

Transparency Act Report **2024**

1 Introduction

1.1 Scope

This report covers HydrogenPro ASA and all its subsidiaries and is prepared in accordance with the Norwegian Transparency Act section 5.

1.2 About HydrogenPro

HydrogenPro was founded in 2013 with a mission to design and deliver green hydrogen technology & systems. Our team consists of highly skilled and experienced employees, including key personnel with leading global hydrogen expertise. HydrogenPro is a Norwegian company listed on Oslo Stock Exchange. Our global presence has grown over the last years, and we now operate on multiple locations spread across Europe, Asia and North America.

HydrogenPro is an original equipment manufacturer of large-scale green hydrogen technologies and systems. Our core technology consists of electrolyser system including cell stacks, gas separator skid with controls hereof. The electrolyser system delivered by HydrogenPro is energy efficient, flexible, and well proven. Our technology is referred to as high-pressure alkaline system which delivers the hydrogen and oxygen gas with a pressure directly from the cell stack. The high-pressure alkaline technology is suitable for renewable energy input, and the electrolyser size we deliver is a perfect match for large-scale industrial applications such as power-to-gas, ammonia, and steel production.

2 Policies and guidelines – Human Rights and Labour Practices

2.1 Corporate commitments

HydrogenPro places great emphasis on respecting human rights and promoting decent working conditions, both in our own operations and in our value chain. Respecting human rights is deeply embedded in HydrogenPro's operations and a part of our risk management processes.

For more detailed information on corporate governance in HydrogenPro we refer to the NUES Corporate Governance Report, part of the Integrated Annual Report for 2024 found on our web page: <https://hydrogenpro.com/reports-and-presentations/>

As an international company with global operations, HydrogenPro is committed to respect and promote human rights across our value chain and in dialogue with our stakeholders. HydrogenPro is working proactively to mitigate potential adverse impacts to human rights or decent working conditions caused by our own operations and operations in our supply chain. We have made a commitment to comply with key international policies and principles and have implemented the following into our internal guidelines and policies:

- UN Guiding Principles on Business and Human Rights
- OECD Guidelines for Multinational Enterprises
- International Bill of Human Rights
- ILO Convention

2.2 Policies

2.2.1 Code of Conduct

Our Code of Conduct sets out the expectations, commitments, and requirements for ethical conduct for HydrogenPro's business operations. The Code of Conduct applies to HydrogenPro ASA and all its subsidiaries, including all employees, the Board of Directors, consultants and hired contractors.

The Code of Conduct states that HydrogenPro works to systematically support and promote human rights through our business operations, as well as in our relations to suppliers, customers, business partners, and other stakeholders. HydrogenPro is committed to preserve and safeguard the human rights of anyone affected by the Company's business operations. This should be done by commencing risk-based due diligence assessments of HydrogenPro's operations, including supply chain and business partners. This report is the result of such a due diligence assessment.

The Code of Conduct is publicly available on our web page.

2.2.2 Anti-Bribery and Corruption Policy

Our Anti-Bribery and Corruption Policy sets out the expectations for HydrogenPro employees to comply with the company's zero tolerance policy for corruption and bribery.

The policy is aimed at creating awareness and ensure that all HydrogenPro employees have the required knowledge to identify what constitutes corruption and/or bribery, and how to act and appropriately address such issues that arise. Particular focus is placed on issues that might be more difficult for an average employee to identify as corruption or bribery, such as trading in influence and gifts/hospitality from business partners.

The Anti-Bribery and Corruption Policy is publicly available on our web page.

2.2.3 Supplier Code of Conduct

Our Supplier Code of Conduct covers a wide range of issues, including legal and compliance, human rights, labour standards, health and safety, environmental protection, business ethics, and responsible sourcing. By adhering to this Code, we expect our suppliers to demonstrate a commitment to ethical and sustainable business practices. The Code of Conduct for Suppliers and Third-Party Intermediaries sets out our expectations for non-discrimination and fair treatment, working hours and wages, child labour and forced labour, and health and safety.

The Supplier Code of Conduct is publicly available on our web page.

2.2.4 Whistleblower Policy

HydrogenPro has a whistleblower policy providing instructions on how employees and third parties shall address and report critical concerns to the executive level and board level. All employees and third parties are encouraged to report incidents of concern. Issues can be reported anonymously, and the matter will be handled by relevant channels. A whistleblower channel hosted by an external service provider was made available on our website in 2024.

The Whistleblower Policy is publicly available on our web page.

3 Due diligence assessment of adverse impact on human rights and decent working conditions

3.1 Sustainable and local manufacturing and supply chains

Our main business activity, the manufacturing of our electrolyser systems, has significant social and environmental impact on our surroundings, such as energy and water consumption, waste disposal, emissions, and supply chain management, including human rights and working conditions along the product value chain.

HydrogenPro strives to create a strong and resilient network of suppliers that match our quality requirements, delivery schedules, and capacity needs. As an industrial company with advanced technology, we highly depend on suppliers that meet our technical specifications and standards. Therefore, the process of sourcing from a new supplier requires a thorough assessment that involves close communication with the supplier management and visits to their manufacturing sites. When we approach new suppliers, environmental and social sustainability are topics we address. We are committed to driving positive change not only in our own operations, but also through collaboration with our suppliers.

3.2 Due diligence assessment of human rights and decent working conditions

Since 2022 HydrogenPro has conducted yearly due diligence assessments of our business partners and our supply chain, to identify and mitigate actual and potential negative impacts on human rights or decent working conditions. Since 2022 new measures have been implemented to strengthen the procedure. This includes using factory visits and audits to both prequalify and re-approve suppliers.

HydrogenPro has approximately 120 active suppliers providing products and/or services to the company. Following a risk-based approach, a selection of the suppliers was chosen for audits in 2024 based on the following criteria:

- Recurring purchases vs. transactional purchases: Focus on suppliers where we have recurred business and a growing spend with in 2024.

- Key suppliers: The importance of the supplier for our operations – either single source or technology critical.
- Products vs. services: Prioritising suppliers providing products and suppliers providing services with direct impact on project execution.
- Some of HydrogenPro's operations are in geographical areas that have traditionally had a higher risk of human and labour rights violations. To mitigate the increased risk of human and labour rights violations, additional attention has been placed on the due diligence assessment in these areas.

Based on the above list, which also was used last year, 1 in Europe and 9 Chinese suppliers were included in the 2024 due diligence assessment.

For the due diligence assessment, we used a questionnaire developed by a Norwegian law firm to meet the supplier due diligence and qualification processes, including ESG and Transparency Act requirements. The questionnaire was sent to the chosen suppliers, asking for feedback and supporting documentation. The questionnaire contained several questions on the topics of human rights, labour rights, supply chain compliance, and health & safety.

Due to lower activity levels in 2024, less audits have been carried out in 2024 as compared to 2023. Most of the audits in 2024 have been directed towards new Chinese suppliers. For suppliers to our production facility in Tianjin and the sourcing center in Shanghai (collectively referred to as HydrogenPro China), we categorized suppliers into tiers, based on the selection criteria mentioned above. 9 new suppliers were identified and all have responded to the questionnaire with supporting documents. Onsite audits were carried out to all these suppliers to gain further insight into the true level of implementation of relevant procedures.

3.3 Actual and potential adverse impact on human rights and decent working conditions in our supply chain

Through on-site audits, HydrogenPro China found no actual or potential indications of human rights violations among the assessed suppliers. However, some suppliers showed deficiencies in labor rights and supply chain compliance.

In an on-site audit of 9 suppliers, HydrogenPro China identified two suppliers with an ESG assessment result of "No", indicating non-compliance with our requirements in areas such as human rights, labor rights, and supply chain compliance. The main issues were the lack of HSE and ESG related management systems in the companies, lack of employee qualification certificates and inadequate on-site EHS management. One supplier determined to be a disqualified supplier in the 2023 ESG audit. After internal rectification the supplier applied for re-audit which was passed in 2024.

Based on the on-site audits, HydrogenPro China did not find any instances of child labor or forced labor within the supply chain, nor any violations of the right to freedom of association and collective bargaining. However, we did identify potential adverse impacts in other areas of labor rights and supply chain compliance among some suppliers.

These potential risks are primarily related to the supply chain of the assessed suppliers and include issues such as:

- Lack of sound management systems for human and labor rights, including arrangements for workers' working hours and on-site management of occupational health and safety;
- Insufficient development in building systems and providing training related to human and labor rights, necessitating appropriate monitoring processes and capacity building mechanisms;
- Inadequate supply chain management and insufficient human and labor rights requirements for sub-suppliers.

On-site audits have also been carried out for European suppliers in 2024, but no major findings have been reported.

4 Preventive efforts

The Code of Conduct and the Anti-Bribery and Corruption Policy are part of the onboarding procedure and a global training program for all employees. Increased knowledge and awareness internally are important in our efforts to reduce risk for adverse impact on human rights and decent working conditions. In 2024 this has been followed up with internal training by external resources.

In addition to efforts aimed at our employees, we constantly work with our supply chain to uphold the high standards we expect in relation to human rights and decent working conditions. Our expectations are communicated to suppliers through HydrogenPro's Supplier Code of Conduct and General Terms and Conditions and given binding effect as part of our supplier agreements. In 2024 we have further strengthened both our General Terms and Conditions as well as the Supplier Due Diligence Process. A scoring system for the supplier qualification and evaluation review has also been implemented.

Some of the preventive efforts set out in our last Transparency Act Report have been implemented throughout 2024, including establishing an external whistleblower channel. Preparation of an action plan for follow up on violation of human rights has not been commenced as planned. The reason for this is partly due to lack of capacity as supply-chain resources have left the company and partly as the procedure of handling such violations is covered by the company's ISO system. The company will in 2025 look into an alignment of the ISO procedure and the above-mentioned action plan. In addition to the above measures, we have strengthened the distribution of our Code of Conduct for Suppliers and Third Parties by launching a campaign in 2024 to ensure that key and critical suppliers, as well as those we engage with during bidding and qualification processes or

conduct business with, formally confirm that they have read and understood the HydrogenPro ASA Supplier Code of Conduct.

Throughout 2025 we intend to continue building and expanding on previously implemented measures. The Company has initiated a follow up of the supply chain management including a bi-annually follow up of enforcement of procedures and policies.

To improve Health, Safety, and Environment (HSE) performance, we will continue to implement several measures. First, we will continue to work on enhancing our safety training programs to ensure all employees and suppliers are thoroughly educated on HSE protocols and best practices. Second, we will increase the frequency and rigor of safety

audits to identify and address potential hazards proactively. Third, we will urge suppliers to obtain ISO Health and Safety management system certification by offering support and resources to ease the certification process. Additionally, we will establish a more robust incident reporting system to ensure timely and transparent communication of HSE incidents, enabling quicker responses and more effective corrective actions. Finally, we will foster a culture of continuous improvement by regularly reviewing and updating our HSE policies and procedures to align with the latest industry standards and technological advancements. These measures aim to significantly reduce HSE incidents and enhance overall safety across the supply chain.

We will continue to conduct audits and provide improvement suggestions to the audited suppliers. All these activities will however depend on the activity level going forward in the supply chain. HydrogenPro foresees that there will be more audits in the European supplier market in the next 12 months in connection with the European Hydrogen Bank requirements for scope with European supplier content.

HydrogenPro

Hydrovegen 55,
3936 Porsgrunn, Norway

hydrogenpro.com
info@hydrogenpro.com

Tel: +47 990 79 500