

# SUSTAINABILITY STATEMENT

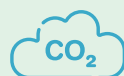
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# SUSTAINABILITY HIGHLIGHTS FYE 2022

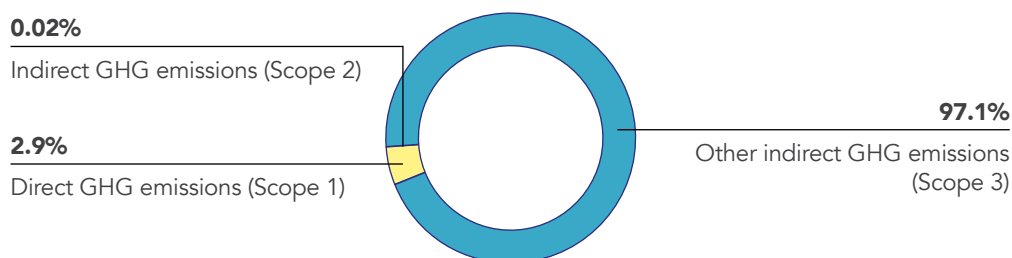
## CARBON EMISSIONS

**1,324,699.4 tonnes CO<sub>2</sub>e**  
Group carbon emissions



**489.3 kg CO<sub>2</sub>e/MWh**  
Group carbon intensity

### Carbon emissions by Scope



## ENERGY-RELATED INDICATORS

**2,541,697.7 MWh**  
Energy consumption

**298,338 MWh**  
Renewable energy generated (net)

**287,986 tonnes CO<sub>2</sub>e**  
Carbon avoided from renewable energy (net)

## OTHER ENVIRONMENTAL INDICATORS

CO emissions  
**1,667.1 tonnes**

NOx emissions  
**955 tonnes**

SO<sub>2</sub> emissions  
**8.9 tonnes**

nmVOCs emissions  
**417.8 tonnes**



**160.6 litres**  
oil spills



**0**  
environmental violations



**2,494.7 ML**  
water discharged



**617 tonnes**  
waste generated

## HEALTH AND SAFETY

Our goal is to have Zero LTI across all our assets



**Offshore Production**  
**0 LTIF**  
**0.21 TRIF**



**Offshore Marine**  
**0 LTIF**  
**0 TRIF**

## ENVIRONMENTAL, HEALTH & SAFETY AUDIT



**Number of Internal Audits**  
**9** for Yinson Production <sup>1</sup>  
**4** for Regulus Offshore <sup>2</sup>



**Number of External Audits**  
**4** for Yinson Production <sup>1</sup>  
**1** for Regulus Offshore <sup>2</sup>

<sup>1</sup> Yinson Production scope of audits includes ISO 9001, ISO 14001 and ISO 45001 standards and International Safety Management (ISM) Code.

<sup>2</sup> Regulus Offshore conducts audit against International Safety Management (ISM) Code to provide an international standard for the safe management and operation of ships and for pollution prevention.

# OUR APPROACH TO SUSTAINABILITY

**Sustainability forms our key strategic direction in Yinson. We do this purposefully to align society’s expectations of us and enhance shareholders’ value. Our Group-wide Sustainability Policy contains principles that form the foundation of our way of doing business and how we interact with the communities where we operate.**

## PRINCIPLES OF YINSON’S SUSTAINABILITY POLICY



**Environmental Conservation & Protection**

**Championing Human Rights & Human Capital Development**

**Embracing Good Corporate Governance**

We have continued to build on this foundation to drive our purpose in economic, environmental, and social aspects. We want to make energy accessible to places where it is most needed, more affordable and cleaner. We aim to be responsible for the environment where we operate, which includes taking care of nature and preventing pollution to the environment. We also aim to contribute to the societies where we run our business, especially in community development and making education accessible to the emerging generation.

Each of these principles is unpinned by our Core Values, R.O.A.D.S., and align with the United Nations Sustainable Development Goals (“UN SDGs”).

The UN SDGs are an important consideration for how we set our sustainability targets in line with society’s expectations. We contribute directly to seven SDGs across our business divisions and map out our activities accordingly as highlighted throughout this Report. We advocate and invite businesses across our value chain to do the same, and encourage their contribution to the wider SDGs.


## YINSON’S ALIGNMENT WITH THE UN SDGS



 *Alignment with the United Nations Sustainable Development Goals, pg 131*

Demonstrating sustainability leadership in our industry sector, we set our Climate Goals to be carbon neutral by 2030 and net zero 2050 in May 2021. Subsequently, we published our strategy to achieve our climate goals via our Climate Goals Roadmap. In preparation to meet stricter regulatory requirements in line with growing expectations from society on our climate disclosure, we have also published a separate Climate Report which is aligned with the recommended disclosures of the TCFD.

Moving forward, we will continue to work with our business partners, clients, governments, non-governmental organisations and industry associations to advocate the sustainability agenda.

 *Climate change & the energy transition, pg 132*

## OUR APPROACH TO SUSTAINABILITY

### SUSTAINABILITY GOVERNANCE

Yinson has put a sound and efficient governance structure in place to guide and manage sustainability-related matters as part of its existing corporate governance structure. The success of the governance structure is the result of sustainable leadership from our Board and Senior Management, which collectively forms our leadership team.

Our Board and Senior Management comprise experienced multinational professionals in the industry sectors that we operate in. Collectively, with their diverse backgrounds and experience, they provide comprehensive oversight and governance to our sustainability matters.

We have Board-level oversight and Management-level responsibility in governing sustainability matters. We constantly engage with our stakeholders both internally and externally to identify topics of concern covering economic and ESG aspects. The feedback arising from our stakeholder engagements were used to prioritise focus areas and identify areas of improvement, as demonstrated in our materiality assessments. This helps us to better understand societal concerns and navigate our business in an ever-evolving environment.

### SUSTAINABILITY IN OUR OPERATIONS & PROJECTS

Our HSE performance is crucial to how well we execute our projects and run our operations. The impact of one area (for example, Safety) could trigger cross impacts to another area (for example, Environment) affecting the overall success of the Group. HSE is particularly important in our offshore production business where a major incident could have severe repercussions. Thus we work hard to manage our environmental and social impact and strive to protect our people from harm and danger. To do this, we have a strong HSE governance framework covering tone from the top, HSE policies, robust HSE management systems, training programmes, competency models, stringent internal audits, emergency response plans and HSE operationalisation programmes.



Scan this QR code to read more about how Yinson manages HSE

We embed sustainability throughout our operations via constant stakeholder engagement, where we highlight the importance of sustainability in our operations. We also work closely with our clients and vendors to identify opportunities to improve our sustainability performance. We have been working through our VRP to identify the ESG maturity levels of our vendors. Looking from the long-term perspective, vendors, contractors and suppliers that are economically, environmentally and socially responsible will be the preferred choice as they will add value to our sustainability journey.



*Compliance of our supply chain and third parties, pg 73; Sustainable supply chain management, pg 157*

On the projects level, we advocate the incorporation of sustainability elements into the design of the FPSO and work closely with our clients to reach a mutual agreement on the design. In order to achieve our Climate Goals, we endeavour to partner with stakeholders in our value chain to achieve our shared objectives. For example, in our recent FPSO design, we worked with one of our clients to incorporate combined cycle technology and closed flaring to achieve GHG reductions of up to 20-25%.



*Environmental Performance, pg 101*

From a social perspective, we aim to contribute to the development of local economies in the countries where we operate. We do this by creating local job opportunities, training the local communities, knowledge transfer and sourcing from local suppliers where feasible.



*Driving local impact, pg 47; Local workforce, pg 88; Community engagement, pg 159*



# OUR APPROACH TO STAKEHOLDER ENGAGEMENT

## OUR STAKEHOLDER GROUPS

At Yinson, our ecosystem of stakeholders play a vital role in our long-term success. We seek to establish shared value across our stakeholders through proactive engagements to communicate our value proposition and capture feedback on our value creation to ensure mutual and sustainable relationships in the long run. Yinson’s 10 key stakeholder groups have been identified as below:



## STAKEHOLDER ENGAGEMENT

S1 BANKERS & LENDERS	
<p><b>Who are they?</b> Financial institutions that support our business growth and expansion through financial capital and advisory services. Yinson’s principal bankers and financiers are disclosed in our Corporate Information section.</p> <p><b>Yinson’s value proposition</b></p> <ul style="list-style-type: none"> <li>• Business excellence.</li> <li>• Sustainable financial and growth performance.</li> </ul>	<p><b>Stakeholder importance</b> Bankers and lenders are our main external source of capital to fund projects and other growth initiatives so we can continue to deliver value and services effectively to our stakeholders.</p> <p><b>Frequency and methods of engagement</b></p> <ul style="list-style-type: none"> <li>• <b>Daily:</b> Yinson website and social media.</li> <li>• <b>Regularly:</b> One-on-one engagements, communication and dialogue.</li> <li>• <b>Based on need:</b> Road shows, site visits, stakeholder engagement events.</li> </ul>
Key areas of concern & Yinson’s response	
Financial performance	Disciplined business and financial management are Yinson’s Edge to differentiate ourselves from our competitors. Tactical financial management is an important part of our capital strategy, within which we consider, amongst others, counterparty strength, building strong partnerships and careful management of our current and future debt. Yinson has a strong record of financial performance and returns to shareholders.
Environmental and social sustainability	Operationalising ESG and robust sustainability governance are important parts of our Group strategy. Our ESG performance helps our stakeholder groups to gauge our long-term outlook and insulates us against potential crisis. In Yinson, teams are given mandates to identify, develop and execute ESG initiatives that contribute to our overall sustainability goals and commitments.

## OUR APPROACH TO STAKEHOLDER ENGAGEMENT

## S2 CLIENTS

**Who are they?**

Parties who pay us for services and goods rendered. Our client profiles vary across business divisions due to the differing natures of these businesses as explained in our business model.

**Yinson's value proposition**

- Professional services as an energy solutions provider.
- Timely and high-performance products and services.
- Efficient and tailored energy solutions that support clients' business growth.

**Stakeholder importance**

Our clients play a central role in our business success. We continuously seek to understand and meet our client's expectations in order to deliver products and services that will build brand loyalty in the long run.

**Frequency and methods of engagement**

- **Daily:** Scheduled reports, Yinson website and social media.
- **Regularly:** One-on-one engagements, communication and dialogue.
- **Monthly:** Milestone meetings and updates.
- **Based on need:** Kick-off meetings, continuous engagement, road shows, site visits, stakeholder engagement events.

**Key areas of concern & Yinson's response**

Operational excellence	Industry-leading operational expertise is a Yinson Edge, which differentiates ourselves from our competitors. Our business divisions have strong track records of operational excellence, with Yinson Production demonstrating industry-leading operational and safety performance, Yinson Renewables demonstrating strong and stable energy generation and Regulus Offshore demonstrating good fleet utilisation and safety performances.
Contractual obligations are met	Project management is the core strength of Yinson, supported by a team of professional and skilled personnel who handles the execution of various projects across our business divisions. Yinson has a good track record of meeting our contractual obligations, including early or on-time delivery for our FPSO assets.

## S3 CREW

**Who are they?**

The personnel who work onboard our FPSOs and OSVs, which include both permanent and contractual workers.

**Yinson's value proposition**

- Stringent HSE programmes to protect the wellbeing of our people.
- Inclusive, fair, and equal employment opportunities and work packages.

**Stakeholder importance**

We rely on the crew's skills and performance for ongoing operations and success of our offshore assets.

**Frequency and methods of engagement**

- **Daily:** YNet, on-the-job learning and communication.
- **Regularly:** Crew activities, training and development programmes, SAYFR, management visits, inspections.
- **Monthly:** Shipboard safety meetings.
- **Quarterly:** Group-wide town halls.

**Key areas of concern & Yinson's response**

Operational safety	The safety and wellbeing of our crew is our upmost priority onboard as we continue to maintain industry-leading safety performance every year. We have a strong HSE governance framework covering HSE policies, HSE management systems, training programmes, competency models, internal audits, emergency response plans and HSE operationalisation programmes.
Fair compensation	We have collective bargaining agreements in place for our crew to ensure their rights are respected and they are compensated fairly by undertaking benchmarking activity in the markets in which we operate.
Fair treatment in accordance with internationally-recognised principles of HLR	We have a strong commitment to DEI as reflected in our HLR Policy. We actively implement Group-wide measures to prevent and remedy violations of HLR. We believe that diversity is our strength and it helps us to excel on a global playing field.

## OUR APPROACH TO STAKEHOLDER ENGAGEMENT

S4 EMPLOYEES	
<p><b>Who are they?</b> Our employees refer to the personnel who work on our onshore offices and are expected to carry out duties and responsibilities to meet our stakeholder commitments.</p> <p><b>Yinson's value proposition</b></p> <ul style="list-style-type: none"> <li>• Inclusive, fair, and equal employment opportunities.</li> <li>• Attractive and competitive work packages for mutual value creation.</li> <li>• Strong prospects for career growth and learning opportunities.</li> <li>• Flexible working arrangements for work-life balance.</li> </ul> <p><b>Stakeholder importance</b> We rely on our skilled and high performing workforce to drive value creation and execute our business strategy and growth.</p>	<p><b>Frequency and methods of engagement</b></p> <ul style="list-style-type: none"> <li>• <b>Daily:</b> YNet, on-the-job learning and communication.</li> <li>• <b>Regularly:</b> Office-wide town halls, continuous performance &amp; feedback, employee activities.</li> <li>• <b>Quarterly:</b> Group-wide town halls.</li> <li>• <b>Biannual:</b> Employee performance review.</li> <li>• <b>Yearly:</b> Employee engagement survey.</li> <li>• <b>Based on need:</b> Focus groups, pulse surveys, family-friendly offices and activities, training and development programmes, Culture and Values workshops.</li> </ul>
Key areas of concern & Yinson's response	
<p>'Fair treatment in accordance with internationally-recognised principles of HLR' is a key area of concern for employees, and a shared area of concern with our crew. Please see the 'Crew' section for Yinson's response.</p>	
Fair compensation	We embarked on our Total Rewards Strategy Project in 2020. This project aims to conduct an external benchmarking exercise across the organisation to formulate a Group-wide total rewards policy that ensures fair and equitable compensation to our employees.
Flexible working arrangements	We issued our Yinson Future of Work Philosophy in 2021 to provide our leaders, teams and employees richness of choice, flexibility and autonomy to deliver value across the organisation. The philosophy leverages on our learnings through the Covid-19 crisis and reaffirms Yinson's commitment in supporting a hybrid working model in all our offices.
Career progression	Yinson is in the midst of implementing a new performance management module in our Global HRIS that incorporates better performance cycle timelines, simplifies processes and focuses on continuous performance conversations throughout the year. We also revised our Group Learning & Development Policy & Procedure and continued building a learning culture through our LMS and L.E.A.D. courses.

S5 GOVERNMENTS & REGULATORY BODIES	
<p><b>Who are they?</b> These are the public organisations or government agencies that are responsible to regulate our business activities.</p> <p><b>Yinson's value proposition</b></p> <ul style="list-style-type: none"> <li>• Consistent and strong regulatory compliance for better market growth.</li> <li>• Tax payments in all jurisdictions of our operations.</li> <li>• Promote long-term and sustainable economic development.</li> </ul> <p><b>Stakeholder importance</b> A strong relationship with governments and regulatory bodies allows us to be updated on the latest regulations and to ensure the business is operating within compliance requirements.</p>	<p><b>Frequency and methods of engagement</b></p> <ul style="list-style-type: none"> <li>• <b>Daily:</b> Compliance with applicable legislation, submission of reports, Yinson website and social media, regular engagement, communication and dialogue.</li> <li>• <b>Regularly:</b> Participation in government and regulatory events, competency trainings.</li> <li>• <b>Based on need:</b> Consultation on regulatory matters; announcements and disclosures; work and resident permit issuances; kick-off, engagement and clarification meetings, audits and inspections.</li> </ul>
Key areas of concern & Yinson's response	
Technical, environmental, and social compliance requirements are met	Yinson is recognised for our adherence to all compliance matters, and we devote great effort to maintain our license to operate in every country we have operations in. We aim to build our leadership position in ESG matters having invested significantly into managing and disclosing our environmental performance to positively impact local communities.

## OUR APPROACH TO STAKEHOLDER ENGAGEMENT

56 INDUSTRY	
<p><b>Who are they?</b> Our various industry peers and strategic alliances that contribute to the progress and development of collective concerns and interests, including climate change matters.</p> <p><b>Yinson's value proposition</b></p> <ul style="list-style-type: none"> <li>Contribution of knowledge and skills for industry development and areas of collective concern.</li> </ul>	<p><b>Stakeholder importance</b> Contribution of knowledge and skills for Yinson's development and long-term sustainability.</p> <p><b>Frequency and methods of engagement</b></p> <ul style="list-style-type: none"> <li><b>Regularly:</b> Active memberships in strategic alliances, participation as exhibitors and speakers at industry conferences; features, editorials, and advertisements in industry publications; networking events.</li> </ul>
<b>Key areas of concern &amp; Yinson's response</b>	
Mutual advancement of the industry through collaborations	Yinson is committed to advocating and demonstrating our leadership in managing areas of collective concern such as climate change, global human resource development and the responsible advancement of industries that we operate in. We believe in collaborating with like-minded industry partners and parties towards achieving a more sustainable future for everyone.
57 INVESTORS & SHAREHOLDERS	
<p><b>Who are they?</b> Our investors and shareholders are individuals, companies or institutions that own shares in Yinson.</p> <p><b>Yinson's value proposition</b></p> <ul style="list-style-type: none"> <li>Business excellence.</li> <li>Sustainable financial and growth performance.</li> <li>Sustainable shareholder returns.</li> </ul> <p><b>Stakeholder importance</b> Investors and shareholders provide financial capital for our sustainable growth.</p>	<p><b>Frequency and methods of engagement</b></p> <ul style="list-style-type: none"> <li><b>Daily:</b> Investor Relations web portal, Yinson website and social media, regular engagement, communication, and dialogue.</li> <li><b>Regularly:</b> Investor conferences, one-on-one engagements.</li> <li><b>Quarterly and based on need:</b> Analyst briefings, press releases.</li> <li><b>Yearly:</b> Annual Reports, AGMs, investor engagement survey.</li> <li><b>Based on need:</b> EGMs, circulars.</li> </ul>
<b>Key areas of concern &amp; Yinson's response</b>	
'Financial performance' is a key area of concern for our investors & shareholders and a shared area of concern with our bankers & lenders. See 'Bankers & Lenders' section for Yinson's response.	
58 LOCAL COMMUNITIES	
<p><b>Who are they?</b> These are the communities in the local areas where we operate.</p> <p><b>Yinson's value proposition</b></p> <ul style="list-style-type: none"> <li>Sustainable operations driven by safety and environmental excellence.</li> <li>Socio-economic contributions for social and community developments.</li> </ul>	<p><b>Stakeholder importance</b> As a responsible corporate citizen, it is vital to understand our host communities' concerns to cultivate long-term and mutual trust.</p> <p><b>Frequency and methods of engagement</b></p> <ul style="list-style-type: none"> <li><b>Daily:</b> Yinson website and social media.</li> <li><b>Regularly:</b> CSR activities, engagement with local vendors, local trainee programmes, press releases, community development programmes.</li> </ul>
<b>Key areas of concern &amp; Yinson's response</b>	
CSR activities	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. A key consideration that we take when shaping our plans and strategies are the impacts that we can have in the local communities where we operate.



## OUR APPROACH TO STAKEHOLDER ENGAGEMENT

S9 PARTNERS	
<p><b>Who are they?</b> These are Yinson’s business partners who own equity in our assets and projects.</p> <p><b>Yinson’s value proposition</b></p> <ul style="list-style-type: none"> <li>• Knowledge, expertise, and experience in the delivery of energy solutions.</li> <li>• Disciplined business and financial management.</li> <li>• Collaborative, innovative, and tailored solutions to capitalise on market growth.</li> </ul>	<p><b>Stakeholder importance</b> Long-term strategic partnerships to leverage each other’s unique strengths for sustainable growth and continuous value creation.</p> <p><b>Frequency and methods of engagement</b></p> <ul style="list-style-type: none"> <li>• <b>Daily:</b> Regular engagement, communication and dialogue.</li> <li>• <b>Regularly:</b> Site visits, stakeholder engagement events, collaboration on announcements and press releases.</li> </ul>
<p><b>Key areas of concern &amp; Yinson’s response</b></p> <p>‘Operational excellence’ and ‘Contractual obligations are met’ are key areas of concern for our partners and shared areas of concern with our clients. See ‘Clients’ section for Yinson’s response.</p>	
<p>Mutual value creation</p>	<p>Forming alliances with reliable business partners has been a key success for Yinson, enabling us to increase our access to capital and strengthen our bidding capabilities. This has allowed the Group to bid for larger contracts and venture into new regions.</p>

S10 VENDORS & SUPPLIERS	
<p><b>Who are they?</b> These are the individuals and companies that Yinson engage with to deliver products, services and commitments.</p> <p><b>Yinson’s value proposition</b></p> <ul style="list-style-type: none"> <li>• Cooperate and collaborate to unlock new value and innovations.</li> <li>• Advocacy and engagement on ESG and sustainability matters.</li> </ul> <p><b>Stakeholder importance</b> We engage with vendors and suppliers who deliver high-quality goods and services to facilitate Yinson’s value creation.</p>	<p><b>Frequency and methods of engagement</b></p> <ul style="list-style-type: none"> <li>• <b>Daily:</b> Yinson website and social media, regular engagement, communication and dialogue.</li> <li>• <b>Regularly:</b> Supplier and industry conferences.</li> <li>• <b>Based on need:</b> Tenders and requests for proposals, site visits, vendor audits, VRP.</li> </ul>
<p><b>Key areas of concern &amp; Yinson’s response</b></p> <p>‘Financial performance’ is a key area of concern for our vendors and suppliers and a shared area of concern with our bankers &amp; lenders. See ‘Bankers &amp; Lenders’ section for Yinson’s response.</p>	

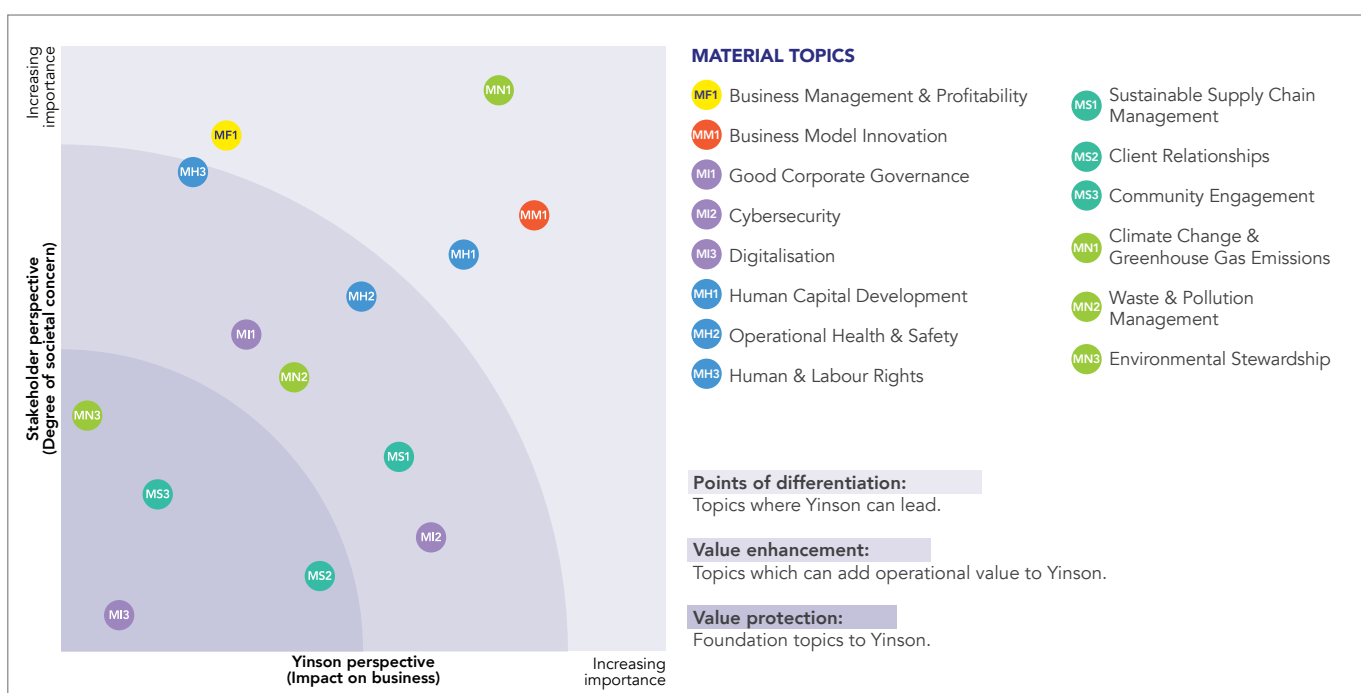
# MATERIALITY MATTERS

The global business landscape is continuously evolving, with environmental aspects being increasingly seen as important to all industries, especially for those that are carbon-intensive. In alignment with this, social aspects are also increasingly scrutinised as awareness towards sustainable business practices become mainstream.

Against such a backdrop, Yinson realises the importance of reviewing our material matters to better improve our business strategies in an effort to maintain alignment of viewpoints from internal and external stakeholders.

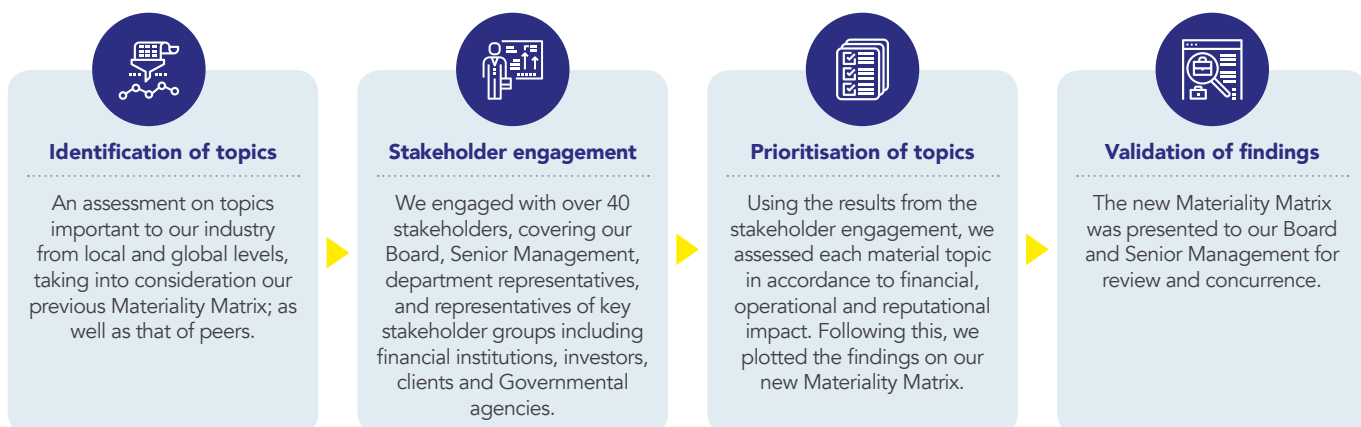
Our Corporate Sustainability team has thus refreshed our Materiality Matrix through in-depth, one-to-one discussions with key internal and external stakeholders.

## YINSON'S 2021 MATERIALITY MATRIX



## MATERIALITY PROCESS

The following process was undertaken to arrive at the Materiality Matrix above.



## MATERIALITY MATTERS

### YINSON'S APPROACH TO MANAGING OUR MATERIAL TOPICS

The management of our material topics is intrinsically linked to the management of our Capitals. We believe that good management of our environmental and social licenses to operate (i.e. our Human, Natural and Social & Relationships Capitals), will enable innovations and management processes to be enhanced (i.e. our Manufactured and Intellectual Capitals). This in turn is able to enhance our understanding of the risks and opportunities in order to better manage societal and environmental paradigms. The interlinked management of all our Capitals brings about improved profitability, ultimately forming a sustainable business model.

Our material topics are mapped to our Capitals as shown below. Our approach on how we manage our material topics are disclosed within the Our Capitals section of this Report and structured by materials topic within the respective Capitals chapters.




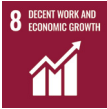



CAPITAL	MATERIAL TOPIC	DEFINITION
 Financial Capital	 Business Management & Profitability	Continued enhancements on processes directly related to business profitability, covering cost management and timely delivery of contracts.
 Manufactured Capital	 Business Model Innovation	Improve business resilience against external pressures, market signals and trends through offering of innovative products and services.
 Intellectual Capital	 Good Corporate Governance	Upholding of business policies and processes to be a responsible and ethical corporate citizen.
	 Cybersecurity	Ensuring digital systems and assets are safeguarded against external cyber threats.
	 Digitalisation	Integrate digital solutions into business processes and operations to optimise business growth in line with technology.
 Human Capital	 Human Capital Development	Maintain our standing as an employer of choice through utilising competitive programmes that attract, retain and reward staff.
	 Operational Health & Safety	Provision of secure working conditions and systems to safeguard human health and wellbeing in all operations.
	 Human & Labour Rights	Maintenance of key principles relating to HLR standards as those defined by international conventions.
 Social & Relationships Capital	 Sustainable Supply Chain Management	Management of suppliers and contractors to ensure sustainability principles are upheld within the value chain.
	 Client Relationships	Maintenance of relationships with Yinson's business partners and clients to ensure mutual success.
	 Community Engagement	Collaboration with local communities where we have operations on social projects that benefit the wider public.
 Natural Capital	 Climate Change & Greenhouse Gas Emissions	Integration of climate-related considerations into business strategies, as well as limiting the generation of carbon emissions from all operations.
	 Waste & Pollution Management	Responsible management of materials from acquisition to waste disposal that relate to the achievement of our business goals.
	 Environmental Stewardship	Advocacy of environment-friendly organisational practices including considerations for efficient energy management.



Our Capitals, pg 136

# ALIGNMENT WITH THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The UN SDGs are a blueprint for a better shared future. At Yinson, we have strategically decided to focus our corporate efforts towards aligning to seven key SDGs after taking careful consideration on how we can drive positive change.

SDG	YINSON'S INDICATORS	PROGRESS AGAINST THE INDICATORS AS AT FYE 2022												
	<ul style="list-style-type: none"> <li>Number of schools with access to electricity</li> <li>Number of schools with access to the internet</li> <li>Number of scholarships given</li> <li>Number of teachers sponsored</li> <li>Number of students impacted at schools</li> </ul>	<p>We continuously work with non-government organisations (“NGO”) and local communities to ensure that we support the education quality of the communities where we operate.</p> <ul style="list-style-type: none"> <li>1 school provided with access to electricity</li> <li>4 schools provided with access to the internet</li> <li>20 scholarships given</li> <li>4 teachers sponsored (over 3 years)</li> <li>More than 9,600 students impacted at schools</li> </ul>												
	<ul style="list-style-type: none"> <li>Diversity profile of Yinson’s Board</li> <li>Diversity profile of Yinson’s Senior Management</li> <li>Diversity profile of Yinson’s employees</li> </ul>	<table border="1"> <thead> <tr> <th>CATEGORY</th> <th>FEMALE</th> <th>MALE</th> </tr> </thead> <tbody> <tr> <td>Yinson’s Board</td> <td>36.4%</td> <td>63.6%</td> </tr> <tr> <td>Yinson’s Senior Management</td> <td>9.1%</td> <td>90.9%</td> </tr> <tr> <td>Yinson’s employees</td> <td>21.9%</td> <td>78.1%</td> </tr> </tbody> </table>	CATEGORY	FEMALE	MALE	Yinson’s Board	36.4%	63.6%	Yinson’s Senior Management	9.1%	90.9%	Yinson’s employees	21.9%	78.1%
CATEGORY	FEMALE	MALE												
Yinson’s Board	36.4%	63.6%												
Yinson’s Senior Management	9.1%	90.9%												
Yinson’s employees	21.9%	78.1%												
	<ul style="list-style-type: none"> <li>Number of schools with access to electricity</li> <li>Renewable energy generation</li> </ul>	<p>1 school in Ghana was provided with access to electricity through the provision of a 5 kW off-grid solar system, benefiting 250 students annually.</p> <p>300 GWh generated from renewable sources.</p>												
	<ul style="list-style-type: none"> <li>Group-wide attrition rates</li> <li>Annual new hires</li> <li>Completion rate of employees undergoing training related to HLR</li> <li>Number of students positively impacted</li> <li>Continued excellence in our operational health &amp; safety-related indicators</li> </ul>	<ul style="list-style-type: none"> <li>9.26% Group-wide attrition rate</li> <li>295 new hires with 30.6% new hire rate</li> <li>We are currently enhancing our HLR training programmes to increase awareness of this important issue</li> <li>More than 9,600 students positively impacted</li> <li>0.00 LTIF and 0.21 TRIF across our offshore production division</li> </ul>												
	<ul style="list-style-type: none"> <li>Carbon intensity per barrel of oil equivalent (kg CO<sub>2</sub>e/BOE)</li> <li>Carbon intensity per MWh of energy generated (kg CO<sub>2</sub>e/MWh)</li> <li>Intensity of carbon emissions per revenue ('000 CO<sub>2</sub>e/revenue)</li> </ul>	<p>Following the establishment of our Climate Goals, we have been assessing various methods towards reducing emissions. We have also been in talks with clients and business partners towards utilising low-emission solutions.</p> <ul style="list-style-type: none"> <li>23 kg CO<sub>2</sub>e/BOE carbon intensity per barrel of oil</li> <li>489.3 kg CO<sub>2</sub>e/MWh carbon intensity per MWh of energy generated</li> <li>367.3 tonnes CO<sub>2</sub>e/RM million intensity of carbon emissions per revenue</li> </ul>												
	<ul style="list-style-type: none"> <li>Take action to reduce net GHG emissions by 2030</li> <li>Align operations to be net zero by 2050</li> </ul>	<p>We have thus far released our Climate Goals Roadmap that outlines the different pathways that we can undertake to arrive at our Climate Goals. We have further aligned ourselves to recommendations from the TCFD. We have also begun integration of our framework with climate-related risks.</p>												
	<ul style="list-style-type: none"> <li>Maintain parts per million (ppm) levels from produced water and slop overboard average levels of ≤15 ppm of oil in water content</li> </ul>	<p>We continuously strive to ensure effluents from our operations are kept within regulatory environmental compliance. We successfully maintained ppm levels of water and slop overboard in FYE 2022 to ≤15 ppm.</p>												

# CLIMATE CHANGE & THE ENERGY TRANSITION

**Climate change is an urgent challenge affecting all nations and countries as it brings widespread economic disruptions and threatens lives. Tackling climate change is a global effort, with the fundamental transformation of the energy system being a key mitigation focus area. Yinson supports global climate action to meet the goals of the Paris Agreement to keep global temperature rise to well below 2°C and pursue the effort to limit it to 1.5°C.**

In line with the goals of the Paris Agreement, Yinson established our Climate Goals to be carbon neutral by 2030 and net zero by 2050. Yinson’s Climate Goals Roadmap provides a forward-looking trajectory of Yinson’s carbon profile up to 2050, highlighting specific action plans and operational changes to reduce carbon emissions. The projected key milestones for emissions reductions of Yinson Production is also provided within the Roadmap, providing a realistic direction towards the achievement of Climate Goals. We ensure that our climate actions are aligned to our Group

strategies. We believe this alignment will create greater value for our stakeholders and the wider community.

Yinson announced our support for the TCFD framework in August 2021 and aim to work towards implementing the recommendations. In December 2021, Yinson released our first Climate Report aligning with the TCFD recommendations. Yinson’s Climate Report outlines our strong governance and commitment to transparency in climate disclosure covering the four core elements – Governance, Strategy, Risk Management, and Metrics and Targets.

## CORE ELEMENTS OF RECOMMENDED CLIMATE-RELATED FINANCIAL DISCLOSURE



**Governance**  
The organisation’s governance around climate-related risks and opportunities

**Strategy**  
The actual and potential impacts of climate-related risks and opportunities on the organisation’s business, strategy, and financial planning

**Risk Management**  
The processes used by the organisation to identify, assess, and manage climate-related risks

**Metrics and Targets**  
The metrics and targets used to assess and manage relevant climate-related risks and opportunities

## CLIMATE CHANGE & THE ENERGY TRANSITION

While we recognise climate change as a material risk, we believe it can unlock new opportunities for the business. We also recognise the challenges in delivering suitable decarbonisation solutions at different timelines. We constantly monitor and measure the climate-related metrics against the targets set on an annual basis to ensure we have a holistic view of our progress.

Global energy demand that is driven by population and economic growth is expected to increase as it recovers from the impact of the pandemic. Transitioning the global energy demand to adopt sustainable development in the renewable energy space is a critical global decarbonisation strategy. In line with the energy transition and our ambition to be a global leading independent power producer of renewable energy, Yinson is committed to providing affordable and clean energy as the world's demand for energy increases.

Yinson Renewables has projected to increase Yinson's annual renewable energy generation to 1.7 TWh by 2025 and 5.6 TWh by 2030. The growth of Yinson's renewable energy portfolio is anticipated to lower Group-wide carbon intensity and accelerate the Group's transition to become a clean energy producer. Our commitment to the energy transition aims to also increase access to affordable energy, increase energy security, and diversify the global energy supply. To support our growth into a low-carbon and climate-resilient business, Yinson GreenTech focuses on creating a low-carbon ecosystem of logistics and services. Yinson strategically invests and progressively establishes our brand in green technologies such as e-mobility, charging infrastructures, battery swaps, and autonomous solutions.

### YINSON'S APPROACH TO CLIMATE RISK MANAGEMENT

Risk management is a structured approach to identifying, monitoring, measuring and managing exposures to reduce the potential impacts of uncertain occurrences. The unique characteristics of climate-related risks are essential considerations when integrating them into the existing risk management process to ensure practicality and effectiveness. Climate-related risks are integrated into Yinson's current risk management process with due consideration on whether such risks should be treated as standalone risks or as the drivers of existing risks that have already been defined.

Yinson's approach for climate risk management includes risk identification, risk analysis and development of responses or action plans. Yinson adopts a top-down approach to understand the risks and impacts from the macroeconomic perspective. Initiating the risk assessment process with a top-down approach ensures consistency and encourages comparability among different business units. Yinson will be looking into a bottom-up or hybrid approach to ensure that the insights relevant to specific assets or business lines are incorporated to provide granularity in the assessment. As part of risk identification and analysis, Yinson focuses on transition risks including changes in policy, technology, and the structure of markets over physical risks. This is because physical risks are less likely to impact our main operations in the offshore production business as our FPSO assets have incorporated environmental design values to withstand environmental impacts.

Yinson has adopted two publicly available climate scenarios that are widely used in the industry. The climate scenarios are the Stated Policies Scenario (STEPS) and Sustainable Development Scenario (SDS) based on IEA, WEO 2020. The scenario analysis exercise is neither for predictions nor forecasts, but it allows Yinson to analyse the potential outcome of such climate-related events. Scenario analysis also enables Yinson to understand our business resilience against different climate scenarios over the short, medium and long-term.



Scan this QR code to access our Climate Report, including more information on the identified climate-related risks and opportunities and the risk rating under different climate scenarios

# GHG METHODOLOGY & VERIFICATION

## YINSON'S METHODOLOGY FOR MONITORING & VERIFYING GHG EMISSIONS

Yinson accounts for and reports Scope 1 (direct emissions from owned or controlled sources), Scope 2 (indirect emissions from the generation of purchased energy consumed) and Scope 3 (all other indirect emissions that occur in the value chain). Yinson is committed to ensuring the adoption of appropriate calculation methodology and the integrity of information disclosed. Our methods are based on such as the UK oil & gas industry's Environmental and Emissions Monitoring System ("EEMS") Greenhouse Gas Protocol, ISO 14064 and IPIECA. Yinson engaged a third-party verifier to conduct the verification of GHG emissions of the FPSO's operations reporting, which covers the majority emissions of our business. The verification statement for our GHG emissions is available on our website.



Scan this QR code to view the verification statement on our GHG emissions

## GHG EMISSIONS FROM FPSOs

GHG emissions from Yinson Production FPSOs are based on recorded activity data, such as fuel gas and marine gas oil ("MGO") consumption, flaring and production volumes. Conversion factors are based on recommended values by UK Oil & Gas "EEMS – Atmospheric Emissions Calculations (Issue 1.810a)".

The following GHGs are material to Yinson's operations: CO<sub>2</sub> (Carbon dioxide), CH<sub>4</sub> (Methane) and N<sub>2</sub>O (Nitrous oxide). These are converted to CO<sub>2</sub> equivalents by applying the 100-year time-horizon global warming potential as recommended by IPCC's 5<sup>th</sup> Assessment Report.

Emission sources from the FPSOs include power generation (boilers, gas turbine generators, essential and emergency generators, and diesel driven firewater pumps), flaring (HP, LP and pilot), as well as cold venting. A physical measurement on fugitive emissions was done onboard FPSO JAK to evaluate the impact from fugitive emissions. The measurement exercise indicated that the contribution of fugitive emissions are statistically negligible to the overall results, and therefore are not included as an emission source. However, significant accidental gas releases (LOPC tier 1) shall be included in the GHG inventory. Yinson did not record any such releases in FYE 2022.

## ENERGY CONSUMPTION ON FPSOS

Energy consumed by FPSOs is reported as primary energy. This is the energy content of the hydrocarbon fuel used to produce electricity, heat, steam etc. This is in line with the energy use reporting format recommended by IPIECA in the Sustainability Reporting Guidance For The Oil & Gas Industry, 4<sup>th</sup> Ed., and GRI 302-Energy.

## COLD VENTING

Cold venting from cargo tanks is recognised as a significant contributor to GHG emissions. Quantification of the cold vent gas is done by considering the ideal gas law, which reasons that 1m<sup>3</sup> of crude added to cargo tanks will displace 1m<sup>3</sup> of gas through the cold vent. This method does not account for flashing in the tanks, and there are a number of assumptions and uncertainties associated with the model. Yinson has initiated a study to assess the flashing factor and to simulate the cold vent gas composition. Based on results from third-party studies on FPSO JAK and FPSO Helang, we are confident that the cold vent emissions, as disclosed in this Report, is conservative and on the high side of the scale. Yinson is working on improving the model used for estimating the cold vent contributions to our GHG emissions.

## GHG CALCULATOR

Yinson uses an excel-based GHG calculator to determine the GHG and atmospheric emissions from our operations, as well as the cold venting. This calculator takes activity data and production data as inputs and calculates the resulting emissions. The calculator and methodology has been verified to a reasonable assurance by DNV.

## CARBON INTENSITY RATIOS

The primary indicator used by Yinson to measure and evaluate performance of our operations is the amount of CO<sub>2</sub> released per barrel of oil equivalents (kg CO<sub>2</sub>e/BOE). Production is converted to BOE by utilising conversion factors published by Norwegian Petroleum, found at [www.norskpetroleum.no](http://www.norskpetroleum.no).

We also measure the amount of CO<sub>2</sub> released per MWh. This is a measure that combines primary energy consumed by FPSOs and renewable energy production by Yinson Renewables.

## ADJUSTMENT IN GHG CONSOLIDATION APPROACH

Yinson has changed our consolidation approach from equity share to operational control and reclassified the accounted emissions. The reassessment of our consolidation approach was due to the reasons described as follows:

## GHG METHODOLOGY & VERIFICATION

- To align with the industry best practices and to be comparable to our peers.
- To reduce any potential double counting of Scope 1 and Scope 2 emissions among clients, suppliers, and partners.
- To identify the areas of operations and emissions where Yinson has direct control.

The FPSOs under the Group are either finance lease or operating lease assets, which means that Yinson has no direct control over the reduction of emissions from the operation of these assets. Therefore, the emissions from FPSOs that were previously accounted under Scope 1 emissions have been reclassified under Scope 3 Category 13 – Downstream Leased Assets based on the operational control consolidation approach. The emissions reclassification helps with the understanding of stakeholder responsibilities towards strategising an effective emissions reduction plan. As a responsible business owner, we acknowledge the importance of accounting Scope 3 emissions. Therefore, further engagements will be conducted with our clients to understand the collaboration effort and partnership required to reduce the emissions of these FPSOs.

### SCOPE 1, 2 & 3 EMISSIONS

Scope 1 emissions are direct GHG emissions that occur from sources that are controlled or owned by Yinson, which also include direct emissions from company-owned vehicles and other machinery that use fossil fuels. The emissions are based on conversion factors published by the Department for Business, Energy and Industrial Strategy – UK Government GHG Conversion Factors for Company Reporting.

Scope 2 emissions are indirect GHG emissions associated with the purchase of energy. This includes the purchased energy by all offices and base offices over which Yinson has operational control. The emissions related to the use of purchased energy of leased assets, where Yinson is the lessee and does not have operational control, will be accounted under Scope 2 emissions. These are reported on the location-based method. Grid intensity factors are based on IGSE (2021) List of Grid Emission Factors, version 10.11, for locations outside of Europe. European emissions are based on grid intensity factors published by the European Environment Agency's 'EEA 2017 CO<sub>2</sub> emission intensity of electricity generation'.

Scope 3 emissions include all other indirect emissions that occur throughout Yinson's value chain. The Scope 3 emissions categories accounted for and reported include Category 6:

Business Travel and Category 13: Downstream Leased Assets. The emissions from business travel (Category 6) includes air travels for business-related activities, where the emissions data has been provided by our travel agents. The emissions are calculated using the distance-based method. The emissions related to leased assets, where Yinson is the lessor and does not have operational control, will be allocated to downstream leased assets (Category 13) under Scope 3 emissions. Yinson's fleet of FPSOs are leased to our clients, and thus considered to be under the client's operational control. In accordance with the GHG protocol, emissions of leased assets are on lessees' Scope 1 and lessors' Scope 3 when using the operational control approach. It is also the general understanding among key industry stakeholders that the owner of the fluids produced on the FPSO is the owner of the emissions. This has been communicated to our clients to ensure that we avoid double counting, and more importantly that the emissions are not underreported.

Yinson aims to achieve carbon neutrality by 2030 and net zero by 2050. Our net zero goals covers emissions from Scopes 1, 2 and 3 (including Category 13 - Downstream Leased Assets).

Note that all the onshore and offshore transfers for business-related operations are not included in our Scope 3 Category 6. As Yinson provides energy infrastructure and technology services, we do not have ownership and responsibility on the use of the final product. Hence, the Scope 3 emission of Category 11: Use of Sold Products is irrelevant to our operation.

### RESTATEMENT OF FYE 2021 GHG EMISSION

Yinson reported a total of 576,616.20 tonnes of CO<sub>2</sub> equivalents in FYE 2021. It was later discovered during a quality assurance assessment that the total emissions based on equity share in assets should be 571,881.49 tonnes. The error in GHG emissions reported is found to be less than 1%. The reason for the restatement was traced back to human error and the use of estimated rather than actual activity data (fuel consumption and production volumes).

The restatement of GHG emission has been verified by DNV to reasonable assurance. Note that due to the changes in consolidation approach from equity share to operational control, the total GHG emissions for FYE 2021 without the consideration of equity share in assets will be 756,226.73 tonnes CO<sub>2</sub>e.

The GHG emissions for FYE 2020, restated in Annual Report 2021, covered the assets FPSO JAK and FPSO Atoon, and as disclosed, are not representative of Yinson's emissions as a whole.