Lysaker, Narvik, Singapore and Miami. A significant portion of the organization's activities are performed by workers who are employed. In 2023 approximately 5 employees were hired-in staff.

TECO 2030 have in 2023 started the process to obtain ISO 9001 and ISO 14001 certification. The initial audit and certification are planned to be completed by first half of 2024.

Our supply chain

TECO 2030 has a duty to responsibly manage our relationships with our suppliers, monitor their activities and actively work to diversify our supplier portfolio.

Suppliers are expected to adhere to our business ethics and Code of Conduct and Supplier Declaration, including our standards for health and safety, human and labour rights, environment, quality management, business integrity and corporate social responsibility, as well as being competent and trustworthy.

Our suppliers and business partners engage highly educated employees and have well-established health and safety standards, which ensure high quality and reduce the risk of potential human and labour breaches. The risk of incidents of forced or compulsory labour is therefore considered to be low.

TECO 2030 supplier base consists of approximately 100 suppliers world-wide.

- 70% of our spending is from suppliers with operation in Europe, with Germany as the most used country.
- 20% of our spending is from suppliers with operation in Asia, with Japan as the most used country.
- 10% of our spending is from suppliers with operation in North America, with Canada as the most used country.

2. Transparency act in TECO 2030

Policy and procedures

TECO2030's ability to create value is dependent on applying high ethical standards as the basis for a trust-based and binding relationship with the community and the owners, employees, partners, customers, and subcontractors. TECO2030 will maintain an open dialogue on ethical issues, internally and externally.

The supplier code of conduct underscores that all suppliers and business partners must adhere strictly to the ethical guidelines outlined in the Code. This includes upholding ethical conduct, maintaining confidentiality, ensuring a safe working environment, fostering diversity, rejecting any form of corruption, and promoting sustainable and environmentally friendly business practices.

Suppliers shall identify, manage, and comply with the business integrity requirements covered by the Code of Conduct. This implies having in place, and effectively communicating, appropriate policies, procedures, management systems, quality improvement activities, internal control systems, and the human resources necessary to comply with the Suppliers' Code.

TECO 2030 has implemented a Whistleblowing Policy and set up a whistleblowing channel that is available to all employees (including temporary personnel). Employees may report concerns relating to actual or suspected breaches of relevant laws and regulations, the firm's ethical guidelines and/or generally accepted ethical standards. Reports may be anonymous.

The whistleblowing channel is also made available for third party stakeholders on our website teco2030.no/whistleblower/

Supplier follow-up

TECO 2030 builds its supplier relationships on the foundation of long-term collaboration, mutual respect, and understanding of cultural differences. These relationships are vital to the business, and TECO 2030 invests in these partnerships through regular engagement and active dialogue.

Throughout the year approximately 10 face-to-face visits and on-site inspections have been conducted by TECO 2030. Not only do these visits enable TECO 2030 to gather direct insights into supplier operations, but they also fortify our professional bonds. Work has been done to develop a supplier auditing framework and formal supplier auditing is expected to start in the coming year.

Furthermore, TECO 2030 has issued its Supplier Code of Conduct to all major suppliers, establishing clear expectations for ethical business practices. TECO 2030 also ensures that suppliers formally acknowledge and commit to these guidelines by providing a signed copy of the Code. By the end of the year 16% of the suppliers have signed the Supplier Code of Conduct. It is expected that this share will be significantly higher for the following year.

Due Diligence in our value chain

In its ongoing commitment to uphold human rights and ensure decent working conditions in its supply chain, TECO 2030 has begun to establish a structured due diligence process this year, based on the OECD Due Diligence Guidance. This guide, developed by the Organization for Economic Co-operation and Development, provides a comprehensive framework for identifying, preventing, and addressing potential adverse impacts related to human rights and labor conditions.

In the initial phase of implementing this process, TECO 2030 shall conduct a holistic risk mapping across its supply chain. This exercise considers multiple factors such as the size of the supplier, TECO 2030's leverage over the supplier, the amount spent with the supplier, the geographical location of the supplier, and the industry sector. These factors provide an indication of where potential risks may exist and how significant these might be.

3. Priorities for 2024

TECO 203 will prioritize the following activities and focus areas for 2024 based on the outcome of our human rights due diligence:

- Conduct human rights training and awareness raising for all employees.
- Ensure most suppliers have signed the supplier Code of Conduct.
- Initiate a supplier auditing programme.
- Implement a risk mapping approach across our supply chain.

