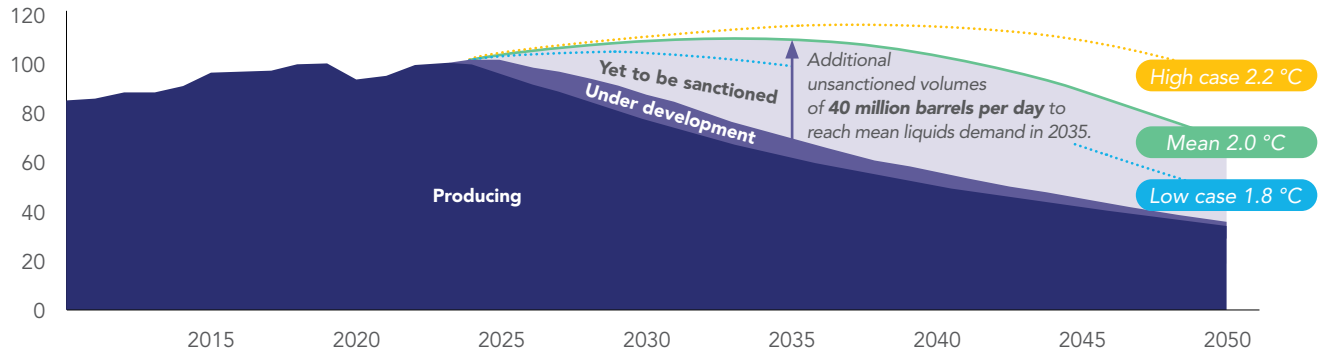
MARKET LANDSCAPE

YINSON PRODUCTION

In 2024, the crude oil and natural gas market manoeuvred through a multifaceted environment marked by controlled Organization of the Petroleum Exporting Countries plus (OPEC+) supply and intensifying geopolitical tensions. While energy demand continues to outpace supply across all transition scenarios, the demand-supply imbalance is anticipated to become even more severe in the lead-up to 2030.

Liquids production by asset status compared with demand forecast, 2010 – 2050 *(Million barrels per day)*



Source: Rystad Energy 2024 Global FPSO and CCUS Market Outlook Report.

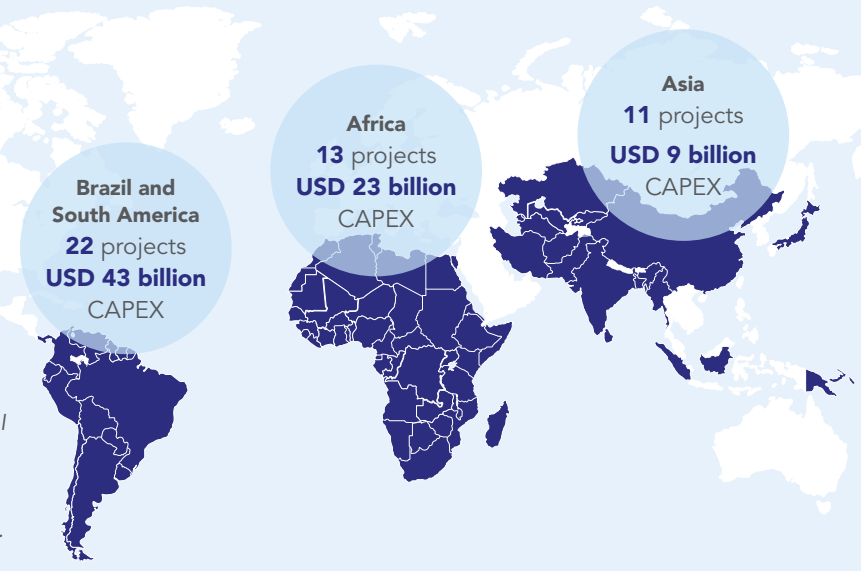
These factors continue to anchor energy security as a central concern, with efforts on all fronts to keep energy affordable and stable. Oil prices have remained steady despite the volatile external environment, reflecting these efforts. Brent crude remained within a monthly range of USD 70 to USD 90 per barrel in 2024, making it one of the most stable years in more than two decades.

These factors continue to propel investments in the FPSO market, which is anticipated to receive USD 91.5 billion of CAPEX investments until 2029. FPSOs play a critical role in energy production, from both existing and new fields, especially in deep and ultra-deepwater settings where they are often the only viable solution.

Brazil, Asia and Africa are key markets for the FPSO industry due to their significant offshore oil & gas reserves and ongoing exploration activities. Brazil's pre-salt fields, with their vast oil deposits, have driven substantial investments in FPSO units. FPSO demand is growing in Asia, due to rising energy demand and new offshore discoveries. Africa, especially West Africa, is seeing a surge in FPSO projects, with countries like Nigeria leading the way in deepwater exploration.

Projected FPSO market growth (2025 – 2029)

- **USD 91.5 billion** total projected CAPEX
- **54 FPSO project awards** expected
- **11 FPSO projects** awarded per year on average



Note: Middle case scenario assuming, among others, oil price of USD 60 to 80 per barrel, world economic growth of 3% to 4% per year and global energy demand growth of 1% per year.

Source: Energy Maritime Associates – Floating Production Systems Outlook Report, 2024 Issue 4.

Within the FPSO segment, almost half of new FPSOs ordered until 2028 are either conversions or redeployments, with a projected CAPEX of approximately USD 29 billion. The high market interest in these projects, relative to new build, is mainly due to the shorter delivery schedules, which reduces the time taken to achieve first oil. Demand outlook is robust in the near term for mid-sized FPSOs, with about 30% of CAPEX expected to be invested in FPSOs producing 100,000 to 200,000 barrels of oil per day. Leased units are expected to account for 40% of FPSO contracts overall.

Yinson Production's positioning, especially in key growth regions, track record in delivering mid-sized FPSOs for deep and ultra-deepwater fields, and operational experience to support client demand for lease and operate units, aligns with these trends.

YINSON RENEWABLES

2024 was another record-breaking year for renewables deployment globally. However, this message was overshadowed by negative media coverage on the offshore wind sector, which experienced a scale-back. This issue is discussed further within the Yinson Renewables Review.

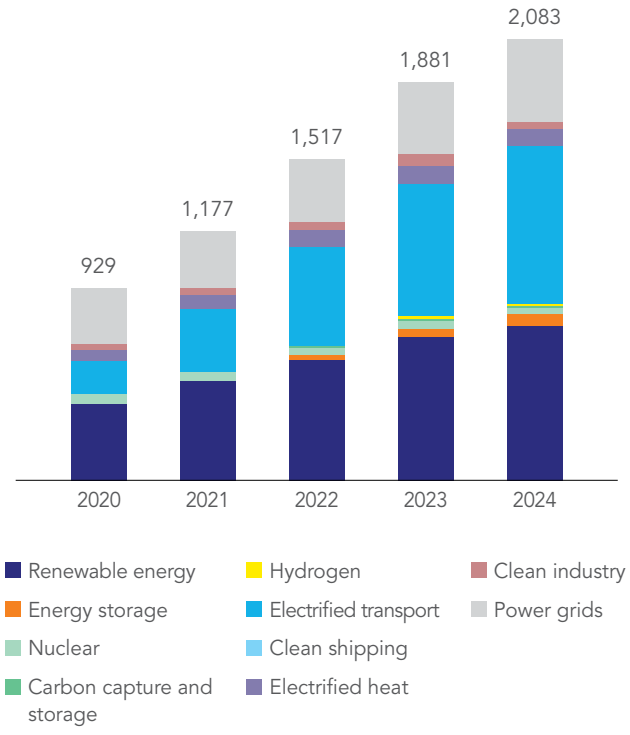
Yinson Renewables Review, pg 66.

At a headline level, global investment in the energy transition reached close to USD 2.1 trillion, nearly *double* the total investment in fossil fuels in the same period.

585 GW of renewable energy generation was rolled out in 2024 – a 15% growth YoY with the majority coming from onshore wind and solar plants. China alone delivered 374 GW, demonstrating a strong commitment to deliver cleaner energy to further drive its industrial and social growth ambitions.

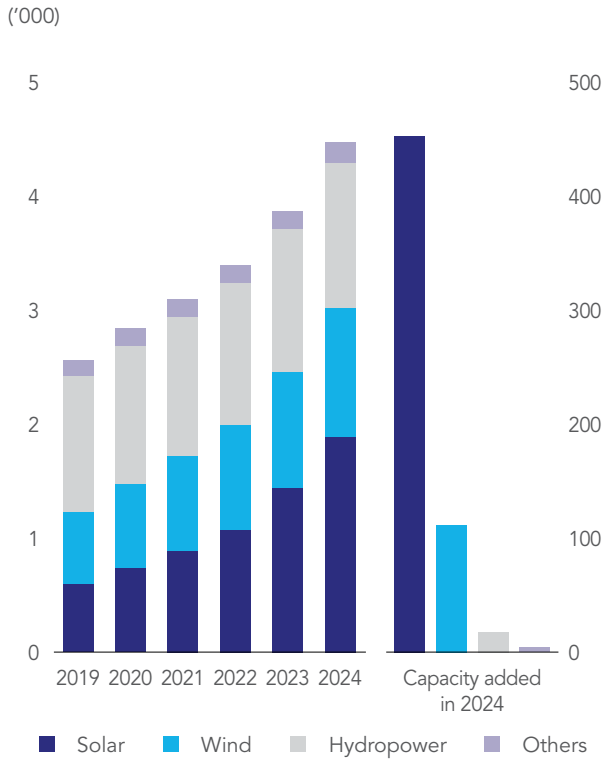
Global energy transition investment by sector
(USD billion)

- **USD 2.08 trillion**
  global energy transition investment in 2024
- **USD 140 billion**
  global clean energy supply chain investment in 2024
- **USD 1.06 trillion**
  total debt and equity raised for climate/energy transition in 2024



Source: Energy Transition Investment Trends 2025, BloombergNEF.

Renewable power capacity growth *(GW)*



Source: Renewable Capacity Highlights, 26 March 2025, International Renewable Energy Agency (IRENA).

This growth is due to renewable energy being the lowest-cost source of new electricity generation. It enables access to affordable clean energy for developing countries and facilitates the replacement of ageing and fossil-based energy infrastructure in developed nations.

There are challenges to maintaining and increasing the pace of this rollout, which jeopardises the achievement of global warming reduction. The strains created by global conflicts and resultant energy crises have led to backlashes in various countries, testing governments' political commitment to the

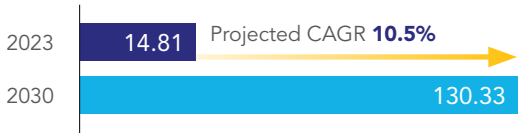
Conference of the Parties (COP) targets. Political upheaval and policy changes have also directly impacted the pace of renewable energy growth in some geographies. Yet, the global picture remains the same – strong momentum driving growth in renewables deployment and investment reaching all-time highs.

There are practical challenges to increasing new electricity generation capacity – affecting both renewable and fossil generation. These range from grid capacity constraints, ageing grid infrastructure and in some cases, poorly functioning market mechanisms. We aim to manage these risks through careful market selection, project screening and good local development partnerships.

Yinson Renewables activities are focused in Latin America, Asia Pacific and Europe, which has allowed us to build a balanced portfolio. Within these regions, countries have been selected where we believe the policies, market conditions and growth prospects enable a path to achieving a commercially attractive and stable generation portfolio.

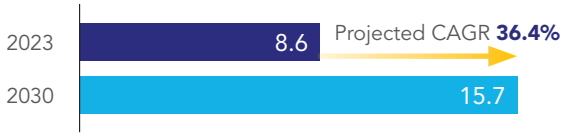
YINSON GREENTECH

EV charging infrastructure market *(USD billion)*



Source: 360iResearch.

Electric ships market *(USD billion)*



Source: Global Industry Analysts, Inc.

The green technologies market is seeing greater adoption and increasing investments, especially in the areas of electrification, digitalisation and automation. A key indicator of this trend is the EV market, which was valued at USD 895 billion in 2025, and projected to grow at a CAGR of 32.7% from 2024 to 2034. In fact, Asia Pacific led the global EV market in 2024, accounting for 50% of total market share.

Regionally, the ASEAN EV market is growing rapidly, with value expected to rise from USD 6.94 billion in 2024 to USD 17.19 billion by 2032, at a CAGR of 12%. In Malaysia, EVs recorded a strong 63.8% YoY growth, largely spurred by tax incentives and the influx of new models in the market, especially from China. Meanwhile, in Singapore, EVs made up 33.6% of total car registrations in 2024, up from 18.1% in 2023. The Singapore government also recently announced substantial incentives to promote electric heavy vehicles starting in 2026. The incentives apply to both vehicles and their charging infrastructure.

The global electric freight transport market is projected to reach approximately USD 566 billion by 2032, driven by maturing technologies and scaled infrastructure. In parallel, the digital logistics market – encompassing AI, Internet of Things (IoT) and real-time visibility platforms – is expected to exceed USD 77 billion by 2030. These trends mark a clear shift toward integrated, tech-enabled mobility solutions as an imperative to ensure competitiveness and sustainability.

The commercial deployment of autonomous electric trucks, last-mile delivery robots and smart logistics infrastructure is accelerating across Asia, Europe and North America, enhancing operational economics and enabling new service models that redefine how freight and goods are moved. In Malaysia, smart mobility efforts under the MyDIGITAL strategy; and Singapore's advancements in autonomous vehicle testing and AI-powered traffic systems, position both countries as leaders in Southeast Asia's transition to intelligent mobility.

The increasing number of EVs on the road and supportive government policies are driving the rapid development of efficient charging infrastructure, which is projected to grow at a CAGR of 36.4% from 2023 and 2030. In Malaysia, the government has set an ambitious target to install 10,000 public EV charging stations by 2025. In Singapore, the Land Transport Authority ("LTA") aims to deploy 60,000 EV charging points across the island by 2030, with 40,000 in public car parks and 20,000 in private premises. In both countries, significant strides have already been made toward achieving these targets. While home charging remains the most widely used charging method, the development of public infrastructure is crucial to drive adoption, particularly in urban areas.

Electrification and autonomy are also reshaping maritime mobility. In April 2025, the International Maritime Organisation (IMO) approved the IMO Net-zero Framework, the first such framework in the world to combine mandatory emissions limits and GHG pricing across an entire industry sector. The announcement is the latest in a series of developments that have been spurring growth in the global market for electric ships, which is projected to grow at a CAGR of 10.5%, from USD 8.6 billion in 2024 to USD 15.7 billion by 2030.

In line with this growth is the urgent need for the development of marine megawatt DC fast charging solutions, which are important to support electric vessels to operate more effectively and reduce turnaround times in ports. Singapore is poised to lead the way in marine electrification. In early 2025, the Maritime and Port Authority of Singapore ("MPA") introduced the Technical Reference (TR) 136 which sets standardised technical and safety requirements for electric harbour craft charging – a critical step that validates marine electrification efforts and paves the way for widespread adoption.

These developments align with Yinson GreenTech's efforts in the electrification of marine and land transport logistics, alongside the advancement of digital and charging infrastructure, with Malaysia and Singapore being key countries of focus.

MATERIAL MATTERS

Yinson adopted the DMA approach in FY2024. This assessment builds upon our previous analyses by enhancing the identification, engagement, prioritisation and management of critical sustainability issues. This assessment enhances our understanding of how Yinson's activities influence societal and environmental factors (impact materiality), and how social and environmental issues affect Yinson's financial outcomes (financial materiality).

Materiality is fundamental to our value creation, allowing us to identify and focus on topics that have the most significant impact to our business and stakeholders. Our materiality assessment helps us identify key ESG issues that could materially affect our business value and stakeholder relationships. In FY2024, we leveraged our first DMA to strengthen how we identify, engage with and prioritise key sustainability issues.

Financial materiality

This 'outside-in' view focuses on how sustainability matters pose a material risk or opportunity that could affect a company's financial performance and position over the short-, medium- and long-term.

Double Materiality

Impact materiality

This 'inside-out' view focuses on the actual or potential short-, medium-, and long-term impacts on people or the environment that are directly linked to a company's operations and its value chain.

We aim to conduct a comprehensive materiality assessment every two years, to take place next in FY2026. During the interim years, we conduct desktop analyses, proactive ESG monitoring and stakeholder engagement, ensuring our material topics remain valid to Yinson's business operations.

DOUBLE MATERIALITY ASSESSMENT PROCESS

Identify material matters	Stakeholder engagement	Materiality impact analysis	Validation and integration into strategy and reporting
Yinson's materiality assessment began by compiling a broad list of potential sustainability topics, which was then narrowed down through a comparative analysis of relevant sectors, geographies and value-chain activities. We referenced and benchmarked this against leading reporting standards (GRI, SASB, <IR>, IPIECA, ESRS, CSRD), previous Yinson assessments, peer and investor priorities and sector-agnostic sustainability trends to ensure full coverage of established and emerging material issues.	We engaged with internal and external stakeholders through a series of interviews and questionnaires to understand the impacts of our business activities and seek feedback on material sustainability matters. This engagement helps us understand stakeholder perspectives and expectations, and may introduce new sustainability matters for consideration. The quantitative and qualitative input from our stakeholders informed the assessment of impacts, risks and opportunities. *Approach to stakeholder engagement, pg 131.*	We evaluated the risks, opportunities and overall effects of our identified material matters through both impact and financial materiality lenses. By applying the salience model, which ranks stakeholder inputs according to power, legitimacy and urgency, we prioritised the material topics and developed tailored management approaches.	The top 14 most material matters were finalised as Yinson's material topics for 2024. These were discussed internally with key stakeholders and senior management to ensure strategies and action plans remained aligned. The revised material matters and matrix were presented to our Board and Senior Management for final review and approval.

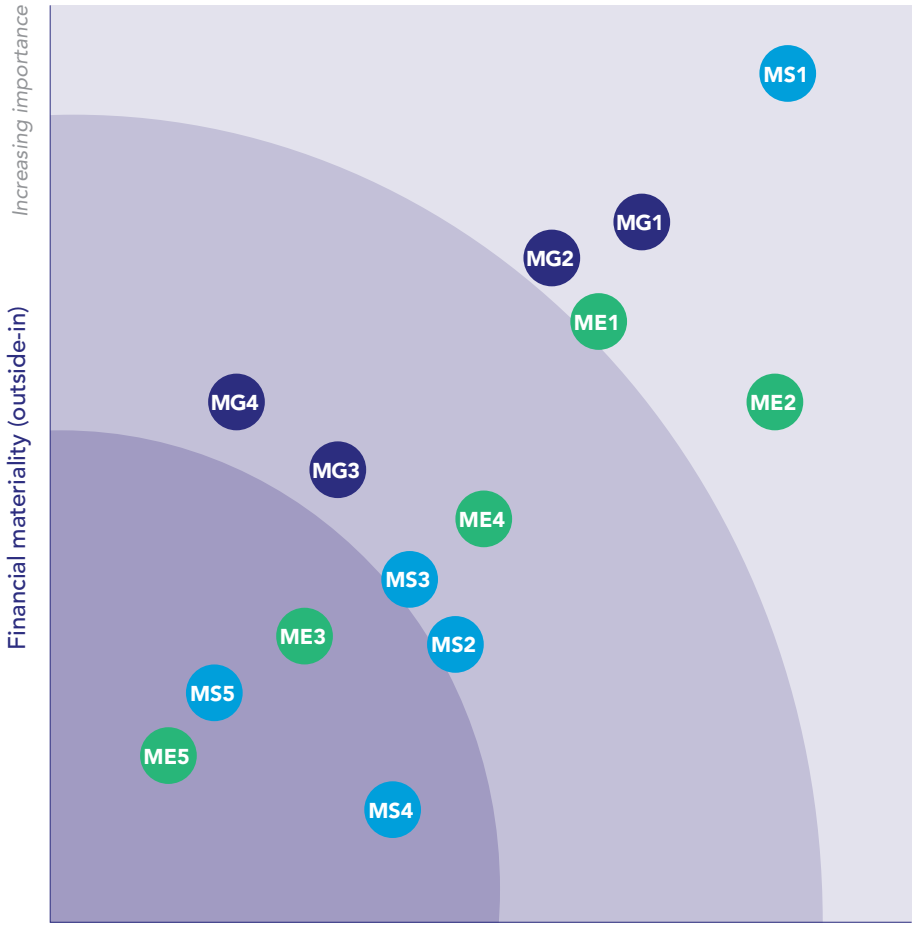
Impact legends: ● Low ●● Medium ●●● High

Material topics	Financial materiality	Impact materiality	Definition	Capital	UN SDGs
ME1 Climate Change & Carbon Management	●●●	●●●	Integrate and adopt climate considerations for business resiliency and manage decarbonisation efforts through technology-driven optimisation and low-carbon processes.	C6	7 9 13
ME2 Inclusive Energy Transition	●●●	●●●	A balanced approach to energy trilemma to support the global energy shift towards an equitable and inclusive low-carbon economy through renewable and innovative low-carbon solutions.	C6	7 9
ME3 Biodiversity Management	●●	●●	Strategies to reduce negative impact from operations to enhance ecosystem resilience through partnership and conservation efforts.	C6	14 15
ME4 Environmental Management	●●	●●●	Responsible management of materials, encompassing their acquisition, disposal, and effective measures to address waste, water, effluent and air pollution.	C6	7 8 9 14 15
ME5 Resource Efficiency	●	●	Responsible use of input material in product development, construction and operations.	C2	8 9
MS1 Occupational Health & Safety	●●●	●●●	Provision of secure working conditions and systems to safeguard human health and well-being in all operations.	C4	3 8
MS2 Human & Labour Rights	●●	●●	Maintenance of key principles relating to human rights and labour standards as those defined by international conventions.	C4	4 5 8 9
MS3 Human Capital Development	●●	●●	Maintain our standing as an employer of choice through utilising competitive programmes that attract, retain and reward employees.	C4	4 5 8 9
MS4 Community Engagement	●	●●	Collaboration with local communities where we have operations on social projects that benefit the wider public.	C5	3 4 5 7 8 9 13 14 15
MS5 Diversity, Equality & Inclusion	●●	●	Foster an open and all-inclusive work culture for an equitable and diverse workforce.	C5	5 8

Impact legends: ● Low ●● Medium ●●● High

Material topics	Financial materiality	Impact materiality	Definition	Capital	UN SDGs
MG1 **Business Management & Performance**	●●●	●●●	Continuously optimising and innovating business processes for financial performance and safeguard against fluctuating economic conditions and market sentiment.	C1	7 8 9
MG2 **Corporate Governance & Business Ethics**	●●●	●●●	Business policies and practices to ensure ethical, transparent and responsible corporate governance.	C3	8 9
MG3 **Sustainable Supply Chain Management**	●●	●●	Enhancing supply chain resilience through supplier and contractor management while promoting sustainability principles throughout the value chain.	C5	8 9
MG4 **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.	C3	8 9

Yinson Materiality Matrix 2024



C1 Financial Capital
MG1

C2 Manufactured Capital
ME5

C3 Intellectual Capital
MG2 MG4

C4 Human Capital
MS1 MS2 MS3

C5 Social & Relationship Capital
MS4 MS5 MG3

C6 Natural Capital
ME1 ME2 ME3 ME4

- **Points of differentiation**
  Topics where Yinson can lead.
- **Value enhancement**
  Topics which can add operational value to Yinson.
- **Value protection**
  Foundation topics for Yinson.

OUR BUSINESS VALUE CREATION MODEL

YP YINSON Production

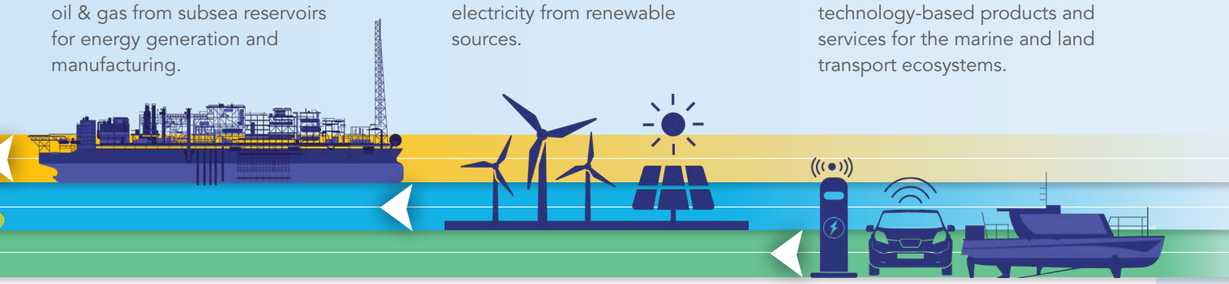
Yinson Production processes oil & gas from subsea reservoirs for energy generation and manufacturing.

YR YINSON Renewables

Yinson Renewables generates electricity from renewable sources.

YGT YINSON GreenTech

Yinson GreenTech provides clean, technology-based products and services for the marine and land transport ecosystems.



Businesses	Clients and nature of relationship	Client value proposition	Revenue model	Key activities	Key costs	Key partnerships
Yinson Production	Charterers in the oil & gas industry, typically oil majors or national oil companies. We maintain long-term relationships with a small client base, with the quality of the relationship dependent on our operational service achievements.	Design, construction, leasing, and operation of low-emission FPSOs that process, store and offload oil & gas from subsea reservoirs – enabling our clients to produce oil with market-leading safety, cost efficiency, and uptime. Building capabilities to provide carbon capture and storage services, including transportation and sequestration of CO_2.	Fixed, daily hire rate for the duration of the contract, with incentives for good performance.	C1 Securing quality projects. C1 Delivering projects on time and on budget. C4 Delivering industry-leading safety and operational performance.	C2 Asset construction and conversion C4 Salaries C1 Interest payments C2 Asset operations and maintenance C1 Insurance	S1 Bankers and lenders S7 Investors S9 Equity partners S10 Ship builders, major subcontractors
Yinson Renewables	Primarily government-owned or publicly listed power utilities and industrial/commercial customers. We maintain long-term relationships with an industrial and public client base, with the quality of the relationship dependent on our reliable delivery of contracted power.	Provision of stable and reliable power generated from renewables assets to the relevant power grid.	Recurring stable revenue once operational and power sales start, secured through long-term PPAs.	We participate in the full renewables value chain: C1 Finding, evaluating and securing sites through greenfield development or M&A. C3 Designing and developing assets, including securing grid applications, environment licenses, power sales and financing. C2 Carrying out pre-construction and construction work. C2 Owning and operating the asset.	C2 Asset development and construction C1 Salaries C1 Interest payments C2 Asset operations and maintenance C1 Insurance	S1 Bankers and lenders S5 Local and state governments, local regulators S6 Local development partners S10 Contractors & suppliers
Yinson GreenTech	• Businesses looking to optimise operational performance and lower their environmental impact through fleet electrification, both land and sea. • Individuals and communities who wish to transition to electric mobility/transportation.	Provision of a full suite of customisable, technologically-enhanced, digitally-enabled and integrated electrification solutions for the land and marine transportation sector that can optimise operational efficiency and lower environmental impact.	• Lease and manage EV fleets. • EPC and/or lease electric vessel fleets. • Fleet subscription-based and pay-per-use for charging infrastructure. • Licensing or transaction-based digital fleet solutions.	C3 Developing and integrating digital solutions to drive value for transport electrification. C2 Developing, customising and integrating technologically enhanced EVs, vessels and charging infrastructure solutions for commercial and industrial customers. C5 Developing partnerships with like-minded companies to expand the electrification of the transportation sector in the region.	C2 Purchase, deployment, integration and upkeep of assets and infrastructure C2 Development and integration of new technologies and digital solutions C1 Insurance and administration C1 Salaries C1 Interest payments	S2 Corporates S5 Governments S6 Industry peers S10 Marine and mobility supply chains

PURPOSE STATEMENT

To provide reliable and sustainable energy infrastructure that empowers communities, drives economic growth and protects the environment for current and future generations.

VISION

To be a global energy solutions provider that is known for being reliable, open, adaptable, decisive and sustainable.

MISSION

Passionately delivering **powerful** solutions.

CORE VALUES

- **R** Reliable
- **O** Open
- **A** Adaptable
- **D** Decisive
- **S** Sustainable

Inputs

C1 Financial Capital

- RM2,728 million cash and money market investments
- RM16,054 million total loans and borrowings

C2 Manufactured Capital

Offshore Production
- 8 assets in operation
- 2 assets under construction

Renewables
- 568 MW assets operational
- 539 MW assets under construction/ pre-construction

Green Technologies
- 526 charge points and 366 chargers operated and maintained across 233 charge sites
- ~400 EVs leased
- 2 fully electric harbour crafts

C3 Intellectual Capital

Offshore Production
- Pilot world's first offshore CCS plant on Agogo FPSO
- Acquisition of Stella Maris
- Zero Emissions FPSO Concept
- Integrated asset performance management solution with Project Polaris

Green Technologies
- Full software stack for charge point operations and fleet management solutions
- Continuous green technologies R&D efforts
- 2 marine vessels undergoing commercial trials

C4 Human Capital

- 1,919 total regular employees
- 285,083 employee training hours
- 1,277 employee learning hours on Human & Labour rights since 2023
- 1,182 employees trained on health and safety standards
- Average 34 hours of Operational Health & Safety and Emergency Response training per employee

C5 Social & Relationship Capital

- RM5.8 million community investment since FY2023
- 2,471 employee volunteering hours since FY2023
- RM100,000 disbursed through Y4Y grant
- 10 analyst briefings
- 85% of offshore production quotations requested from in-country suppliers
- 5 cumulative site audits conducted for Tier 1 suppliers since FY2024
- 80% of Tier 1 suppliers cumulatively engaged
- 66.4% of procurement spending directed to local suppliers

C6 Natural Capital

- 3,886 GWh energy consumption
- 12.1 ML water consumption

Strategic framework and business activities

Group strategies

Business	GS1 Optimise portfolio
	GS2 Strategic ecosystem building
Capital	GS3 Create sustainable stakeholder value
	GS4 Disciplined financial management
Organisational	GS5 Build a platform for growth
	GS6 Empower decision-making

30 by 30

Business strategies

Yinson's businesses work together to contribute to an inclusive energy transition.

Yinson Production strategies, pg 65.

Yinson Renewables strategies, pg 69.

Yinson GreenTech strategies, pg 73.

Material topics

Environment

- CLIMATE CHANGE
- CLEAN ENERGY
- WATER

- ME1 Climate Change & Carbon Management
- ME2 Inclusive Energy Transition
- ME3 Biodiversity Management
- ME4 Environmental Management
- ME5 Resource Efficiency

Social

- HEALTH AND SAFETY
- HUMAN CAPITAL DEVELOPMENT
- DIVERSITY, EQUALITY & INCLUSION
- COMMUNITY ENGAGEMENT

- MS1 Occupational Health & Safety
- MS2 Human & Labour Rights
- MS3 Human Capital Development
- MS4 Community Engagement
- MS5 Diversity, Equality & Inclusion

Governance

- SUSTAINABLE SUPPLY CHAIN
- ESG RATINGS & ASSURANCE
- DATA PRIVACY & SECURITY
- ANTI-BRIBERY & ANTI-CORRUPTION

- MG1 Business Management & Performance
- MG2 Corporate Governance & Business Ethics
- MG3 Sustainable Supply Chain Management
- MG4 Digital Transformation

Stakeholder groups

- S1 Bankers & lenders
- S2 Clients & customers
- S3 Crew
- S4 Employees
- S5 Governments & regulatory bodies
- S6 Industry
- S7 Investors & shareholders
- S8 Local communities
- S9 Equity partners
- S10 Suppliers

Strategic framework and business activities

We align our business activities with nine key UN SDGs.

3 4 5 7 8 9 13 14 15

We support

30%+ Club PATH TO PARITY

AACM ASEAN Alliance on Carbon Market

CAN ceo action network

MCMA Malaysia Carbon Market Association

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

TNFD Taskforce on Nature-related Financial Disclosures

WE SUPPORT

UN GLOBAL COMPACT

Climate Goals

We aim to be carbon neutral by 2030 and net zero by 2050.

Climate framework

- **Carbon reduction**
- **Carbon removal**
- **Carbon compensation**

Yinson's climate strategy, pg 76.

Outputs

YINSON Production

- **67.1 million** barrels of oil equivalent produced
- **101.6%** fleet commercial performance
- **99.4%** technical uptime
- **99.6%** average 5-year technical uptime

YINSON Renewables

- **865,602.2 MWh** net power generated
- **~771 kt CO_2e** carbon avoided

YINSON GreenTech

- **3** businesses for an integrated, technology-enhanced and digitally-enabled ecosystem
- **>3,000 charging points** supported on e-roaming network across Singapore, Malaysia and Brunei
- **4,378.5 MWh** energy delivered through chargEV
- **~1,875.8 tonnes CO_2e** carbon emissions avoided for chargEV and drivEV

- **6,410.4 ML** water discharged
- **2.28 million tonnes CO_2e** Group carbon emissions
- **637.5 tonnes** waste generated

Outcomes

C1

- RM7,605 million Revenue
- RM2,677 million Adjusted Core EBITDA
- RM1,585 million Profit After Tax
- RM7,733 million Adjusted Revenue
- RM1,249 million PATAMI
- 37.3 sen Basic Earnings per Share

C2

Offshore Production

- Reliable, affordable and accessible energy solutions to safeguard energy security and support economic growth in the regions where we operate

Renewables

- Clean energy to support economic growth in Latin America, Asia Pacific and Europe

Green Technologies

- Products and services that build an integrated, technology-enhanced and digitally-enabled ecosystem
- Facilitated ~27.4 million km travelled on electricity through chargEV
- Facilitated ~2.5 million km travelled on electricity through drivEV

C3

- Development of new and future low emissions technologies to decarbonise FPSO operations
- Strengthening of carbon value chain to serve all industries, especially hard-to-abate sectors
- Development and commercialisation of novel green technologies
- Spur further innovation and research on low-carbon offshore solutions and technology-based green transport solutions

C4

- 0.13 LTIF and 0.47 TRIF
- 8.26% voluntary regular employee turnover rate
- 7.5 out of 10 employee engagement survey score
- 93.3% employees returning to work after parental leave
- 90% Senior Management hired from local community
- 23.6% female regular employees

C5

- 31,476 lives impacted since FY2023
- 70 communities impacted since FY2023
- >1,100 mangrove propagules nurtured
- Developed bilingual mental wellness toolkit for Malaysian indigenous communities
- 8 Teach For Malaysia Fellows sponsored since 2019
- Numerous new strategic, commercial and financial partnerships established
- Stronger local supply chain

C6

- 492.6 kg CO_2e/MWh carbon intensity by energy generation
- 33.2 kg CO_2e/BOE carbon intensity by production volume
- 17.0 ppm oil in produced water*
- 5.8 ppm oil in slop water*

** For whole fleet, inclusive of joint venture assets.*

Related UN SDGs

TRADE-OFFS

Yinson balances the demands of our six Capitals with our resources. By aligning our investments with our priorities and upholding our governance processes, we reconcile the complexities of short-term demands and long-term goals. This integrated approach supports our day-to-day operations and positions us for sustained growth.

TRADE-OFFS	HOW WE MANAGE THE TRADE-OFFS
Financial Capital Maintaining financial stability is critical for resilience and adaptability to a constantly shifting external environment. Yinson optimises its capital structure to enable sustainable growth, which may limit immediate investments in Manufactured, Intellectual and Human Capitals.	Yinson builds a stable order book and strong counterparties, ensuring strong cash flow. We practise disciplined financial management and capital allocation, while optimising our capital structure and diversifying financing activities, including bonds. Establishing Yinson Production as a top FPSO provider and operator globally, and Yinson Renewables and Yinson GreenTech as our next engines of growth, allows Yinson to balance financial stability with future expansion.
Manufactured Capital Yinson is concentrating on our core business areas and strategic priorities. We have been more selective in project development and streamlining our delivery capacity. While this realignment strengthens our long-term position, it may limit our Financial Capital, potentially affecting shareholder returns, employee rewards and partnerships.	Yinson takes a risk-balanced and measured approach. We prioritise projects that deliver sustainable returns over the long-term, carefully selecting and developing assets that maximise value and align with our strategic focus. This enables Yinson to maintain a strong market presence while carefully scaling our Manufactured Capital.
Intellectual Capital Investing in R&D for green technologies, improving corporate governance, and implementing novel technologies like carbon capture and digitalisation adds to Yinson's Intellectual Capital. However, they require substantial investment from Financial and Human Capitals, which could be directed to other immediate business needs.	Yinson carefully reviews and prioritises our Intellectual Capital investments, focusing on initiatives that deliver long-term value, efficiency and strategic alignment. Through platforms like our Group IT Strategic Roadmap, ERM framework, Advisory Boards and ESG Taskforce, we ensure that these investments are purposeful and aligned with our strategies.
Human Capital The focus on upskilling and retaining Yinson's workforce, such as in training, learning and development and health and well-being programmes, can temporarily impact our Financial Capital. This may lead to under-investment in other areas and a misalignment of priorities.	Yinson focuses on targeted upskilling and retention programmes that support long-term goals. Investing in learning and development helps employees gain skills needed for changing industry demands. Yinson encourages continuous improvement and employee engagement. This approach balances the short-term cost of training with the long-term benefit of a skilled and adaptable workforce.
Social & Relationship Capital Robust stakeholder engagement and extensive ESG initiatives may divert resources from Manufactured and Intellectual Capitals. Community outreach, supplier collaborations and DEI programmes may impact short-term operational efficiency and strain resources in other business areas.	By actively engaging stakeholders, Yinson cultivates strong, trust-based relationships that support long-term collaboration. Encouraging stakeholder involvement in the energy transition and promoting DEI strengthens our Social & Relationship Capital and fosters a more resilient and inclusive business environment. The long-term advantages of these initiatives outweigh the short-term challenges of resource allocation.
Natural Capital As an oil & gas equipment and service provider, Yinson's operations have an inherent impact on Natural Capital, particularly with the energy consumption and emissions. This creates a challenge in meeting short-term Climate Goals while continuing to operate and deliver projects. The environmental impact may also deter investors, posing a risk to Financial Capital, while potentially leading to reputational damage and loss of community trust, affecting Social & Relationship Capital.	Yinson supports the global energy transition by investing in Yinson Renewables and Yinson GreenTech, which we regard as our next engines of growth. Concurrently, we are reducing our fleet emissions intensity and embarking into low-carbon ventures. We commit to the highest environmental standards, aligned with global benchmarks. This balanced approach helps us manage our environmental impact while strengthening the resilience of our Social & Relationship and Financial Capitals.