

BUILDING ENVIRONMENTAL AND CLIMATE RESILIENCE



CLIMATE CHANGE & CARBON MANAGEMENT

Integrate and adopt climate considerations for business resiliency and manage decarbonisation efforts through technology-driven optimisation and low-carbon processes.

Risks

- Shifting consumer demand for low-carbon products and services can lead to stranded assets and increase our business continuity risk.
- Limited access for oil & gas businesses to debt and equity markets, leading to increasing financing costs.
- Inability to adapt business models to evolving climate expectations and regulations poses business continuity risks.
- Mandatory carbon pricing instruments could impact overall financial performance.
- Failure to meet climate goals could negatively impact the company's reputation.

Opportunities

- New business streams which leverage low-carbon solutions may be created for continued financial success.
- Effective management of climate-related topics could boost stakeholders' confidence, including the public and future talent pool.
- Opportunities for ESG-positive and transitioning businesses to attract funding from sustainability-focused investors.
- Establishing a clear transition pathway demonstrates a commitment to managing our business's carbon footprint, thereby maintaining brand value.

Concerned stakeholders



WHY IS THIS TOPIC MATERIAL TO US?

Given the global urgency surrounding climate change, it is crucial to mitigate its impacts to prevent irreversible damage to the environment and humanity. These impacts encompass extreme weather events, resource shortages and regulatory changes, all of which have the potential to disrupt our supply chain and increase operational costs. Climate-related impacts are a risk to Yinson's capacity to generate long-term value for our business and stakeholders. These issues can impact our performance, reputation, supply chain resilience, operating environment and overall business sustainability. Therefore, integrating climate considerations into our decision-making processes is imperative.

Failure to address climate change in our operations exposes us to various risks, including stranded assets, short-sighted business planning, business disruptions and reputational damage. Additionally, the incorporation of climate-related assessment criteria by financial institutions in their lending and investing practices may restrict our access to debt and equity capital markets, potentially leading to higher financing costs. Further, the implementation of carbon pricing instruments is growing, with many organisations advocating for a global carbon price. The speed and extent of this implementation could have financial impacts on companies that fail to adapt their business models accordingly. Thus, proactively addressing climate change is not only essential for mitigating environmental risks but also for safeguarding our financial resilience and competitiveness.

MANAGEMENT APPROACH

We recognise that effective greenhouse gas ("GHG") management enables Yinson to mitigate climate-related risks and capitalise on opportunities. Yinson acknowledges the potential climate-related risks and opportunities that could materialise over the short, medium and long-term, and our role in delivering clean and equitable energy while managing our climate impacts.

We embrace the concept of 'common but differentiated responsibility' put forward by the UN Framework Convention on Climate Change, where we recognise our unique position in the value chain to actively contribute to the global effort to reduce emissions. For Yinson, as our FPSO operations currently account for approximately 97% of our total GHG emissions, this means that we are committed to operating our FPSO business with minimal impact on the environment while taking active climate action wherever possible.

GHG methodology, verification and assurance

Yinson accounts for and reports our Scopes 1, 2 and 3 GHG emissions in accordance with internationally recognised standards including:

- UK oil & gas industry's Environmental Emissions Monitoring System ("EEMS").
- GHG Protocol.
- ISO 14064.
- IPIECA guidelines.

Our GHG accounting methodology, GHG emissions and key Sustainability Performance Targets undergo third-party verification. Yinson maintains a comprehensive inventory of our significant emissions sources, which we disclose to organisations such as Carbon Disclosure Project (“CDP”) for benchmarking purposes. Yinson started participating in and supporting CDP disclosures in 2023.

For our FPSOs, we meticulously track, analyse, verify and report various sources of emissions, including GHG emissions from fuel gas and marine gas oil consumption, flaring and cold venting from cargo tanks.

The nature of operations within the oil & gas value chain implies that GHG emissions from production activities are attributed to the Scope 1 emissions of the field operators and, as such, classified as Scope 3 emissions for Yinson. This is in line with industry common practice.

Yinson proactively monitors evolving disclosure standards and strives to align with the latest industry best practices. As our climate action journey progresses, we remain adaptable and committed to strategies and actions that support our climate ambitions. We aim to transparently communicate and disclose our climate endeavours in an impactful manner.

Further, we are committed to reviewing our climate progress and projections against our Climate Goals regularly, incorporating new developments such as advancements in emissions reduction technologies and best practices in

emissions accounting. At the same time, we are enhancing our Task Force on Climate-Related Financial Disclosures (“TCFD”)-related disclosures to reflect initiatives and progress made in optimising the disclosure of climate-related financial information. We are also committed to reviewing our Climate Goals Roadmap every two years or as needed.



Scan for more information on our GHG methodology, verification and assurance.

Governance of climate-related matters

Yinson maintains a robust governance framework to facilitate responsible oversight, evaluation and management of climate-related matters, and associated risks and opportunities. Climate-related matters receive Board-level oversight and guidance, while the Management & Sustainability Committee (“MSC”) is responsible for managing risks within tolerable levels with specific and material metrics and targets.

Sustainability governance, pg 19.

Yinson’s climate strategy

Our Climate Goals are operationalised through a three-pronged framework: carbon reduction, carbon removal and carbon compensation.

Carbon reduction	Carbon removal	Carbon compensation
<p>Our focus is on reducing emissions across Scopes 1, 2 and 3 by implementing changes in internal processes and operations. This involves adopting innovative emissions-reducing technologies such as hydrocarbon blanketing, closed flaring and vapour recovery units to eliminate routine flaring and decrease the carbon intensity of our FPSOs. We also aim to incorporate renewable energy sources into our operations wherever feasible.</p>	<p>We are actively exploring various carbon removal mechanisms to capture carbon emissions from the atmosphere, including both nature-based (afforestation and reforestation) and technology-based solutions (Direct Air Capture). As these solutions continue to evolve and become more viable from technological and economic standpoints, we will continuously update and refine our carbon removal strategy.</p>	<p>We will utilise carbon compensation mechanisms, such as carbon credits, to offset GHG emissions generated by our operations. We prioritise the acquisition of high-quality carbon credits that undergo independent verification to ensure their credibility and effectiveness in offsetting our emissions.</p>

Climate risk and GHG emissions management are material concerns to our stakeholders, in particular financiers, regulatory bodies, investors, shareholders, local communities and suppliers. We regularly engage with stakeholders on these matters to ensure transparency and accountability.

One of the areas of interest is the value chain emissions. Yinson actively engages with stakeholders to address Scope 3 GHG emissions across our value chain. This includes collaborating with clients to reduce emissions from downstream leased assets and expanding our supplier engagement efforts. These engagements aim to align materiality and accounting approaches while identifying opportunities to drive tangible reductions throughout our value chain.

Integrity in corporate reporting and meaningful relationship with stakeholders, pg 154 - 159.

CLIMATE-RELATED RISKS AND OPPORTUNITIES

Risk management

Yinson applies a structured process to identify material climate-related risks and opportunities as part of our risk management process. The identified climate-related risks and opportunities are documented with a unique risk identification number and captured in a dedicated register. This supplements Yinson's overall Enterprise Risk Management ("ERM") processes. We adopt the concept of 'double materiality' during this process, considering the effects of climate change on finance and corporate activities, and vice versa. Following TCFD recommendations, we evaluate our business portfolio against future scenarios, tying assessment results back to the ERM framework for appropriate risk response actions.

Yinson uses scenario analysis to better understand climate-related matters. These scenarios, while carrying a degree of uncertainty and assumptions, serve as good references for signals and indicators on the plausible trends of developments of parameters related to the businesses. The Stated Policies Scenario (STEPS) and Sustainable Development Scenario (SDS) are adopted for transition risk analysis, while Representative Concentration Pathways (RCP) 8.5 is adopted for climate-related physical analysis.

Physical risk

Yinson's current and future FPSOs are engineered with consideration to potential impacts from the external environment. They are built to endure a combination of environmental loads and events, such as increased wave heights and wind potential. They are designed with a conservative return period to withstand maximum environmental loads of up to 100 years. As such, acute and chronic events have been incorporated into the design of our FPSOs.



Transition risk

- Market:** Shifting consumption patterns to cleaner alternative energies may disrupt the fossil fuel-based market, affecting Yinson's revenue stream. Additionally, enhanced climate-related assessments from financial institutions as they respond to pressures to reduce exposure to carbon-intensive industries may lead to a change in Yinson's financing approach, which could in turn lead to increased capital costs.
- Technology:** Investing in new technologies presents risks such as uncertain technical outcomes, unpredictable market adoption, regulatory challenges, high initial costs and intense competition. Our activities in new low-carbon solution technologies have high initial investment costs, with eventual adoption onto our operating fleet subject to client approval.
- Policy and legal:** Increasing rollout of carbon-based regulations and instruments could lead to increased compliance costs in the energy market. Increasingly stringent carbon policies could drive regulatory pressure to accelerate the phasing down of fossil fuel-based assets.
- Reputation:** The oil & gas industry faces heightened expectations to step up climate action. Failure to align operations with the Paris Agreement or to meet our climate commitments could pose a risk to Yinson's reputation due to increasing societal expectations.


Climate-related opportunities

Yinson recognises that there is significant medium to long-term potential to develop new business opportunities within the low-emission and renewable energy infrastructure. Yinson is committed to helping our clients transition toward less carbon-intensive offshore energy production.

The FPSO market presents opportunities for us to collaborate with clients on shared climate concerns. We leverage our position as a sustainability-focused organisation committed to emissions reduction to execute FPSO projects. We will continue engaging with potential clients on low-emission designs for new FPSOs and explore opportunities to integrate low-emission technologies into our existing assets.

Yinson ventured into renewable energy with the establishment of Yinson Renewables in 2020, as part of our effort to accelerate the global transition to clean energy sources. Yinson Renewables has actively contributed to strengthening the global renewable energy infrastructure, with Rising Bhadla 1 & 2 and Nokh solar plants in India and more recently, the acquisition of the Matarani Solar Project in Peru.

Yinson also established Yinson GreenTech in 2021, through which we are investing in green technologies to electrify marine and land transportation, paving the way for a low-carbon ecosystem. Since its establishment, we have developed a suite of integrated solutions that has received enthusiastic uptake from commercial customers, including Pos Malaysia, Starbucks Malaysia and Jurong Port; as well as strategic partners such as CelcomDigi, LHN Group, PLUS Malaysia and Proton's Pro-Net.

 *Inclusive energy transition, pg 96 - 97.*

METRICS AND TARGETS

Yinson has set an ambitious target to achieve carbon neutrality by 2030, encompassing Scopes 1 and 2 emissions and net zero emissions by 2050 for Scopes 1, 2 and 3 emissions.

Climate-related metrics and targets are integrated under our 30 by 30 initiative to be achieved by 2030.

 *30 by 30 scorecard, pg 26 - 27.*

INTERNAL CARBON PRICING

In the year under review, we introduced an Internal Carbon Pricing ("ICP") Policy and Framework to address potential climate-related transition risks and seize potential opportunities. This framework enables Yinson to take a financial approach to strategically allocate capital towards energy transition initiatives, including investments in clean energy expansion. The ICP Policy provides clear guidelines on integrating, evaluating and implementing the ICP mechanism, establishing a robust governance and control structure for managing an internal Sustainable Investment Fund.

Yinson's ICP Framework includes a range of carbon charges per tonne of CO₂e emitted above a predefined emission target. This pricing mechanism serves as a decision-making tool, allowing our businesses to assess their exposure to external carbon pricing schemes and guide decisions and investments towards positive change. The pricing is based on current and projected carbon regulations, which can be adjusted to reflect market trends and regulatory changes. We plan to implement the ICP in Yinson Production by the end of 2024, with the intention of extending it to other businesses in the future. Through this pilot phase, we seek to gain valuable insights and continuously enhance the ICP implementation process.

Yinson will continue to engage with stakeholders on our carbon accounting practices and the progress of our GHG emissions reduction efforts and other related issues to ensure transparency and accountability. These actions demonstrate our commitment to managing our business's carbon footprint, opening up opportunities to tap into funding from environmentally conscious investors. By prioritising climate action, we aim to access new business opportunities to build a solid foundation for sustainable value creation.





INCLUSIVE ENERGY TRANSITION

A balanced approach to the energy trilemma to support the global energy shift towards an equitable and inclusive low-carbon economy through renewable and innovative low-carbon solutions.

Risks

- The pace of the energy transition for carbon-intensive businesses faces obstacles such as the high costs of implementing low-carbon technologies and the availability and accessibility of such technologies.
- Certain communities may face economic challenges during the transition period, requiring thorough consideration of social impacts.
- Rapid changes in policies and regulations can introduce uncertainty, affecting long-term investment and planning in the energy sector.

Opportunities

- Inclusive energy transition promotes the expansion of renewable energy sources and the EV ecosystem to further enhance Yinson’s business resilience and growth.
- Transition initiatives drive innovation and create new job opportunities in emerging green sectors.
- Embracing inclusivity in transition efforts improves Yinson’s reputation, attracting socially responsible consumers and investors.

Concerned stakeholders



WHY IS THIS TOPIC MATERIAL TO US?

Inclusive energy transition facilitates a shift towards sustainable energy, emphasising social equity and accessibility. This approach addresses the energy trilemma by balancing energy equity, environmental sustainability and energy security. Prioritising inclusivity fosters a resilient and equitable energy landscape, capable of meeting global energy demands in a just and orderly manner. It also plays a crucial role in mitigating climate change and benefiting communities across socio-economic spectrums.

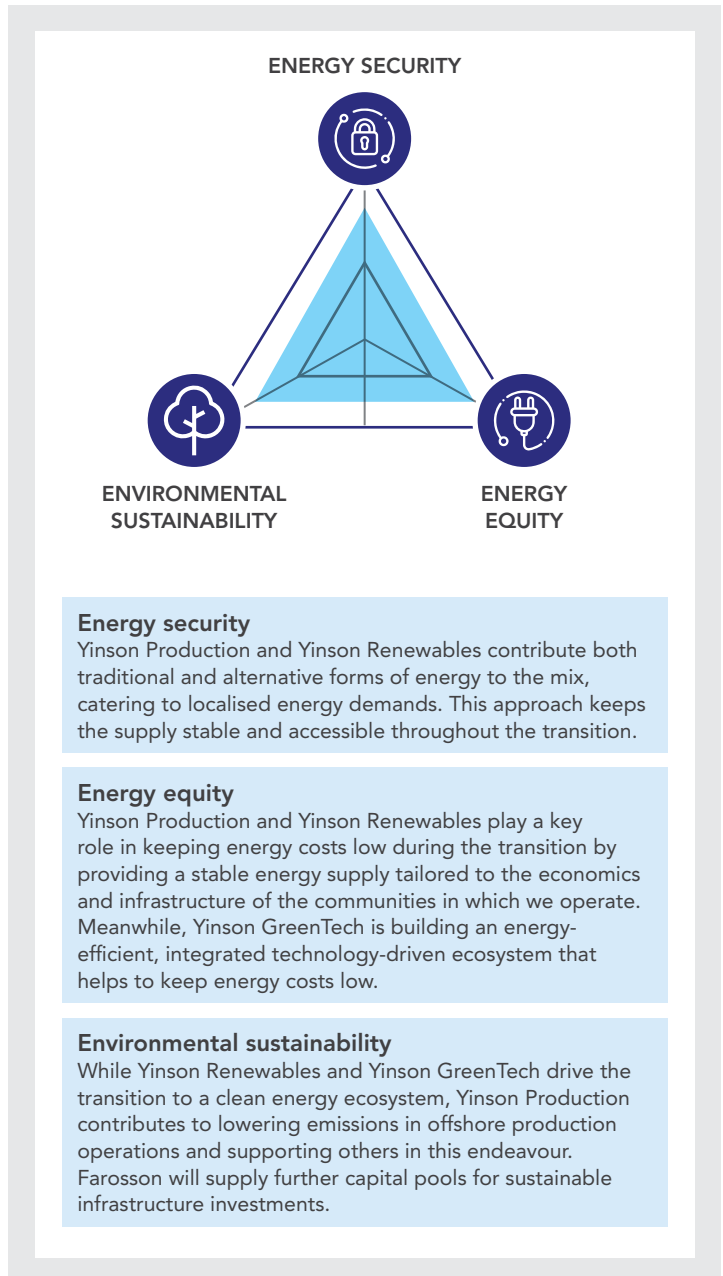
MANAGEMENT APPROACH

Safeguarding energy security, environmental sustainability and energy equity

At Yinson, we believe inclusivity is at the heart of the energy transition. Access to modern energy is fundamentally linked to the well-being, prosperity and development of every economy.

In the coming decades, oil & gas will continue to play an essential role as we steadily transition to various renewable energy sources. Yinson aims to play a vital role in this shifting landscape, supporting energy infrastructure development while actively diversifying into renewables and green technologies. This approach is essential to accelerate the transition to a low-carbon economy.

The energy trilemma refers to the challenge of balancing three crucial yet often competing priorities in the energy sector: energy security, environmental sustainability and energy equity. This trilemma arises because simultaneously achieving these goals is not easy, with energy demand and development varying due to factors like availability, infrastructure, market competition and government policies.



Yinson's commitment to the clean energy transition

We have always believed in a future where energy is clean, accessible, affordable and reliable for everyone. However, providing energy security and affordability to as many people as possible today is just as vital, bringing them along through the transition.

Our objective at Yinson is to foster a technologically advanced ecosystem powered by clean energy. We are committed to making these clean and innovative solutions affordable and accessible to everyone, as we believe this is a crucial step towards a fair and equitable transition to a net zero world.

In line with our 30 by 30 commitment, we aim to have 30% of our total equity investment in non-oil-based FPSO activities by 2030. This bold commitment demonstrates our dedication to strategically direct capital towards supporting the energy transition agenda as reflected by initiatives taken by our businesses.

Yinson Production: Low-carbon energy initiatives

Yinson Production is navigating an ever-changing landscape towards a low-carbon economy by undertaking impactful initiatives, including:

- **Offshore Post-Combustion Carbon Capture:** On track with the first installation of a pilot-scale post-combustion carbon capture plant aboard FPSO Agogo.
- **Direct Air Capture:** We are collaborating on megatonne-scale Direct Air Capture ("DAC") projects for CO₂ storage.
- **Green and Blue Ammonia Floating Production Units:** We are exploring the development and operation of offshore assets for producing low-carbon products like green and blue ammonia using renewable energy or natural gas.
- **Liquid CO₂ Floating Storage Injection:** We are exploring collaborations to develop carbon sequestration hubs for decarbonisation services to cross-border customers.
- **Energy from Waste:** Yinson is exploring projects to harness renewable energy from discarded biomass materials.



Case study: *Building the carbon value chain*, pg 30.

Yinson Renewables: Expanding our capacity of clean power

Established in 2019, Yinson Renewables is actively growing its healthy wind and solar project pipeline across Asia Pacific, Europe and Latin America.

Currently, we have three operating assets in India – Rising Bhadla 1 & 2, and Nokh Solar Park, with a total installed capacity of 460 MWp. We have also completed the acquisition of the Matarani Solar Project in Peru, with a 97 MWp capacity, which is expected to commence operations by the end of 2024. In accordance with our 30 by 30 commitment, we are targeting renewable energy generation of 5,600 GWh per year by 2030.



Yinson Renewables, pg 76 - 80.

Yinson GreenTech: Building an integrated, energy-efficient and technologically advanced transportation ecosystem

Since its establishment in 2020, Yinson GreenTech has made good progress in creating an integrated, energy-efficient land and marine transportation ecosystem that is powered by technology. Yinson GreenTech aims to develop green technologies to make them more affordable and accessible for businesses and consumers.

To date, chargEV has installed over 400 EV chargers in Malaysia and Singapore, with the aim of 3,000 chargers installed by 2030. drivEV has also expanded its fleet of EVs to over 200 vehicles. In the year under review, marinEV achieved a significant milestone with the launch of two prototype electric vessels.



Yinson GreenTech, pg 81 - 87.



BIODIVERSITY MANAGEMENT

Strategies to reduce negative impact from operations to enhance ecosystem resilience through partnerships and conservation efforts.

Risks

- Evolving regulations may pose compliance challenges, requiring constant adaptation to stay within the legal framework.
- Dependence on specific biodiversity-related resources can increase exposure to supply chain vulnerabilities.
- Inadequate biodiversity management practices may lead to reputational damage.

Opportunities

- Preserving biodiversity ensures continued access to crucial ecosystem services.
- Commitment to biodiversity management builds a positive brand image.
- Biodiversity-conscious practices contribute to Yinson’s long-term resilience, mitigating environmental risks and ensuring sustainable resource availability.

Concerned stakeholders



WHY IS THIS TOPIC MATERIAL TO US?

Yinson firmly believes in biodiversity management to safeguard our planet’s biodiversity, recognising its critical role in sustaining ecological equilibrium, supporting human health and ensuring long-term prosperity. As a global player in the energy and marine sectors, we understand that biodiversity is not an abstract concept — it directly influences our business operations. We believe that actively engaging in conservation efforts and risk management helps to minimise our negative impact on biodiversity. Healthy ecosystems contribute to stable weather patterns, clean air and water, and resilient supply chains. By preserving biodiversity, we safeguard our well-being and that of future generations.

While we acknowledge nature degradation as a significant risk, we also see it as an opportunity to unlock new possibilities for the business. To better understand nature-related risks and opportunities, Yinson has explored various tools recommended by the Taskforce on Nature-related Financial Disclosures (TNFD) guidelines to analyse metrics such as proximity to key biodiversity areas. We recognise the principle of ‘common but differentiated’ responsibility, underscoring our business’s crucial role in the push for decarbonisation and the ambitious nature of conservation efforts.

MANAGEMENT APPROACH

Yinson’s commitment to biodiversity is outlined in our Biodiversity Policy, which sets out how we strive to develop a business model that promotes sustainable practices that preserve and enhance natural ecosystems. Our Biodiversity Policy supports the Kunming-Montreal Global Biodiversity Framework, which sets goals and targets to halt and reverse nature loss by 2030; the United Nations’ Sustainable Development Goals (“SDGs”), SDG 14 (Life Below Water) and SDG 15 (Life On Land), as well as the UN Global Compact environment principles 7, 8 and 9. We also support the biodiversity efforts in the countries where we operate. For example, in Malaysia where we are headquartered, we operate in alignment with the National Policy on Biological Diversity, which sets five goals that mirror the Kunming-Montreal Protocol. We are firmly committed to supporting these goals by identifying our nature-related risks and dependencies and integrating biodiversity considerations into our operations.

Nature-related risk assessment and impact management

To understand our dependency and impact on the natural environment, Yinson conducted a high-level nature-related risk assessment across our business operations. The scope of the assessment covered Yinson Production and Yinson Renewables, as both businesses represent the Group’s most material impact on the environment. Yinson employed a scenario analysis approach to understand our long-term business resilience and exposure to nature-related risks. The outcome of the assessment is summarised below.

Our FPSO assets have incorporated environmental design values to mitigate potential impacts on biodiversity, including those related to water risks. These designs account for various environmental loads and events, such as increased wave and wind heights, which could affect marine ecosystems where the FPSOs operate. With a conservative return period to withstand maximum environmental loads (up to 100 years), our FPSO designs aim to minimise disturbances to marine habitats and biodiversity caused by extreme events.

We are also committed to collaborating with external partners to protect natural ecosystems, such as through our membership in the CEO Action Network, which focuses on sustainability advocacy, capacity building, action and performance. Here, we have pledged to disclose our performance against time-bound biodiversity commitments by December 2026.

Meanwhile, some of our solar photovoltaic assets are strategically located in areas with the highest solar irradiation in the world, which are the most suitable for solar energy generation. However, these areas tend to be deserts with water availability being a constraint. The most water-intensive activity during solar farm operations is module cleaning. We recognise that water risks and biodiversity are closely linked;

for example, water scarcity can lead to habitat loss, impacting the local biodiversity. In addition to ensuring that our renewables assets adhere to all regulatory environmental standards, Yinson Renewables is currently exploring dry cleaning methods for new projects. We plan to adopt a phased approach, alternating between dry and wet cleaning, to reduce water consumption. We aim to optimise the dry cleaning method and eventually phase out wet cleaning at certain locations.

Impact to local biodiversity

As one of the leading players in the FPSO industry, Yinson supports and aligns with SDG 14, Life Below Water, and is committed to preventing all kinds of marine pollution as

well as ensuring sustainable management and protection of marine and coastal ecosystems. Our engineering solutions integrate international and national regulations, as well as industry best practices. This includes implementing advanced technologies to prevent spills, reducing emissions from our operations and ensuring that our activities do not harm marine biodiversity.

Yinson conducted a geographical information system (GIS) desktop study on the locations of our operational renewable assets to identify protected areas and areas with high biodiversity value. All Yinson Renewables’ operational assets are located outside of protected areas and are not within 50 km vicinity of key biodiversity areas. This was conducted through a desktop study on [KeyBiodiversityAreas.org](https://www.keybiodiversityareas.org).

Asset and location	Project area (hectares)	Located within protected or biodiversity areas?	Distance to protected areas	Distance to key biodiversity areas
Rising Bhadla 1, Rajasthan, India	140	No	1 protected area within 50 km	None within 50 km
Rising Bhadla 2, Rajasthan, India	140	No	1 protected area within 50 km	None within 50 km
Nokh, Rajasthan, India	362	No	None within 50 km	None within 50 km

For the operations of all our offshore assets, we will conduct all required environmental assessments to ensure compliance with all applicable environmental-related regulations. Meanwhile, all environmental impact assessments, biodiversity analysis, prior and ongoing monitoring, reporting and implementation of control measures required by relevant environmental regulations are fully completed and followed through by all Yinson Renewables projects, whether these are in the early development, in construction or operation. We adhere to all regulatory standards and minimise ecological impacts to safeguard natural ecosystems and promote biodiversity conservation.

Employee-driven biodiversity initiatives



Flamingo Habitat Restoration Programme, Angola

Our Angola office collaborated with Otchiva, a local NGO dedicated to saving the habitats of flamingos through mangrove restoration. This initiative aims to counter mangrove loss caused by illegal activities and pollution. In conjunction with World Environmental Education Day in 2024, the Yinson team, joined by local youths, planted 1,053 mangrove trees of varying species, contributing towards the preservation of vital biodiversity.



Biodiversity Programme with Free Tree Society, Kuala Lumpur, Malaysia

Yinson Renewables employees volunteered in a local biodiversity and environmental programme with the Free Tree Society (FTS) at the Taman Tugu Nursery in Kuala Lumpur. Joined by colleagues across our global offices, Yinsonites propagated various native rainforest trees for future transplantation while learning about environmental solutions like rainwater harvesting and composting.



Marine Conservation Programme, Bali, Indonesia

Yinson Group Strategy, with the Inecosolar team, volunteered with Bali Blue Harmony for marine biodiversity conservation with Yayasan Biodiversitas Pesisir dan Laut in Nusa Dua, Bali. 60 coral fragments were transplanted using the Mars Assisted Reef Restoration System (MARRS), aiding in coral reef restoration efforts.



Mangrove Rehabilitation Programme, Miri, Malaysia

Our Miri office partnered with the Miri Marine Department Sports and Welfare Club (JELAS), Natural Resources and Environment Board (NREB) and Miri City Council (MCC) to initiate a mangrove rehabilitation programme aimed at addressing environmental challenges in Miri. This initiative aligns with the state government’s strategies and plans for mangrove conservation outlined in The Greater Miri Masterplan.



Rewilding Initiative, Desaru, Malaysia

Yinson GreenTech worked together with the Ecotourism & Conservation Society Malaysia (Eco MY) and nature guides JungleWalla on a rewilding project that helps to restore the region’s wildlife by providing food for bees, butterflies and birds, while preserving the ecosystem.

Integrating biodiversity considerations into business management

As we continue to grow globally, we commit to continually embedding biodiversity considerations into our operations. This involves continuing to implement sustainable measures, fostering partnerships with communities and NGOs, and supporting initiatives for ecosystem restoration. Additionally, we will prioritise monitoring and measuring our impact on biodiversity to ensure accountability and continual improvement.

In June 2023, we exchanged an MoU with Tropical Rainforest Conservation & Research Centre (TRCRC) to develop viable nature-based projects in Malaysia. The collaboration aims to generate a healthy pipeline of quality carbon credits while bringing about a positive impact on climate, biodiversity and local communities. Such partnerships and projects align with one of the strategies under our Climate framework, which is to invest in nature-based carbon removal solutions such as afforestation and reforestation. By proactively safeguarding biodiversity, Yinson aims to play a role in building a more sustainable future for all.

In the inaugural cycle of our Yinson4Youth initiative, Yinson awarded a RM50,000 grant to Kelab Belia Prihatin (“Belia Prihatin”), a collective registered under Malaysia’s Ministry of Youth and Sports. The grant is being used to set up a mangrove nursery at Mangrove Point, Klang. The nursery forms part of ‘We-Be-Leaf Together’, Belia Prihatin’s ongoing nationwide mangrove conservation campaign that started in 2022. Aside from nurturing mangrove seedlings, the nursery will serve as a centralised hub for mangrove conservation, facilitating scientific research and increasing community awareness. This project aligns strongly with Yinson’s commitment to safeguarding biodiversity, with one of the key strategies being the collaboration with partners to protect natural ecosystems and implement programmes for restoration and rehabilitation.

In line with our commitment to reducing paper use, Yinson has donated the print cost of every Integrated Annual Report hardcopy printed since 2023 to support non-profit tree planting civil society organisations.



ENVIRONMENTAL MANAGEMENT

Responsible management of materials, encompassing their acquisition, disposal and effective measures to address waste, water, effluent and air pollution.

Risks

- Adopting novel environmentally-friendly technologies may increase the cost and reduce the profit of businesses in the near term, bringing financial risk if not planned accordingly.
- Poor management of environmental issues poses financial and reputational risks.
- Pollution of the natural environment causes health and well-being issues and biodiversity loss.
- Poor management may incur penalties and loss of license to operate.

Opportunities

- Meeting and exceeding environmental regulations enhances Yinson’s brand value.
- Healthier natural surroundings are conducive to business operations.
- Strong environmental performance is attractive to skilled talents and investors.
- Companies that manage environmental performance well have a better competitive edge and industry leadership position.

Concerned stakeholders



WHY IS THIS TOPIC MATERIAL TO US?

Yinson is dedicated to integrating climate action, clean energy, water and waste management into our strategic development and daily operations, aiming to address environmental challenges responsibly. This commitment includes managing waste and pollutants from offshore operations with specialised procedures to minimise environmental impact. Adhering to strict regulations ensures regulatory compliance, operational efficiency and minimal environmental harm. By prioritising environmental responsibility, we contribute to stakeholder well-being, enhance our reputation and ensure our continued operation. As a multinational corporation, Yinson recognises the importance of promoting environmental awareness and responsible stewardship at all levels of the organisation.

MANAGEMENT APPROACH

Governance of environmental matters

Our commitment towards environmental management is guided by the Group’s Sustainability Policy with oversight from the Board and Management in governing sustainability matters. In January 2024, we integrated our Sustainability Committee into our Management Committee, which is now renamed the Management & Sustainability Committee (“MSC”). This further institutionalises and reinforces the management and oversight of sustainability at the management level, augmenting our agility to react to any emerging sustainability-related risks.

The Corporate Sustainability Department and the ESG Taskforce drive our initiatives in relation to environmental management. The ESG Taskforce consists of representatives from key businesses, making it a holistic corporate effort that ensures all operations adhere to the principles of our Sustainability Policy.

Furthermore, we establish strong partnerships with pertinent stakeholders, including regulatory bodies, NGOs and governments to ensure we comply with all environmental and disclosure requirements.

Sustainability governance, pg 19.

Waste and pollutants

Waste Management Plan

Yinson Production and Regulus Offshore have a thorough waste management structure, compliant with the International Convention for the Prevention of Pollution from Ships (“MARPOL”). To ensure compliance, we have vessel-specific Waste Management Plans in place that enable us to effectively handle waste on board our assets.

We collaborate with licensed waste disposal companies to manage waste generated on board for recycling, treatment, recovery (where possible) or disposal, ensuring responsible handling and disposal. On one of our vessels, waste is safely incinerated on board using approved shipboard incinerators. Food waste on board all our vessels is discharged into the sea in accordance with MARPOL’s Annex V guidelines.

We minimise our waste generation, and in situations where it is unavoidable, we make sure that proper management practices are followed in compliance with relevant regulations and industry best practices.

Waste and pollutants monitoring

Consistent monitoring of our waste and pollutants on board enables us to minimise Yinson Production's environmental impact and ensure compliance with regulatory standards including the Integrated HSSEQ Management System and the internal processes outlined in our Yinson Management System (YMS). Our environmental performance dashboards offer updated, aggregated visualisations of environmental data. We have maintained a record of zero non-compliances to environmental laws and regulations for the year in review.

Water and effluents

Yinson Production's operations generally do not heavily rely on shared water resources with local communities, whereby our primary source of freshwater consumption is from water utilities. Thus, we do not induce water strain on potable groundwater. Our FPSOs generate and release produced water, slop and seawater, which are utilised for cooling purposes, into the sea as part of our daily operations.

During the process of oil & gas production, a significant amount of liquid discharge and produced water is generated. Following extraction, the produced water undergoes separation and treatment (de-oiling) before being discharged into surface water. The quality of produced water is assessed based on its oil content.

Management of water discharge-related impacts

The global minimum standard for produced water discharge, established by the World Bank Group, is set at less than 30 ppm, while the standard for slop water discharge, as per MARPOL requirements, is set at less than 15 ppm.

We strictly adhere to these regulatory requirements and industry guidelines for all water discharges and have stringent pollution controls for all sea discharges. For FPSOs operated by Yinson Production, water discharge is only permitted if the oil content is less than 15 ppm in slop water and 30 ppm in produced water. In FYE 2024, the oil in slop water and produced water were 6.3 ppm and 14.3 ppm respectively from Yinson Production-operated FPSOs.

Yinson adheres to a combination of international and local regulations along with industry best practices as the foundation of our engineering solutions. We rigorously comply with regulations and procedures including:

- MARPOL – which limits discharges of potentially polluting substances into the waters where we operate and includes regulations to prevent pollution caused by oil, noxious liquid substances, sewage, garbage and air pollution.
- The International Convention for the Control and Management of Ships' Ballast Water and Sediments – aims to mitigate the adverse impacts of discharging ballast water in sensitive areas to prevent the release of foreign organisms into marine ecosystems.

We regularly communicate with our stakeholders regarding any discharges of harmful substances, ensuring compliance with MARPOL and the International Convention on Oil Pollution Preparedness, Response and Co-operation. Yinson implements operational procedures and emergency response protocols to minimise risks associated with releasing water into marine ecosystems.

We maintain unit-specific Shipboard Marine Pollution Emergency Plans (SOPEP) for both our offshore production and marine assets, detailing protocols for emergency preparedness in the event of harmful discharge incidents.

During the year under review, our total volume of water (effluent) discharged was 2,642.5 ML.

Air emissions

Non-GHGs such as nitrogen oxides (NO_x), sulphur dioxide (SO₂), carbon monoxide (CO), and non-methane volatile organic compounds (nmVOCs) are linked to air emissions. These emissions are calculated based on activity data and conversion factors recommended by the UK Oil & Gas 'EEMS – Atmospheric Emissions Calculations (Issue 1.810a)'.

Strictly complying with regulatory standards, we diligently monitor and evaluate air emissions aboard our FPSOs to mitigate our carbon footprint. In line with our commitment to reducing air emissions, we prioritise the adoption of low-emission technologies whenever feasible on board our assets. In relation to these approaches, we are looking into decarbonisation solutions which relate to direct air capture and carbon removal, as well as other opportunities within the carbon value chain relating to transportation, infrastructure and storage.

 Case study: *Building the carbon value chain*, pg 30.

ME5

RESOURCE EFFICIENCY

Responsible use of input material in product development, construction and operations.

Risks

- Poorly optimised resource outlay into new projects may drive up construction costs and cause inefficiencies, affecting returns.
- Over-reliance on specific resources may make us vulnerable to supply chain disruptions or price fluctuations.
- Strain on supply chains negatively affects local communities, industry peers and economies.

Opportunities

- Innovative solutions to optimise resource utilisation allow projects to be delivered ahead of time and budget.
- A good track record of delivery is a competitive advantage, attracting investors, clients, consumers and talent pool.
- Avoidance of negative social and environmental impacts on local communities as a player who is conscientious about local resource use.

Concerned stakeholders

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S10

WHY IS THIS TOPIC MATERIAL TO US?

Infrastructure assets, such as our FPSOs and solar farms, are resource-intensive due to their sheer scale and complexity. Their construction requires large quantities of materials such as steel and silica, as well as resources like energy and water. The maintenance and operation of infrastructure over its lifespan continue to consume resources, especially if the assets are not designed with efficiency in mind. Prioritising efficient and responsible resource utilisation over the projects and operations phases of our assets is paramount so that we can ensure that our assets can contribute to economic growth without negatively affecting natural resources. Further, resource-efficient infrastructure has been identified as a crucial driver of sustainable development and meeting global climate action goals. As global demand for infrastructure increases, resource-efficient designs and processes can help meet this demand in a way that is both sustainable and economically viable. As a company, efficient resource use leads to substantial economic savings, both in raw material costs during construction and during the ongoing operations phase, while also facilitating stronger environmental performance.

MANAGEMENT APPROACH

Yinson's businesses require inputs from four primary resource categories: land, materials (including fossil fuels, metal ores and non-metallic minerals), water and energy. Our activities within these categories closely connect to the United Nations Sustainable Development Goals ("UN SDGs") that we have committed to supporting as a Group, specifically SDG 7 (Affordable and Clean Energy), SDG 9 (Industry, Innovation and Infrastructure), SDG 13 (Climate Action), and SDG 14 (Life Below Water); as well as non-core SDG 12 (Responsible Consumption).

Our approach to resource efficiency involves a comprehensive strategy that encompasses planning, design, construction, operation and decommissioning. Asset design plays an integral role in the resource efficiency of our assets. We adopt principles of sustainable design throughout the lifecycle of our assets that consider the volume and sources of inputs of materials and natural resources. We ensure that construction processes are optimised to minimise resource usage and waste.

Once our offshore production assets are operational, we focus on maintaining resource efficiency by monitoring and managing the resources that are used – a process that is enhanced through our focus on digitalisation and technology. These include energy management systems to monitor and control energy use, water-saving measures, and waste reduction programmes. We also prioritise a holistic asset lifecycle strategy, with teams dedicated to ensuring that our assets operate at optimal efficiency, preventing resource wastage. We plan ahead for the end of the assets' lifecycles to ensure that the decommissioning process takes into consideration materials that can be recycled or repurposed and minimal environmental impact.

Throughout the entire process, we engage with our stakeholders to ensure that the assets meet the production needs outlined by our clients and offtakers without compromising environmental and social integrity.

Redeployments and conversions of FPSOs

Unlike fixed structures, floating assets can be used in a variety of marine environments. Thus, one of the advantages of FPSOs is their potential for redeployment to new fields, which extends the vessel's operational lifespan significantly.

Redeploying an FPSO involves modifying an existing asset to suit the specifications of the new field. This is much less resource-intensive compared to a new build, as the majority of materials, if designed well, can be repurposed. Notably, redeployment avoids the need for decommissioning and dismantling. Plus, a redeployment project can generally be executed in a relatively short timeframe, thus bringing forward production timeframes for our clients while reducing capital expenditure. We believe that redeployment projects play an important role towards asset circularity at Yinson, embodying our long-term commitments. Yinson Production is one of the few contractors globally with the capabilities and experience to undertake redeployment projects. In our current operating fleet, FPSO Abigail-Joseph, FPSO Helang and FPSO Atlanta (expected to be operational by end of 2024) are redeployment projects. The conversion of FPSO Abigail-Joseph, for example, which was completed within seven months, is believed to be one of the world's fastest deliveries of a brownfield FPSO modification and upgrading project. FPSO Abigail-Joseph is a redeployment of one of Yinson's existing vessels, FPSO Allan, which had previously operated for nearly 10 years in the Olowi Field in Gabon.

Yinson Production is also experienced in conversion projects, in which very large crude carriers (VLCC) are converted into FPSOs. Conversion projects are considerably less resource-intensive compared to new builds. Using donor tankers for our FPSOs allows us to reuse steel from the hull, which our engineering teams will always factor into the design and conversion process. Our strategic focus on FPSO conversions and redeployments, as opposed to new builds, reflects our emphasis on material efficiency, timely delivery and cost-effectiveness.

Resource efficiency during construction and operations

Resource efficiency forms part of Yinson Production's Project Execution Philosophy, which underpins how we aim to execute projects on time and on budget to support a strong brand reputation. Our project teams carefully manage resource and project planning throughout our FPSO design and construction phase, and they continue to identify resource efficiency opportunities that could be gained with changing external circumstances.

Design solutions that we are implementing onto our current and future FPSOs that contribute to resource efficiency include:

- Combined cycle technology to efficiently capture heat generated in the production process, thereby reducing fuel gas consumption, to generate electricity for FPSO operations.
- Partial/full electrification of FPSO operations by importing renewable energy sourced from onshore and/or nearby offshore infrastructure to lower fuel gas consumption.
- Variable frequency drives for main rotating equipment and cargo offloading pumps, which use fine process controls and advanced regulation settings to allocate resources efficiently when needed.

- Seawater turbine generators, where the kinetic energy of moving seawater, which is used for processes onboard the FPSO, is simultaneously used to produce electricity for FPSO operations, therefore consuming less fuel.
- Innovation and incorporation of the latest digitalisation technologies to monitor, measure, analyse and manage our asset performance, implementing automation where possible. We are forerunners in the industry for the digitalisation of our predictive maintenance processes.

 Case study: Project Polaris, pg 29.

Yinson has successfully established a supply chain process for 3D printing spare parts from recycled polymers and metals and is able to print identified long lead items and obsolete spare parts upon demand. We aim to pioneer these solutions and eventually introduce them to the FPSO market and beyond, contributing to overall energy efficiency and lower emissions for the industry.

On top of these solutions, we are piloting the DNV Abate class notation on one of our newest FPSOs. This involves establishing and implementing an energy management system for effective control and management of emissions throughout the whole project lifecycle. We aim to implement this on all new projects going forward.

Increasing resource efficiency in our renewables business

Materials like steel, copper, silicon, aluminium and glass as well as certain rare earth minerals are used in the construction of solar PV farms. Fluctuations in the supply of these materials have had a significant impact on the global solar industry in recent years. Yinson Renewables is cognisant of the need to balance such supply chain constraints with our commitment to deliver clean energy infrastructure, without negatively affecting the environment and societies where we operate. Below are some measures we are taking to manage the input of natural resources into our asset construction and operations efficiently:

- In addition to quality and price, we also consider environmental footprint when selecting equipment and products. These are part of our project evaluation criteria when building our pipeline.
- We implement strict quality control protocols to ensure materials are used efficiently to reduce the need for rework.
- We leverage technology and digitalisation to streamline operations and reduce inefficiencies.
- We foster strong relationships with our suppliers to secure high-quality materials and negotiate better prices.
- We are actively exploring dry cleaning methods for solar PV maintenance, as an alternative to the water-intensive wet cleaning methods, for use in certain operational areas.
- End-of-life recycling processes are part of our procurement evaluation, and we are committed to keeping updated on the latest advances in this area.
- We have implemented recycling and robust waste management processes at our construction and operational sites.

EMPOWERING PEOPLE AND COMMUNITIES



OCCUPATIONAL HEALTH & SAFETY

Provision of secure working conditions and systems to safeguard human health and well-being in all operations.

Risks

- Impact on employee health and well-being, potentially resulting in the most severe consequence: loss of life.
- Potential damage to assets, time loss, and financial impacts such as costs for workforce recovery or asset repair.
- Reputational damage.
- Excessive focus on this material topic may result in rapidly diminishing marginal benefits.

Opportunities

- A strong OHS record is a key differentiator in the FPSO business, leading to reduced downtime – and thus better reliability of our assets and people-related processes.
- Received favourably by current and potential financial stakeholders.
- Leveraging technological innovations such as real-time data reporting and AI predictability may yield further improvements in OHS performance.

Concerned stakeholders



WHY IS THIS TOPIC MATERIAL TO US?

Occupational Health and Safety (“OHS”) is paramount to our organisation. In our commitment to ensuring the safety of our employees and crew, we strive to comply with laws and regulations to boost employee well-being and morale, mitigate risks and enhance our reputation. To demonstrate our commitment to sustainability, we invest in OHS management, operational efficiency and employee engagement, ultimately driving organisational success and growth. We are driven by a commitment to prevent fatalities and accidents by optimising our safety performance and embedding a culture of safety to minimise risks to our business, including regulatory non-compliance, operational disruptions, damaged assets and reputational harm.

MANAGEMENT APPROACH

Upholding strong HSE governance

Yinson has an Integrated Health, Safety, Security, Environment and Quality (“HSSEQ”) Management System. This system includes protocols for identifying, analysing, evaluating and governing requirements aligned with industry standards. It also ensures compliance with the International Safety Management (“ISM”) Code, International Ship and Port Security (“ISPS”) Code and ISO certifications such as ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018. Our Integrated HSSEQ Management System covers our offshore and onshore employees and contractors.

We remain guided by our Health & Safety Policy, which ensures that we comply with the highest standards in Health, Safety and Environment (“HSE”). This includes protecting the health and safety of all personnel within our operations and minimising the environmental impacts of our activities.

Aligning our performance with global benchmarks

To assess our HSSEQ performance against international standards, Yinson has adopted safety performance indicators established by International Association of Oil & Gas Producers (“IOGP”). This association serves as the primary source of safety performance data in the global exploration and production sector, covering both onshore and offshore operations worldwide. IOGP’s extensive database includes member companies and contractors, encompassing 52 entities across 92 countries.

Yinson’s HSSEQ performance for FYE 2024 surpassed industry benchmarks, whether in terms of LTIF, TRIF, or Injury Severity Rates (Average Lost Workcase Days per event and Average Restricted Workcase Days per event). Additionally, there were no major non-conformities in ISM or ISO standards for the year ending 2024.

Occupational Health and Safety performance, pg 362.

However, our strong performance has not made us complacent. We continued to implement safety initiatives during the year to prevent complacency and strengthen our commitment to continuous improvement and optimisation.

Managing our subcontractors

In the year under review, we strengthened our vendor screening processes by consolidating reviewed criteria. This enabled a more focused examination of critical topics, facilitating assessments on compliance, competency and capability. In FYE 2024, we conducted a total of 1,064 pre-qualification assessments.

Due to the high-risk nature of our contract partners' operational environments, we provide support and guidance in their incident investigation processes. This proactive approach enables the identification of actual root causes and the development of effective corrective measures to minimise recurrences.

Additionally, the HSSEQ function adopted an online methodology for Yinson Production's supervisory personnel to assess high-risk tasks performed by contractors. This comprehensive approach offers detailed guidance throughout the evaluation process, ensuring a comprehensive review of the contractor's compliance with their own established safe systems of work and other regulatory obligations. As a result, compliance rates have significantly improved, consistently exceeding 95% on a monthly basis.

 *Subcontractor HSE performance, pg 72.*

Building competency and capability

During the year in review, the HSSEQ function worked with Group HR's Talent and Learning team to create Yinson Production's first competency and capability framework for both HSSEQ personnel and the broader workforce. This effort involved conducting a training needs analysis. We aim to achieve an 80% completion rate for scheduled training by the end of 2024.

Leveraging digitalisation

Yinson implements digitalisation initiatives to improve learning, leadership, safety and organisational culture. By integrating real-time comprehensive analytics, we facilitate informed decision-making across critical areas like risk management, analysis and evaluation. This ensures effective outcomes and optimises operational efficiency and control. During the year in review, HSSEQ successfully digitalised several processes related to risk assurance and reporting.

Emergency preparedness and response

As part of our ongoing efforts to enhance emergency preparedness and response, we have aligned our Emergency Preparedness protocols with ISO 22320 Security and Resilience – Emergency Management – Guidelines for Incident Management. Following internal assessments conducted throughout the year and subsequent enhancements, we have strengthened our emergency capacity to meet requirements.

Hazard identification, risk assessment and incident investigation

Our Integrated HSSEQ Management System incorporates safety controls to protect employees and contractors across various locations, departments and business units. These locations encompass country offices, shore bases, fabrication yards and assets where the Management System is implemented. The Management System does not cover projects that are executed within subcontractor-operated facilities beyond the direct control of Yinson Production.

Additionally, we have processes to identify work-related hazards and risks, which include a hierarchy of controls to mitigate risks, namely the Yinson Production Risk Management Standard and related processes such as the Risk Assessment Procedure. These provide guidance in enabling effective risk identification, assessment and mitigation to prevent negative impacts on our finances, reputation and licence to operate.

Risk owners, individuals, or entities who are tasked with overseeing risk management are required to define the parameters of risk assessments. This involves:

- Setting the trigger, indicating an indicator of an imminent risk occurrence.
- Establishing the objectives of the risk assessment.
- Defining the scope and boundaries of the assessment, specifying what is included and excluded.
- Identifying key stakeholders and participants as well as their roles and responsibilities.
- Identifying relevant information needed for the assessment.
- Considering any legal or regulatory requirements that need attention.

Yinson's Risk Assessment Process includes the following measures:

- **Assessment:** Conducted prior to any routine or non-routine task carried out individually or by workgroup.
- **Analysis:** Each identified risk undergoes a comprehensive analysis and evaluation using the Yinson Production risk matrix and criteria.
- **Evaluation:** Approval of risk assessments and related control measures requires review and approval from specific line management positions, determined by the classification of residual risk. The signatory is responsible for ensuring that proposed risk controls are suitable and effective in mitigating identified risks to As Low as Reasonably Practicable ("ALARP") levels.
- **Treatment:** This involves identifying, considering, selecting and implementing the most suitable options for controlling the risk(s) and supporting the development of risk treatment plans.
- **Monitoring and review:** Risk processes are regularly monitored and reviewed at least annually, with documented recording of results, including monitoring and review of realised risks.
- **Recording and reporting:** It is essential to retain risk registers as documented evidence throughout the process.

Additionally, the Yinson Production Risk Management Standard, mandates that individuals leading a risk assessment workshop must complete the risk assessment training provided by Corporate HSSEQ.

We consider incidents, non-conformities and potential issues crucial for identifying areas for improvement. Through audits, we assess the effectiveness of corrective actions taken, employing key measures such as the 'timeframe for closure' and the 'absence of recurrence of root causes'. Moreover, the Lessons Learned process serves a dual purpose: providing opportunities for improvement by preventing recurring issues and identifying successful practices for future implementation.

Prioritising safety throughout our operations

Workers and employees are encouraged to report work-related hazards and dangerous situations. This is in line with the HSSEQ Reporting Standard and Procedure and the Stop Work Policy. We have physical and online platforms that can be accessed via personal devices for our Observation Reporting Procedure. This procedure entails documenting unsafe acts, hazardous conditions, adherence to safety protocols, concerns about employee welfare and other relevant observations made by personnel within our premises, facilities and offices. It serves as a primary channel for the proactive reporting of circumstances that may impact the safety and welfare of personnel, the environment and assets.

Our Incident Investigation Standard and related processes provide an effective incident investigation framework which is crucial for identifying contributing factors, analysing root causes and establishing appropriate controls to prevent recurrences. Employees and workers may directly report incidents and near-misses to supervisors, managers and designated local HSSEQ authorities. Investigations will be conducted based on the severity of the incident, with responsibilities assigned to relevant individuals through HSSEQ software applications.

Yinson recognises the right of all individuals to stop work at any point where an incident may result in injury, environmental impact or property damage. No actions will be taken against any employee, contractor or visitor who has exercised the right to stop work in good faith.

Occupational health services

We prioritise occupational health services as they play a critical role in identifying and eliminating workplace hazards while reducing associated risks. We remain committed to our ALARP principle to prevent occupational injuries, strains or illnesses. The Group is guided by our Health and Working Environment policies and procedures in providing occupational health services. We also conduct assessments such as the Chemical Hazard Risk Assessment, Flare Radiation Risk Assessment and Noise & Vibration Study to mitigate risks and ensure the safety of our personnel and the surrounding environment.

Additionally, we create awareness by collaborating with external subject matter experts to conduct workshops and risk assessments to mitigate occupational health hazards and implement controls to protect our workforce. Our FPSOs are equipped with medical practitioners certified by relevant authorities and at the same time, we ensure that our project sites comply with government regulations. We work with International SOS to provide comprehensive medical services to employees Group-wide, including global medical evacuation, local monitoring and access to medical facilities for international travellers, and, in the event of a crisis, the triggering of an automated system for welfare checks and escalation. This process is overseen by the Corporate HSSEQ function. To ensure uniformity and quality, the engagement is implemented through a master service agreement. Our expatriate hires who are involved in the International Mobilisation Programme receive medical insurance to ensure access to suitable healthcare facilities in their host nations.

Worker participation, consultation, and communication on OHS

We have established several HSE Committees within Yinson Production comprising managers, employees and volunteers across departments within office operational functions. We appoint a secretary, who is a registered Workplace Safety and Health (“WSH”) Officer; or a trained HSE professional is appointed in the absence of a registered WSH Officer.

The WSH Committee’s primary mandate is to elevate health and safety awareness within the organisation, with responsibilities including:

- Identifying workplace conditions that can potentially or directly impact the safety or health of employees and visitors.
- Cultivating collaboration between management and employees to uphold and sustain a safe and healthy working environment.

We adhere to the Communications Requirements for HSSEQ, closely follow the HSE Representative and Safety Delegate Procedure and formed Health, Safety, Environment and Quality (“HSEQ”) Meetings and Committees.

Worker training on OHS

Our employees are trained in OHS to ensure a safe working environment and prevent accidents and injuries. The Yinson Production Health & Safety Policy underscores the involvement of employees in overseeing health and safety practices through effective communication, participation and consultation.

We also establish formal mechanisms to conduct consultations within the organisation according to the recommendations of the HSSEQ Meetings and Committees. In departmental units and most offices, the meetings are conducted monthly and documented through the designated HSSEQ Software application which securely stores and disseminates the information to all personnel via the physical or electronic notice board and/or through email.

Promotion of workers’ health

To establish a baseline for early detection of potential medical conditions and suitability for employment, our personnel undergo pre-employment medical assessments. This process also provides candidates with valuable insights into any medical issues that they may be unaware of.

Employees are provided an annual subsidy to undergo voluntary medical assessments where results are completely confidential. Through this practice, we foster a proactive approach in encouraging our employees to prioritise their health. Additionally, we offer comprehensive medical insurance to employees who are classified under the international mobilisation status with coverage extending to their eligible dependants.

Prevention and mitigation of OHS impacts directly linked to business relationships

Our Risk Management Standard, along with its related lower-tier processes, outlines effective risk management as the proactive identification, evaluation, and mitigation of potential risks that could negatively affect the organisation. We are guided by the Health & Safety Policy, Drug & Alcohol Policy and adhere to the Risk Management Standard, Emergency Management Standard and Fitness for Work Standard.

We require our contractors to be responsible for ensuring the adequacy, stability and safety of all operational activities and methodologies. This is in accordance with Yinson Production’s contractual terms outlined in Section 5, Contractor General Obligations. Additionally, compliance with Exhibit N – Health, Safety, and Environmental obligations is mandatory, encompassing adherence to relevant laws, international best practices in the oilfield sector, API Recommended Practices, Yinson Production Exhibit N requirements, including the HSE Disciplinary Procedure, and any regulations, procedures, or guidelines set by the Company.

Furthermore, our Site-Specific HSSEQ Procedure outlines protocols for managing interface areas and bridging arrangements, providing a comprehensive framework for addressing HSSEQ concerns during project execution. This framework promotes stakeholder collaboration, safeguards worker well-being and preserves environmental integrity.

MS2

HUMAN & LABOUR RIGHTS

Maintenance of key principles relating to human rights and labour standards as those defined by international conventions.

Risks

- Involvement in lawsuits and long-term reputational harm for non-compliance to human rights standards, leading to financial losses and reputational damage.
- Inability to attract new employees.
- Inability to attract new sources of funding.

Opportunities

- Good human rights practices will help protect Yinson's brand equity, with reputational risks safeguarded.
- Fair employment considerations such as diversity and inclusivity may lead to reputational uplifts, attracting talent from a wide spectrum of backgrounds and cultures.
- Inclusion in sustainability indexes and other sustainability-linked business opportunities and partnerships.

Concerned stakeholders

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WHY IS THIS TOPIC MATERIAL TO US?

Yinson is committed to upholding and honouring human rights throughout all our operations, ensuring dignity, fairness, respect, and equality for all. We reject discrimination, harassment and bigotry, fostering a workplace built on trust and mutual respect. We believe that fair employment practices, including equitable remuneration and diversity promotion, cultivate an inclusive environment that drives innovation and strengthens our organisation.

This commitment not only boosts employee experience, engagement, and retention but also enhances our reputation. It enables us to attract talent from diverse backgrounds, enriching our workforce with varied perspectives and experiences. Neglecting these principles may expose us to regulatory, legal, and reputational risks, potentially impacting our ability to secure new funding. Therefore, we remain steadfast in our dedication to fostering a workplace that values and respects every individual.

MANAGEMENT APPROACH

We remain guided by the Group's Human & Labour Rights ("HLR") Policy, as well as national and local laws and regulations and international human rights principles, including the Universal Declaration of Human Rights, UN Guiding Principles on Business & Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. Further, we actively implement the Tripartite Declaration of Principles concerning multinational enterprises and social policy (MNE Declaration) throughout our operations, diligently working to prevent and rectify any breaches of HLR. At the core of our mission is the commitment to uphold human rights principles across our operations, extending to all employees, contractors, and third-party stakeholders within our value chain, including host communities and contracted partners.

Fairness and integrity define our treatment of all employees, as we adhere strictly to relevant labour laws and provide competitive salaries and benefits. We oppose all forms

of forced labour, including modern slavery, within our operations. In addition, we uphold employees' rights to freedom of association, expression and collective bargaining. As our global footprint expands, we embrace and celebrate the diverse backgrounds of our people, with Diversity, Equality and Inclusion ("DEI") serving as the cornerstone of our People Strategy. We are dedicated to fostering an open and inclusive working environment where employees feel empowered to express themselves without fear of discrimination.

In our commitment to equality, our People Strategy takes a proactive approach to equitable pay. Under the Total Rewards Strategy Project, we have conducted a comprehensive review of our reward approach across the organisation. This has led to the formulation of a cohesive Group-wide Total Rewards Philosophy, prioritising equity, transparency, and competitiveness in our reward structures.

Employment

We prioritise fairness and inclusivity in providing benefits across our global operations. Key benefits such as medical insurance, life insurance, pension and parental leave provisions are designed to uphold the well-being and security of our employees. Our benefits structure not only aligns with our Core Values and People Strategy but also complies with local regulations. Importantly, we ensure that part-time employees receive the same benefits as their full-time counterparts, fostering equality and opportunity throughout our workforce.

Labour management relations

The minimum notice period for significant operational changes, which could substantially affect our people and their representatives, varies by country and depends on local legislation and any existing collective bargaining agreements ("CBA"). We remain committed to upholding and adhering to all relevant labour and employment legislation in the countries where we operate.

In several countries, we specified the notice period and provisions for consultation and negotiation in CBA. In Brazil, where the CBA covers all employees, both onshore and offshore, the notice period is set by labour legislation at 30 calendar days. Meanwhile, in Ghana, offshore crew members are governed by a CBA, mandating one month's notice for wage opener negotiations and three months' notice for the renewal of the CBA. For employees not covered by CBAs, we base their terms and conditions of employment on local employment legislation, market norms and our competitive position.

HLR monitoring

We maintain rigorous oversight of our human rights practices through various initiatives, operationalised through an internal Human Rights Working Group. Comprised of representatives from diverse departments across the Company, this dedicated group continues to be responsible for enhancing existing procedures aimed at mitigating potential human rights issues across our business activities. Our steadfast commitment remains to uphold fundamental human rights and ensure decent working conditions throughout our operations. Additionally, we continue to adhere to our existing approach by ensuring information about how we address adverse impacts in certain areas is made available to the public.

HLR risk assessment

As part of our ongoing commitment to HLR, we have begun assessing the risk of non-compliance with international labour standards across our operations, recognising the variability in labour laws worldwide. Within our ERM framework, we proactively identify potential compliance risks and implement mitigation strategies. In addition to our HLR Policy, we adhere to the Group's Code of Conduct & Business Ethics, mandate human rights training for all employees, and conduct comprehensive due diligence on suppliers and contractors. These measures reflect our dedication to ethical business practices and our commitment to fostering a responsible and sustainable corporate environment.

Child labour, forced or compulsory labour and security

We take the risk of child labour seriously in our operations and supply chain. We are cognisant that our operations involving shipyards, module yards and equipment/parts manufacturing are deemed to carry significant risks for incidents of child labour and young workers exposed to hazardous work. However, it is important to note that our Vendor Registration Platform ("VRP") system does not designate specific countries or geographic areas as high risk. Instead, the VRP forms an overall risk profile for suppliers based on multiple factors, with geographical location being just one consideration.

To contribute to the effective abolition of child labour, we implement ongoing measures through the VRP such as ensuring mandatory questionnaires for third-parties and suppliers on HLR practices, screening suppliers against adverse media relating to HLR and recording acknowledgements to comply with HLR requirements as part of the supplier onboarding process.

Capacity building on human rights

During FYE 2024, we implemented mandatory training on HLR for all employees, covering the following essential topics:

- Health, safety and security.
- Diversity, equality and inclusion.
- Recognition of freedom of association and collective bargaining.
- Employee work hours, wages and benefits.
- Elimination of child forced labour, community rights and benefits.
- Human rights in the supply chain.

898 employees were enrolled in the training, accumulating a total of 483 learning hours.

Stakeholder engagement and cross-industry collaboration

We continue to actively engage with our stakeholders, including peers from various industries, to address current challenges and explore opportunities related to business and human rights. This collaborative effort allows us to share best practices and strategies for improving the implementation of human rights.

During the year, we participated in the UN Global Compact Business & Human Rights Accelerator to build internal capacity and exchange best practices with industry peers in the region. We were also part of the various roundtable discussions on the Business and Human Rights National Baseline Assessment Consultation Series, which discusses and documents the most salient business and human rights issues in Malaysia. Our commitment extends beyond our employees and the regulators as we regularly include HLR topics when engaging with clients and industry peers in shaping positive change.

Providing an avenue for remedy

In our continuous advocacy for HLR, we uphold our commitment to providing access to our employees, business partners, and the public for feedback, comments, and complaints. Yinson's Whistleblowing channel, accessible through multiple channels including on the Yinson website, is available for parties to raise any concerns. Concerns raised through our Whistleblowing channel are thoroughly investigated, with appropriate remediation actions taken.

 Whistleblowing, pg 124.

We had no instances of non-compliance with human rights laws and regulations in the period under review.

MS3

HUMAN CAPITAL DEVELOPMENT

Maintain our standing as an employer of choice through utilising competitive programmes that attract, retain and reward employees.

Risks

- Inability to deliver business requirements due to mismatch of core competencies.
- Loss of knowledge, competencies and continuity should employees leave the organisation, leading to higher costs to hire replacements and cultural mismatch.
- Poor reputation for human capital development performance may compromise Yinson's ability to attract and retain talent.
- Poor succession planning may lead to vacancies in critical roles.

Opportunities

- Investing in employee talent development will ensure that Yinson's workforce meets the demand for new skills and capabilities needed to deliver business strategies.
- New business opportunities may be unlocked from the training and empowerment of employees.
- A strong reputation as a company that prioritises human capital development is a competitive edge.

Concerned stakeholders

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WHY IS THIS TOPIC MATERIAL TO US?

At Yinson, our employees value workplace flexibility, benefits, environment, culture and sustainability. With the ongoing global skilled labour shortages, competition for talent remains intense, particularly in industries like oil & gas. Yinson strives to uphold its reputation as an employer of choice to attract and retain top talent. We achieve this by fully executing our Human Capital strategy, encompassing Reward & Recognition, Resourcing, Talent & Performance Management and Learning & Development. Our human capital development efforts also aim to enhance succession planning by developing talents to fill key positions within the organisation when they become vacant.

MANAGEMENT APPROACH

We are guided by several policies in managing our human capital development, which include the following:

- Code of Conduct and Business Ethics Policy & Procedure.
- Diversity, Equality and Inclusion ("DEI") Policy & Procedure.
- Human & Labour Rights Policy.

Yinson began its HR transformation journey in 2020 to establish global consistency, provide localised solutions across offices, embrace digitalisation and create an adaptable HR framework. This transformation is led by the Group HR function with support from Senior Management and business leaders. Since then, we have made great progress in our seven key areas of transformation – Technology, Reward &

Recognition, Governance, Resourcing, Talent & Performance Management, Learning & Development and HR Capability. During the period under review, we focused on activities through our People Strategy that would further progress our achievements in our transformation areas.

- Increasing adoption and usage of HR approaches and technology platforms to enhance people capability management for employees, leaders and streamline data analysis for the business.
- Improving employee experience through active listening and leadership accountability.
- Sustaining Yinson's cultural integrity and nurturing leadership and employee development globally.
- Investing in and enhancing the skills and expertise of our HR team.

As a result of our efforts, we have made further advancements in our People Strategy, as outlined in the following section.

Technology

In 2020, we developed a four-year HR Technology Roadmap to support our HR Transformation Plan. This roadmap outlines our vision for employees to embrace digital transformation across various work areas, including engagement, digital skills, leadership, learning, analytics, automation and workplace technology. We identified and implemented HR systems aligned with this roadmap during 2022 and 2023. Our ultimate aim is to transition to a fully digital environment with tech-savvy employees in the long term.

Recent achievements

- Introduced a new employee engagement tool that swiftly provides engagement insights and actionable recommendations, allowing Yinson to better gauge the organisation's pulse.
- Improved People Analytics capabilities, enabling more efficient analysis of employee data for better decision-making.
- Integrated the Global Human Resources Information System ("Global HRIS") with platforms like our Learning Management System ("LMS"), IT and Finance systems and digital business cards, thus reducing duplicate data entry, streamlining processes and improving data accuracy. This centralisation of employee information enhances communication between teams and boosts overall productivity. During the period under review, our focus was on implementing and integrating these new platforms and embedding the tools introduced in the previous year.

Rewards and recognition

We recognise and reward employees for their contributions and commitment to our success. At Yinson, we believe that a fair rewards system not only increases productivity but also fosters a healthy organisational culture, improves teamwork and boosts employee morale. Our Total Rewards Strategy Project is a central component of our HR Transformation Plan. It aims to enhance our philosophy, benchmarks and evaluation methods to better define our plans and accomplishments. This project laid the groundwork for our Future Reward Framework, which includes a Job Family/Job Role Framework that guides our approach to job evaluation and benchmark data analysis.

Recent achievements

- We finalised and began implementing the Global Job Framework. This framework assigns every job in Yinson to a specific job level, role and family, reflecting our commitment to demonstrating fairness, equity and transparency in job roles. It allows us to assess fairness in compensation and enhance our ability to benchmark our rewards across our locations.
- Our goal is to provide employee benefits that align with market standards in the countries where we operate, such as medical insurance, life insurance, pension, annual leave and parental leave benefits. These benefits are offered in line with Yinson's values, HR strategy and local regulations, and are equally available to both part-time and full-time employees.

Resourcing

Yinson has established itself as a leader in Environmental, Social and Governance ("ESG"), reflecting its commitment to the environment, its employees and communities. The company supports local communities through employment opportunities, strengthening the local economy and fostering expertise. The League of Extraordinary Apprentices Programme ("L.E.A.P.") targets graduates in onshore offices. Yinson also focuses on creating a robust retention strategy that encompasses employee career growth, well-being and DEI practices through learning and development programmes, performance and reward schemes and DEI initiatives.

Recent achievements

- Since 2019, we have onboarded 21 L.E.A.P. management trainees (internally called LEAPsters). In 2023, we refined our approach, focusing on hiring and rotating LEAPsters within specific business or functional areas like Yinson GreenTech, Group Strategy, Group IT and Group Finance. Additionally, in Malaysia, we started an internship programme in 2023, with seven interns joining us in FYE 2024.
- We actively seek young talents by partnering with universities in countries where we operate and supporting educational outreach programmes. In Singapore, we have welcomed seven interns since 2020, including four from the Singapore Institute of Technology in 2023. In FYE 2024, we broadened our reach to include Singapore Management University. Additionally, in 2023, we collaborated with SG Enable and hired an employee with disabilities.
- In Norway, four interns were hired during 2023 and a further five planned for 2024. In Ghana, a total of 13 interns have been hired over the period 2023 and 2024.

Talent and performance management

Yinson's Succession Planning Strategy ensures continuity in critical positions by identifying potential successors who are mentored for leadership roles. We also explore talent pools to develop necessary competencies.

Through ongoing performance management, Yinson prioritises employee health and well-being which creates a supportive work environment. We are committed to nurturing a culture of holistic well-being, which includes mental and physical health, financial security, career advancement and community contributions. Guided by our Future of Work Philosophy, we promote work-life balance, offering choice, flexibility, autonomy, trust and empowerment to employees.

Recent achievements

- Our Performance Management System offers a continuous performance category where employees can record activities and achievements linked to their annual goals. It also includes a feedback tool for active listening and input from employees, peers and managers. Employees can use this tool to request feedback, or for managers to provide ongoing feedback throughout the performance cycle.
- The system also allows employees to set development goals, facilitating discussions between management and employees to identify skill-building opportunities and promote career growth.
- With the implementation of the Global Job Framework, every job at Yinson is categorised by level, role and family, enabling us to recognise and reward employees' potential and performance while providing clear guidance on career advancement.
- As part of this effort, generic job roles have been established for each level and family, aligning every position within the organisation with these roles and integrating them into the Yinson Job Framework Matrix. This alignment enhances clarity and simplifies the management of job levels, offering a straightforward path for career progression within the company.

Learning and development

Our Learning and Development strategy underscores our dedication to fostering the professional and personal growth of Yinsonites. We offer a wide array of learning resources through Learn@Yinson, our LMS, allowing employees to access content easily. This includes content that is internally developed and external modules in collaboration with LinkedIn Learning and International SOS. The LMS tracks learning progress, issues certificates for compliance and utilises data analytics to recommend content tailored to employees' interests and career paths. Top performers are rewarded through gamification features. We also support external learning opportunities aligned with employees' roles and career aspirations, tracked and measured through our Global HRIS.

The Yinson Leadership Enhancement and Development programme ("L.E.A.D. Programme") is Yinson's leadership and management development initiative, which aims to enhance employees' leadership skills to boost organisational performance and achieve business goals through effective people management. Since 2020, 133 leaders have completed the programme.

Recent achievements

- In 2023, 42 leaders from Yinson participated in the L.E.A.D. Programme: Malaysia (13 participants), Singapore (15 participants), Oslo (seven participants), Brazil (seven participants).
- 17 Yinsonites participated in middle management training.
- Workshops were conducted on 'Communicating and Leading with Impact' for LEAPsters and Group Corporate Function employees.
- Conducted Group-wide course enrolment to bolster understanding of sustainability and mandatory learning on ESG.
- Held a Group-wide webinar on ChatGPT and Generative AI to improve knowledge and awareness, aligning with the company's IT framework on AI usage.

HR governance

Yinson's Group HR Governance Framework supports the oversight and direction of the Human Capital Strategy at Yinson, focusing on policies and outcomes. This encompasses risk management, policy and programme governance, internal oversight and management of HR strategies, business model, organisation, measurement and function. Led by our Group Chief HR Officer, each business designates an HR lead to support the overall Framework. The Framework undergoes both internal and external audits conducted by the Group or individual businesses.

In the reporting year, no new governance structures, audits or measurements were conducted or implemented.

HR capability

Yinson fully supports the HR function, providing all the necessary resources to meet the objectives set in the HR Transformation Plan. We remain committed to fulfilling various needs such as staffing, enhancing team skills and advancing our HR capabilities to match global HR best practices.

Recent achievements

- The HR team completed the design of functional competencies and is collaborating with a specialist training academy to enhance the skills of the global HR team, aligning with our Core Values and business objectives. The training provides guidance through self-paced learning and bootcamps based on a T-shaped assessment, tailored to our HR Competency Framework. This supports performance management by identifying skill gaps and gauging learner levels.
- The global HR team also completed the People Analytics Masterclass series, enhancing their skills in analytics and reporting. The course covered topics such as metrics and hands-on training with advanced Power BI reporting tools using Global HRIS data, equipping the team to develop HR dashboards and improving data analytics capabilities.
- The HR team expanded with the establishment of five new roles in Angola, Brazil, Malaysia, Norway and Singapore.



MS4

COMMUNITY ENGAGEMENT

Collaboration with local communities where we have operations on environmental and social projects that benefit the wider public.

Risks

- Localised disputes may affect operations if Yinson does not maintain a positive image to the communities on which it relies for resources.
- Not continuously performing to the existing standards may impact the company's reputation.

Opportunities

- Good community practices promote a good reputation, facilitating talent attraction and retention.
- Social license to operate.
- Good community programmes contribute to positive economic, environmental and social impacts in the communities where we operate.

Concerned stakeholders

S8

WHY IS THIS TOPIC MATERIAL TO US?

Community engagement is crucial for building trust and fostering sustainable growth. Through our Corporate Social Responsibility ("CSR") programmes, we are able to positively impact our immediate areas of operation environmentally, socially and economically, thereby creating a more conducive environment for our sustained growth. CSR allows us to develop strategic insights into the local social and environmental landscape, helping us to adapt our business practices and manage our risks more effectively. Additionally, robust CSR programmes build a positive reputation, leading to better attraction and retention of talents, while maintaining our social licence to operate.

MANAGEMENT APPROACH

The Yinson CSR Policy and Procedure outlines guidelines and procedures for carrying out CSR initiatives within the organisation. Yinson's CSR Mission is to create positive economic, environmental, and social impacts in the areas where we conduct business. This is primarily achieved through the following pillars in line with the UN SDGs:

- To promote quality education and effective learning for all (SDGs 3, 4, 5, 7 and 8).
- To promote environmental conservation and preservation (SDGs 14 and 15).
- To address climate change and its impacts (SDG 13).
- To improve and/or build resilient infrastructure (SDGs 7 and 9).

To achieve our CSR mission, we are committed to:

- **Corporate philanthropy and impact investing:** Creating shared value with long-term outcomes and lasting positive impact in our communities and the environment through corporate philanthropy and/or impact investing.
- **Active and voluntary employee participation:** Encouraging our employees to be involved in inspiring future generations and care for the community and environment through active participation in Yinson's CSR projects or other forms of volunteerism in their communities.

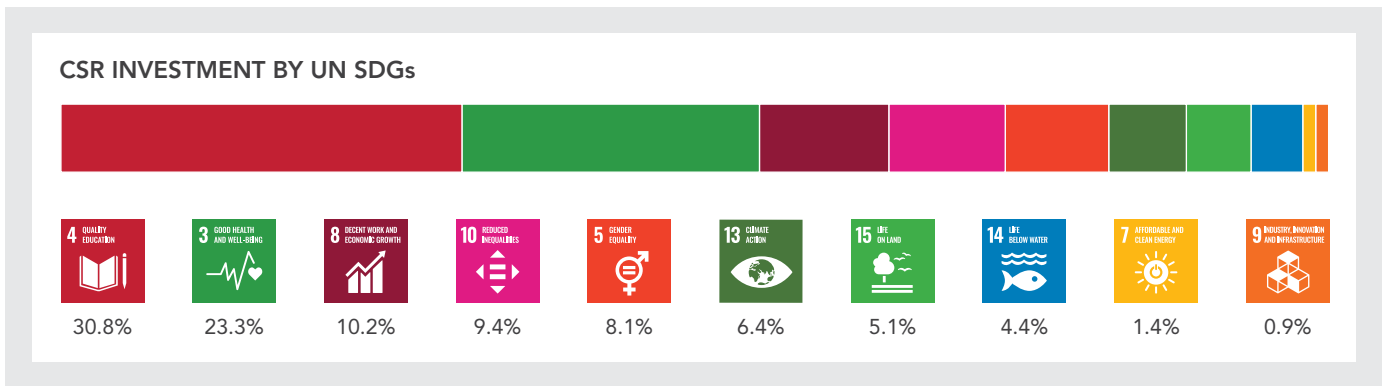
Yinson recognises nature-related matters as a business imperative. We believe that CSR initiatives focusing on environmental preservation can foster a strong and stable ecosystem aligning with stakeholder expectations while promoting sustainable practices. In addition, engaging with the community boosts employee satisfaction through the provision of opportunities for involvement in meaningful initiatives.

Every Yinson employee is encouraged to propose and lead CSR initiatives in their local communities. Our CSR strategy includes developing internal programmes and partnering with organisations that share our CSR objectives, such as NGOs, collaborators, and society as a whole. To further support employee involvement in CSR activities, we launched employee voluntary time-off this financial year, which allows employees to take up to four days of volunteering time-off annually.

Our CSR Committee oversees the objectives and implementation of CSR initiatives across the Group. The procedures for planning and executing CSR activities include:

DUE DILIGENCE	IMPLEMENTATION	REPORTING
<p>Yinsonites are required to exercise discretion when evaluating potential CSR projects, taking into consideration the economic, environmental and social impacts as part of the due diligence process. The proposal is vetted by the Committee. This process ensures that projects are not a subterfuge for bribery and corruption or used to fund activities that are deemed inappropriate, including governmental or political party candidates or campaigns.</p>	<p>When a CSR project receives final approval, the Committee informs the requesting employee of the outcome, which provides the employee with the mandate to proceed with implementation. The Committee monitors the progress of every project through quarterly reports submitted by the project manager.</p>	<p>A project manager is appointed when a CSR initiative is approved. The project manager is responsible for providing status updates to the Committee until the completion of the project. The outcome of the project will be communicated as part of project completion process.</p>

In addition, we strived to remain efficient and continued to make strategic CSR investments aligning with our CSR pillars. Through our CSR investments, we have contributed to non-core SDG (Goal 10 Reduced Inequalities), in addition to our core SDGs as mentioned on pg 19.



COMMUNITY ENGAGEMENT HIGHLIGHTS

Yinson 30 by 30

In 2023, we introduced 'Yinson 30 by 30', a set of 30 sustainability targets that we aim to meet by the year 2030. The CSR objectives under the 30 by 30 initiative include the number of individuals and communities impacted by our programmes, overall investments into community activities and employee hours spent volunteering. We have made good progress with these targets. You may view the 30 by 30 scorecard in our Group CEO Review, pg 26.

-  **COMMUNITY ENGAGEMENT**
-  **17 LIVES IMPACTED**
-  **18 EMPLOYEE VOLUNTEERISM**
-  **19 CSR INVESTMENTS**
-  **20 COMMUNITIES IMPACTED**



Scan this QR code for more information on 30 by 30.

Yinson4Youth



In line with our commitment to empowering youth to achieve their dreams for a more sustainable future, we launched Yinson4Youth ("Y4Y") in 2023, our flagship CSR initiative that aims to empower youth to pursue their aspirations for a sustainable and resilient future. Through Y4Y, we introduced the Y4Y Grant, which supports youth-led projects that align with our sustainability priorities and strive for significant social and environmental benefits. We believe that young people, with their creativity and energetic approach, are crucial for achieving sustainable and lasting improvements.

We congratulate Belia Prihatin and Mental Health Aid Association (NYAWA) for being the first recipients of the Y4Y grants this year. The recipients received RM50,000 each as well as mentorship sessions with Yinson leaders to support their projects.



ABOUT OUR Y4Y GRANT BENEFICIARIES

Mangrove Nursery Project by Belia Prihatin

The grant is being used to set up a mangrove nursery at Mangrove Point, Klang. The nursery forms part of 'We-Be-Leaf Together, Belia Prihatin's ongoing nationwide mangrove conservation campaign that started in 2022. Aside from nurturing mangrove seedlings, the nursery will serve as a centralised hub for mangrove conservation, facilitating scientific research, and increasing community awareness.

Projek Sentosa: Santuni Kesihatan Orang Asli by NYAWA

The funding will be used to conduct much-needed research into the unique experiences of the Orang Asli youth and their understanding of mental health, as well as the development of a pilot intervention programme. The research and pilot intervention will take place in an identified Orang Asli village in Peninsular Malaysia, expected to benefit around 150 individuals.

Yinson Girls Education Programme

We launched the Yinson Girls Education Programme in collaboration with the Ahanta West Education Directorate. This initiative aims to improve Science Technology Engineering Mathematics ("STEM") studies among female students and reduce poor academic performance caused by Period Poverty. The programme reaches approximately 750 female students from the upper primary to junior high levels in the Ahanta West Municipality. We also collaborated with Ghana Education Service (GES) and the Youth Bridge Foundation to organise a five-day STEM clinic in the Ahanta West. Over 500 girls from 70 schools participated in the STEM clinic, experiencing their first-ever science experiments.



Yinson Scholars Programme

We expanded the Yinson Scholars Programme this financial year, with the number of scholarships awarded to Senior High school students growing from 20 to 25, and doubling for tertiary students from five to 10. Since being launched in 2019, we have awarded scholarships to 80 students under this programme. Scholarships are awarded to students from low-income households within the Ahanta West communities to cover tuition fees, accommodation and stipends for the entirety of the recipients' studies.

Yinson Annual Reading and Spelling Bee Competition

We collaborate with the Ahanta West Directorate of Education to organise an annual reading and spelling bee. The event involves students from various educational circuits in the Municipality, spanning kindergarten to Junior High School (JHS) levels. During the event, Yinson provides generous book prizes for the winners and participants, as well as book donations to the local libraries.



Scan to read more about our CSR initiatives.



DIVERSITY, EQUALITY & INCLUSION

Foster an open and all-inclusive work culture for an equitable and diverse workforce.

Risks

- Lack of buy-in from management and employees, hindering the implementation of DEI initiatives.
- Miscommunication or misunderstanding of diverse perspectives can hinder collaboration efforts.
- Unchecked biases may persist, affecting decision-making and perpetuating inequalities within Yinson.

Opportunities

- Diverse teams bring a variety of perspectives, fostering innovation and creativity.
- Inclusive environments boost employee morale, satisfaction and overall productivity.
- Embracing DEI culture attracts a broader talent pool.

Concerned stakeholders



WHY IS THIS TOPIC MATERIAL TO US?

Yinson’s People Strategy is firmly rooted in a dedicated focus on Diversity, Equality and Inclusion (“DEI”). This commitment boosts creativity, innovation and employee engagement. Our goal is to foster a culture of belonging, encouraging diverse viewpoints that fuel business success and enable us to better meet the diverse needs of our clients and markets.

Our failure to cultivate an inclusive culture may lead to various risks, including discrimination, employee reluctance to collaborate, conflicts among employees, reduced innovation and engagement, missed market opportunities and internal inequalities within Yinson. Moreover, we risk losing the ability to attract and retain top talent, which would impact succession planning and the progress of our organisation. To this end, it is imperative to invest in DEI to drive innovation, enhance engagement and maintain our competitiveness in the market.

MANAGEMENT APPROACH

Our approach to DEI is anchored in our Diversity, Equality & Inclusion Policy and Procedure, which protects the human rights of our workforce, complies with international DEI standards, mitigates risks for our people and business and aligns with our Human & Labour Rights Policy.

We strongly believe that diversity is integral to value creation, driven by the diverse skills and backgrounds of Yinsonites. We welcome and embrace employees’ differences including but not limited to age, race, disability, ethnicity, family or marital status, gender, language, national origin, physical and/or mental ability, religion, status, and other characteristics that make our people unique. As a global organisation, DEI underpins and informs our approach to our People Strategy and employee experience.

Our DEI efforts encompass various aspects of our operations, including recruitment, compensation, benefits, professional development, training and promotions, among

others. As our employees are our most valued assets, we strive to enhance diversity by cultivating an open and inclusive workplace for all based on our DEI framework which encourages and enforces the following:

- Respectful communication and collaboration among all employees.
- Teamwork and employee participation from all groups encourage diverse perspectives.
- Work-life balance through flexible schedules to meet employees’ needs.
- Employer and employee contributions to the communities we serve to promote diversity.

Driving DEI across the Group

During the year we implemented the following initiatives to drive DEI among employees:

- **Yinson Employee Resource Group, Yinson Lean-In Circle:** A platform for women to gather in small groups, regardless of their roles or positions, to network, share experiences and drive peer collaboration, mentorship and leadership development. The circle also welcomes male allies to join in debates and discussions.
- **DEI learnings on LMS:** Courses were made available on Learn@Yinson on topics such as ‘Fight Gender Bias at Work,’ ‘The Path to Inclusion and Belonging’ and ‘Strategies for Female Empowerment.’
- **DEI Development Teams:** Yinson sent eight employees to the 2023 One Young World Summit in Belfast, promoting positive social impacts and DEI. Upon their return, the 2023 ambassadors initiated two projects approved by the MSC – a Women Mentorship Programme and an Employee Resource Group on Health and Well-being.
- **DEI leadership video:** Yinson introduced a leadership video, ‘Diversity is our Strength’, to demonstrate leadership commitment to DEI, reinforcing its importance in the company.



Scan to view the video, ‘Diversity is our strength’.

Strengthening employee engagement

Employee engagement directly impacts productivity, retention rates and overall company performance. Engaged employees demonstrate higher motivation and commitment, resulting in elevated job satisfaction and productivity levels. We believe that investing in employee engagement not only enhances organisational culture and morale but also fosters business growth and success.

We conduct employee engagement surveys to assess the level of engagement, satisfaction and morale among employees. During the period under review, we introduced a new employee engagement survey tool. The survey took place in October 2023, with the results shared across the organisation. Leaders from across the company followed up with employees to address any areas that need improvement based on survey findings. The overall employee engagement score was 7.4, with 750 comments. The survey identified commitment and team spirit as strengths, while areas that required improvement were strategic leadership and personal development. In 2024, the tool was integrated with our Global HRIS, allowing leaders to conduct pulse surveys regularly at both department and business levels to monitor engagement.

Yinson also strived to enhance employees' work-life balance by implementing initiatives that support physical, mental

and emotional well-being. For example, we celebrated World Mental Health Day and with a webinar to raise awareness on menopause.

To further engage employees and promote health and well-being, we executed these initiatives across our offices:

- Providing healthy and balanced meals for employees.
- Organising monthly workshops/webinars on nutrition, mental and physical health, stress management, breast cancer awareness and career and financial wellness.
- Conducting various physical activities such as winter games, yoga/pilates classes, armoury bootcamp, bicycle races, badminton, bowling and hiking activities through the Yinson Social and Sports Clubs in country offices.
- Hosting social events like summer parties, boat trips, games and movie nights to foster camaraderie among employees.
- Celebrating festive occasions, birthdays and employee milestones with office lunches as a gesture of appreciation.

Looking ahead, we plan to review insurance policies to incorporate Employee Assistance Programmes (EAP) and mental health and well-being programmes. We remain committed to raising awareness on health and well-being through webinars and health talks, while also offering training for people managers and leaders to recognise and assist employees dealing with stress and challenges.



DRIVING SUSTAINABLE GROWTH THROUGH GOOD CORPORATE GOVERNANCE



BUSINESS MANAGEMENT & PERFORMANCE

Continuously optimising and innovating business processes for financial performance and to safeguard against fluctuating economic conditions and market sentiments.

Risks

- Low financial returns to shareholders and erosion of market share.
- Inability to access capital for business development and project execution.
- Inability to react to unexpected business downturns.
- Business decisions fail to be assessed holistically.
- Loss of stakeholder trust and confidence.

Opportunities

- Better management practices contribute to superior financial stability and growth, and adaptability to changing external environments.
- Innovation in green technologies and sustainable practices can drive positive environmental impact while opening up new market opportunities and revenue streams.
- Greater value creation by balancing stakeholder interests and building stakeholder confidence.

Concerned stakeholders



WHY IS THIS TOPIC MATERIAL TO US?

We believe in solid business management to generate strong and sustainable cash flows to fund current operations and fuel future growth. Solid liquidity and solvency management is foundational to our business and must be complemented by proper business planning, risk management and capital allocation to realise Yinson’s short, medium and long-term goals. Our overarching business strategies guide the management of our financial inputs and outputs towards achieving long-term and sustainable cash flows and profitability. Disciplined and diligent cost management provides flexibility and frees up working capital to be channelled into growth opportunities, thereby maximising Yinson’s ability to create shared value for our stakeholders.

MANAGEMENT APPROACH

Purpose-driven strategies

We continue to be transition-focused and purpose-led as a Group, with a foundation that is built on sustainability and an ESG mindset. We believe that incorporating ESG considerations alongside traditional financial factors adds to our holistic understanding of risk and opportunities, leading to long-term value creation. One of our strong fundamentals has been our ability to adapt to the uncertainties of our operating environments. The outcomes that drive us are listed clearly in our Purpose Statement: which is to empower communities, drive economic growth and protect the environment for current and future generations.

Under the umbrella of our purpose, we have six overarching businesses strategies, which are operationalised through our business and synergised with the respective businesses strategies.



At the same time, we are cognisant of our strengths, which we call Yinson’s Edge, which give us a competitive advantage.



Financial risks management

Yinson has established and maintained a comprehensive risk management and internal control system that incorporates instruments, organisational structures, and procedures aimed at balancing risk and reward in relation to potential opportunities. An essential component of this system is the adoption and continual refinement of our ERM system, allowing for effective risk management and swift actions to capitalise on opportunities. The ERM model focuses on managing the key risks that could impact our strategic and management objectives, ensuring consistent methodologies and tools are in place to support risk management.

Steps that we take to manage our financial risks are include:

- Maintain a strong corporate Tax, Treasury and Finance function at both Group and business levels.
- Maintain a strong track record of project delivery and operations.
- Build strong, long-term financial partnerships.
- Invite strategic partners to participate in our projects to manage our overall portfolio mix and maximise shareholder value.
- Develop robust business models where stable recurring income is received from asset-leasing contracts.
- Structure financing with a long-term vision to enable us to secure funding at a lower cost.
- Build a diverse portfolio of projects by growing and developing new businesses.
- Hedge against interest rate volatility by entering into floating-to-fixed interest rate swaps and issuing fixed-rate debt securities.

Key initiatives undertaken in the year in review include:

- The Board established Advisory Boards for Yinson Production, Yinson GreenTech and Yinson Renewables in September 2023 to provide effective oversight of the respective business models.
- Targeted risk assessment was conducted for Yinson Production in Brazil, to be updated and reported against on a quarterly basis.

- A comprehensive risk re-assessment exercise was conducted for Yinson Renewables and Yinson GreenTech.
- In 2024, we established a Business Continuity Management (“BCM”) Framework, for a systematic approach to ensure the continuity of critical business operations.

 *Statement on Risk Management & Internal Control, pg 162 - 168.*

Cash flow and liquidity management

Having a solid free and readily available cash position serves as a strong foundation for Yinson’s growth and expansion. Moreover, it allows us to navigate any unforeseen cash requirements with ease. Our cash stems from a combination of cash flows generated from operations, financial capital raised, and loans and borrowings drawn down from pending project deployment. We prioritise the availability of cash to fund our operational requirements based on cash flow projections.

Yinson’s Corporate Treasury Policy defines the guidelines for managing our free cash with the objective of preserving capital and maintaining liquidity. This policy sets out the parameters within which we manage our cash resources, enabling us to manage risk effectively and make informed decisions about our financial activities.

Our liquidity management strategy includes:

- Maintaining an appropriate mix of high-quality liquid investments and adequate cash buffers to meet unexpected cash outflows.
- Maintaining 5-year cash flow projections to match the allocation of long-term financial capital with project capital expenditure needs.
- Using reasonable assumptions on continuing operations and financing of projects secured, Yinson’s liquidity is sufficient for at least the next 5 years.
- Conduct regular stress testing to assess cash flow vulnerability under distressing situations and deploy the necessary action plans.

Capital strategies

A key enabler for all our businesses is ensuring that we have sufficient capital to continue delivering on our projects and exploring new opportunities. Our capital strategy includes:

- On a project level, our capital strategy focuses on equity sell-down, refinancing and re-leveraging, which allows us to augment cash flows to enhance returns of our ongoing investments, thereby accelerating the returns to be deployed into new projects.
- On a platform level, Yinson's long-term equity structure includes perpetual securities and Sukuk Mudharabah. These instruments allow us to raise capital while not diluting the equity of our existing shareholding.
- Corporate borrowings enable us to be flexible when providing funding for our equity requirements. Our strong relationships with our financing and funding partners have enabled us to innovate deal structures that have been well-received.
- Financial instruments that are linked to sustainability performance, such as our sustainability-linked sukuk, allow us to capitalise on our leadership position in sustainability whilst incentivising us to manage our business more sustainably.
- Financing partners, with whom we have also been actively innovating and exploring alternative financing options, including project-level preference shares, non-recourse project financing, junior loans and local currency financing.

In FYE 2024, we established several financial partnerships that support Yinson's transition journey and green businesses. This includes USD 300 million in financing from global investment firm RRJ Capital to support the construction of FPSO Agogo, where all major components in our Zero Emissions FPSO Concept are being installed, and a corporate loan facility of up to USD 500 million, with a portion of the facility designated for green initiatives to support our continuous efforts in innovating and introducing cutting-edge technologies to reduce emissions. Another new financing partnership was a USD 230 million financing, structured and arranged by Global Infrastructure Partners, in relation to FPSO Maria Quitéria.

Managing our leverage indicators

Keeping our financial covenants and debt servicing requirements are cardinal requirements when planning and deploying our capital strategies and market activities. This is both a risk management measure and a way to ensure that we are building our businesses on the optimal capital structure.

We manage our operation funding structure to ensure smooth repayment over the course of our assets' contracted periods. A key feature of Yinson's project financing loans is that they are non-recourse to Yinson once operational, with Yinson's guarantee being released from the project financing loan. Once the project financing loans become non-recourse, the project financing lenders are only entitled to repayment from cash flows of the projects the loan is financing, and not from any other assets of Yinson.

Investor relations and stakeholder engagement

Foundationally, we ensure that we adhere to all mandatory disclosure requirements, as described in the 'Disclosure and stakeholder communication standards' section of our Corporate Governance & Business Ethics material topic, pg 125. However, our engagement with our stakeholders extends far beyond just the required disclosures. Robust stakeholder engagement is a strategic imperative for Yinson because it fosters trust, collaboration and sustainable growth. We proactively engage with our stakeholder groups to communicate our value proposition and capture feedback to ensure mutual and sustainable relationships in the long run. By involving stakeholders in our decision-making processes, we ensure that our actions align with the interests and values of those we impact.

 *Integrity in corporate reporting and meaningful relationship with stakeholders, pg 154.*

Productivity and innovation

Efficient utilisation of resources, across all capitals, drives productivity. Streamlining processes, investing in technology and fostering a culture of continuous improvement are essential. In this respect, we consider digitalisation and utilising technology to drive productivity as a material matter.

 *Digital transformation, pg 128 - 130.*

We believe that embracing innovation is crucial to our ability to stay ahead. Innovation is the engine that drives growth, allowing us to directly create more value for our stakeholders, attract talent, foster collaboration, and drive economic growth. A culture of innovation is a must in order for us to respond quickly to market challenges and opportunities. Thus, we actively invest in research & development to cultivate open innovation approaches, maximise efficiency gains, reduce costs and generate revenue. Concurrently, our active participation in these activities attracts like-minded potential employees and strategic partners.

 *Innovation case studies, pg 29 - 32.*

Our commitment to building a culture of innovation is reflected and integrated into all our people processes, from hiring to performance management and rewards and compensation. Every Yinson business, led by their respective Advisory Boards and Senior Leadership Teams, are given the impetus and resources to innovate, both to create efficiencies in their current processes and develop new ways of doing things.



CORPORATE GOVERNANCE & BUSINESS ETHICS

Business policies and practices to ensure ethical, transparent and responsible corporate governance.

Risks

- Reputational risks, covering loss of public trust and investor/shareholder confidence.
- Significant negative impact on business operations, resulting in financial losses.
- Poor corporate governance performance can affect long-term business sustainability.
- Overextension of corporate governance can lead to bureaucracy issues or slower decision-making.

Opportunities

- Checks and balances enable the Board to have appropriate control and oversight of Yinson’s businesses.
- Control in operations will improve external confidence towards Yinson’s operations, leading to positive financial and reputational impacts.
- Transparency with corporate governance practices facilitates trust-building amongst all stakeholders and boosts shareholder confidence.

Concerned stakeholders



WHY IS THIS TOPIC MATERIAL TO US?

Corporate governance and business ethics are integral to Yinson, shaping our identity and operations. Upholding the highest standards of integrity not only defines who we are but also reinforces trust among stakeholders. We recognise that sound corporate governance practices are essential for maintaining the trust of all our stakeholders. Furthermore, our robust framework ensures legal compliance, social responsibility and environmental sustainability, aiming for positive impact while mitigating risks and enhancing our reputation.

Failure to adhere to high standards of integrity could lead to financial losses, legal consequences, diminished access to capital, negative societal and environmental impacts, loss of stakeholder trust, and increased employee disengagement and turnover. These pose significant risks to our sustainability and success. In summary, governance and ethics are fundamental to Yinson’s Core Values and mission as they drive trust, innovation and sustainable growth for all our stakeholders.

MANAGEMENT APPROACH

Yinson adopts a high standard of business practices and a robust corporate governance and risk framework which emphasises transparency, accountability, efficient leadership and sustainable performance. The Board continues to oversee our governance, providing insight and guidance to protect the interests of our stakeholders through the implementation of a robust governance framework and effective control systems.

We continuously assess, enhance and refine our governance practices and frameworks to align with the best interests of our stakeholders. This commitment is exemplified through our implementation of the Directors’ Fit and Proper Policy, which ensures directors’ unwavering dedication to their duties within the Group. Furthermore, our HLR Policy was revised in previous years to incorporate a comprehensive monitoring and reporting process for suppliers. We review and update our governance policies at least every three years, or more frequently as needed to ensure that we maintain the highest standards of business ethics and uphold a strong corporate governance framework.

As Yinson continues to expand its operations in Brazil, the Company has translated key Group-level governance policies and procedures into Portuguese. These include the Code of Conduct and Business Ethics (“COBE”), Whistleblowing Policy & Procedure, Anti-Bribery and Anti-Corruption (“ABAC”) Policy & Procedure and HLR Policy. We are also working towards making certain training modules relating to COBE topics available in Portuguese language for the Brazil office.

To manage sustainability-related issues effectively, we have instituted Board Committees. Our Board Risk & Sustainability Committee (“BRSC”), chaired by an Independent Non-Executive Director and consisting of other Independent Non-Executive Directors and the Group CEO, provides oversight of our sustainability strategies. The BRSC convenes quarterly to review and guide the Group’s sustainability endeavours, establish performance metrics and targets, monitor sustainability performance and address sustainability risks and opportunities.

Training and awareness

We organise training, upskilling and awareness campaigns to ensure that all Yinson employees uphold the highest standards of corporate governance in their daily responsibilities. These are facilitated through our LMS, Learn@Yinson, which allows self-paced learning. As part of the onboarding process, new hires undergo ABAC training, and current employees receive annual refresher training.

As of FYE 2024, 70% of our employees completed the annual refresher training. Additionally, in 2023, we engaged a service provider to implement a Compliance Management System (“CMS”) for the Group. One of the CMS modules is a training platform which enables online training modules to be assigned to external stakeholders, such as third-party suppliers. We aim to extend corporate governance training, such as ABAC training, to our third-parties to raise awareness and set clear expectations of Yinson’s ABAC requirements when dealing with the Group.

Anti-Bribery & Anti-Corruption

Yinson maintains a strict zero-tolerance policy against bribery and corruption, and actively supports efforts to combat corruption in the countries where we operate. Safeguarding Yinson from corrupt practices remains our paramount focus.

No major nor minor non-conformities were found in the audit report following the 2023 ISO Anti-Bribery Management System ("ABMS") Surveillance Audit that was conducted for Yinson Holdings Berhad and Yinson Production Offshore Pte Ltd. The audit also commended the full support from Top Management, represented by Yinson's MSC, and the Board, represented by the BRSC, towards Yinson's ABMS efforts. Throughout the ISO 37001 ABMS certification periods from 2021 to 2024, no major nor minor non-conformities were reported by the ISO auditors. Continuing our resolute dedication to anti-bribery measures, Yinson Holdings Berhad and Yinson Production Offshore Pte Ltd will actively pursue ISO 37001 ABMS recertification in 2024. Further, our ABAC Cautionary Notice Cards have been translated into multiple languages including Arabic, Bahasa Malaysia, Chinese, French, Hindi, Indonesian, Italian, Norwegian, Portuguese, Spanish, Tamil and Vietnamese. These resources are accessible via our internal staff intranet, YNet and Yinson's website.

Whistleblowing

Yinson enhanced our whistleblowing channel with an independent platform in FYE 2024, thereby improving our overall whistleblowing process. We remain steadfast in encouraging stakeholders to raise concerns without fear of reprisal and provide multiple channels for reporting, including toll-free numbers and multilingual support. We continue to promote

awareness of whistleblowing through initiatives such as the ABAC Online Training Module and physical posters in global offices. This ongoing effort signifies Yinson's dedication to maintaining high standards of corporate governance and compliance with laws and regulations.

By fostering an environment where concerns can be raised and addressed effectively, we safeguard our integrity and promote trust and confidence among stakeholders, including employees, customers, third-parties and investors. This commitment to ethical conduct is essential for sustainable business practices and long-term success in today's increasingly complex and interconnected business landscape.

During the year under review, six cases were reported through the whistleblowing channel. All claims were investigated, after which five were concluded as unsubstantiated due to a lack of basis for the claims made. One case was substantiated, which has been resolved with the appropriate corrective action taken.

Corporate tax strategy and governance

Yinson's overall approach to tax management is aligned with our Core Values and COBE, and it is centred on ensuring that we pay our fair share of taxes and effectively contribute to the countries and communities in which we operate. The tax strategy is comprehensively applied across Yinson, and compliance with this tax strategy is monitored systematically and periodically.

YINSON'S KEY TAX GOVERNANCE PRINCIPLES

<p>1</p> <p>Tax governance</p> <p>Tax is part of Yinson's fundamental corporate responsibility and governance, with the Board overseeing tax affairs, ensuring compliance and regular updates.</p>	<p>2</p> <p>Upholding compliance requirements</p> <p>Yinson is committed to our 'Compliance First' philosophy. We are committed to paying our fair share of taxes and diligently fulfilling our tax reporting obligations with accurate and timely tax returns and other documentation with all applicable local tax legislations and regulations in countries where we operate.</p>	<p>3</p> <p>Business structure</p> <p>Yinson employs business structures with genuine substance, aligning with commercial requirements.</p>
<p>4</p> <p>Utilising tax incentives</p> <p>Yinson utilises tax incentives where available and applicable, aligning with the relevant regulatory frameworks, the intended policy objectives and the overall business requirements.</p>	<p>5</p> <p>Relationship with tax authorities</p> <p>Yinson maintains open, collaborative, and transparent relationships with tax authorities in the countries where we operate.</p>	<p>6</p> <p>Transparency</p> <p>We aim to conduct our tax affairs transparently, with regular stakeholder updates on tax approach, governance and payments.</p>

Our tax strategy aligns with key principles of the Global Reporting Initiative 207, the Bursa Tax Governance Guide and Paragraph 19 and Paragraph 20 of Schedule 19 of the United Kingdom Finance Act 2016. It is periodically reviewed by Group Tax, with amendments submitted to the Audit Committee and Board for approval. Our tax strategy aligns our key tax governance and risk management practices with Yinson's overarching ESG strategies and objectives. Our commitment to transparency and integrity in tax management is further underscored by our Whistleblowing Policy & Procedure, which incorporates mechanisms for reporting tax-related malpractices.



Scan for more information on our approach to Corporate Tax Governance.

Intellectual Property

We continue to uphold our commitment to enhancing our Intellectual Property (“IP”) management as a pivotal asset for our company. Our Group IP Policy governs all IP-related governance matters, reinforcing our commitment to effective IP management across the organisation.

Building upon our approach from last year, our ongoing efforts focus on developing a comprehensive Group-wide IP Strategy and Management Plan, comprising:

- Initiatives to educate and raise awareness among stakeholders regarding the significance of IP.
- Processes for the identification, consolidation and periodic review of both existing and new IPs.
- Establishment of a dedicated management team tasked with overseeing all IP-related matters.
- Formulation of strategies aimed at valuing and commercialising our IP assets.

During FYE 2024, the Group Legal Department, supported by external IP consultants, conducted an IP initiative programme with Yinson GreenTech, the business that is most active in the IP space due to the nature of its business. This programme encompassed:

- Conducting IP awareness sessions.
- Conducting an IP data audit and discovery process.
- Creating an IP data inventory table tailored specifically to Yinson GreenTech.
- Developing a commercial strategy to maximise the utilisation of Yinson GreenTech’s IP assets.

Personal data protection

Yinson remains steadfast in its commitment to safeguarding personal rights and privacy, as well as adhering to global standards in data protection and security. The past initiatives implemented, such as developing Standard Contractual Clauses (“SCC”) for data transfer, and recruiting a General Data Protection Regulations (“GDPR”) manager, demonstrate ongoing efforts to ensure compliance with data protection laws and regulations.

Yinson has successfully completed the implementation of SCCs throughout the Group in the year under review, further enhancing its global data transfer compliance under the GDPR. Additionally, the Privacy team is actively working on implementing a global privacy platform to automate and streamline privacy processes, indicating a continued dedication to improving data protection measures. We are committed to ensuring swift resolution to any privacy or data breaches, in line with our 30 by 30 commitments. We maintained zero unresolved privacy or data breaches in the year under review.

Disclosure and stakeholder communication standards

Yinson is committed to upholding exemplary corporate governance standards, prioritising clarity, comprehensiveness, and precision in our corporate disclosures and communications. We are guided by our Corporate Disclosure Policy & Procedure which aligns with the mandatory stipulations of the Bursa Securities Main Market Listing Requirements (“MMLR”), complemented by insights from Bursa Securities’ Corporate Disclosure Guide.

We have established and continue to nurture communication channels that foster ongoing dialogue and promptly disseminate accurate material information to stakeholders. Communication channels include shareholder meetings, briefings, press releases, our corporate website, corporate emails, and digital platforms. In addition to regulatory disclosures, Yinson maintains its dedication to fostering effective and high-calibre communication channels that facilitate transparent and timely information exchange with its stakeholders. Our efforts in this respect are outlined in our Stakeholder Communication Policy & Procedure.

This Report is a key disclosure document which adheres to frameworks, guidelines and standards which are specified in the ‘Basis of this Report’ section.





SUSTAINABLE SUPPLY CHAIN MANAGEMENT

Enhancing supply chain resilience through supplier and contractor management while promoting sustainability principles throughout the value chain.

Risks

- Changes in government policies and geopolitical instability could affect supply chain operations.
- Misalignment with increasingly stringent local and international ESG-related regulations and laws.
- Rising importance of Scope 3 supply chain emissions in ESG reporting regulations.
- Increasing complexity of supply chains may weaken control and influence, leading to regulatory, reputational and market risks.

Opportunities

- Sustainability efforts in supply chains could lead to cost and operational efficiencies.
- Enhancing supply chain reliability and resiliency ensures timely project delivery.
- Holistic risk assessment improves understanding of supply chain interconnectivity and limitations.
- Implementation of innovative solutions and technologies for effective management processes.

Concerned stakeholders



WHY IS THIS TOPIC MATERIAL TO US?

Yinson strives to strengthen our supply chain to ensure our business runs smoothly. The sustainability performance of our suppliers is paramount, as it reflects their ability to navigate challenges effectively. By enhancing awareness and understanding of ESG principles within our supply chain, we can achieve our sustainability goals as outlined in Yinson’s policies and 30 by 30 goals. We aim to build long-lasting partnerships with suppliers who share our vision and commitment to sustainability.

Inadequate supply chain management may increase overall risks and costs, leading to project delivery disruptions and missed business opportunities. Social and environmental impacts can also pose risks to our supply chain, potentially resulting in reputational damage and legal consequences.

MANAGEMENT APPROACH

Our supply chain management is guided by a comprehensive internal framework and adheres to widely recognised international standards, guidelines, and industry best practices. Our due diligence processes encompass significant ESG topics, and we implement a contractual framework for our subcontractors, including our ESG Supply Chain Policy.

Yinson’s supply chain

Yinson’s supply chain encompasses brokers, consultants, contractors, distributors, manufacturers and subcontractors located across 23 countries. Throughout the year under review, we engaged with 1,064 active suppliers.

In FYE 2024, we continued to enhance our internal ESG supply chain protocols. These protocols ensure that suppliers and contractors incorporate ESG considerations into their operations to foster a sustainable supply chain. Our procedures also cover aspects such as diversity, equality, child labour and forced labour.

Further, we ensure that our suppliers and contractors comply with Yinson’s health and safety guidelines through our supplier contracts, operationalised through our VRP.

Our supplier selection process

We are committed to maintaining the highest standards of compliance through continuous engagement with our suppliers and third-parties. Our VRP provides assurance for pre-qualification and supplier performance assessment. Prospective suppliers who are interested in collaborating with us must submit their company details through the platform, which assesses and categorises them as ‘registered’ or ‘pre-qualified’ based on risk levels.

Suppliers categorised as ‘registered’ undergo a basic compliance check, including acknowledgement of their compliance with Yinson’s COBE and ABAC policies. ‘Pre-qualified’ suppliers have undergone a comprehensive screening process covering various aspects such as HSEQ management and performance, adverse media reports, watchlists, government records, financial management and sustainability compliance. They also undergo assessments for ISO certifications, insurance, and ABAC compliance.

Further, pre-qualified suppliers undergo the VRP’s ESG module, country-specific registration forms, remote support question sets and clarifications on safety, compliance, insurance, ABAC and sustainability. The VRP undergoes rigorous internal and external audits and continuous improvement initiatives to enhance supplier engagement and streamline the onboarding approval process.

In addition to commercial considerations, ESG criteria are integral to the VRP screening process. These criteria include third-party sanctions, negative media monitoring, HSEQ risk assessments, employee training, adequacy of health and safety management systems, fair labour practices, safety culture and pollution prevention. The ESG module aligns with global standards including GRI, ISO, VFR/SASB, SDG and CDP.

Building stronger supply chains

Yinson strives to collaborate with local suppliers whenever possible to procure goods and services registered in the same area as our operations. This supports local economies and industry development, empowers local communities, enhances the efficiency and resilience of our supply chain, and reduces carbon emissions from transportation. We believe that this approach fosters a more sustainable supply chain, generating mutual benefits for businesses and communities. 93% of quotations requested by offshore production operations were from in-country vendors in the year under review.

Assessing suppliers' environmental and social impacts

We conduct detailed ESG screenings on all our pre-qualified suppliers, achieving a 100% screening rate once again in the period under review. Beyond mitigating risks associated with practices such as environmental degradation or human rights violations, these assessments enable us to identify gaps in our supply chain and take proactive steps to address them. Additionally, supplier assessments align with our sustainability goals and demonstrate our commitment to responsible business practices. This enhances our reputation, fosters transparency and accountability throughout our supply chain and ensures compliance with ethical standards and regulations.

In the financial year, we established key pillars for conducting ESG audits and initiated visits to key suppliers, raising awareness of our ESG policy and compliance standards, and ensuring alignment with our long-term ESG goals. Subsequently, three site audits were conducted on selected key contractors during the year to monitor the implementation progress of our ESG requirements.

We continue to work collaboratively with our suppliers on ABAC matters. Our compliance team will continue to engage with suppliers flagged for ABAC non-compliance through reconciliation exercises, facilitating their completion of the assessment process. ESG non-compliances identified through the VRP are addressed by our sustainability team, who conduct engagements to rectify the issues.

Moving forward, we plan to reinforce awareness of our ABAC policy within our supply chain through annual awareness campaigns. Additionally, we aim to organise supplier townhalls with our key suppliers, to bolster awareness of VRP compliance, emphasising Yinson's ABAC policy and ESG objectives.

We will continue to enhance our supply chain management to optimise costs, gain access to quality products and services and engage with vendors towards strengthening their environmental performance and operational efficiencies. We believe that these efforts will create long-term shared value with local suppliers and communities in which we operate.





DIGITAL TRANSFORMATION

Integrate digital solutions into business processes and operations to optimise business performance and ensure digital systems and assets are safeguarded against external cyber threats.

Risks

- Non-standardisation of internal processes may lead to inefficiencies in capital deployment for system enhancements or connections.
- Lack of modern digital tools and mediums may create an uncompetitive business environment where work is hampered, leading to operational inefficiencies.

Opportunities

- Utilisation of digital solutions may reduce low-value, tedious work, thus utilising employee capacity for more meaningful work.
- New revenue streams may be unlocked through the utilisation of data produced from assets and business processes.
- Effective data analytics lead to better decision-making, which could result in cost efficiencies.

Concerned stakeholders



WHY IS THIS TOPIC MATERIAL TO US?

Strategic technology advancements for sustainable growth

As an industry leader, Yinson recognises the importance of harnessing cutting-edge technologies and innovative digital tools. These advancements serve as catalysts for the expansion of our business. Our ongoing digitalisation initiatives have significantly enhanced our operational efficiency and effectiveness. In line with this, the transformation has increased our reliance on data and IT infrastructure.

Ensuring data security and resilience

Safeguarding our proprietary and confidential information is of utmost importance to us. Robust cybersecurity measures are essential to guard against potential threats. Any breach in our systems could lead to severe consequences, such as financial losses, exposure of sensitive data, reduced competitiveness, business continuity disruptions, and reputational damage.

Yinson is dedicated to sustaining a secure and resilient technological ecosystem, solidifying our position as a trusted leader in the industry.

MANAGEMENT APPROACH

Group Strategic IT Roadmap


Since its launch in 2022, the Group Strategic IT Roadmap has been actively operationalised by our IT team, regularly aligning with business stakeholders through Demand Management Forums and other touchpoints.

In 2023, we established the Digital Steering Committee, chaired by the Group Chief Information Officer (Group CIO), which meets quarterly to ensure our Group IT direction is in sync with MSC expectations, as well as providing guidance for digitalisation efforts.

Our digitalisation initiatives are carried out through seven core Group IT Functions, working closely with Business teams. Each function contributes to the strategic outcomes of the Group Strategic IT Roadmap.

Business Unit-IT teams

Experts in operational technology for their units, Business Unit-IT teams operate independently in fast-paced environments, working in tandem with Group IT Functions on cross-unit and cross-functional projects. Some examples include IT Security and Infrastructure & Network. These functions are managed at the Group-level due to their nature of universal application across all business functions. Business Unit-IT teams and Group IT Functions work synergistically under the leadership and guidance of the Group CIO.

Function	Responsibilities and progress
Corporate IT	<p>In 2023, we established the Global IT Service Desk, initially serving Malaysia and Singapore offices. This service, offering remote support and extending beyond office hours, will expand to other Yinson offices progressively.</p>
Data & Analytics	<p>Our Data & Analytics team is digitally transforming how Yinson utilises data. Collaborating with Information Technology/Operational Technology (“IT/OT”) Security, the team focuses on data governance, starting with data classification. The team set up the Yinson Open Data & AI platform (“YODA”), providing a hub-and-spoke model for data consolidation and reporting. Furthermore, the team is making headway into integrating various data and AI use cases into operation.</p> <p> <i>Case study: Data analytics and AI at Yinson, pg 32.</i></p>
Enterprise Resource Planning (“ERP”)	<p>Now under Group IT, the ERP team remains a vital cog for financial processes and operations, resource planning for new assets and offices, and continually adapting our financial processes to local and regulatory requirements.</p>
Infrastructure & Network	<p>This function is the foundational backbone for all IT needs and IT assets, be it onshore offices or offshore assets, leveraging the latest hybrid and multi-cloud technologies.</p>
IT Governance	<p>The team reviews IT sourcing and vendor management procedures for phased implementation, supporting other Group IT Functions in policy and procedure adherence.</p>
IT/OT Security	<p>In 2023, cybersecurity management was expanded to include both Information Technology and Operational Technology. The Group Cybersecurity Roadmap, in alignment with the National Institute of Standards and Technology (NIST) framework and ISO 27001/IEC 62443 Standards, was integrated into the overall Group Strategic IT Roadmap. Our IT/OT Security team emphasises cybersecurity training, governance, and new technology adoption to enhance our cybersecurity posture.</p> <p>As new technologies emerge in 2024 and beyond, the IT/OT Security team updates the roadmap to align with the latest cybersecurity trends and continues to strengthen our cybersecurity position based on data governance, Zero Trust strategies and continuous enhancement of cyber resilience.</p>
Strategic IT Delivery	<p>Overseeing the execution of the Group CIO's strategic plans, Strategic IT Delivery supports all Group IT functions in planning and delivering on the Group Strategic IT Roadmap. Highlights for the year include a new Projects OnLine (POL) system and enhanced enterprise architecture visibility.</p> <p>Launched in 2023, the Citizen IT programme equips Yinsonites with digital skills, essential for our digital transformation. The inaugural Citizen IT Townhall in December 2023 focused on IT business partnering, the Citizen IT programme and the Group Strategic IT Roadmap. It also recognised employees’ digital solution contributions.</p>



Cybersecurity

Yinson always takes active measures to evaluate its management of cybersecurity. Our Information Security Policy & Procedure outlines how we protect information against improper disclosure, ensuring data accuracy, timeliness, and accessibility only to authorised personnel.

This policy is developed and regularly updated in line with Yinson's Data Privacy Policy to incorporate complementary data privacy provisions. Other related policies, like the COBE, also address specific aspects of information security. In addition, the policy outlines a data breach reporting mechanism and response plan. This ensures that we are always vigilant and cognisant in meeting our ESG 30 by 30 target of resolving any breaches that may occur in a timely manner. There were no breaches and we maintained our track record of zero unresolved data breaches in the period under review.

Regular Information Security training is conducted to enhance awareness among our employees, suppliers, and third-parties regarding Yinson's information security policies and their respective responsibilities.

Digital transformation can result in new cyber risks, making cybersecurity a pivotal aspect of our Group Strategic IT Roadmap. Our approach to cybersecurity was developed based on a comprehensive risk assessment involving various stakeholders across our business. Risks identified during this process are prioritised based on their likelihood of occurrence and potential impact. This prioritisation ensures that the most critical risks are addressed first. Subsequent strategies and implementation plans are developed based on industry best practices, standards, and regulatory requirements. The roadmap includes several initiatives aimed at bolstering the Group's cybersecurity system. These include training our personnel, updating processes, and adopting relevant technologies.



Key achievements in the year under review include new frameworks, enhanced security policies, and tabletop exercises to strengthen our cyber response and recovery procedures. In addition to enhancing the security of our offshore assets, the IT/OT Security team also works to protect other assets from other businesses.

Digital transformation

Digitalisation plays a crucial role at Yinson as it empowers strong decision-making across our organisation by placing global, real-time and accurate information at our fingertips, in addition to freeing up our people from tedious and mundane tasks. Digitalisation is also the key to resource efficiency and better safety performance. We have invested significantly in digitalisation across all our businesses and functions. This has given us an edge over the competition, as we are able to demonstrate stronger abilities to take on projects and execute them well, efficiently and safely.

Additionally, we believe that investing in digitalisation is one of the most effective ways to reduce costs in the long run amid increasing inflationary pressures.

Digitalisation initiatives undertaken during the financial year include:

- Launch of Project Polaris aboard FPSO Helang.  *Case Study: Project Polaris, pg 29.*
- Launch of a modernised Charging Management Platform and Customer Relationship Management tool for Yinson GreenTech.
- Launch of a Cloud-Based Open Data and AI (YODA) Platform.  *Case study: Data analytics and AI at Yinson, pg 32.*
- Launch of a new employee engagement tool that swiftly provides engagement insights and actionable recommendations, allowing Yinson to better gauge the organisation's pulse.
- Enhancement of Whistleblowing Platform to integrate with an independent platform, to support an efficient resolution process that safeguards personal data privacy and confidentiality.
- Launch of fully digitalised expense management and approval workflow.
- Expansion of visualisation dashboards to assist in data-driven decision analysis, across key businesses and corporate functions.