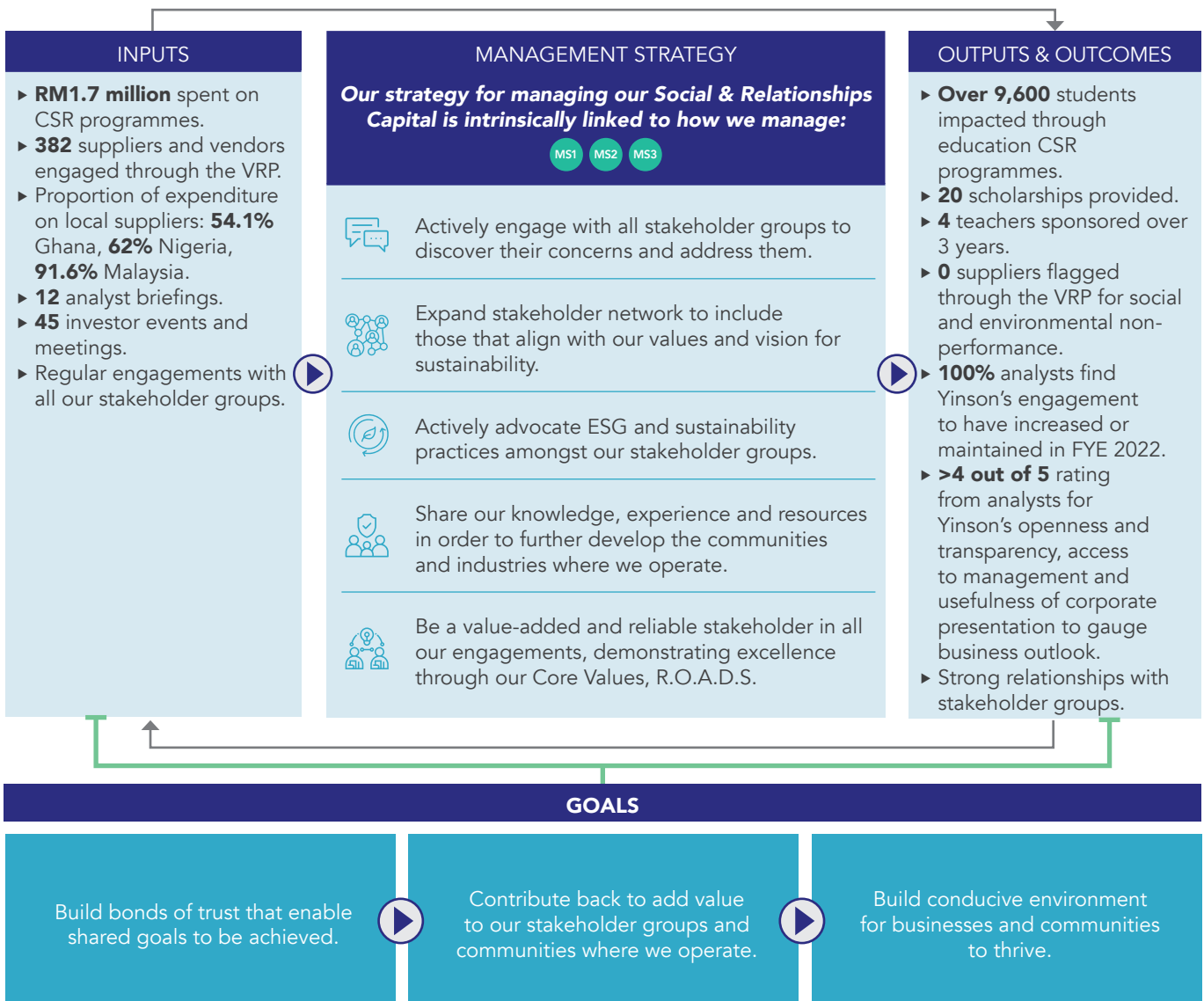


SOCIAL & RELATIONSHIPS CAPITAL

Social & Relationships Capital refers to the institutions and relationships within and between communities, groups of stakeholders and other networks, and the ability to share information to enhance individual and collective wellbeing.

'Sustainable Supply Chain', 'Client Relationships' and 'Community Engagement' are three of Yinson's material topics, identified during our materiality assessment. The first topic was identified as a topic that can add operational value to Yinson, while the second and third were identified as foundation topics for Yinson. Our ecosystem of stakeholders play a vital role in our long-term success, as they provide our social license to operate. Through active and meaningful engagement with our stakeholders, we aim to build the bonds of trust that will enable our shared goals to be achieved, which in turn helps to build a conducive environment for businesses and communities to thrive.



HOW YINSON MANAGES OUR SOCIAL & RELATIONSHIPS CAPITAL



SOCIAL & RELATIONSHIPS CAPITAL

MS1 MATERIAL TOPIC: SUSTAINABLE SUPPLY CHAIN MANAGEMENT	
<p>DEFINITION OF MATERIAL TOPIC Management of suppliers and contractors to ensure sustainability principles are upheld within the value chain.</p>	<p>IMPACTS</p> <div style="display: flex; align-items: center;"> <div style="display: flex; gap: 5px;"> <div style="background-color: #c00000; color: white; padding: 2px; font-size: 8px; font-weight: bold;">8</div> <div style="font-size: 8px; font-weight: bold;">SOCIAL INEQUALITY AND ECONOMIC GROWTH</div> </div> <div style="background-color: #e67e22; color: white; padding: 2px; font-size: 8px; font-weight: bold;">9</div> <div style="font-size: 8px; font-weight: bold;">INDUSTRY TRANSITION AND INFRASTRUCTURE</div> </div> <div style="display: flex; justify-content: center; gap: 10px; margin-top: 5px;"> <div style="background-color: #00a0c0; color: white; border-radius: 50%; padding: 2px 5px; font-size: 8px; font-weight: bold;">S1</div> <div style="background-color: #00a0c0; color: white; border-radius: 50%; padding: 2px 5px; font-size: 8px; font-weight: bold;">S2</div> <div style="background-color: #00a0c0; color: white; border-radius: 50%; padding: 2px 5px; font-size: 8px; font-weight: bold;">S3</div> <div style="background-color: #00a0c0; color: white; border-radius: 50%; padding: 2px 5px; font-size: 8px; font-weight: bold;">S4</div> <div style="background-color: #00a0c0; color: white; border-radius: 50%; padding: 2px 5px; font-size: 8px; font-weight: bold;">S5</div> <div style="background-color: #00a0c0; color: white; border-radius: 50%; padding: 2px 5px; font-size: 8px; font-weight: bold;">S7</div> <div style="background-color: #00a0c0; color: white; border-radius: 50%; padding: 2px 5px; font-size: 8px; font-weight: bold;">S9</div> <div style="background-color: #00a0c0; color: white; border-radius: 50%; padding: 2px 5px; font-size: 8px; font-weight: bold;">S10</div> </div> <div style="display: flex; justify-content: center; gap: 10px; margin-top: 5px;"> <div style="background-color: #00a0c0; color: white; border-radius: 50%; padding: 2px 5px; font-size: 8px; font-weight: bold;">GS1</div> <div style="background-color: #00a0c0; color: white; border-radius: 50%; padding: 2px 5px; font-size: 8px; font-weight: bold;">GS3</div> <div style="background-color: #00a0c0; color: white; border-radius: 50%; padding: 2px 5px; font-size: 8px; font-weight: bold;">GS5</div> </div>
<p>WHY IS THIS TOPIC MATERIAL TO US? As we have long-term commitments in the countries where we operate, we continuously work to strengthen our supply chain, as this is crucial to the continuity of our business. The sustainability performance of our vendors and suppliers are important considerations during vendor selection, as we firmly believe that this indicates their ability to remain resilient amid changing circumstances. Developing our supply chain's understanding and capabilities in ESG is a significant way to enhance business productivity and improve sustainability. A supply chain that aligns with our focus on sustainability shares our goals for a better future. This shared understanding sets a firm foundation on which collaborations can be built.</p>	
<p>CHALLENGES</p> <ul style="list-style-type: none"> Suppliers who have poor sustainability performance are more likely to experience disruptions to their operations, in turn affecting their client's operations. Suppliers, and by extension their clients, may experience reputational damage due to lapses in ESG practices. 	<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> Companies who actively advocate sustainability practices in their supply chain can increase the overall sustainability of the industry and community. Having a sustainable supply chain may uncover potential for innovation and market differentiation. Companies who take a firm stance on the sustainability of their supply chain can gain reputational advantages that can increase the attractiveness of the business to potential clients, investors and employees.
Management approach	
<p>Over the years, Yinson has continually enhanced our vendor pre-qualification assurance and vendor performance capabilities with regards to ESG performance. In FYE 2021, we further enhanced our ISO 9001-qualified VRP to include the following: an ESG Module, country specific forms to registration sites (Regulatory data), supplier annual updates on key focus areas, remote support question set, clarifications on safety and compliance and finance question sets, and improved functionality (insurance and ABAC and sustainability rules and Yinson Categories of Supply). Alongside commercial considerations, ESG considerations form part of the screening done through the VRP, with criteria including third party sanctions and negative media monitoring, HSEQ risk assessments, employee training, adequacy of health and safety management systems, fair labour practices, safety culture and pollution prevention. We require all vendors to comply with Yinson's ABAC Policy and provide an ABAC declaration as part of the registration and pre-qualification process in the VRP. In addition, we further require our high-risk vendors to complete an online training and an assessment to ensure they understand Yinson's stance on ABAC matters.</p> <p>We also carry out ESG engagements with vendors that are flagged through our VRP as not meeting our established criteria. When flagged, Yinson's compliance personnel will engage with vendors for reconciliation exercises, and work with the vendors towards completing the assessment process.</p> <p>In March 2022, we released a new ESG module that is benchmarked to global standards and methodologies including GRI, ISO, CDP, TCFD, WEF and SASB standards.</p>	
<div style="display: flex; align-items: center;"> <div style="background-color: #00a0c0; color: white; border-radius: 50%; padding: 5px; margin-right: 10px;"> </div> <div> <p><i>Compliance of our supply chain & third parties, pg 73; Vendors & suppliers, pg 128</i></p> </div> </div>	

SOCIAL & RELATIONSHIPS CAPITAL

MS2 MATERIAL TOPIC: CLIENT RELATIONSHIPS	
<p>DEFINITION OF MATERIAL TOPIC Maintenance of relationships with Yinson’s business partners and clients to ensure mutual success.</p>	<p>IMPACTS</p>  S1 S2 S3 S4 S6 S9 S9 S10 GS3
<p>WHY IS THIS TOPIC MATERIAL TO US? Our clients in our offshore and renewables businesses are key stakeholders for the Group, as they currently provide our primary revenue streams that allow us to deliver our projects, operate and grow. Our client relationships are long-term, for example, the tenure of our contracts with some of our offshore production and renewables clients are more than 20 years long. Throughout the contract tenure, continual engagement is essential to ensure that we continue to meet our contractual obligations amid a changing external environment. Additionally, strong client relationships can open the doors to opportunities to innovate new solutions, expand on business networks and advocate on shared concerns such as climate change.</p>	
<p>CHALLENGES</p> <ul style="list-style-type: none"> • Lack of engagement with clients can cause a mismatch in expectations, leading to unfulfilled contractual obligations and expectations, further risking litigation, financial and reputational ramifications. • Poor client relationships can cause a drop in client confidence, leading to loss of future business opportunities. 	<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> • Good client relationships can enhance operational, financial and reputational performance, leading to improved efficiencies and cross-learning opportunities. • Strong client relationship management promotes business growth through future collaboration opportunities, network expansion and innovation of new solutions. • An open relationship based on trust and common goals allows companies to better manage unplanned situations, as it enables quick decision-making.
Management approach	
<p>Partnering with the right clients is the first step in how we manage client relationships. We seek to conduct our business with reputable clients, which allows us to limit or remove counterparty risks. The majority of our key clients are investment grade or large national oil companies. We also seek like-minded clients who share our values of ESG and sustainability. We believe these foundations allow us to have meaningful, long-term and value-adding client relationships.</p> <p>We engage regularly with our clients in order to find out and address their key areas of concern, which were highlighted in our recent materiality assessment as operational excellence and meeting our contractual obligations. We communicate openly and transparently with clients on these areas of concern through regular engagement including scheduled reports, kick-off and milestone meetings, regular communications and dialogue, site visits and stakeholder engagement events.</p> <p>We also seek to add additional value to our clients wherever possible. For example, in line with our desire to contribute to the mitigation of climate issues, we have included low emission technologies in our FPSO designs for our clients’ consideration. The successful implementation of these designs leverage on our close working relationship with our clients.</p>	
<p> <i>Leading the way with responsible solutions, pg 103; Charter contracts, pg 81; Clients, pg 125</i></p>	

MS3 MATERIAL TOPIC: COMMUNITY ENGAGEMENT	
<p>DEFINITION OF MATERIAL TOPIC Collaboration with local communities where we have operations on social projects that benefit the wider public.</p>	<p>IMPACTS</p>  S1 S2 S7 S8 S9 S10 GS1
<p>WHY IS THIS TOPIC MATERIAL TO US? Community engagement helps create foster long-term trust and growth. Through empowerment and proactive contribution to our host communities, we reinforce our commitment to creating shared value between Yinson, the community and the environment. A good standing in our local communities provides us with the social license to operate. Our CSR programmes are guided by two core principles of environmental conservation & preservation and quality education. Helping to develop a skilled local workforce and keeping the natural environment healthy contributes to the sustainability of the operating environment, allowing Yinson to operate efficiently for the long run. Community involvement also helps with employee satisfaction, providing our people with purpose and fulfilment.</p>	

SOCIAL & RELATIONSHIPS CAPITAL

<p>RISKS</p> <ul style="list-style-type: none"> • Failure to maintain good relationships with local communities may lead to localised conflicts and reluctance to support the company, affecting operations and reputation. • A lack of understanding of local community concerns could result in ill-considered business decisions. 	<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> • Good community practices enable the company to attract and retain local talent. • A social license to operate allows companies to add value to the local community, creating a sustainable operating environment. • Meaningful engagement enables companies to understand concerns from different communities in different operating areas, enabling companies to respond and improve. • Good community engagement promotes good reputation and branding. • Social work can be a key differentiator for businesses, providing a competitive advantage.
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Management approach


As a global organisation whose operations touch the lives of individuals all over the world, we are committed to good corporate citizenship in every community we operate in. Our CSR programmes are designed to support Yinson’s CSR mission, which includes:

- Promoting quality education and effective learning.
- Promoting education through sport.
- Providing skills improvement and training opportunities to meet the demands in the energy industry.
- Promoting environmental conservation and rehabilitation.

Our CSR objectives are to:

- Create long-term positive outcomes in our communities and the environment.
- Create shared value between Yinson, the communities and the environment.
- Be a corporate leader in the community where we operate.
- Encourage Yinson employees to actively participate in CSR initiatives.

CSR activities at Yinson are driven by our CSR Committee, which comprises one representative from each country office. The committee meets monthly to receive updates and review proposed CSR programmes submitted by Yinsonites. Every Yinsonite is encouraged to nominate and champion CSR activities in the local community. Yinson collaborates with various stakeholders to offer impactful community solutions. Our community programmes aim to create value for all parties involved, including NGOs, collaborators and society at large. We strive to sustain long-term impact through ongoing interventions. A summary of our CSR programmes in FYE 2022 are elaborated in the Group CEO Review, with a full list of our CSR activities over the years found on our website.

 *Driving local impact, pg 47; Local workforce, pg 88; Local communities, pg 127*



Scan this QR code to read about all Yinson’s CSR efforts