

FINANCIAL

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NATURAL



NATURAL CAPITAL

Our Natural Capital consists of the naturally occurring resources used in, or affected by, our business activities. Yinson is aware of its multifaceted environmental footprint stemming from its business operations.

FYE 2020 MAIN IMPACTS FROM FPSO OPERATIONS

CARBON EMISSIONS



DIRECT EMISSIONS
000' tonnes of Co₂
350.0

ENERGY



ENERGY CONSUMPTION
million kWh
325.0

POLLUTION



OIL SPILLS TO SEA
tonnes
0

WATER



DRINKING WATER CONSUMED ON BOARD
tonnes
157.6

MATERIALS



CHEMICALS
'000 litres
3,612

FUTURE GOALS

Improve monitoring and disclosure of environment-related impacts

Implement phasic approach to monitoring carbon footprint

Consolidate baseline for reporting, towards setting of targets

Improve environmental awareness across all Yinson offices and locations

Identify more efficient methods of managing Carbon Dioxide Equivalents (Co₂e) or carbon emissions

Governance of our Natural Capitals

The management of this capital is the responsibility of Yinson's highest governance bodies, including our Senior Management. As such, we are committed to improving Group-wide environmental performance.



Strengthen sustainability governance and reporting (pg 71)

We seek to minimise our environmental impacts at all levels of our organisation, as reflected by the environmental goals set in our Sustainability Policy. Our strategy for doing so emphasises strict adherence to environmental regulations, such as our continued maintenance of certifications such as ISO 14001:2005 Environmental Management Systems. We also benchmark our processes against industry best practices and strive to improve our monitoring and disclosure-related indicators. Yinson conducts its business activities through an intricate system of management frameworks in all business activities.

On top of having our operations certified to the relevant standards, we focus as well on the aspects beyond those that are key to the oil production process. For example, before the initiation of any projects, Environmental Impact Assessments are performed

by independent consultancies at the sites in accordance with local environmental assessment regulations as well as international lender environmental and social standards. Stakeholders from local communities are also typically consulted within this process. Further to the report, management plans are then created as follow-ups to eliminate or reduce adverse environmental, social and health impacts where plausible. We have not identified any non-compliance with environmental laws and/or regulations.

Further, our management of environment aspects is guided by our internal Emergency Response Plan, which details procedures to effectively identify potential impacts towards the environment for further action. This acts as an additional layer of control on top of our environment management systems.

Following the revision of our Sustainability Policy, we have expanded our boundary of environmental aspects to be managed and disclosed. We acknowledge the gaps in our existing reporting mechanisms, and target to improve comprehensiveness of data gathering for our assets and corporate offices moving forward. Implementing robust environmental impact monitoring and controls is one of the goals

our sustainability team has set for FYE 2021, in line with the Group's overall direction towards digitalisation. Working together with our HSEQ team, we aim to digitalise and automate some monitoring processes to ensure that data for key sustainability indicators are accurately captured.



Utilise digitalisation tools for HSEQ improvements (pg 78)

We understand that reporting and monitoring of data indicators is a Group-wide effort, with various departments across our various assets and offices playing their part to diligently ensure accurate data inputs are provided. Thus, we realise the importance of raising awareness amongst employees on the importance of energy management towards achieving Yinson's sustainability goals. We have planned and initiated several awareness initiatives through our corporate intranet and town hall sessions throughout the year.

Data captured within this section pertains to the FPSOs that were in operation for the entirety of the financial year – FPSO JAK and FPSO Atoon. As FPSO Helang began operations in December 2019, we will be disclosing data for this asset in the next review cycle.

At present, our focus is on setting our baselines before committing to reduction strategies.

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CARBON EMISSIONS

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Our Offshore Production Division is the highest contributor to the Group's carbon emissions, being our primary revenue stream presently. The by-product of our energy consumption for hydrocarbon production is emitted into the environment and represents our most material impact towards the natural ecosystem.

We aim to consolidate and strengthen our baseline for carbon emissions reporting. Having this in place will enable us to establish quantitative reduction targets, which in turn will enable us to eventually participate in global best practices in emissions reporting, such as the Carbon Disclosure Project.

In FYE 2020 we formalised plans for a phasic approach towards better, more holistic monitoring of our carbon footprint. The plan, which includes the monitoring of greenhouse gases and other relevant carbon-equivalents, was guided by recommendations in the Kyoto Protocol. We plan to gradually roll out the plan in the coming years.

FYE 2020 Carbon emissions management indicators for FPSO JAK and FPSO Adoon

Carbon emissions management indicators ¹	FPSO JAK	FPSO Adoon
Total Scope 1 Carbon Emissions – Direct, owned	310,579 tonnes	35,588 tonnes
Total amount of flared gas under Yinson	24,098 tonnes	7,873 tonnes

¹ Carbon emissions were calculated based on the UK Government GHG Conversion Factors for Company Reporting.

FYE 2020 Carbon emissions management indicators for onshore offices

Carbon emissions management indicators ^{2,3}	Malaysia	Singapore	Ghana	Nigeria	Norway
Total Scope 2 Carbon Emissions – Direct, not-owned (tonnes)	141.0	Not available	48.5	13.3	1.2
Total Scope 3 Carbon Emissions – Indirect, not-owned (Business travels, based on originating offices) (tonnes)	827.0	2,045.0	Not available	1.9	2,548.0

² Scope 2 GHG emissions were obtained using latest available conversion factor estimates for all operational countries, for example, for Malaysia we used the latest 2017 grid emission combined margin factor of 0.585 tCO₂e/MWh.

³ Scope 3 GHG emissions were obtained from our respective travel agencies.

ENERGY

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Given that energy consumption directly impacts carbon emissions, we aim to better utilise energy within our sphere of influence.

To cater for our growing workforce, our Global Headquarters in Kuala Lumpur will be moving to a larger space, with an estimated move-in date of Q3 FYE 2021. An important consideration in deciding the venue was sustainability, including the building's energy management

credentials. The GBI is Malaysia's industry-recognised green rating tool, designed specifically for the tropical climate and Malaysia's current social, infrastructure and economic development. Yinson's new office space is GBI silver-rated, which infers an 'excellent practise' when it comes to the efficiency of resource use while reducing the buildings impact on human health and the environment. The space is also LEED-Gold standard rated. LEED (Leadership in Energy and Environmental Design) is a

global green certification program used worldwide, with the 'gold' standard inferring a high-level of sustainability in terms of aspects such as energy consumption, natural lighting and heating efficiencies.

Another initiative planned for the financial year is to install solar panels at our operations base at Takoradi, Ghana, as part of our effort to embrace renewable sources of energy.

FYE 2020 Energy management indicators for FPSO JAK and FPSO Adoon

Energy management indicators	FPSO JAK	FPSO Adoon
Total energy consumption onboard vessels (kWh) ⁴	308,528,256	16,140,456

⁴ Different operational activities such as gas compression contribute to the difference in figures between the two assets.

FYE 2020 Energy management indicators for onshore offices

Energy management indicators	Malaysia	Singapore	Ghana	Nigeria	Norway
Total energy consumption (kWh)	256,616.0	Not available	158,888.1	23,652.8	65,097.0

POLLUTION

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Yinson's goals with regards to HSEQ includes causing zero harm to the environment. We aim to minimise any negative effects we may have on the environments in which we operate.

We align our procedures to best practices such as those highlighted within the MARPOL 1973 as modified by the Protocol of 1973

(MARPOL 73/78). The vessels within our Offshore Marine Division are all certified to the International Management Code for the Safe Operation of Ships and for Pollution Prevention.

As part of our environmental procedures and efforts, we have detailed response and contingency remediation plans in place to be implemented in case of oil spills and slop effluents in our offshore

operations. All records are kept within our oil record book for three years.

Thus far, Yinson has not encountered any issues relating to effluent management. Should any such issues arise, corresponding investigation exercises will be initiated to identify corrective actions to be set.

FYE 2020 Pollution management indicators for FPSO JAK and FPSO Adoon

Pollution management indicators	FPSO JAK	FPSO Adoon
Spills to sea (tonnes)	0	0

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WATER

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An FPSO utilises seawater for many purposes in its day to day operations. Depending on its means of usage and location on the FPSO, seawater is brought in either through sea chests at the bottom of the FPSO hull or at dedicated sea water pipes and hoses on the side of the vessel.

Sea water in its pure state is utilised for many functions, such as cooling and fire water, but also as water that is injected into the oil reservoirs to maintain well pressure. The latter is typically

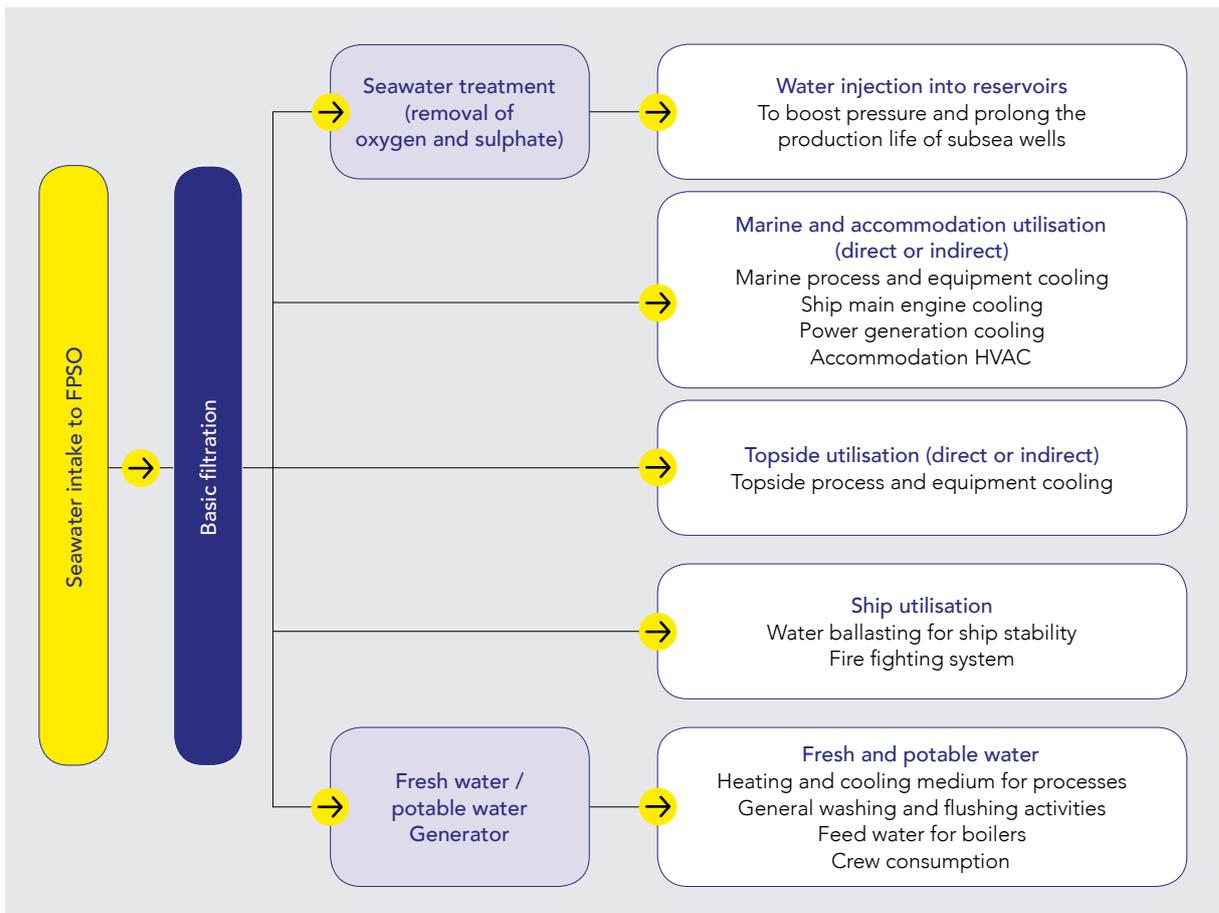
treated sea water, meaning oxygen, sulphates and some types of bacteria are removed in order to prevent corrosion issues, upsets in the piping and to avoid introducing 'food' to the bacteria which lives in the reservoir, which can cause reservoir souring.

Seawater is also utilised for keeping the FPSO self-supplied with fresh water. This is done through different processes depending on its usage – either through an evaporator process or a reverse osmosis process. This water is used for all essential services on board such as cooking, showering

and cleaning, and also as a cooling water medium.

Any water that is discharged overboard after serving its purpose is closely monitored so that we do not introduce any contaminations to the sea. If the water for some reason does not meet the quality requirements, it is automatically routed to a temporary storage tank for treatment prior to being re-routed for discharge.

Drinking water is supplemented as needed by bottled water.



FYE 2020 Water management indicators for FPSO JAK and FPSO Adoon

Water management indicators	FPSO JAK	FPSO Adoon
Weight of drinking water consumed on board (tonnes)	60.0	97.6

At our onshore offices, water is mainly drawn from public utilities for usage of daily amenities.

FYE 2020 Water management indicators for onshore offices

Water management indicators	Malaysia	Singapore	Ghana	Nigeria	Norway
Water consumed for drinking and amenities (tonnes)	678.0	Not available	508.2	4.3	Not available

WASTE

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Every employee at Yinson is tasked to help sustain our environment, which relates to reducing waste to a minimum.

The proper handling of all waste, both onshore and offshore, is managed across the Group through various overarching policies, management systems, and procedures.

For our Offshore Production Division, waste is managed through Waste Management Plans. The plans are rigorously implemented to ensure each vessel operates in an environmentally safe manner as well as in compliance with international and local regulations, minimising HSE-related risks and liabilities.

We also keep receipts of waste disposal as proof of correct disposal and maintain a garbage logbook that records each incineration or disposal/discharge.

MATERIAL

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Yinson seeks to monitor how we manage materials that are used in our business activities, towards establishing plans for managing them effectively.

In this Annual Report, we disclose statistics surrounding the management of chemicals, paper and bottles on our FPSOs, whereas in our onshore offices we disclose paper usage. We are working to strengthen our baseline reporting with regards to our materials impact and aim to improve on this in future reporting cycles.

FYE 2020 Material management indicators for FPSO JAK and FPSO Adoon

Material management indicators	FPSO JAK	FPSO Adoon
Chemicals used (tonnes)	3,575,688	86,081
Print paper purchased (tonnes)	0.5	0.3
Empty bottles (tonnes)	1.8	1.7

FYE 2020 Material management indicators for onshore offices

Material management indicators	Malaysia	Singapore	Ghana	Nigeria	Norway
Total print paper purchased (tonnes)	1.3	1.9	0.9	0.1	0.6