



# Climate Report 2024



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## ABBREVIATIONS

# ABOUT THIS REPORT

Yinson Holdings Berhad is pleased to present our Climate Report 2024 ("Report") which outlines Yinson's approach to net zero, the progress of our climate strategy as well as the methods adopted for the management of climate risks and opportunities. We hope the improved disclosures in this Report will further facilitate informed decision-making pertaining to the Group.

## SCOPE AND BOUNDARIES

The scope of this Report includes Yinson Holdings Berhad ("Yinson" or "the Company") and its subsidiaries ("the Group"), and covers our climate reporting as at 31 January 2024, unless stated otherwise. The policies and practices referenced in this Report are adopted by Yinson on a Group-wide basis and applied in relevant jurisdictions in which Yinson operates, unless stated otherwise.

## REPORTING PRINCIPLES AND FRAMEWORKS

In compiling this Report, we have considered the following frameworks and guidelines:

- Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements ("MMLR"), Sustainability Reporting Guide and Toolkits (3<sup>rd</sup> Edition)***  
Bursa Securities requires Malaysia's main market-listed issuers to include climate change-related disclosures that are aligned with the TCFD Recommendations, as stipulated in the Enhanced Sustainability Reporting Requirements.
- Task Force on Climate-Related Financial Disclosures ("TCFD") Recommendations***  
The TCFD Recommendations were first launched in 2017, designed to encourage consistent and comparable reporting on climate-related risks and opportunities by companies to their stakeholders. The TCFD recommendations are structured around four content pillars: (i) Governance; (ii) Strategy; (iii) Risk Management; and (iv) Metrics and Targets; and 11 recommendations to support effective disclosure under each pillar. This is supported by supplemental guidance for sectors.
- International Sustainability Standard Board's ("ISSB") IFRS S2 Standard***  
In October 2023, the Financial Stability Board ("FSB") confirmed the disbandment of the TCFD, following the publication of ISSB's inaugural disclosure standards in June 2023. The ISSB's climate disclosure standard (IFRS S2 Climate-related disclosure, "S2") fully incorporated the four content pillars and 11 recommendations of the TCFD, with an effective date of 1 January 2024.
- Transition Plan Taskforce ("TPT") Disclosure Framework***  
In October 2023, the TPT launched the TPT Disclosure Framework, which sets out five key elements for consistent, robust, and credible transition plan disclosures that are accessible for investors and market participants to compare performance and progress towards net zero.

Yinson is committed to accurate, concise, and transparent climate reporting, aligning with industry best practices where relevant. Yinson is also committed to the regular review of our climate disclosures and providing an update once every two years, or when there are material changes or updates in our business operations or business environment.

## EXECUTIVE SUMMARY

At Yinson, we acknowledge the continuing importance of oil & gas in the global energy landscape, with peak fossil fuel demand projected in the coming decades. As the world advances towards a low-carbon economy, we are acutely aware of the profound effects that climate change will have on our industry. Recognising these challenges, we are committed to implementing a range of mitigation strategies to secure our long-term resilience and ensure that our business remains sustainable in this evolving environment. By proactively addressing these impacts, we aim to adapt and thrive as we navigate the energy transition.

In 2021, we set our Climate Goals to achieve carbon neutrality by 2030 and net zero by 2050. In the same year, we launched our inaugural Climate Goals Roadmap and a TCFD-aligned Climate Report, demonstrating our commitment to being part of the collective action in addressing climate issues.

The Climate Report 2024 streamlines our disclosures into a single document, clarifying Yinson's Climate Roadmap, approach, and strategy for achieving our Climate Goals. The Report continues to adopt and align with applicable climate-related disclosure frameworks. The Report references TPT guidelines, ensuring our climate transition plans are robust, credible, and aligned with industry best practices. The Report underscores the challenges we face and the opportunities we strive to capitalise on.

The management of climate-related matters is fully integrated into our robust corporate governance framework. Our climate-related matters are overseen and governed by Yinson's Board of Directors ("Board"), and driven by our Management & Sustainability Committee ("MSC"), collectively guiding our climate strategy.

Yinson continues to operationalise our Three-pronged Climate Strategy: Carbon Reduction, Carbon Removal, and Carbon Compensation. While our focus remains on reducing our greenhouse gas ("GHG") emissions, we are also continuing our development into renewable energy, green technologies, and carbon markets for long-term sustainable growth. Yinson is strategically investing in partnerships and innovation, and has adopted a financial approach to our energy transition through our Internal Carbon Pricing ("ICP") framework. We aim to have 30% of our total equity investment in non-oil-based FPSO activities by 2030.

The revised Climate Roadmap 2024 ("Roadmap") is ambitious yet realistic, reflecting our current operating environments, prevailing market conditions and trends, over short-, medium-, and long-term time horizons. The Roadmap presents an updated, more comprehensive, and accurate portrayal of the pathways to carbon neutrality and net zero.

Yinson has adopted globally-recognised climate scenarios published by the International Energy Agency ("IEA") – the Stated Policy Scenario ("STEPS") and the Net Zero Emissions by 2050 Scenario ("NZE") as part of our climate-related scenario analysis. The assessment highlights the importance of continuing to decarbonise our operations and implementing our transition plan, which integrates low-carbon solutions into our business offerings.

We remain committed to reducing our exposure to the impacts of climate change. Our climate assessment and its impact on our business will be reviewed on an ongoing basis considering changes in policy, technology, and market structures.



# INTRODUCTION

Yinson, as an energy infrastructure and technology company, believes in our role to enable and accelerate an inclusive energy transition to support low-carbon economies while continuing to create value for our varied stakeholders. Access to reliable and sustainable energy infrastructure is fundamental to empowering communities, driving growth, and safeguarding the environment for generations to come.

Effective climate management is critical for sustainable business operations. Yinson recognises that the nature of our operations within the oil & gas value chain contributes to our heightened exposure to climate-related impacts. These impacts have the potential to disrupt our value chain and increase operational costs, affecting business performance, reputation, and overall sustainability for long-term value creation. To address these challenges, Yinson has identified key climate risks and opportunities, and established key indicators and targets to manage progress towards our Climate Goals.

## YINSON'S APPROACH TO CLIMATE MANAGEMENT ECC01 ECC43

Effective management of GHG forms the foundation of Yinson's approach to climate management, enabling Yinson to mitigate climate-related risks and capitalise on opportunities. We acknowledge that potential climate-related risks and opportunities could materialise over the short-, medium-, and long-term. As such, we adopt a scenario analysis approach to help navigate future transition trajectories, ensuring the delivery of equitable energy while managing our climate impacts.

Yinson continues to stay true to our Three-pronged Climate Strategy to reduce, remove, and compensate for carbon emissions. As Yinson Production's FPSO operations account for approximately 97% of the Group's total GHG emissions, we are committed to the efficient operation of the FPSO business, minimising environmental impacts while taking proactive climate action wherever possible.

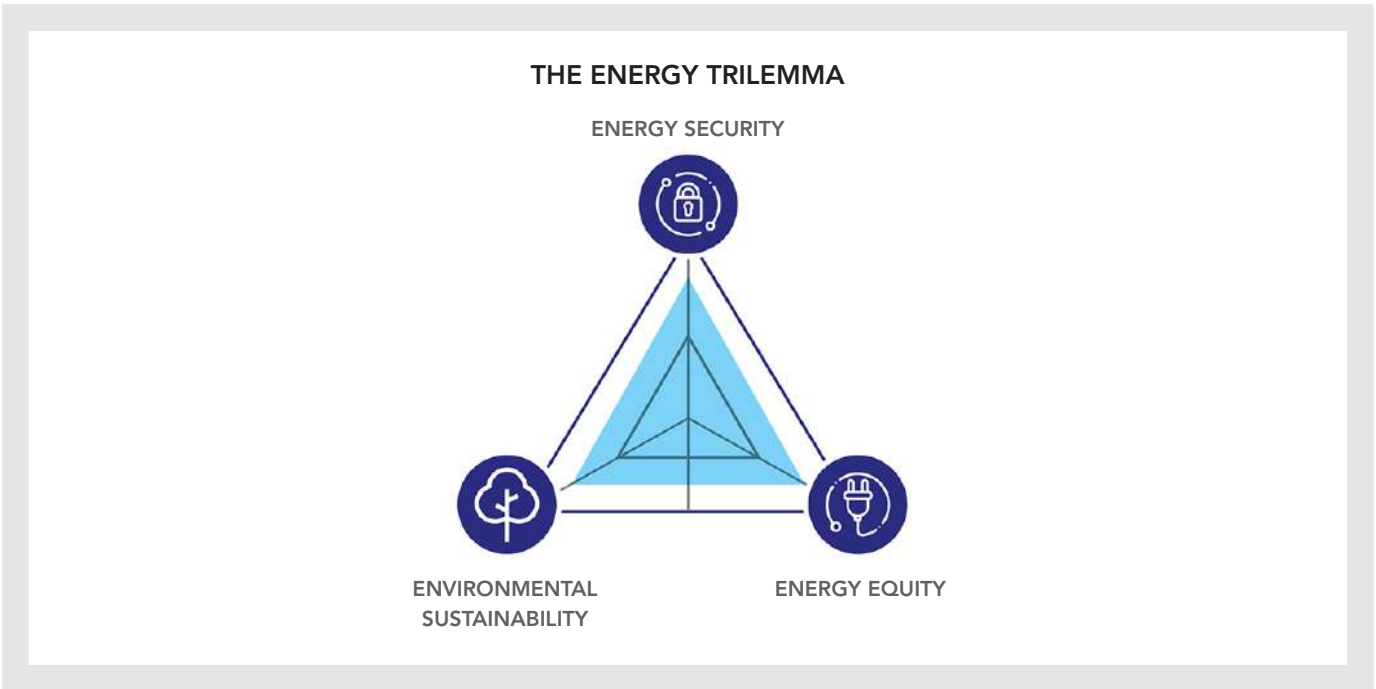
Yinson acknowledges that respective organisations have varied responsibilities and capabilities in addressing climate change. At Yinson, we believe that building strategic partnerships with like-minded partners enhances the impacts of our projects, amplifying collective efforts to address climate change.

## YINSON'S COMMITMENT TO DRIVE AN INCLUSIVE ENERGY TRANSITION

The IEA expects fossil fuel consumption to peak before the end of the decade, with declines in advanced economies. This indicates that rising global energy needs are increasingly being met by low-emission electricity and fuels, changing our energy systems, while energy efficiency improvements help to moderate those needs. Although the share of global fossil fuel consumption is expected to decline under most climate scenarios, oil & natural gas are likely to remain a significant part of the global energy mix until 2050, even in a 1.5°C scenario. (IEA, 2023)

Since the signing of the Paris Agreement and the rapid advancement of renewable and clean energy, the global focus has been on reducing emissions to achieve environmental sustainability. However, there has been a shift towards prioritising energy security in recent years. The global supply chain crisis has shifted international relations and ushered in a period where energy security is the primary focus of the energy trilemma.





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 achieving these goals simultaneously is not easy, as energy demand and development vary due to factors like availability, infrastructure, market competition, and government policies.

Regardless of near-term global sentiment shifts, the steady global momentum and trajectory of the energy transition are clear – the future of our energy systems will be powered by clean and sustainable energy. Yinson believes that energy security and environmental sustainability will be weighted equally in the long term, emphasising the importance of a just, equitable, and orderly transition to meet development needs in a sustainable manner. Our ambition is to create a technologically advanced ecosystem powered by clean energy, making these solutions affordable and accessible to all. We are committed to providing energy security to as many people as possible today, ensuring they are part of the transition to clean energy. We believe this is crucial towards a fair and equitable transition to a net-zero world.



## YINSON SUSTAINABILITY AND CLIMATE MILESTONES

2018	<ul style="list-style-type: none"> <li>Embed Sustainability as a Core Value</li> </ul>
2019	<ul style="list-style-type: none"> <li>Inclusion in FTSE4Good index</li> <li>Launched Sustainability Policy</li> <li>Participated in S&amp;P Global CSA (formally known as SAM ESG Scores)</li> <li>Established Yinson Renewables</li> </ul>
2020	<ul style="list-style-type: none"> <li>Established Yinson GreenTech</li> <li>Raised RM200 million Sustainability-Linked Financing from HSBC Amanah Malaysia</li> <li>Participated in Sustainalytics ESG Risk Rating</li> </ul>
2021	<ul style="list-style-type: none"> <li>Announced Climate Goals: Carbon Neutral by 2030; Net Zero by 2050</li> <li>Launched Zero Emissions FPSO Concept</li> <li>Announced support for TCFD</li> <li>Received Sustainalytics Risk Rating of 21.7, placing Yinson on the top 9<sup>th</sup> percentile in the Energy Services Industry</li> <li>Released Climate Goals Roadmap and Sustainability-Linked Financing Framework</li> <li>Raised RM1 billion through Malaysia's first Sustainability-Linked Sukuk Wakalah Programme</li> <li>Released inaugural TCFD-aligned Climate Report</li> </ul>
2022	<ul style="list-style-type: none"> <li>Improved FTSE4Good ESG Rating: top 14<sup>th</sup> percentile in ICB Supersector, ranked the Group at top 25% PLCs in the FTSE Bursa Malaysia EMAS Index (FBM EMAS)</li> <li>Achieved an overall Sustainalytics ESG Risk Rating of 17.4. Yinson ranked 2<sup>nd</sup> percentile in both the Energy Services industry and the Oil and Gas Equipment subindustry</li> </ul>
2023	<ul style="list-style-type: none"> <li>Listed as ESG Industry Top Rated Company by Sustainalytics</li> <li>Launched 30 by 30 ESG targets to achieve by 2030</li> <li>Ranked top 10<sup>th</sup> percentile by Sustainalytics</li> <li>Participated in CDP disclosures</li> <li>Introduced ICP Framework to facilitate strategic capital allocation for energy transition.</li> </ul>
2024	<ul style="list-style-type: none"> <li>Recognised in S&amp;P Global's Sustainability Yearbook 2024, as an Industry Mover in the Energy Equipment &amp; Services Industry</li> <li>Joined the ASEAN Alliance on Carbon Markets (AACM)</li> <li>Piloted ICP implementation with Yinson Production</li> </ul>

# YINSON'S CLIMATE STRATEGY

The global structural shifts towards a low-carbon economy and the urgent push from governments for self-sufficiency and energy security have continued to drive sustainable infrastructure investments. Yinson continues to be transition-focused as a Group. As part of our overarching strategy, we consciously adjust various levers to balance the speed of our transition with global market factors such as inflation, supply chain constraints, and capital cost for growth.



## INVESTING IN THE ENERGY TRANSITION

### Capital allocation

In line with our 30 by 30 commitment, we aim to allocate 30% of our total equity investment to 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 undertaken by our businesses.



Scan for more information on Yinson's 30 by 30 initiative.

One of the ways we aim to fund the energy transition is through an ICP framework. The ICP framework enables Yinson to adopt a financial approach to strategically allocate capital towards green projects aimed at reducing GHG emissions and supporting the transition towards clean energy as part of our transition strategy.

 *Internal Carbon Pricing Framework, pg 33*

### Partnerships

Yinson believes in building strong partnerships with like-minded partners across all spheres to accelerate the realisation of a just energy transition. We also acknowledge the critical role that governments must play in setting policies and goals that create favourable conditions for corporates, international organisations, NGOs, think tanks, communities, and individuals to contribute to the transition.



**Innovation**

Yinson considers innovation as a strategic imperative to drive growth. Being at the forefront of innovation allows us to create more value for our stakeholders by developing solutions that are more reliable, efficient, and relevant. In recent years, Yinson has allocated substantial resources to innovation, specifically in the area of digitalisation and data analytics, asset performance management, low-emission technologies, marine electrification, and carbon value chain. We believe these innovations will augment our operational efficiency and drive an inclusive energy transition. For more information on Yinson’s key innovation initiatives, please refer to Yinson Integrated Annual Report 2024, pg. 29.

**YINSON CLIMATE GOALS**

Yinson has set ambitious targets to achieve carbon neutrality by 2030 (encompassing Scopes 1 and 2 emissions) and net zero emissions by 2050 (encompassing Scopes 1, 2 and 3 emissions).

<p style="background-color: #1a3d54; color: white; padding: 5px; border-radius: 10px; text-align: center;"><b>Carbon neutral by 2030</b></p> <p>Reduce Group-wide Scope 1 and 2 GHG emissions to the lowest possible levels while compensating for any residual emissions via carbon offsets to achieve carbon neutrality by 2030.</p> <hr/> <ul style="list-style-type: none"> <li>• Measure and verify GHG emissions.</li> <li>• Deploy emission reduction measures where reasonably practicable.</li> <li>• Use high-quality offsets to balance residual GHG emissions by 2030</li> </ul>	<p style="background-color: #1a3d54; color: white; padding: 5px; border-radius: 10px; text-align: center;"><b>Net zero by 2050</b></p> <p>Reduce Group-wide Scope 1, 2, and 3 GHG emissions to the lowest possible levels while compensating for and removing any residual emissions to achieve net zero by 2050.</p> <hr/> <ul style="list-style-type: none"> <li>• Invest in nature-based and technology-based carbon removal projects.</li> <li>• Actively invest in the carbon value chain and low-carbon energy solutions.</li> </ul>
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**THREE-PRONGED CLIMATE STRATEGY**

As our key businesses contribute to the building of sustainable energy infrastructure that empowers communities, drives economic growth, and protects the environment for current and future generations, we continue to operationalise our climate strategy through a three-pronged approach: Carbon Reduction, Carbon Removal, and Carbon Compensation.

<p style="background-color: #1a3d54; color: white; padding: 5px; border-radius: 10px; text-align: center;"><b>Carbon Reduction</b></p> <p>Reduce emissions across Scopes 1, 2, and 3 by optimising internal processes and operations, while adopting innovative emissions-reducing technologies and utilising renewable energy where possible.</p>	<p style="background-color: #1a3d54; color: white; padding: 5px; border-radius: 10px; text-align: center;"><b>Carbon Removal</b></p> <p>Explore various nature-based (such as afforestation and reforestation) and technology-based (such as Direct Air Capture) carbon removal solutions to remove atmospheric carbon dioxide for any residual emissions.</p>	<p style="background-color: #1a3d54; color: white; padding: 5px; border-radius: 10px; text-align: center;"><b>Carbon Compensation</b></p> <p>Utilise carbon compensation mechanisms, including high-integrity and high-quality carbon credits, to offset residual Scope 1 and 2 emissions after reduction efforts.</p>
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We recognise that global energy demand will continue to rise, and at the same time, there is a need for a transition to cleaner energy to help mitigate climate change. We are committed to producing energy that society needs responsibly.

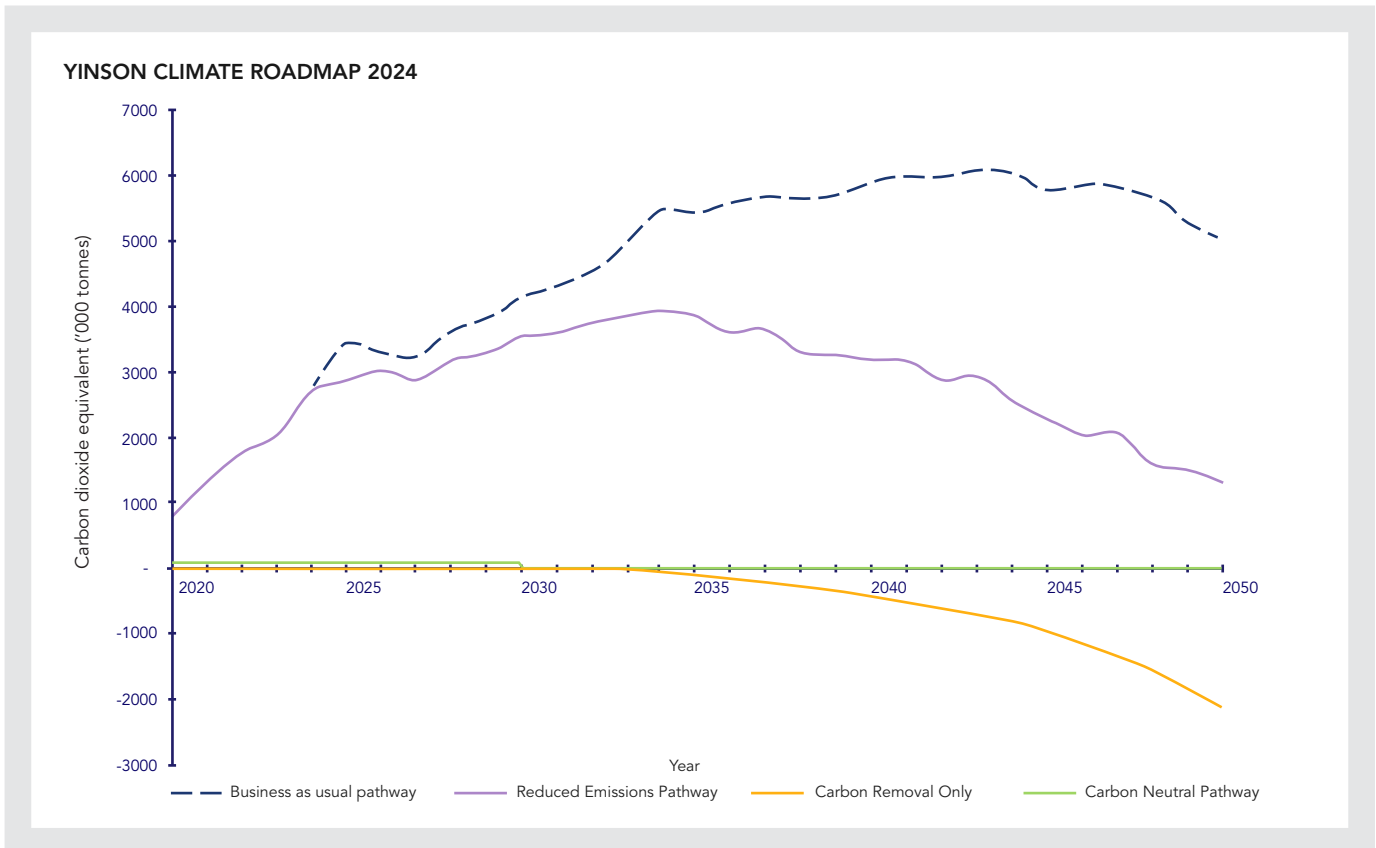
Since the publication of our first Climate Report, Yinson has been diligent in the implementation of our climate actions. Part of our climate management approach involves monitoring the evolving operating environment and market conditions to ensure that our climate actions remain relevant. We believe that changes in the operating environment and market conditions have necessitated the reevaluation of our climate-related impacts. We remain transparent and diligent in communicating our climate-related matters with our stakeholders.

## YINSON CLIMATE ROADMAP

In 2021, Yinson published our first climate roadmap, providing a forward-looking trajectory of Yinson’s carbon profile up to 2050, based on the reasonable assumptions of our business-as-usual operations to the best of our knowledge at that time of publication. The 2021 Roadmap was then supplemented by Yinson’s inaugural TCFD-aligned Climate Report 2021, further detailing our climate risks and opportunities, management approach, and strategy.

This Report streamlines our disclosures into a single document and includes the updated Roadmap, based on reasonable assumptions of our business-as-usual operations, to the best of our knowledge at the current time of publication.

The Roadmap is ambitious yet realistic, considering our current operating environments, prevailing market conditions and trends, over short-, medium-, and long-term time horizons. The Roadmap presents an updated, more comprehensive, and accurate portrayal of the pathways to carbon neutrality and net zero.



### CLIMATE PATHWAYS

#### Business-as-Usual Pathway

The Business-as-Usual (“BAU”) pathway presents the projection of Scope 3 GHG emissions without any interventions or the use of emission reduction technologies.

#### Reduced Emissions Pathway

The Reduced Emissions pathway presents the projection of Scope 3 GHG emissions, incorporating forecasted emissions values resulting from low-emission technologies and the development of low-carbon ventures.

#### Carbon Neutral Pathway

The Carbon Neutral pathway projects Yinson’s Scope 1 and Scope 2 GHG emissions. Carbon compensation mechanisms, including high-quality carbon credits, will be utilised to offset residual and hard-to-abate emissions, enabling Yinson to be carbon neutral by 2030.

#### Carbon Removal Pathway

The Carbon Removal pathway presents the projection of carbon removal capacity through Direct Air Capture (“DAC”), based on Yinson’s equity share on such technologies.

Yinson intends to remove any residual emissions after our emission reduction efforts through our carbon removal solutions, aiming to achieve net zero by 2050.

The revisions in the Roadmap in this Report are primarily due to factors as listed below.

### **Adjustment to a changing energy landscape and market**

The energy market has experienced significant fluctuations in recent years, including disruptions in energy supplies, price shocks for energy importers, post-Covid-19 supply chain issues, and geopolitical developments. Despite these challenges, we believe that long-term energy demand will remain on an upward trend, with energy efficiency improvements driving increased electricity consumption. Oil & natural gas are projected to remain an integral part of the global energy mix, likely intensifying the demand for flexible and cost-effective offshore production solutions like FPSOs.

Internal research from Rystad Energy indicates an uptick in FPSO demand. The FPSO market has witnessed a tightening of the energy supply post-pandemic, compounded by a surge in demand and the maturation of new projects developed over the last decade, which has led to substantial FPSO backlogs. The growth of the FPSO market is expected to continue with many developments set to be awarded in the coming years.

In the long term, we expect an increase in demand for other floating assets including those that support the development of the carbon value chain.

### **GHG consolidation approach changes**

Yinson has changed our GHG accounting consolidation approach from equity control to operational control, aligning with industry best practices and the approach adopted by other leading peer companies. Due to the nature of Yinson Production's operations within the oil & gas value chain, 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. In March 2022, the Board endorsed and supported the change to the approach of GHG consolidation.

## **UNDERSTANDING YINSON CLIMATE ROADMAP AND STRATEGY TO NET ZERO**

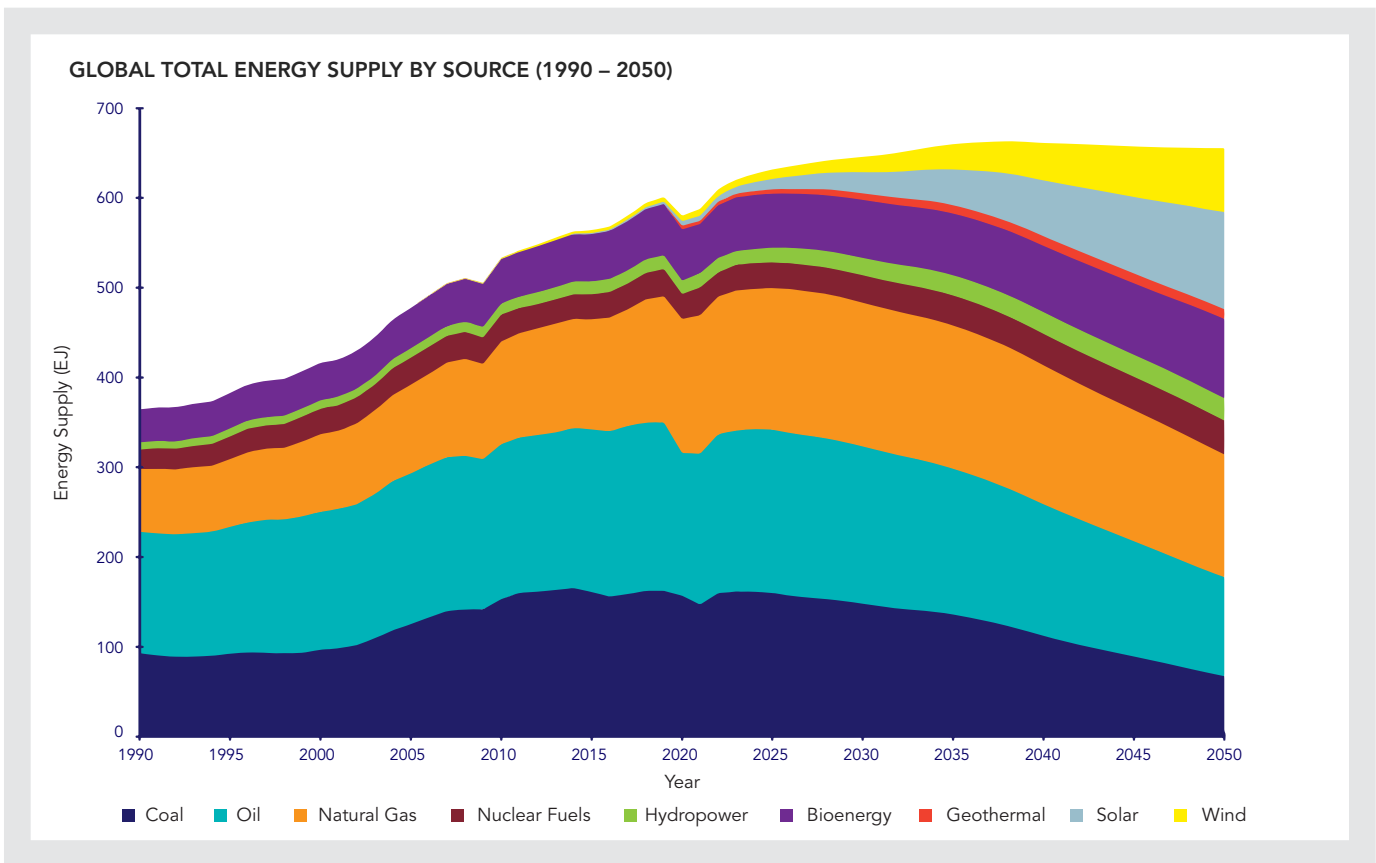
### **Anticipated energy landscape from 2020 to 2050**

According to data from the IEA, global energy demand is expected to rise from approximately 630 EJ to nearly 670 EJ by 2030. Oil demand is forecasted to rise to approximately 102 million barrels per day (mb/d), while natural gas demand is expected to reach around 4,300 billion cubic metres (bcm) approaching 2030. Despite the rapid growth of renewable energy, which will reduce fossil fuels' share in the global energy mix from approximately 80% to 73% by 2030, the demand for oil & gas products is stable in the short term and set to peak around 2030.

Total energy demand is expected to continue growing by 16% in emerging economies, offsetting the decline of 9% in advanced economies. While coal demand is expected to experience the sharpest and deepest decline post-peak, the demand for oil & natural gas is expected to be on a steady and gradual decrease from 2030 to 2050. Renewable energy is expected to continue its rapid growth momentum at an estimated 4.6% annual growth rate from 2030 to 2035.

By 2050, the estimated total energy demand is projected to increase to approximately 725 EJ. The demand for oil & natural gas is expected to continue its gradual decline beyond 2030, making up approximately 26% and 20% respectively of the global energy mix by 2050. Renewable energy is expected to surpass fossil fuels in the global energy mix by the early 2040s, with an estimated 31% of energy demand being met by renewable energy by 2050.





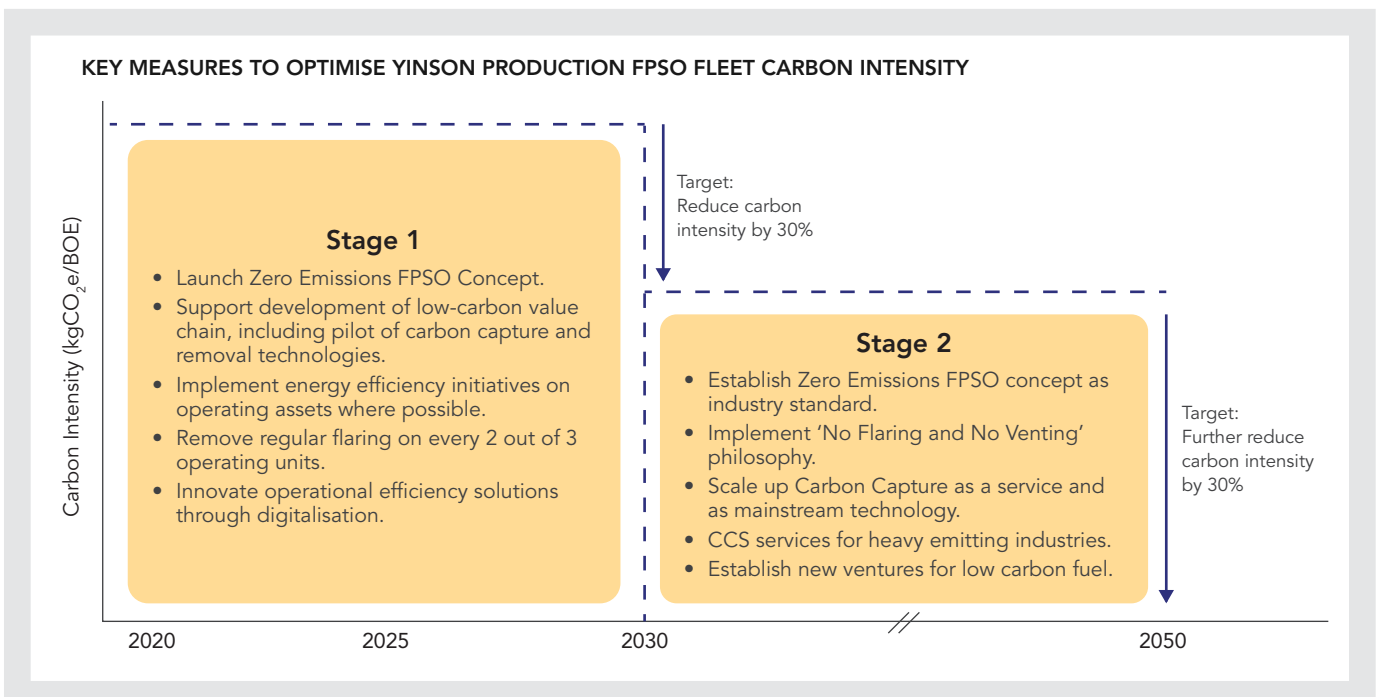
**Short Term 2020 – 2025: Positioning** ECC38

In the short term, Yinson expects GHG emissions to continue on an upward trend towards 2025. During this period, we have been diligently implementing emission reduction initiatives, and the majority of our fleet has performed well with regard to environmental metrics. However, despite our best efforts, we expect our emissions to remain elevated with the commencement of new FPSOs: FPSO Maria Quitéria, FPSO Atlanta, and FPSO Agogo in the coming years.

Although an increase in emissions is expected, the emissions from our newer FPSOs are expected to be more energy-efficient and less carbon-intensive.

**Lower operating FPSO emissions** Carbon Reduction





Yinson Production is committed to lowering the operating fleets’ carbon intensity per barrel of oil equivalent (BOE) based on 2020 baseline, by 30% by 2030, and a further 30% by 2050.



The emission reduction efforts will be operationalised through the development and implementation of Zero Emissions FPSO Concept technologies, forming the basis for more efficient operational approaches. As the industry matures and we gain more knowledge in this space, we will refine these designs and evaluate their adaptability to both future and existing units. These emission-reduction technologies include:

<b>Closed Flare System</b>	Eliminates open flaring by using a flare gas recovery compressor, resulting in zero routine flaring during normal operations.
<b>Hydrocarbon Blanketing</b>	Utilises hydrocarbon gas as an inert gas for storage tanks, recycling it back to the topside process for export or re-injection, thereby achieving zero venting from the cargo tanks.
<b>Combined Cycle Technology</b>	Combines a gas turbine with a steam turbine, repurposing waste heat from the gas turbine to produce steam that drives the steam turbine, for electricity generation and improving overall system efficiency.
<b>Seawater Turbine Generator ("SWTG")</b>	Harnesses the kinetic energy of discharged seawater to generate additional electric power for the FPSO.
<b>Offshore Post-combustion Carbon Capture</b>	Captures CO <sub>2</sub> from flue gas in power generation exhaust on offshore units using sorbent technology that captures CO <sub>2</sub> from exhaust gases, reducing CO <sub>2</sub> emitted to the atmosphere.

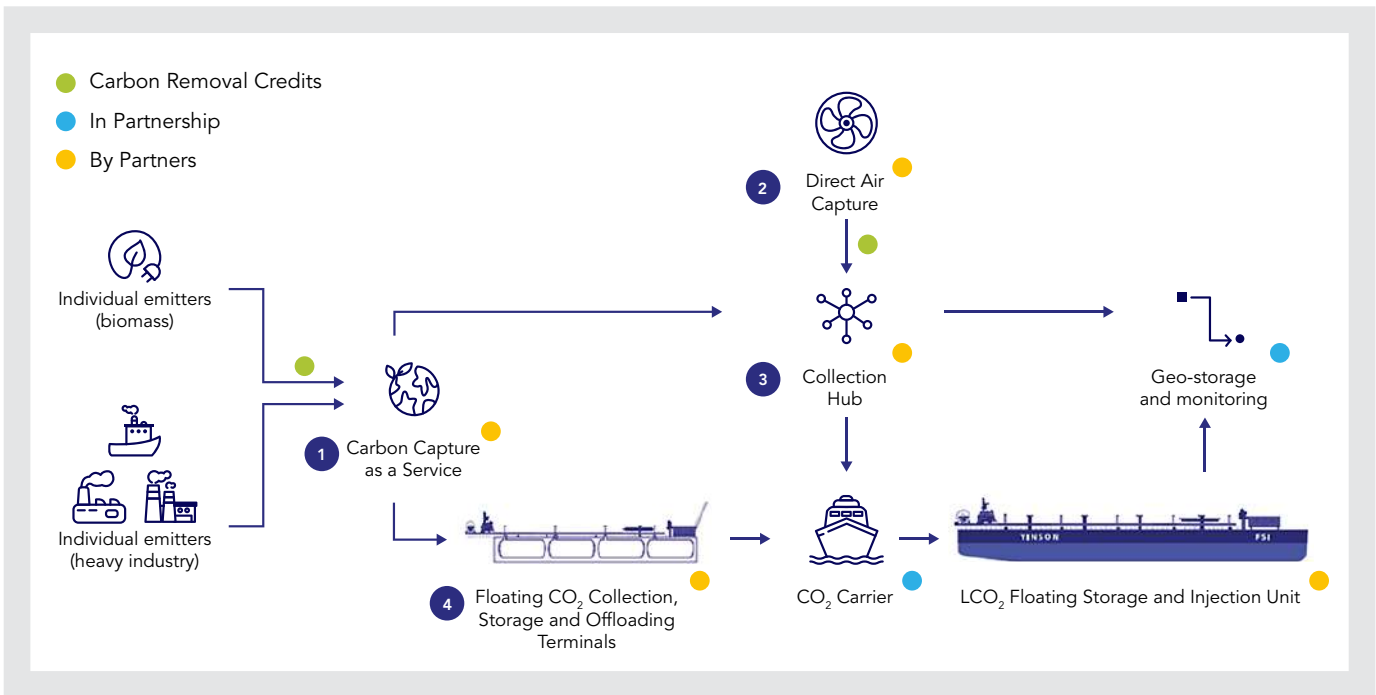
CONTINUOUS IMPLEMENTATION OF LOW EMISSIONS FEATURES ON OUR ASSETS

			All electric drives
			Automated process controls
		All electric drives	Closed flare system
		Automated process controls	Hydrocarbon blanketing
	Automated process controls	Closed flare system	Combined cycle technology
All electric drives	Closed flare system	Combined cycle technology	Pilot carbon capture plant
Automated process controls	Hydrocarbon blanketing	DNV Abate notation	Seawater Turbine Generator
			
<b>FPSO Anna Nery</b> Operational May 2023	<b>FPSO Atlanta</b> Expected to be operational by Q4 2024	<b>FPSO Maria Quitéria</b> Expected to be operational by Q4 2024	<b>FPSO Agogo</b> Expected to be operational by Q4 2025



**Investing in the carbon value chain** Carbon Removal

Together with our partners, Yinson Production has been proactively investing in and developing an end-to-end carbon capture, collection, transportation, and storage solution.



**1 CARBON CAPTURE**

Yinson Production is exploring Carbon Capture-as-a-Service for small and mid-sized emitters, providing CO<sub>2</sub> capture on a per-tonne basis. In 2023, we invested in Ionada PLC for its innovative hollow fibre membrane contactor with amine absorbent carbon capture technology. This technology has the potential to be deployed on our future FPSO projects. In addition, FPSO Agogo will feature an offshore post-combustion carbon capture plant, which captures CO<sub>2</sub> from gas turbine exhaust. This will help us assess the technical readiness of the technology in an offshore floating environment and gain operational experience.

**2 DIRECT AIR CAPTURE ("DAC")**

We have invested in Carbon Removal AS, a Norwegian company focusing on the development of DAC plants. DAC removes atmospheric CO<sub>2</sub>, and when paired with permanent storage solutions, forms the basic components for carbon removal. This provides an offset pathway for hard-to-abate industries.

**3 4 COLLECTION AND SEQUESTRATION HUBS**

We are collaborating with partners to develop and operate potential carbon sequestration hubs, offering decarbonisation services to regional customers in key markets such as Northwest Europe, Australia, and Southeast Asia. We are assessing the techno-commercial viability of deploying floating infrastructure such as Floating CO<sub>2</sub> Collection, Liquefaction, Storage, and Offloading terminals, as well as Floating Liquid CO<sub>2</sub> Storage and Injection units.

**Renewable energy to support the energy transition**

Yinson ventured into the renewable energy industry in 2019 through the establishment of Yinson Renewables, which is actively growing a robust pipeline of wind and solar projects across Asia Pacific, Europe, and Latin America. Currently, Yinson Renewables operates a total installed capacity of 557 MWp, including the Bhadla 1 & 2 and Nokh Solar Parks located in Rajasthan, India, as well as the Matarani Solar Plant in Peru, which recently entered into its full operational phase.

### Building a low-carbon ecosystem

Since its establishment in 2020, Yinson GreenTech has made substantial progress. In 2023, Yinson GreenTech formalised the business models, targets, and strategies of our green technology businesses, as well as the synergies to create an integrated, technology-driven ecosystem of green transportation across land and sea. Aligning to 30 by 30, Yinson GreenTech's chargEV aims to install 3,000 chargers by 2030, leading the way for a low-carbon land transport ecosystem.

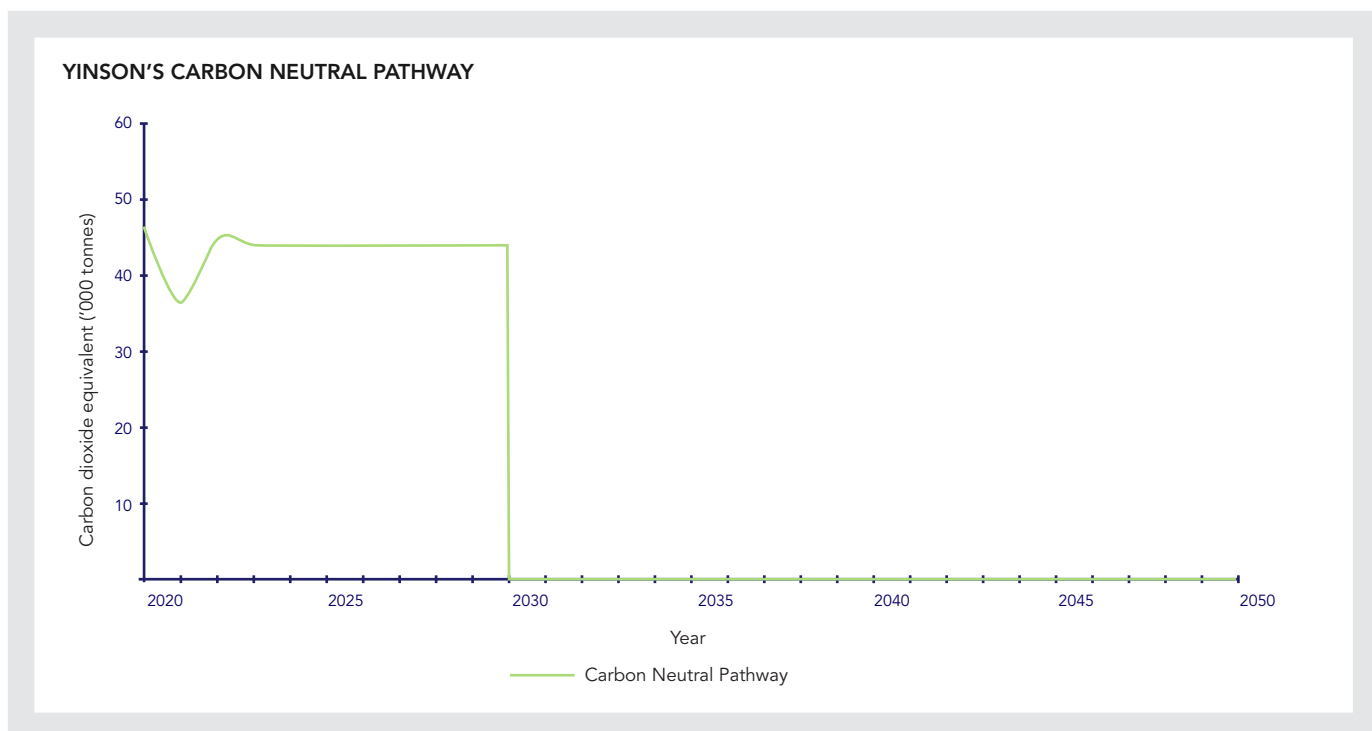
- marinEV** ▶ Pioneering the provision of electric vessels for the marine industry.
- drivEV** ▶ Pioneering the transition of fleets to electric vehicles.
- chargEV** ▶ Providing technology-driven charging infrastructure for electric vehicles and vessels.
- rydeEV** ▶ Providing the adoption of light electric vehicles, including Battery-as-a-Service.
- digitalEV** ▶ An integrated marketplace for digital solutions offering enhanced services in electrification.

### Medium term 2025 - 2030: Scaling ECC39

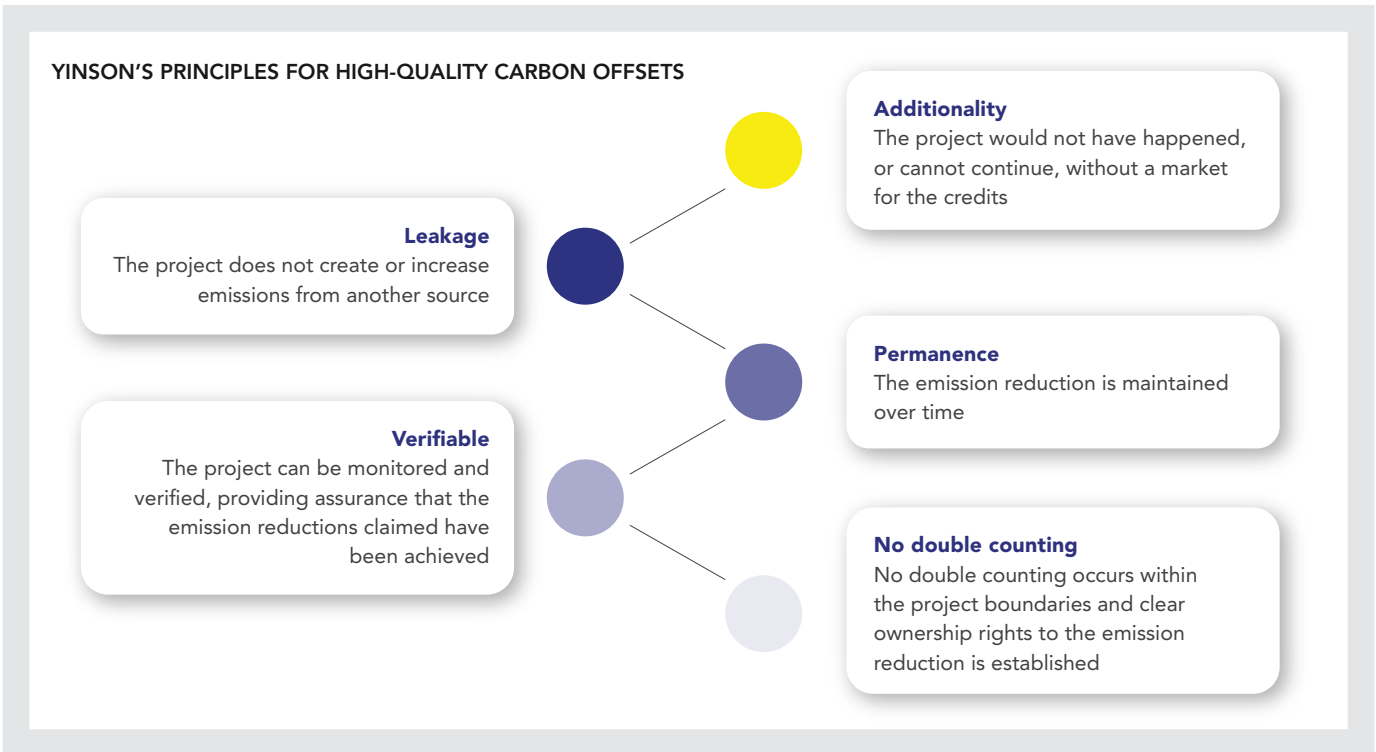
In the medium term, Yinson expects the upward momentum of GHG emissions to continue, with the continuous growth of the FPSO market. Simultaneously, we expect aggressive research and development of carbon removal technologies. During this period, we expect to retire some of our more emissions-intensive FPSOs and introduce new FPSOs that progressively incorporate the design principles of our Zero Emissions FPSO Concept, making our fleet more energy-efficient and less carbon intensive.

### Carbon compensation for carbon neutrality Carbon Compensation

Yinson's goal to be carbon neutral by 2030 focuses on our Scope 1 and 2 emissions. Through our continuous energy efficiency and emissions reduction efforts, we expect our Scope 1 and 2 emissions to be relatively consistent and stable approaching 2030. From 2030 onwards, we plan to utilise high-integrity and high-quality carbon credits to offset any residual and hard-to-abate emissions.



At the time of reporting, Yinson has purchased 3,000 high-quality nature-based credits from three projects through the Bursa Carbon Exchange (“BCX”). On 25 July 2024, Yinson was announced as one of the successful bidders for carbon credits from the Kuamut Rainforest Conservation Project. Moving forward, we intend to continue obtaining high-integrity and high-quality carbon credits; either through the purchase of carbon credits in the market or through project development via partnerships on nature-based projects. We are currently on track to meet our carbon neutral goal.



**Reduce regular flaring** Carbon Reduction

Aligning with the goal of reducing our FPSO fleet’s operations’ carbon intensity per BOE by 30% in 2030, we aim to reduce regular flaring on two out of three of our operating units by 2030, utilising hydrocarbon blanketing and closed flaring systems to deal with excess gas that may be generated through the production process or from cargo venting. At the same time, we aim to tighten production processes to recover low-pressure hydrocarbons that risk escaping to the atmosphere, through vapour recovery units. The electrification of onboard equipment and process control automation are also key focus areas to improve operational efficiency.

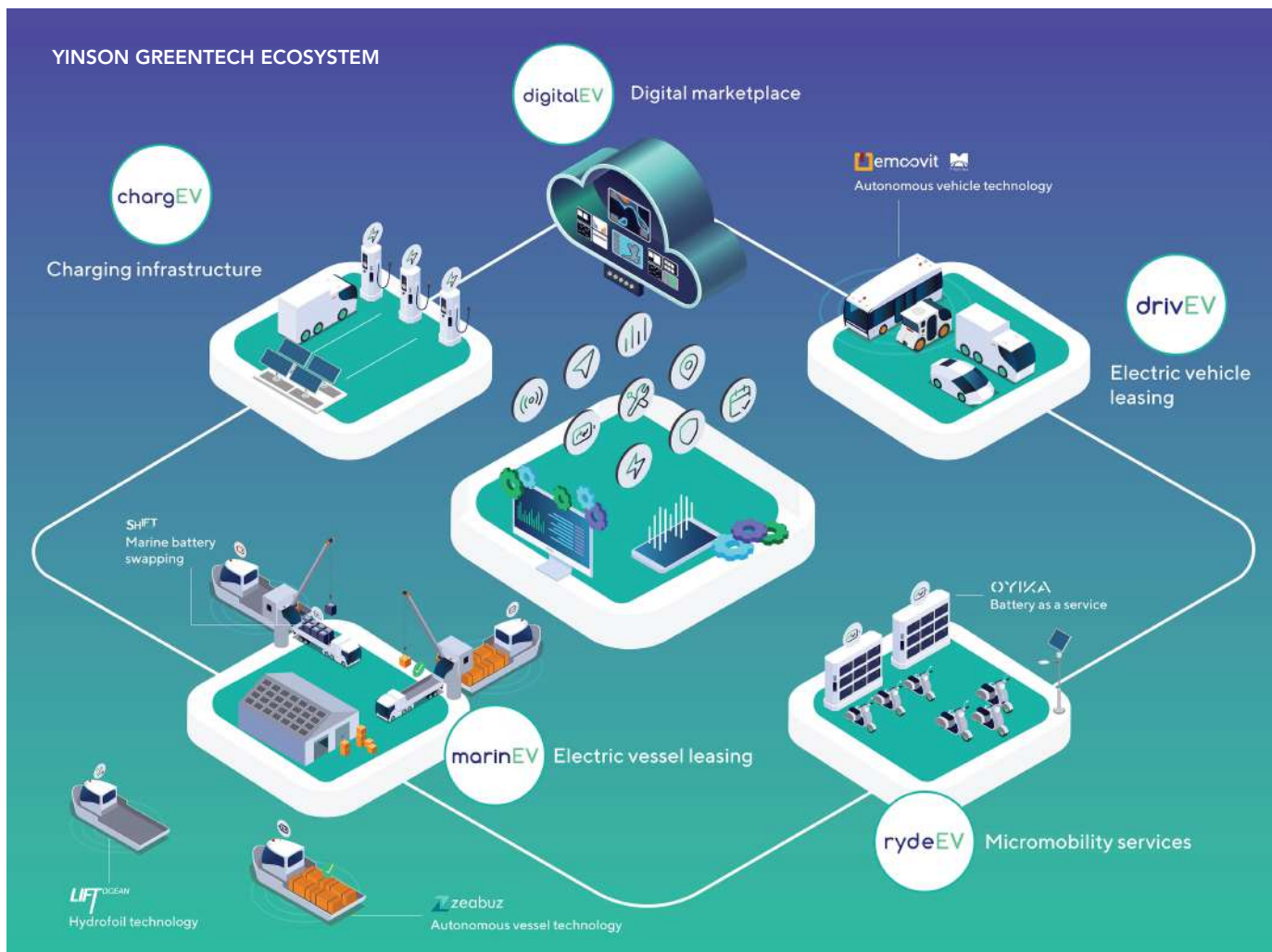
**Scaling carbon value chain development** Carbon Removal

Yinson Production aims to continue scaling up carbon capture capacity with a robust project pipeline. As of the time of reporting, Yinson Production has shortlisted two possible locations for our first DAC plant, planned for 2028. The DAC plant aims to capture 500,000 tonnes of CO<sub>2</sub> annually, storing it in offshore saline aquifers. This site will benefit from shared CO<sub>2</sub> transport and storage facilities with the Northern Lights Onshore CO<sub>2</sub> Receiving Terminal. We aim to develop carbon collection and sequestration hubs by 2028. We envision Carbon Removal-as-a-Service for carbon-intensive and hard-to-abate industries. We aim to offset residual emissions from our chartered FPSOs through our clients' utilisation of this service.

**Expanding sustainable energy infrastructure**

We aim to continue the growth of our renewable asset portfolio beyond 2025. We anticipate our portfolio of renewable energy generation to consist of large-scale solar PV and onshore wind, across and beyond the regions where we are currently operating.

Furthermore, we have plans to build a sizeable footing in the green technologies space by 2030, adding to our competitive edge in providing low-carbon solutions in the marine, mobility, and energy segments. We believe that this will enable us to offer innovative low-carbon solutions to support a low-carbon ecosystem. Each of our green technology businesses champions one vertical of the electrification megatrend – marine transport (marinEV), urban mobility (drivEV), micromobility (rydeEV), and charging infrastructure (chargEV), with digitalEV integrating all these verticals together through an integrated digital marketplace platform.



**Long Term 2030 - 2050: Normalising** ECC39

Beyond 2030, Yinson anticipates the peak of GHG emissions for our business to be around 2034, followed by a gradual decline. Yinson’s emissions would continue to decrease, as we improve our overall FPSO fleet energy and carbon efficiency. We anticipate that the Zero Emissions FPSO Concept will be our unique and competitive product offering to support likeminded offshore production clients and optimise their environmental performance. Post 2030, we also aim to implement the ‘No Flaring and No Venting’ philosophy for all FPSOs.

We aim to scale up Carbon Capture-as-a-Service, and expect our end-to-end carbon capture, collection, transportation, and storage solutions to become mainstream during this period. The operations of a range of low-carbon infrastructures would allow us to lower our emission intensity per BOE by a further 30% by 2050 while continuing to create value for our stakeholders. In addition, we envision that the development of our carbon removal capabilities would allow us to remove any residual emissions in order to achieve net zero by 2050.

On the energy transition front, we target a steady growth of our renewable energy generation of up to 14 TWh by 2040 and 22 TWh by 2050<sup>1</sup>. As we expand ambitiously and globally, we expect our renewable energy business to contribute significantly to Yinson’s financial position leading up to 2050. Similarly, green technologies will form a key component of Yinson’s business, as we build clean, technology-based products and services for transport ecosystems across land and sea.

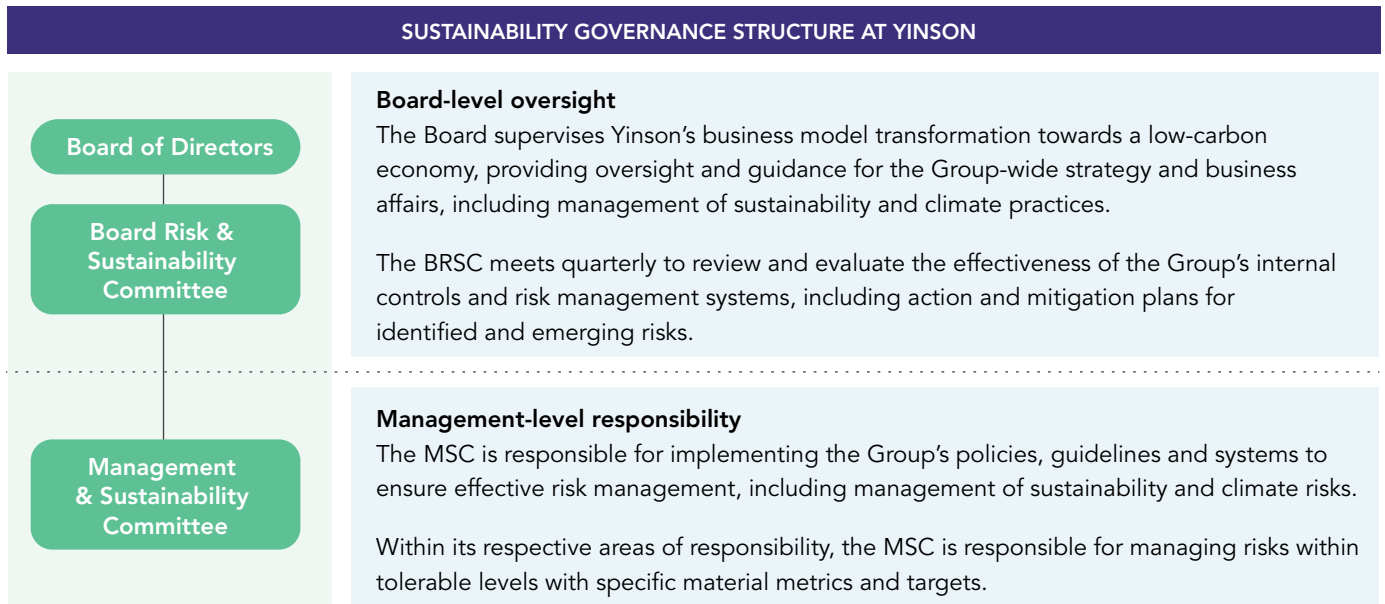
<sup>1</sup> Renewable energy targets were set based on projection as of December 2021 and are subject to change based on Yinson Renewables strategic review.

# CLIMATE GOVERNANCE AND MANAGEMENT FRAMEWORK

The management of climate-related matters is fully integrated into our robust corporate governance framework, aligning with Yinson’s Climate Goals of achieving carbon neutrality by 2030 and net zero by 2050. Our climate governance structure thrives under the leadership of our Board and Senior Management, collectively guiding our climate strategy.

Yinson established Board-level oversight and Management-level responsibility to govern climate-related issues. In 2023, we streamlined our governance with the integration of the Sustainability Committee into the Management Committee, now renamed the MSC. This strategic move enhances management efficiency and oversight, bolstering our ability to respond swiftly to emerging climate risks. Key MSC members are accountable for sustainability-related Key Performance Indicators (“KPIs”), ensuring alignment with our climate objectives.

Our ongoing engagement with stakeholders provides critical feedback, helping us prioritise climate focus areas and identify improvement opportunities, as reflected in our materiality assessments. This proactive stance allows us to navigate the complexities of the climate agenda while driving meaningful progress toward our long-term climate ambitions.



## BOARD OVERSIGHT ECC08

To ensure effective management of its climate-related functions and duties, the Board has delegated these responsibilities to the Board Risk & Sustainability Committee (“BRSC”), with ultimate accountability resting with the BRSC chairman. The BRSC receives input from the MSC and incorporates this into its quarterly review of Yinson’s climate-related risks and opportunities, advising management on the implementation of action plans. Additionally, the BRSC is responsible for reviewing sustainability strategies, including those related to climate, and monitoring the progress and performance of Yinson Climate Goals towards its committed targets.

Chaired by an Independent Non-Executive Director, the BRSC plays a pivotal role in oversight, meeting quarterly to review the effectiveness of climate strategies and initiatives. It is also tasked with bringing relevant sustainability and climate-related initiatives, such as GHG reduction activities or the implementation of net zero strategies, to the Board for consideration and approval before implementation.

The BRSC’s duties and responsibilities are governed by the Terms of Reference, which are accessible on the Company’s corporate website.



## MANAGEMENT RESPONSIBILITIES ECC75

At the management level, the MSC is pivotal in aligning Yinson’s business strategies with our sustainability goals. Chaired by Yinson’s Group Chief Executive Officer, the MSC meets quarterly to oversee the integration of sustainability into business operations, manage climate-related risks and opportunities, and ensure effective communications of climate-related information to the BRSC.

Supported by the Corporate Sustainability function within the Group Strategy department, the MSC is responsible for developing sustainability strategies, setting metrics and targets to achieve our climate objectives, monitoring sustainability performance, managing climate-related risks and opportunities, and proposing relevant initiatives. The Group Chief Strategy Officer, who oversees this function, is also an active member of the MSC.

The MSC is further supported by the ESG Task Force (“ESGTF”), which comprises of cross-functional members from various levels of the organisation. The ESGTF meets monthly to implement strategies to manage identified climate-related risks and opportunities, including carbon reduction initiatives and GHG emission assessments.

In addition to strategy development, the MSC deliberates on sustainability matters that impact the Group’s business strategies, policies, and frameworks. This includes a focus on climate-related risks to ensure that appropriate internal controls and mitigating measures are in place.

The following three sustainability-related KPIs are considered for all MSC members and are measured at the Group-level. These KPIs, endorsed by the Nomination & Remuneration Committee and the Board, include two specific climate-related KPIs and are reviewed annually for alignment with Group strategies:

- 1 Reduction in carbon intensity (CO<sub>2</sub>e/BOE) in line with Yinson Climate Goals.
- 2 Improvement in ESG rating scores based on assessments by ESG rating agencies.
- 3 Safety KPIs.

Each MSC member has KPIs set against these sustainability metrics, with their remuneration linked to performance against these targets. To ensure Management and the Board are up-to-date with the latest sustainability trends and climate issues, external consultants have been engaged for Board training sessions, held in October 2021 and January 2023. Additionally, regular training is provided to all Yinson employees by the Corporate Sustainability function via the Learn@Yinson online platform and workshops, such as the Sustainability Lunch and Learn Series.

Group-wide capacity is further enhanced through ad-hoc improvement programmes delivered by various credible organisations.



# INTEGRATED CLIMATE RISK MANAGEMENT

At Yinson, we believe that climate change should intrinsically be part of risk management processes, as it can lead to both financial and non-financial risks. The integration of climate-related risks into our existing Enterprise Risk Management (“ERM”) processes requires us to understand the unique characteristics of such climate-related risks and taking them into consideration, which includes:

<p><b>Different effects based on geography and activities</b></p>	<p>The effects of climate change and climate-related risks occur on local, regional, and global scales with varied implications for our different businesses, assets, markets, operations, and value chains.</p>
<p><b>Longer time horizons and long-term effects</b></p>	<p>Some climate-related risks exist and play out over time horizons that stretch beyond traditional business planning and investment cycles. These risks and related impacts may occur as a result of decade-long changes in driving forces (e.g., GHG concentrations in the atmosphere) leading to climate-related physical or transition risk changes over the short-, medium-, and long-term.</p>
<p><b>Novel and uncertain nature</b></p>	<p>Many climate change effects have no precedence, limiting the ability to apply statistical and trend analysis based on historical data. Further, climate change is a dynamic and uncertain phenomenon, resulting in a complex array of possible mitigation responses with many unknowns. Such mitigative responses may include the development and deployment of critical technologies and adaptation strategies to changing market and consumer behaviours.</p>
<p><b>Changing magnitude and nonlinear dynamics</b></p>	<p>Climate-related risks may manifest at different scales over time, with increasing severity and scope of impacts. Climate systems may exhibit thresholds and tipping points that result in large, long-term, abrupt, and possibly irreversible changes. Therefore, understanding the sensitivities of tipping points in the physical climate system as well as in ecosystems and society is essential for understanding climate-related risks.</p>
<p><b>Complex relationships and systemic effects</b></p>	<p>Risks associated with climate change are interconnected across socioeconomic and financial systems. Such interconnected risks are often characterised by knock-on effects and systemic effects, requiring a multidimensional perspective to assess the short-, medium-, and long-term implications for our businesses.</p>

## INTEGRATION OF CLIMATE-RELATED RISKS INTO ERM ECC50

We link our identified climate-related risks register through ERM processes via unique risk identification numbers. The climate-related risks and opportunities register is a dedicated register used specifically to capture such risks and opportunities of our businesses. This register is a supplement to link Yinson’s overall ERM processes with climate-related risks. This register also serves as a feedback document to the existing risk management process to capture medium- to long-term climate-related risks which could be overlooked in the short term. We adopt the concept of ‘double materiality’ when we consider climate-related risks. In other words, while materiality is the effect of climate change on finance and corporate activities, double materiality also includes the effect of finance and corporate activities on climate change.

We adopt the recommendation of TCFD to address climate-related risks and opportunities by evaluating our business portfolio against future scenarios. The assessment results are then tied back to our ERM framework for appropriate risk response actions, taking into consideration risk levels and priorities highlighted within the different scenarios.

Please read the following sections for details on our scenario analysis.

**SCENARIO ANALYSIS**

To better understand climate-related risks and opportunities in our businesses, Yinson has adopted scenario analysis to navigate the future trajectory of transition and physical parameters. A scenario describes a path of development leading to a particular outcome. These scenarios are not intended to represent a full depiction of the future, but rather to highlight central elements of a possible future and the key factors that will drive future developments.

We understand that each adopted scenario carries a certain degree of uncertainty and assumptions. Nevertheless, the scenarios serve as good references for signals and indicators on the plausible trend in developments of the parameters related to our businesses. Based on the established analysis, the scenario analysis will be reviewed on an annual basis and, if necessary, refreshed based on the latest available data and information to reflect the possible changes impacting our businesses.

We have adopted scenarios based on the IEA, World Energy Outlook 2023 (IEA, WEO 2023) and Intergovernmental Panel on Climate Change (“IPCC”) Sixth Assessment Report (“AR6”). For climate-related transition risks analysis, we have adopted the Stated Policies Scenario (“STEPS”) and Net Zero Emissions by 2050 (“NZE”) Scenario. We have also adopted Representative Concentration Pathways (“RCP”) 8.5 for climate-related physical risk analysis. The scenarios are defined as follows:

**Transition Risks**

Stated Policies Scenario (“STEPS”)	Net Zero Emissions by 2050 (“NZE”) Scenario
<p>STEPS defines a future anchored on existing policies that are employed worldwide to reduce GHG emissions. Under this scenario, global energy demand steadily rises with oil &amp; gas continuing to be a major energy source. The scenario considers and reflects all policy intentions and targets announced. Under this scenario, we will miss the goal set under the Paris Agreement to limit global warming to well below 2°C by 2050 unless more concentrated and collaborative efforts are undertaken within the next decade.</p>	<p>The NZE Scenario sets out a pathway to stabilise global average temperatures at 1.5°C above pre-industrial levels, achieving net zero emissions by 2050 without relying on reductions outside the energy sector. In this scenario, advanced economies are expected to reach net zero before developing economies. It also meets key energy-related UN Sustainable Development Goals (“SDGs”), such as universal access to modern energy by 2030 and significant air quality improvements. Despite ongoing challenges, the recent acceleration in clean energy transitions indicates that the goals of the NZE Scenario remain within reach.</p>

**Physical Risks**

Representative Concentration Pathways (“RCP”) 8.5
<p>We adopt RCP 8.5 from IPCC AR6 to help us understand physical risk impacts. In RCP 8.5, it is assumed that emissions will continue to rise throughout the 21<sup>st</sup> century. Since IPCC AR6, this has been perceived to be very unlikely, but still useful for climate-related physical risk assessments. RCP 8.5 remains useful for its aptness in both tracking historical total cumulative CO<sub>2</sub> emissions and predicting mid-century (and earlier) emissions based on STEPS. Thus, we will utilise the RCP 8.5 scenario for physical risk analysis purposes only.</p>

## CLIMATE-RELATED RISKS AND OPPORTUNITIES ECC45

We adopt climate-related risk categorisation based on TCFD guidance. Broadly, climate-related risks are divided into two major categories; risks related to the transition to a lower-carbon economy (Transition Risks) and risks related to the physical impacts of climate change (Physical Risks).

The following summarises Yinson’s climate-related risks and opportunities.

### Transition Risks

Transitioning to a lower-carbon economy may entail extensive policy, legal, technology, and market changes to address mitigation and adaptation requirements related to climate change. Depending on the nature, speed, and focus of these changes, transition risks may pose varying levels of financial and reputational risk to our businesses.

<p><b>Policy Risks</b></p>	<p>Policy risks generally fall into two categories, which are policy actions that attempt to constrain actions that contribute to the adverse effects of climate change or policy actions that seek to promote adaptation to climate change. Some examples include implementing carbon-pricing mechanisms to reduce GHG emissions, shifting energy use toward lower-emission sources, adopting energy efficiency solutions, encouraging greater water efficiency measures, and promoting more sustainable land-use practices.</p>
<p><b>Legal Risks</b></p>	<p>Legal risks, commonly also referred to as litigation risks, typically arise (in a climate-related context) due to the failure of an organisation to mitigate the impacts of climate change, failure to adapt to climate change, and the insufficient disclosure of material financial risks. In recent years, we have seen an increase in climate-related litigation claims being brought before the courts by property owners, municipalities, states, insurers, shareholders, and public interest organisations. As the value of loss and damage arising from climate change grows, litigation risk is also likely to increase.</p>
<p><b>Technology Risks</b></p>	<p>Technology risks typically manifest with the development and use of emerging technologies such as renewable energy, battery storage, energy efficiency, and Carbon Capture and Storage (“CCS”). This affects the competitiveness of our businesses in areas such as operational costs, and ultimately the demand for our services from clients. To the extent that new technology displaces old systems and disrupts some parts of the existing economic system, new industries and leaders will emerge through this “creative destruction” process.</p>
<p><b>Market Risks</b></p>	<p>While climate change impacts on the market are varied and complex, one of the major ways is through shifts in supply and demand for certain commodities, products, and services as climate-related risks and opportunities are increasingly taken into consideration.</p>
<p><b>Reputation Risks</b></p>	<p>Climate change has been identified as a potential source of reputational risk tied to changing customer or community perceptions of an organisation’s contribution to or detraction from the transition to a lower-carbon economy.</p>

### Physical Risks

Physical risks resulting from climate change can be event-driven (acute) or longer-term shifts (chronic) in climate patterns. Physical risks may have financial implications for our business, such as direct damage to assets and indirect impacts from supply chain disruption.

<b>Acute Risks</b>	Acute physical risks refer to those that are event-driven, including increased severity of extreme weather events, such as cyclones, hurricanes, or floods.
<b>Chronic Risks</b>	Chronic physical risks refer to longer-term shifts in climate patterns (e.g., sustained higher temperatures) that may cause sea level rise or chronic heat waves.

### Opportunities

- Leverage low-carbon solutions to create new business streams that meet shifting market preferences and ensure sustainable financial performance.
- Adopt cutting-edge technologies to enhance operational efficiency and reduce emissions.
- Implement strategic carbon management practices to ensure compliance and establish a clear transition pathway, demonstrating Yinsoo’s commitment to achieving our Climate Goals.
- Pursue growth opportunities in the renewable energy and green technology sectors, including expanding renewable energy sources and the EV ecosystem, to strengthen business resilience and growth.
- Enhance corporate reputation through robust sustainability initiatives and transparent reporting, boosting confidence among stakeholders, the public and potential future talent.
- Leverage available incentives and support for investments in renewable energy and green technologies.





CLIMATE-RELATED SCENARIO ANALYSIS



RISK CATEGORY	RISK DRIVERS	IMPACT DESCRIPTION	SCENARIO <sup>2</sup>	
			STEPS	NZE
Market	Market disruptions stem from behavioural changes in consumption patterns towards greener, climate-friendly products and services.	Market demand shifts to favour low-carbon products and services. Wide-ranging changes could be in play, covering changes such as preferences of private mobility shifting to public transport or greener vehicles or increase in walking; reductions in business flights to video conferencing; replacement of flights to low-carbon alternatives such as rail; increased adoption of solar PV for consumer products, etc.	<b>Global</b> <p>Demand for oil &amp; gas products and services is anticipated to remain stable, with potential declines as we approach 2050. Yinson may experience negative impacts in the long term.</p>	<b>Global</b> <p>Demand for oil &amp; gas products is anticipated to be on a gradual decline by 2030 and 2040. However, maturing emission reduction technologies would keep Yinson competitive. By 2050, the continued decline in demand might present challenges for Yinson's upstream oil &amp; gas services.</p>
			<b>South America</b> <p>Oil production levels are expected to increase up to 2050, while gas production levels are anticipated to fluctuate but remain relatively stable.</p>	<b>South America</b> <p>Demand for oil &amp; gas services will gradually decline, with moderate contract renewal possibilities by 2030, and an increasing risk of cancellations and stranded assets by 2040. By 2050, Yinson will face difficulties in securing new contracts as the world transitions to greener energy sources.</p>
			<b>Africa</b> <p>Oil production levels are projected to remain relatively stable with a gradual decrease from 2022 to 2050, while gas production levels are anticipated to rise continuously up to 2050.</p>	<b>Africa</b> <p>Demand for oil &amp; gas services in Africa will decline, leading to fewer new contracts and a reliance on existing agreements. By 2050, the transition to renewables and reduced reliance on fossil fuels will likely result in significantly lower demand and limited opportunities for new contracts or extensions.</p>
			<b>Asia Pacific</b> <p>Demand for oil remains strong, but production levels in the Asia Pacific are projected to decline from 2022 to 2050 as the region becomes a net importer of oil. Meanwhile, gas production levels are expected to remain relatively stable, peaking around 2030 and then slightly decreasing by 2050.</p>	<b>Asia Pacific</b> <p>Demand for oil &amp; gas will weaken over time, with new contracts becoming increasingly limited. By 2050, no new contracts are expected, and there may be heightened risks of stranded assets and early termination of existing agreements.</p>

<sup>2</sup>The risk heatmap showcases the changes in risk impact across different time horizons for different scenarios.



RISK CATEGORY	RISK DRIVERS	IMPACT DESCRIPTION	SCENARIO <sup>2</sup>	
			STEPS	NZE
	Changes in accessing equity and debt-financing	Changes in financial institutions' assessment criteria relating to climate-related risks. Certain financial institutions may choose to trim exposure to carbon-heavy industries/companies. Banks may be pressured to take by asset owners and influencers covering development banks, governments, etc. The risk profile and valuation of debt and equity investments of corporates exposed to climate change will be impacted as investors undertake a reassessment of their investment decisions.	<p><b>Global</b></p> <p>By 2030, investment in oil &amp; gas will slow, with banks adopting environmental criteria in credit assessments and increasing financing costs for Yinson, reducing profit margins.</p> <p>By 2040, oil &amp; gas investments will average USD 500 billion annually. Environmental criteria will be mandatory for lending, increasing Yinson's compliance costs and further squeezing profit margins from the FPSO segment.</p>	<p><b>Global</b></p> <p>By 2030, investments in oil &amp; gas will plateau, with environmental criteria becoming essential in credit assessments. Yinson will face higher compliance costs and tighter profit margins, while some banks impose no-borrowing policies, and others demand high returns.</p> <p>By 2040 and beyond, investment in oil &amp; gas will decrease significantly. Environmental criteria will outweigh financial considerations. Most banks will adopt no-borrowing policies, leaving Yinson reliant on tight cashflows without access to debt or equity financing.</p>
Technology	Technology advancements that supersede technologies that are currently deployed. This includes advanced technological solutions such as DAC/CCS, as well as efficiency improvement on renewable energy and battery storage.	Pressure to develop and adapt advanced technological solutions like CCS/DAC for new-built FPSOs, and explore parallel engineering opportunities on existing FPSOs, where possible. Meanwhile, rapid advancements in the renewable energy and green technology space may render current technologies obsolete.	<p><b>Global</b></p> <p>By 2030, CCS/DAC technologies will be limited by relatively high costs. The existing renewable and green technologies will remain relatively stable, thus presenting minimal expenditure to maintain. By 2040, CCS/DAC adoption will grow but remain costly, while renewable and green technologies see improved efficiency. By 2050, low-carbon solutions become widespread and cost-effective, though earlier investments in renewable and green technologies may face replacement risks due to innovations.</p>	<p><b>Global</b></p> <p>By 2030, Yinson will adopt new technologies onboard FPSOs, increasing costs and impacting the bottom line. By 2040, Yinson is mandated to invest in expensive external technologies like advanced CCS/DAC, with renewable technologies becoming more efficient but facing potential replacement risks. By 2050, Yinson is mandated to fully adopt low-carbon solutions and invest in costly technologies like CCS/DAC, while advanced renewable technologies prevail, though earlier investments may face reduced competitiveness.</p>
Policy and Legal	Increased adoption of mandatory carbon-based regulations covering carbon pricing instruments such as carbon taxes, emissions trading systems ("ETS"), fuel taxes, etc.	Increase in carbon pricing policies leading to adoption of carbon taxes for the majority of economies	<p><b>Global</b></p> <p>The carbon price where Yinson currently has operations is expected to slowly rise from now onwards, with a global average price of USD 15/tCO<sub>2</sub>e in 2030 to USD 30/tCO<sub>2</sub>e in 2050.</p>	<p><b>Global</b></p> <p>The carbon price where Yinson currently has operations dramatically rises from now onwards, with a global average price of USD 40/tCO<sub>2</sub>e in 2030 to USD 120/tCO<sub>2</sub>e in 2050.</p>



RISK CATEGORY	RISK DRIVERS	IMPACT DESCRIPTION	SCENARIO <sup>2</sup>	
			STEPS	NZE
	Regulatory pressures that aim to accelerate the retirement of fossil fuel-based assets, as well as policy uncertainty that reduces incentives for renewable energy and green technology sector	Nation and banks are increasingly disagreeing with the support towards oil & gas. This is on the back of an increasing understanding of climate-related risks and opportunities and is a step-up from having increased cost of capital (whereby capital flow towards oil & gas remains, albeit with higher financing cost). Meanwhile, policy uncertainty in the renewable energy and green technology space can create a volatile investment environment, potentially delaying capital flows and slowing the growth of projects.	<p><b>Global</b></p> <p>By 2030, global incoming oil &amp; gas investments could largely stem from backlogged projects. The pipeline for post-2030 may be reduced.</p> <p>By 2040 and beyond, investments in the oil &amp; gas sector could slow down further as the world embraces low-carbon alternatives.</p>	<p><b>Global</b></p> <p>By 2030, global incoming oil &amp; gas investments could be reduced. The pipeline of future assets becomes more uncertain.</p> <p>By 2040 and beyond, investments in the oil &amp; gas sector may become scarce as the world adapts to not having oil &amp; gas-related products and services. New projects become highly unlikely.</p>
Reputation	Increased scrutiny from stakeholders, including investors, customers and the public, regarding the company's environmental impact and sustainability practices	Failure to meet Group Climate Goals of Carbon Neutral by 2030 and Net Zero by 2050. We fail to meet our committed obligations against the mounting maturity of climate actions.	<p><b>Global</b></p> <p>By 2040, growing public pressure on corporations to combat climate change is expected to intensify, leading to increased stakeholder activism and a higher risk of litigation. By 2050, these pressures could escalate, resulting in significant legal actions and reputational damage, which may severely disrupt operations.</p>	<p><b>Global</b></p> <p>By 2030, litigation activities from the wider public may become commonplace as pressure mounts on corporations to be more climate-responsible. By 2040, corporations failing to take ambitious climate action could face widespread and intense litigation, leading to significant risks of operational disruptions. By 2050, these legal actions could become highly costly, potentially resulting in permanent disruptions until climate targets are met.</p>
	Increased scrutiny and in-depth interpretation from the general public.	Inaccurate disclosures of information about climate change impacts or misleading by ambiguity which could lead to litigation risk and affect the reputation of the organisation.	<p><b>Global</b></p> <p>By 2030, Yinson will align with international standards and standardised disclosure frameworks, ensuring external assurance on key indicators to mitigate risks. By 2040, the risk will increase as annual assessments of Yinson's carbon-neutral status require more extensive disclosures. By 2050, this risk further escalates with annual evaluations of both carbon neutrality and Net Zero commitments, demanding even greater transparency.</p>	<p><b>Global</b></p> <p>By 2030, Yinson faces moderate risks in its transition to renewable energy, ensuring compliance with strict CO<sub>2</sub> reduction standards. By 2040, risks increase as near-complete decarbonisation demands more detailed disclosures and verification. By 2050, risks peak as net-zero emissions are achieved, requiring rigorous annual assessments of carbon neutrality and transparency.</p>

## 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, including increased wave heights and wind potential. Our FPSOs are designed with a conservative return period to withstand maximum environmental loads of up to 100-years), as such acute and chronic events are considered and incorporated into the existing design for all our FPSOs. In the renewables and green technology sector, we also address physical risks through comprehensive planning and robust risk management strategies to mitigate the impacts of extreme weather and climate conditions, ensuring resilience and operational continuity.

### Summary of Scenario Analysis based on STEPS ECC44

Demand for oil & gas products and services has been broadly sustained over the years, with higher growth of gas production than that of oil production up to 2050. Cumulative investments in the oil & gas industry is expected to peak around 2030, with environmental criteria increasingly included within financial institution assessments thereafter. There could be increasing market and policy pressure on heavy emitting industries to deploy carbon efficient and carbon removal solutions. Additionally, a global average carbon price range of USD 15/tCO<sub>2</sub>e in 2030 to USD 30/tCO<sub>2</sub>e in 2050 is envisioned and is coupled with slower investments into oil & gas-related projects.

Against this backdrop, Yinson Production will continue FPSO operations in relevant regions including South America, Africa, and Southeast Asia, as long as such flexible and cost-effective energy infrastructure is needed. Nonetheless, the cost of capital and operations may see a gradual rise, with corresponding impacts on contract awards, renewals, and extensions. Having said that, Yinson may remain among the top independent FPSO operators. Yinson Renewables and Yinson GreenTech would support the Group's energy transition journey, providing access to clean energy as consumer behaviour preferences shift.

### Summary of Scenario Analysis based on NZE Scenario ECC44

Demand for oil & gas products and services is expected to peak within the decade and then decline leading up to 2050. Financial institutions may establish policies favouring a transition away from the oil & gas industry, with environmental assessments potentially taking precedence over financial criteria. This transition benefits Yinson Renewables and Yinson GreenTech, as access to clean and renewable energy becomes mainstream. The global average carbon price range of USD 40/tCO<sub>2</sub>e in 2030 to USD 120/tCO<sub>2</sub>e in 2050 is projected amid rising urgency for climate action, while investments into oil & gas become increasingly rare.

Yinson may see contractual impacts due to more aggressive global trends, including potential risks in contract renewals as well as stranded assets. FPSO contracts could become increasingly rare with lower profit margins due to higher technology deployment costs. Merger and acquisition activities may become more common as companies seek to streamline operations. Financing challenges may arise as environmental criteria potentially outweigh financial considerations, limiting new projects and pushing Yinson toward low-carbon business growth. Nevertheless, Yinson Renewables and Yinson GreenTech may see growing business opportunities in the low-carbon business environment.

# METRICS AND TARGET MONITORING

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

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

Our GHG emission inventory encompasses Scope 1, Scope 2, and specific Scope 3 categories, including Category 6: Business Travel, Category 7: Employee Commuting, and Category 13: Downstream Leased Assets. At Yinson, we view Scope 3 as a shared responsibility as we work with our value chain partners to address the corresponding GHG emissions, including those from both upstream and downstream activities.

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 that support our climate ambitions, aiming to transparently communicate and disclose our climate endeavours in an impactful manner.

## YINSON CLIMATE-RELATED METRIC AND TARGETS

Yinson employs a holistic approach to defining our climate-related metrics, ensuring that we measure and monitor the most relevant parameters to help shape our collective action plan on climate-related issues. These metrics are strategically selected to link our governance, strategy, and risk management, enabling us to track our progress and make informed decisions throughout the process.

The table below presents and defines the material climate-related metrics. These metrics are assessed annually and are subject to change in the future. The metrics are disclosed in our Annual Report as well.

METRICS	DEFINITION	UNIT	FYE 2024	FYE 2023	FYE 2022
Total Scope 1 emissions <small>ECC14</small>	Total direct GHG emissions include emissions from the operations of Yinson-owned assets, including operation-essential equipment, vehicles and offshore service vessels.	tCO <sub>2</sub> e	43,487	44,116	38,123
Total Scope 2 emissions <small>ECC14</small>	Total indirect GHG emissions include emissions from purchased electricity for our offices and EVs.	tCO <sub>2</sub> e	312	445	275



METRICS	DEFINITION	UNIT	FYE 2024	FYE 2023	FYE 2022
Total Scope 3 emissions <b>ECC49</b>	Total other indirect emissions, including transport-related activities in vehicles not owned or controlled by Yinson, purchased energy third-party consumption, and operation of downstream leased assets. <sup>1</sup>	tCO <sub>2</sub> e	2,004,635	1,729,681	1,286,346
Emission intensity (by production volume)	Accounts for total Scope 3: Category 13 with Yinson Production's offshore production value (BOE) as the denominator.	kgCO <sub>2</sub> e/ BOE	34	30	23
Emission intensity (by energy generation)	Accounts for total Scope 1, 2 and Scope 3: Category 13, with the total electricity generation from Yinson Production and Yinson Renewables as the denominator.	kgCO <sub>2</sub> e/ MWh	591	495	489
Renewable energy installed capacity	Installed capacity of the renewable energy plant under construction and operation, where Yinson has more than 51% ownership.	MW <sub>p</sub> (DC)	1,048	951	460
Renewable energy generation	Total renewable energy generation, considering plants where Yinson has more than 51% ownership.	GWh	366	304	298
Investment into green businesses	Percentage of total equity invested into non-oil-based FPSO activities. <sup>2</sup>	%	13	9	4
Percentage of revenue from green businesses	The percentage of annual revenue from Yinson's Renewables and Green Technologies businesses.	%, absolute	<1%, RM85 mil	1%, RM75 mil	2%, RM72 mil
Quantity of carbon credits retired for offset purposes	The equivalent quantity of carbon credits retired for offsetting emissions arising from Yinson's operations.	tCO <sub>2</sub> e	0	0	0

<sup>1</sup> The total Scope 3 emission covers Category 6: Business Travels, Category 7: Employee Commuting, Category 11: Use of Sold Products and Category 13: Downstream Leased Assets only.

<sup>2</sup> Represents the proportion of total equity of Yinson Renewables and Yinson Greentech in relation to the total equity of the Group.

Through our 30 by 30 initiative, which outlines our 30 most material ESG targets for achievement by 2030, we have established several climate-related goals. As of FYE 2024, we have made good progress toward these targets. We also plan to publish our 30 by 30 scorecard annually, with the inaugural scorecard featured in the Yinson Integrated Annual Report 2024 and our corporate website.



Scan to read about Yinson's 30 by 30 initiative.

The climate-related targets are defined below.

TARGETS	DEFINITION	UNIT	FYE 2024	FYE 2030 (TARGET)
Carbon intensity of our FPSO operations	Total emissions against total production of the offshore production fleet which Yinson operates	kgCO <sub>2</sub> e/ BOE	34	11
Carbon intensity of our Group operations	Total Group emissions against total energy produced	kgCO <sub>2</sub> e/ MWh	591	136.7
Renewable energy generation	Renewable energy generated per year from plants where Yinson has majority-ownership	GWh	366	5,600

### Internal Carbon Pricing (ICP)

In 2023, Yinson introduced an ICP 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 reducing carbon emissions through initiatives such as the Zero Emissions FPSO Concept or supporting our energy transition strategies. The ICP Framework 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 ("SIF").

Yinson ICP Framework includes a range of carbon charges per tonne of CO<sub>2</sub>e emitted above a predefined emission threshold. This pricing mechanism serves as a decision-making tool, allowing Yinson to assess our business exposures to climate-related risks and guide our strategic investment decisions for positive change. The pricing is based on current and projected carbon regulations, which can be adjusted to reflect market trends and regulatory changes.

When emissions exceed the target, the ICP will apply, ensuring that a financial incentive is in place to drive emissions reductions. Yinson has launched a pilot ICP implementation with Yinson Production in 2024, with the intention of expanding it to other businesses in the future. This pilot ICP has been approved by the MSC.

# CLIMATE LEADERSHIP AND ASSOCIATIONS ECC74 ECC03 ECC73

Yinson believes in collective actions to drive long-term and sustainable change for positive impacts. We are part of several climate-related associations and networking groups. We are committed to advocating and demonstrating our leadership in managing climate issues while providing input to public policy. The associations that we are part of include:



The CEO Action Network is a closed-door, peer-to-peer informal network of CEOs of leading Malaysian businesses. It is a coalition of leaders with a purpose, focused on sustainability advocacy, capacity building, action and performance. Since 2021, Yinson has been supporting the collective effort to drive sustainable development in Malaysia.



Yinson supports the Task Force on Climate-related Financial Disclosures, demonstrating a commitment to building more climate-resilient operations and safeguarding against climate risk through better disclosures.



In 2023, Yinson embarked on a significant journey by participating in the Carbon Disclosure Project ("CDP") disclosures. With a dedicated focus on enhancing sustainability efforts, Yinson is committed towards measuring and disclosing its progress on social and environmental goals towards building a more sustainable future.



Yinson joined the ASEAN Alliance on Carbon Markets ("AACM") as a committee member in 2024. It is a private sector-led body advocating for cross-border efforts in carbon market development. AACM fosters a regional ecosystem and serves as a focal point for international partnerships, offering activities including capacity building and technical assistance.



Yinson is a founding member and president of Malaysia Carbon Market Association ("MCMA"), a non-profit organisation dedicated to facilitating the development of the Malaysian carbon market. The MCMA also contributes to the formulation of national policies, enhancing carbon market talent development and collaborating with international and domestic carbon partners in both the public and private sectors.



Yinson is a signatory member of the United Nations Global Compact Malaysia and Brunei ("UNGCMYB") and is aligned to the Ten Principles, further reaffirming and strengthening our commitments to make a positive impact across areas such as human rights, labour, environment and anti-corruption.



Yinson is the Chair of the ASEAN Carbon Market Working Group under ASEAN-Business Advisory Council ("ASEAN-BAC"), demonstrating our commitment to driving regional carbon market development. Yinson also serves as a council member of ASEAN-BAC Malaysia.

# APPENDIX

## TCFD INDEX

CORE ELEMENT	RECOMMENDED DISCLOSURES	REFERENCE
<p><b>Governance</b></p> <p>Disclose the organisation's governance around climate-related risks and opportunities.</p>	<ol style="list-style-type: none"> <li>Describe the board's oversight of climate-related risks and opportunities.</li> <li>Describe management's role in assessing and managing climate-related risks and opportunities.</li> </ol>	<p>Climate Governance and Management Framework, pg. 18 – 19</p>
<p><b>Strategy</b></p> <p>Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.</p>	<ol style="list-style-type: none"> <li>Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.</li> <li>Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.</li> <li>Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</li> </ol>	<p>Yinson's Climate Strategy, pg. 8 – 17;</p> <p>Climate-related scenario analysis, pg. 24 – 27</p>
<p><b>Risk management</b></p> <p>Disclose how the organisation identifies, assesses and manages climate-related risks.</p>	<ol style="list-style-type: none"> <li>Describe the organisation's processes for identifying and assessing climate-related risks.</li> <li>Describe the organisation's processes for managing climate-related risks.</li> <li>Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.</li> </ol>	<p>Integrated Climate Risk Management, pg. 20 – 27</p>
<p><b>Metrics and targets</b></p> <p>Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.</p>	<ol style="list-style-type: none"> <li>Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.</li> <li>Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and the related risks.</li> <li>Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.</li> </ol>	<p>Metric and Target Monitoring, pg. 28 – 30</p>

## ISSB IFRS S2 STANDARDS

IFRS S2 NO.	THEME	REFERENCE
<b>Governance</b>		
<b>6(a)</b>	<b>The governance body(s) or individual(s) responsible for oversight of climate-related risks and opportunities.</b>	
6(a)(i)	Responsibilities for climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s);	Climate Governance and Management Framework, pg. 18 – 19
6(a)(ii)	Body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities;	Yinson Integrated Annual Report 2024: Board of Director, pg. 131 – 136; Senior Management, pg. 137 – 142
6(a)(iii)	Frequency of body(s) or individual(s) is informed about climate-related risks and opportunities;	Climate Governance and Management Framework, pg. 18 – 19
6(a)(iv)	Approach which the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities;	Climate Governance and Management Framework, pg. 18 – 19
6(a)(v)	Approach which body(s) or individual(s) oversees the setting of targets related to climate-related risks and opportunities, and monitors progress towards those targets, including whether and how related performance metrics are included in remuneration policies.	Climate Governance and Management Framework, pg. 18 – 19
<b>6(b)</b>	<b>Management's role in the governance processes, controls and procedures to monitor, manage and oversee climate-related risks and opportunities</b>	
6(b)(i)	Role delegation to a specific management-level position or management-level committee and oversight over that position or committee.	Climate Governance and Management Framework, pg. 18 – 19
6(b)(ii)	Controls and procedures to support the oversight of sustainability-related risks and opportunities and, if they are integrated with other internal functions.	Climate Governance and Management Framework, pg. 18 – 19
<b>Strategy</b>		
<b>10</b>	<b>Climate-related risks and opportunities</b>	
10(a)	Climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects.	Climate-related risks and opportunities, pg. 22 – 27
10(b)	Explanation of identified climate-related risks to be a climate-related physical risk or climate-related transition risk.	Climate-related risks and opportunities, pg. 22 – 23; Climate-related scenario analysis, pg. 24 – 27
10(c)	Specify time horizons-short, medium and long-term for each climate-related risk and opportunity the entity has identified and the effects of each climate-related risks and opportunities that could reasonably be expected.	Climate-related scenario analysis, pg. 24 – 27
10(d)	Definition of 'short term', 'medium term' and 'long term' and the linkage to the planning horizons used by the entity for strategic decision-making.	Understanding Yinson Climate Roadmap and strategy to net zero, pg. 11 – 17; Climate-related scenario analysis, pg. 24 – 27



IFRS S2 NO.	THEME	REFERENCE
<b>13</b>	<b>Business model and value chain</b>	
13(a)	Description(s) of the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain.	Understanding Yinson Climate Roadmap and strategy to net zero, pg. 11 – 17; Climate-related scenario analysis, pg. 24 – 27
13(b)	Description(s) of where in the entity's business model and value chain climate-related risks and opportunities are concentrated.	Understanding Yinson Climate Roadmap and strategy to net zero, pg. 11 – 17
<b>14</b>	<b>Strategy and decision-making</b>	
14(a)(i)	Current and anticipated changes to the entity's business model, including its resource allocation, to address climate-related risks and opportunities.	Understanding Yinson Climate Roadmap and strategy to net zero, pg. 11 – 17
14(a)(ii)	Current and anticipated direct mitigation and adaptation efforts.	Understanding Yinson Climate Roadmap and strategy to net zero, pg. 11 – 17
14(a)(iii)	Current and anticipated indirect mitigation and adaptation efforts.	Understanding Yinson Climate Roadmap and strategy to net zero, pg. 11 – 17
14(a)(iv)	Describe any climate-related transition plan, including information about key assumptions used in developing its transition plan, and dependencies on which the entity's transition plan relies.	Yinson's Climate Strategy, pg. 8 – 9; Yinson Integrated Annual Report 2024: Inclusive Energy Transition, pg. 96 – 97
14(a)(v)	Describe plans to achieve any climate-related targets, including any greenhouse gas emissions targets.	Yinson's Climate Strategy, pg. 8 – 9; Yinson Integrated Annual Report 2024: 30 by 30 scorecard, pg. 26 – 27
<b>16</b>	<b>Financial position, financial performance and cash flows</b>	
16(a)	Impact of climate-related risks and opportunities on financial position, financial performance and cash flows for the reporting period.	Climate-related scenario analysis, pg. 24 – 27; Internal carbon pricing (ICP), pg. 30
16(b)	The climate-related risks and opportunities identified for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	Yinson Integrated Annual Report 2024: Financial Review, pg. 33 – 44
16(c)(i)	Investment and disposal plans.	Yinson Integrated Annual Report 2024: Group CEO Review, pg. 23 – 32; Yinson Integrated Annual Report 2024: Strategy Review, pg. 54 – 58
16(c)(ii)	Its planned sources of funding to implement its strategy.	Yinson Integrated Annual Report 2024: Group CEO Review, pg. 23 – 32; Yinson Integrated Annual Report 2024: Strategy Review, pg. 54 – 58
16(d)	Financial performance and cash flows to change over the short, medium and long term, given the strategy to manage climate-related risks and opportunities.	Understanding Yinson Climate Roadmap and strategy to net zero, pg. 11 – 17; Summary of scenario analysis, pg. 27
<b>16</b>	<b>Financial position, financial performance and cash flows</b>	
22(a)(i)	The implications, if any, of the assessment for its strategy and business model, including the response to the effects identified in the climate-related scenario analysis.	Understanding Yinson Climate Roadmap and strategy to net zero, pg. 11 – 17
22(a)(ii)	The significant areas of uncertainty considered in the assessment of its climate resilience.	Climate-related scenario analysis, pg. 24 – 27

IFRS S2 NO.	THEME	REFERENCE
22(a)(iii)(1)	The availability of, and flexibility in, the existing financial resources to respond to the effects identified in the climate-related scenario analysis, including addressing climate-related risks and taking advantage of climate-related opportunities.	Yinson Integrated Annual Report 2024: Financial Review, pg. 33 – 44; Yinson Integrated Annual Report 2024: Strategy Review, pg. 54 – 58
22(a)(iii)(2)	The ability to redeploy, repurpose, upgrade or decommission existing assets.	Understanding Yinson Climate Roadmap and strategy to net zero, pg. 11 – 17
<b>22(b)(i)</b>	<b>Climate-related scenario analysis</b>	
22(b)(i)(1)	The climate-related scenarios used for the analysis and the sources of those scenarios.	Integrated Climate Risk Management, pg. 20 – 27
22(b)(i)(2)	If the analysis included a diverse range of climate-related scenarios.	Integrated Climate Risk Management, pg. 20 – 27
22(b)(i)(3)	If the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks.	Integrated Climate Risk Management, pg. 20 – 27
22(b)(i)(4)	If scenarios aligned with the latest international agreement on climate change.	Integrated Climate Risk Management, pg. 20 – 27
22(b)(i)(5)	If the chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties.	Integrated Climate Risk Management, pg. 20 – 27
22(b)(i)(6)	The time horizons used in the analysis.	Integrated Climate Risk Management, pg. 20 – 27
22(b)(i)(7)	The scope of operations in the analysis.	Integrated Climate Risk Management, pg. 20 – 27
<b>22(b)(ii)</b>	<b>The key assumptions the entity made in the scenario analysis</b>	
22(b)(ii)(1)	Climate-related policies in the jurisdictions of operation.	Integrated Climate Risk Management, pg. 20 – 27
22(b)(ii)(2)	Macroeconomic trends.	Integrated Climate Risk Management, pg. 20 – 27
22(b)(ii)(3)	National- or regional-level variables.	Integrated Climate Risk Management, pg. 20 – 27
22(b)(ii)(4)	Energy usage and mix.	Integrated Climate Risk Management, pg. 20 – 27
22(b)(ii)(5)	Developments in technology.	Integrated Climate Risk Management, pg. 20 – 27
22(b)(iii)	The reporting period.	Integrated Climate Risk Management, pg. 20 – 27
<b>Risk Management</b>		
<b>25</b>	<b>The processes and related policies the entity uses to identify, assess, prioritise and monitor climate-related risks</b>	
25(a)(i)	The inputs and parameters the entity uses.	Integrated Climate Risk Management, pg. 20 – 27
25(a)(ii)	If climate-related scenario analysis is used to inform the identification of climate-related risks.	Integrated Climate Risk Management, pg. 20 – 27
25(a)(iii)	The assessment of the nature, likelihood and magnitude of the effects of those risks.	Integrated Climate Risk Management, pg. 20 – 27
25(a)(iv)	The prioritisation of climate-related risks relative to other types of risks.	Integrated Climate Risk Management, pg. 20 – 27
25(a)(v)	The approach to monitoring climate-related risks.	Integrated Climate Risk Management, pg. 20 – 27

IFRS S2 NO.	THEME	REFERENCE
25(a)(vi)	The changes in the processes used to compare with the previous reporting period.	Integrated Climate Risk Management, pg. 20 – 27
25(b)	The processes used to identify, assess, prioritise and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities	Integrated Climate Risk Management, pg. 20 – 27
25(c)	The extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process.	Integrated Climate Risk Management, pg. 20 – 27
<b>Metrics and Targets</b>		
<b>29</b>	<b>Information relevant to the cross-industry metric categories</b>	
<b>29(a)</b>	<b>GHG emissions</b>	
29(a)(i)(1)(2)(3)	Disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO <sub>2</sub> equivalent (Scope 1,2 & 3).	Metrics and Target Monitoring, pg. 28 – 30
29(a)(iii)	Measurement of greenhouse gas emissions in accordance with the Greenhouse Gas Protocol.	Metrics and Target Monitoring, pg. 28 – 30
29(a)(iii)(1)	Disclose the approach used to measure its greenhouse gas emissions: the measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions.	Metrics and Target Monitoring, pg. 28 – 30
29(a)(iv)	For Scope 1 and Scope 2: the consolidated accounting group	Metrics and Target Monitoring, pg. 28 – 30
29(a)(v)	Disclosure of location-based Scope 2 greenhouse gas emissions	Yinson Integrated Annual Report 2024: Climate Change & Carbon Management, pg. 92 – 95; Yinson Integrated Annual Report 2024: Sustainability Performance Data, pg. 365 – 367
29(a)(vi)(1)	The categories included within Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	Metrics and Target Monitoring, pg. 28 – 30
29(a)(vi)(2)	Additional information about the entity's Category 15 greenhouse gas emissions or those associated with its investments (financed emissions), if the entity's activities include asset management, commercial banking or insurance.	N/A
29(b)	Climate-related transition risks: the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	Metrics and Target Monitoring, pg. 28 – 30
29(c)	Climate-related physical risks: the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	Metrics and Target Monitoring, pg. 28 – 30
29(d)	Climate-related opportunities: the amount and percentage of assets or business activities aligned with climate-related opportunities.	Metrics and Target Monitoring, pg. 28 – 30
29(e)	Capital deployment—the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	Yinson Integrated Annual Report 2024: Strategy Review, pg. 54 – 58
<b>29(f)</b>	<b>Internal carbon prices</b>	
29(f)(i)	Explanation of the application of carbon price in decision-making.	Internal Carbon Pricing (ICP), pg. 30

IFRS S2 NO.	THEME	REFERENCE
29(f)(ii)	The price for each metric tonne of greenhouse gas emissions used to assess the costs of greenhouse gas emissions.	Yinson Integrated Annual Report 2024: Climate Change & Carbon Management, pg. 92 – 95
<b>29(g)</b>	<b>Remuneration</b>	
29(g)(i)	The description of climate-related considerations factored into executive remuneration.	Yinson Integrated Annual Report 2024: Climate Change & Carbon Management, pg. 92 – 95; Yinson Integrated Annual Report 2024: Statement on Risk Management & Internal Control, pg. 162 – 168
29(g)(ii)	The percentage of executive management remuneration recognised in the current period is linked to climate-related considerations.	Yinson Integrated Annual Report 2024: Climate Change & Carbon Management, pg. 92 – 95; Yinson Integrated Annual Report 2024: Statement on Risk Management & Internal Control, pg.162 – 168
<b>33</b>	<b>The targets it has set to monitor progress towards achieving its strategic goals and any targets it is required to meet by law or regulation</b>	
33(a)	The metric used to set the target	Metrics and Target Monitoring, pg. 28 – 30; Yinson Integrated Annual Report 2024: 30 by 30 scorecard, pg. 26 – 27
33(b)	The objective of the target	Metrics and Target Monitoring, pg. 28 – 30; Yinson Integrated Annual Report 2024: 30 by 30 scorecard, pg. 26 – 27
33(c)	The scope and boundary of the target	Metrics and Target Monitoring, pg. 28 – 30; Yinson Integrated Annual Report 2024: 30 by 30 scorecard, pg. 26 – 27
33(d)	The period over which the target applies	Metrics and Target Monitoring, pg. 28 – 30; Yinson Integrated Annual Report 2024: 30 by 30 scorecard, pg. 26 – 27
33(e)	The base period from which progress is measured	Metrics and Target Monitoring, pg. 28 – 30; Yinson Integrated Annual Report 2024: 30 by 30 scorecard, pg. 26 – 27
33(f)	Any milestones and interim targets	Metrics and Target Monitoring, pg. 28 – 30; Yinson Integrated Annual Report 2024: 30 by 30 scorecard, pg. 26 – 27
33(g)	If the target is quantitative, whether it is an absolute target or an intensity target.	Metrics and Target Monitoring, pg. 28 – 30; Yinson Integrated Annual Report 2024: 30 by 30 scorecard, pg. 26 – 27
33(h)	If the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	N/A
<b>36(e)</b>	<b>The use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target.</b>	
36(e)(i)	The extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits.	Understanding Yinson Climate Roadmap and strategy to net zero, pg. 11 – 17

IFRS S2 NO.	THEME	REFERENCE
36(e)(ii)	The third-party scheme(s) used to verify or certify the carbon credits.	Understanding Yinson Climate Roadmap and strategy to net zero, pg. 11 – 17
36(e)(iii)	The type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal.	Understanding Yinson Climate Roadmap and strategy to net zero, pg. 11 – 17
36(e)(iv)	Any other factors necessary for users of general-purpose financial reports to understand the credibility and integrity of the carbon credits the entity plans to use.	Understanding Yinson Climate Roadmap and strategy to net zero, pg. 11 – 17

## TPT CONTENT INDEX

TPT DISCLOSURE	DISCLOSURE SUB-ELEMENTS	REFERENCE
1. Foundations	<b>1.1 Strategic Ambition</b> An entity shall disclose the Strategic Ambition of its transition plan. This shall comprise the entity's objectives and priorities for responding and contributing to the transition towards a low-GHG emissions, climate-resilient economy, and set out whether and how the entity is pursuing these objectives and priorities in a manner that captures opportunities, avoids adverse impacts for stakeholders and society, and safeguards the natural environment.	Yinson's Climate Strategy, pg. 8 – 9
	<b>1.2 Business model and value chain</b> An entity shall disclose a description of the current and anticipated implications of the entity's Strategic Ambition on its business model and value chain.	Yinson's Climate Strategy, pg. 8 – 9
	<b>1.3 Key assumptions and external factors</b> An entity shall disclose key assumptions that it has made and external factors on which it depends in order to achieve the Strategic Ambition of its transition plan.	Yinson's Climate Strategy, pg. 10 – 11
2. Implementation Strategy	<b>2.1 Business operations</b> An entity shall disclose information about the short-, medium-, and long-term actions it is taking or plans to take in its business operations in order to achieve the Strategic Ambition of its transition plan.	Understanding Yinson Climate Roadmap and strategy to net zero, pg. 11 – 17
	<b>2.2 Products and Services</b> An entity shall disclose information about short-, medium-, and long-term actions it is taking or plans to take to change its portfolio of products and services in order to achieve the Strategic Ambition of its transition plan.	Understanding Yinson Climate Roadmap and strategy to net zero, pg. 11 – 17
	<b>2.3 Policies and Conditions</b> An entity shall disclose information about any policies and conditions that it uses or plans to use in order to achieve the Strategic Ambition of its transition plan.	Understanding Yinson Climate Roadmap and strategy to net zero, pg. 11 – 17
	<b>2.4 Financial Planning</b> An entity shall, to the extent the financial effects of its transition plan are separately identifiable, disclose information about the effects of its transition plan on its financial position, financial performance and cash flows over the short-, medium-, and long-term, including information about how it is resourcing or plans to resource its activities in order to achieve the Strategic Ambition of its transition plan.	Investing in the energy transition, pg. 8 – 9; Internal carbon pricing (ICP), pg. 30
3. Engagement Strategy	<b>3.1 Engagement with value chain</b> An entity shall disclose information about any engagement activities with other entities in its value chain that it is undertaking or plans to undertake in order to achieve the Strategic Ambition of its transition plan.	Understanding Yinson Climate Roadmap and strategy to net zero, pg. 12 – 17



TPT DISCLOSURE	DISCLOSURE SUB-ELEMENTS	REFERENCE
4. Metrics & Targets	<p><b>3.2 Engagement with industry</b> An entity shall disclose information about any engagement and collaborative activities with industry counterparts (and other relevant initiatives or entities) that it is undertaking or plans to undertake in order to achieve the Strategic Ambition of its transition plan.</p>	Investing in energy transition, pg. 8 – 9; Climate Leadership and Associations, pg. 31
	<p><b>3.3 Engagement with government, public sector and civil society</b> An entity shall disclose information about any direct and indirect engagement activities with the government, regulators, public sector organisations, communities, and civil society that it is undertaking or plans to undertake in order to achieve the Strategic Ambition of its transition plan.</p>	Investing in energy transition, pg. 8 – 9; Climate Leadership and Associations, pg. 31
	<p><b>4.1 Governance, engagement, business and operational metrics and targets</b> An entity shall disclose information about the governance, engagement, business and operational metrics and targets that it uses in order to drive and monitor progress towards the Strategic Ambition of its transition plan, and report against these metrics and targets on at least an annual basis.</p>	Metrics and Target Monitoring, pg. 28 – 30
	<p><b>4.2 Financial metrics and targets</b> An entity shall disclose information about any financial metrics and targets, relevant to its business, sector, and strategy, that it uses in order to drive and monitor progress towards the Strategic Ambition of its transition plan, and report against these metrics and targets on at least an annual basis.</p>	Metrics and Target Monitoring, pg. 28 – 30
	<p><b>4.3 GHG metrics and targets</b> An entity shall disclose information about the GHG emissions and removals metrics and targets that it uses in order to drive and monitor progress towards the Strategic Ambition of its transition plan, and report against these metrics and targets on at least an annual basis.</p>	Metrics and Target Monitoring, pg. 28 – 30
5. Governance	<p><b>4.4 Carbon credits</b> An entity shall disclose information about how it uses or plans to use carbon credits to achieve the Strategic Ambition of its transition plan, and report on the use of carbon credits on at least an annual basis.</p>	Understanding Yinson climate roadmap and strategy to net zero: Carbon compensation for carbon neutrality, pg. 15 – 16; Metrics and Target Monitoring, pg. 28 – 30
	<p><b>5.1 Board oversight and reporting</b> An entity shall disclose information about the governance body(s) (which can include a board, committee, or equivalent body charged with governance) or individual(s) responsible for oversight of the transition plan.</p>	Climate Governance and Management Framework, pg. 18 – 19
	<p><b>5.2 Management roles, responsibility and accountability</b> An entity shall disclose information about management’s role in the governance processes, controls, and procedures used to monitor, manage, and oversee the transition plan, as well as how it is embedded within the entity’s wider control, review, and accountability mechanisms.</p>	Climate Governance and Management Framework, pg. 18 – 19
	<p><b>5.3 Culture</b> An entity shall disclose information about how it aligns or plans to align its culture with the Strategic Ambition of its transition plan.</p>	Yinson Integrated Annual Report 2024: 30 by 30 scorecard, pg. 26 – 27
	<p><b>5.4 Incentives and remuneration</b> An entity shall disclose information about how it aligns or plans to align its incentive and remuneration structures with the Strategic Ambition of its transition plan.</p>	Climate Governance and Management Framework, pg. 18 – 19
<p><b>5.5 Skills, competencies and training</b> An entity shall disclose information about actions it is taking or plans to take to assess, maintain, and build the appropriate skills, competencies, and knowledge across the organisation in order to achieve the Strategic Ambition of its transition plan.</p>	Climate Governance and Management Framework: Management responsibilities, pg. 19	

# ABBREVIATIONS

"AACM"	ASEAN Alliance on Carbon Markets
"AR6"	Sixth Assessment Report
"ASEAN-BAC"	ASEAN Business Advisory Council
"BAU"	Business-as-Usual
"BCX"	Bursa Carbon Exchange
"Board"	Yinson's Board of Directors
"BRSC"	Board Risk & Sustainability Committee
"Bursa Securities"	Bursa Malaysia Securities Berhad
"CCS"	Carbon Capture and Storage
"CDP"	Carbon Disclosure Project
"CO <sub>2</sub> "	Carbon dioxide
"CO <sub>2</sub> e"	Carbon dioxide equivalent
"DAC"	Direct Air Capture
"EEMS"	Environmental Emissions Monitoring System
"ERM"	Enterprise Risk Management
"ESG"	Environmental, Social and Governance
"ESGTF"	ESG Task Force
"ETS"	Emissions Trading Systems
"EV"	Electric vehicle
"FBM EMAS"	FTSE Bursa Malaysia EMAS Index
"FPSO"	Floating Production, Storage and Offloading
"FSB"	Financial Stability Board
"FTSE4Good"	FTSE4Good Index
"GHG"	Greenhouse gas
"ICB"	Industry Classification Benchmark
"ICP"	Internal Carbon Pricing
"IEA"	International Energy Agency
"IFRS"	International Financing Reporting Standards
"IPCC"	Intergovernmental Panel on Climate Change
"IPIECA"	International Petroleum Industry Environmental Conservation Association
"ISO"	International Standard Organisation
"KPIs"	Key Performance Indicators
"LCO <sub>2</sub> "	Liquid carbon dioxide
"MCMA"	Malaysia Carbon Market Association
"MMLR"	Main Market Listing Requirements
"MSC"	Management & Sustainability Committee
"NGO"	Non-governmental organisation
"NZE"	Net Zero Emissions by 2050 Scenario
"PV"	Photovoltaic
"RCP"	Representative Concentration Pathways

"Report"	Climate Report 2024
"Roadmap"	Climate Roadmap 2024
"SDG"	Sustainable Development Goal, referring to the UN SDG
"SIF"	Sustainable Investment Fund
"STEPS"	Stated Policies Scenario
"SWTG"	Seawater Turbine Generator
"TCFD"	Task Force on Climate-Related Financial Disclosures
"TPT"	Transition Plan Taskforce
"UNCGMYB"	United Nations Global Compact Network Malaysia & Brunei

## UNITS

"BOE"	Barrel of oil equivalent
"CO <sub>2</sub> e"	Carbon dioxide equivalent
"TWh"	Terawatt-hour
"GWh"	Gigawatt-hour
"MW"	Megawatt
"MWh"	Megawatt-hour
"MWp"	Megawatt peak
"EJ"	Exajoule
"mb/d"	Million barrels per day
"bcm"	Billion cubic metres



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