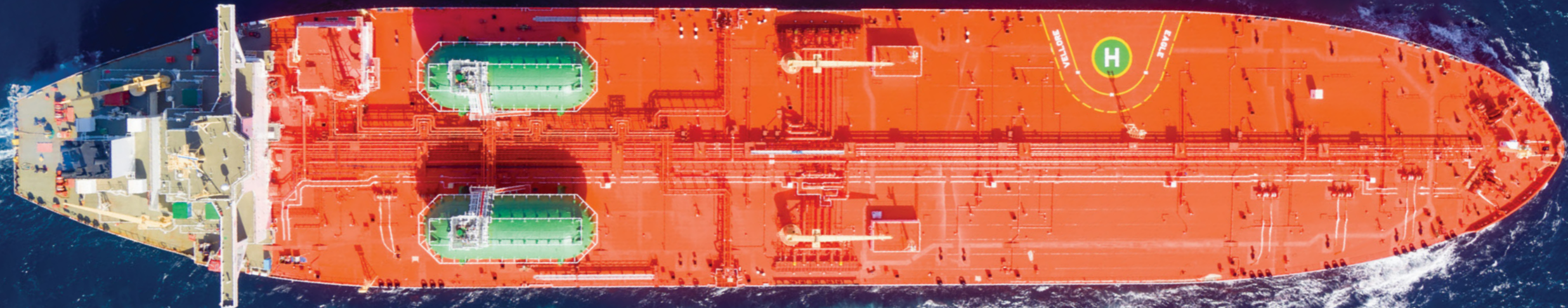


**MOVING ENERGY**

# NAVIGATING A SUSTAINABLE FUTURE TOGETHER

AET CONNECTS 2023/2024



## About This Report

The theme of AET Connects 2023/2024 – ‘Moving Energy: Navigating a Sustainable Future Together’ – showcases AET’s long-term commitment to taking a leadership role in maritime decarbonisation and highlights our ongoing efforts to achieve this.

As we celebrate the company’s 30<sup>th</sup> anniversary, the changing nature of the world we operate in and the challenges of the environment around us means that our drive to find new and innovative ways to move energy responsibly and efficiently has never been more important. Our successes over the last 30 years spur us in our commitment to propel AET, and the wider shipping industry, towards a sustainable future where we deliver more energy with less emissions.

However, our ambitious targets and plans would not be achievable without the support of our stakeholders. ‘Together’ signifies that our ability to navigate a sustainable future and blaze a trail for the industry, begins from a collective effort and drive inside of AET in collaboration with our external stakeholders.



## MOVING ENERGY

# NAVIGATING A SUSTAINABLE FUTURE TOGETHER

AET CONNECTS 2023/2024

## Our Sustainability Reporting Boundaries

The information and data presented in this report covers the entirety of AET’s business activities and operations, including material business activities of our joint ventures and associates, for the period of 1 January 2023 until 31 December 2023, as well as any material events that occurred after this date and up and to the date of publication of this report.

The sustainability reporting principles of accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, stakeholder inclusiveness, materiality and reliability have been applied and the following international sustainability standards and frameworks were considered when preparing this report:

- Global Reporting Initiative (GRI) Standards
- Sustainability Accounting Standards Board (SASB) Standards
- Task Force on Climate-Related Financial Disclosures (TCFD)
- United Nations Sustainable Development Goals (UNSDGs)

Please refer to the Performance Data section for the environment, social, governance and financial indicators that are being monitored and the Sustainability Reporting Standards & Disclosures section for a full list of disclosures aligned with the GRI and SASB standards.

For the years 2021 and 2022, each of our vessels’ fuel consumption and relevant activity data has been verified by third-parties, namely DNV and Bureau Veritas. For the year 2023, our vessels’ fuel consumption and relevant activity data is currently undergoing verification with American Bureau of Shipping. By regulation, all such data is verified by 31 May of the following year. All data collected and reported follows the methodology and processes set out in the Ship Energy Efficiency Management Plan as required by Regulation 22A of Annex VI of the International Convention for the Prevention of Pollution from Ships (MARPOL).



## Our Brand

Our name, AET, is presented in lower case and scripted in italics to demonstrate our forward drive, innovation and ambition to deliver consistently better energy-related maritime solutions and services. The deep blue tint on the lettering gradually fades across the name to show where the depth of the oceans meets the expanse of clear blue sky.

To the right of the lettering is the AET eagle soaring across the oceans of the world. Our eagle represents the strength, capabilities and global reach of our organisation.

Taken together, the AET logo encapsulates a forward moving, strong and global company that is proud of its heritage and knows in which direction its future lies.

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# Introduction

- About AET
- AET at a Glance
- Chairman's Message
- President and CEO's Message
- Celebrating 30 Years of Progress and Our People

**AET EXCELLENCE**

# About AET

## Who We Are

Since 1994, AET has been a leading provider of shipping solutions to meet the world’s evolving energy needs. As a trusted service provider to global energy companies, refineries, and oil traders, AET strives to find innovative ways to transport energy responsibly and efficiently.

AET is passionate about taking a leadership role in maritime decarbonisation. We are committed to propelling AET, and the wider shipping industry, towards a future where we deliver more energy with less emissions. We are a shipowner that takes action.

## What We Do

Alongside the provision of conventional energy shipping services, we offer specialist services. We are a market leader in the provision of specialised lightering services in the US Gulf. We are also an established Dynamic Positioning Shuttle Tanker (DPST) owner and the only owner-operator of Modular Capture Vessels (MCVs).

AET takes bold steps to drive meaningful change, and every venture that we take, like our pioneering investments into Liquefied Natural Gas (LNG) and ammonia dual-fuel vessels, focuses not only on profitability, but also on environmental stewardship.

Through our actions and via our collaborations with industry partners, we aim to set new standards for responsible shipping. AET prides itself on leading the industry when it comes to establishing new sustainable practices and technologies.

## How We Do It

We create value for our stakeholders by providing innovative and reliable energy shipping services that meet the needs of our customers, while optimising costs and mitigating risks.

We invest in advanced vessel designs, digitalisation and technologies that not only further our decarbonisation objectives, but improve efficiency and enhance the services we can offer to our customers.

We continuously strive to raise our standards, and add value to our customers and the communities where we operate.

We have committed ourselves to the continuous pursuit of excellence, with our vision to be consistently better. We strive to surpass expectations by fostering individual and team excellence and investing in talent.

## Vision and Mission

To consistently provide better energy-related maritime solutions and services.

To be consistently better, we strive:

- To exceed the expectations of our customers
- To promote individual and team excellence of our employees
- To create a positive difference to the lives of communities
- To care for the environment and operate responsibly
- To drive sustainable value for our shareholder



**Market leader** in the provision of specialised lightering services in the US Gulf



**Committed to maritime decarbonisation** and propelling the shipping industry towards delivering more energy with less emissions



**Pioneering investments** into LNG and ammonia dual-fuel vessels



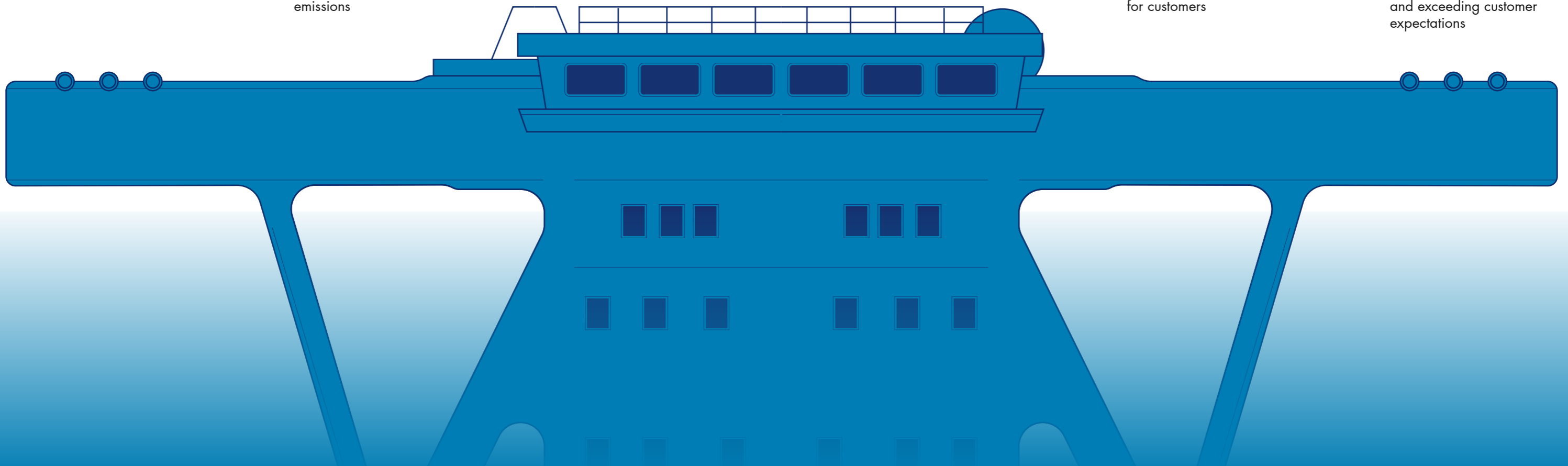
**Established DPST owner** and the only owner-operator of MCVs



**Investing in innovative vessel technologies** to achieve decarbonisation goals while enhancing efficiency and services for customers



**Strives for excellence while making a positive impact** on communities and the environment, delivering value to our shareholder and exceeding customer expectations



# AET at a Glance

## Assets (as of 30 April 2024)



9+4\*

### Dual-Fuel Assets

Aframax	2
DPST	2
VLCC	5
Newbuilds	4*

## Operational Excellence



>99%

Vessel Availability & Vessel Utilisation

## Financial (US\$)

1,077 M Revenue

567 M EBITDA\*\*

4,412 M Total Assets

8.3 Average Age of Our Fleet vs 12.7 Industry Average

3 LNG dual-fuel Very Large Crude Carrier (VLCC) Newbuilds Delivered in 2023/2024

64+4\* Vessels

World's Only Owner-Operator of MCVs

15,500+

Ship-to-ship (STS) Transfers in US Gulf since Inception

## Human Capital (Onshore)

19 Nationalities



172 Number of Staff

## World's First Ammonia Dual-Fuel Aframaxes

2 Shipbuilding and long-term Time Charter Party (TCP) contracts signed in 2024

## Awards and Recognition

48 vessels received Chamber of Shipping of America (CSA) Jones F. Devlin Award for Safety

40 vessels received CSA Annual Environmental Achievement Award

## Health, Safety and Environment (HSE)

0.17

Lost Time Injury Frequency (LTIF)



20%

Total Scope 1^ Absolute Greenhouse Gas (GHG) Emissions Reduction in 2023 compared to 2008

15%

Total Scope 1^ AERCO<sub>2e</sub># Reduction in 2023 compared to 2008

0.25

Total Recordable Case Frequency (TRCF)



6%

Total Scope 1^ AERCO<sub>2e</sub># Reduction in 2023 Year-on-Year (Y-o-Y)

Information correct as of 31 December 2023 unless otherwise stated

\*Two owned ammonia dual-fuel Aframax newbuilds and two signed in-chartered newbuild contracts for LNG dual-fuel Aframaxes

\*\* Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)

^For detailed description on what Scope 1 entails, refer to "Towards Decarbonisation" section under the Environment Sustainability Pillar on page 64

#AERCO<sub>2e</sub>: Annual Efficiency Ratio Carbon Dioxide Equivalent

# Chairman's Message

**Capt. Rajalingam Subramaniam**  
Chairman



"As we rightly take time within this issue of AET Connects to commemorate the milestone of our 30<sup>th</sup> anniversary, it is crucial to pause and acknowledge the remarkable journey we have undertaken. From our modest beginnings, we have evolved into one of the foremost global owners and operators of petroleum tankers. Personally, witnessing AET's growth as part of the company over the past eight years, and indeed its two decades of growth within the broader MISC Group, fills me with great pride."

It is my privilege to address you in this annual message as Chairman during this very special year for AET – our 30<sup>th</sup> anniversary.

As we rightly take time within this issue of AET Connects to commemorate the milestone of our 30<sup>th</sup> anniversary, it is crucial to pause and acknowledge the remarkable journey we have undertaken. From our modest beginnings, we have evolved into one of the foremost global owners and operators of petroleum tankers. Personally, witnessing AET's growth as part of the company over the past eight years, and indeed its two decades of growth within the broader MISC Group, fills me with great pride.

As we look back at the achievements of AET over the past three decades, it is also important that we look to the future. We remain committed to reducing our fleet's GHG emissions intensity by 40% by 2030 and to reach net-zero GHG emissions by 2050. To further this commitment, we launched our new Energy Transition Strategy in 2023, focusing on building a resilient core business of petroleum tankers while accelerating the decarbonisation of our fleet and building a new energy business. We are confident that our focused strategy will lead to sustainable business growth, enabling us to capitalise on future opportunities while meeting the changing demands of the energy market.

While we forge ahead in shaping a greener energy shipping landscape, we must continue to safeguard our financial health to fuel innovation, investments, and resilience. In 2023, despite ongoing geopolitical and macroeconomic uncertainties, we recorded one of our highest revenues of US\$1,077 M and a Net Profit

After Tax (NPAT) and minority interest of US\$236 M. This exceptional outcome serves as a testament to our dedicated and proficient workforce and our sound business strategy.

In 2023, and early part of 2024, we took delivery of three new LNG dual-fuel VLCCs, furthering our decarbonisation agenda while simultaneously contributing to our secured income portfolio. I am also incredibly proud to share that we have signed TCP contracts with PETCO Trading Labuan Company Ltd (PTLCL) and Shipbuilding Contracts (SBCs) with Dalian Shipbuilding Industry Co., Ltd (DSIC) to develop the world's first two ammonia dual-fuel Aframaxes. This marks a significant milestone in AET's decarbonisation journey and underscores the importance of collaboration across the shipping industry as we navigate the complexities of energy transition.

As part of the larger MISC Group, we also proactively participated in international efforts to drive progress, such as the "Shaping the Future of Shipping Summit" at COP28, the Clean Energy Marine Hubs (a cross-sectoral public-private platform aiming to de-risk investments needed to produce low and zero-emission fuels to be transported by the maritime sector), and other project-specific collaborations including the Castor Initiative, aimed at advancing the development of ammonia Zero-Emissions Vessels (ZEVs).

We also remain focused on safeguarding the health and safety of our employees, a commitment that has always been, and will continue to be, a top priority for us and we are conscious of the need to instil a generative Health, Safety, Security and Environment (HSSE) culture within AET. To achieve this, we adopted the Hudson HSE Culture Ladder and are working towards realising this generative HSSE culture. Our internal campaign focuses on HSSE rules and commitments, enhancing safety habits among shore-based staff. Management engages regularly with seafarers and shore-based staff to promote HSSE awareness, and forums are organised for sharing HSSE-related experiences, strengthening our culture. Together, we are continually striving for a safer and more secure environment.

Finally, as strong governance is crucial for the sustainable growth of AET, we are committed to entrenching a culture of strong corporate governance and upholding the highest standards in business ethics and conduct. To further exemplify the importance of sustainability in our business, effective in 2024, our Audit and Risk Management Committee (ARMC) has been renamed to Audit, Risk and Sustainability Committee (ARSC). The ARSC holds an important

responsibility to ensure that AET's sustainability strategy and governance structure are aligned with our business strategy. This change enhances AET's governance on sustainability as the Board takes a more active role in overseeing the company's Environment, Social and Governance (ESG) strategy and initiatives.

As we enter another exciting year for AET, I would like to express my heartfelt appreciation to our esteemed Board for their invaluable guidance, which has been instrumental in steering our endeavours. To our customers and valued business partners, your trust and unwavering support have been the cornerstone of our success, and for that, we are truly grateful. Finally, and certainly not least, to our dedicated teams across the globe, your tireless commitment and hard work has propelled us forward and you are the future of our organisation – we thank you all for your dedication to AET.

Together, let us build on the legacy we have inherited by harnessing our collective strength and translating our vision into concrete actions that will drive meaningful change in the global energy landscape, ensuring a more sustainable tomorrow and a brighter future for AET.

Sincerely,  
Capt. Rajalingam Subramaniam

# President & CEO's Message

**Zahid Osman**  
President & CEO



"Recognising our substantial impact on the energy landscape and the pressing need to transport energy more sustainably, in 2023 we launched our new Energy Transition Strategy #deliveringProgress. This strategy aims to deliver more energy with less emissions to meet the world's need for energy security and society's demand for lower emissions."

2024 marks a milestone year for AET, as we celebrate our 30<sup>th</sup> anniversary, commemorating three decades of progress. Our growth trajectory has been steady and strategic: from a modest beginning with only three vessels, AET's fleet has expanded to over 60 vessels, supported by a team spanning seven nations. We have forged a legacy deserving of admiration and one which we are extremely proud of.

As a prominent energy shipping company, AET plays a crucial role in global supply chains, transporting energy resources essential for powering communities and economies worldwide. Recognising our substantial impact on the energy landscape and the pressing need to transport energy more sustainably, in 2023, we launched our Energy Transition Strategy #deliveringProgress. This

strategy aims to deliver more energy with less emissions to meet the world's need for energy security and society's demand for lower emissions.

This ambitious, yet pragmatic, strategy is anchored on three pillars: a resilient core business, purposeful entry into new energy business, and decarbonisation of our operations. These pillars are reinforced by a greater focus on simplification in our workflows and enhancing our partnership capabilities. This strategy also aligns with our AET2030 aspirations: a 40% reduction in GHG emissions from our fleet from the 2008 baseline, and a 50% increase in Cash Flow from Operations (CFO) compared to the 2022 baseline, with half of the increase stemming from new energy business. Built on a deep conviction that oil will remain pivotal in enabling the energy transition, our strategy charts a course towards sustainable growth while honouring our obligations to our stakeholders and the environment.

Aligned with having a resilient core business, in 2023, we achieved record breaking revenue totalling US\$1,077M and a NPAT and after minority interest of US\$236M. These figures transcend mere numbers; they represent the value we deliver to both our customers and shareholder. Our financial achievement in 2023 underscores our prudence and foresight in navigating an industry fraught with uncertainty. Our cash reserves surged by 30.5% Y-o-Y, reaching US\$287M, empowering us to confront uncertainties with confidence. Additionally, our net debt-to-equity ratio improved from 0.60 in FY2022 to 0.53 in FY2023, demonstrating our commitment in strengthening our balance sheet.

As part of the decarbonisation of our operations, in 2023, we reduced our fleet's GHG emissions intensity by 6%, Y-o-Y. Our targeted efforts to decarbonise encompasses both capital investments, such as investment in lower carbon-emitting LNG dual-fuel assets, and operational initiatives, such as adoption of biofuels and the implementation of Shaft Power Limitation (ShaPoLi) across our assets to limit their fuel consumption and GHG emissions. Our US\$1 B investment in LNG dual-fuel assets now contributes 13.3% to our revenue.

Turning ambition into action in the decarbonisation of our operations, in 2023 and early 2024, we took delivery of three new LNG dual-fuel VLCCs, rejuvenating our fleet and marking a pivotal milestone in our sustainability journey. Notably, one of the vessels, the Eagle Veracruz, was named by Singapore's Minister for Sustainability and the Environment, Grace Fu, who is also the Lady Sponsor of the vessel. This gesture demonstrates the commitment of Singapore, AET, and the MISC Group in continuing to reduce emissions and achieving net-zero emissions by 2050. In further strides towards decarbonisation, AET has recently signed an agreement for the building of two ammonia dual-fuel Aframax tankers. This further demonstrates our commitment in decarbonising the shipping industry.

Aligned with a purposeful entry into new energy business, we are actively exploring opportunities in areas related to carbon value chain, offshore wind value chain and future fuels, to ensure sustainable growth. We do this with clear intention to future-proof our portfolio.

We also secured a US\$100M sustainability-linked Islamic Revolving Credit Facility (RCF), marking the first of its kind in the shipping industry in Southeast Asia. This landmark agreement not only broadened our funding options, but also underscores our commitment to sustainability and serves as a prime example of collaboration between the financial and shipping sectors

to reduce the carbon footprint of the shipping industry.

Moving forward in 2024, AET's talent is pivotal for executing our strategy. With the strength of over 270 staff (inclusive of both onshore and offshore) from 19 different nationalities, our team brings diverse perspectives and experiences. We continuously strive to improve by implementing new initiatives aimed at supporting, nurturing, and upskilling our staff as we adapt to the evolving post-pandemic work landscape. We continue to intensify efforts to foster inclusion, diversity, and achieving merit-based gender parity, exemplified by the 42% of senior positions held by women, post reorganisation.

Nevertheless, despite the considerable progress we've achieved on numerous fronts, I would like to reaffirm our unwavering commitment to HSSE. It transcends mere regulatory compliance; it serves as our moral compass in guiding every decision we make. One fatality is one too many, and we are committed to do better in safety to ensure everyone working at AET goes home safely, every day.

Looking ahead to 2024 and beyond, I am confident that AET stands ready for a journey brimming with promise and potential. In this moment of reflection and anticipation, I wish to express my thanks to our customers for their steadfast support and to our Board and our shareholder.

I would like to take this opportunity to also share a recent Board update as Capt. Rajalingam Subramaniam has made the decision to step down as Chairman and Non-Independent Non-Executive Director of AET and Datuk Abu Huraira Abu Yazid has been appointed as Chairman and Independent Non-Executive Director of AET.

On behalf of the Board of Directors, the Leadership Team and all staff, I would like to extend our deepest gratitude to Capt. Rajalingam for his guidance and contributions as our Chairman. As we welcome Datuk Abu Huraira as Chairman of AET, who has a long history with the MISC Group and through his role as Chairman of MISC, we look forward to his leadership and guidance on our journey to #deliveringProgress.

I am also deeply thankful to our staff, whose enduring contributions, past and present, have been instrumental in shaping AET's success. They are at the heart of making AET what it is today.

Sincerely,  
Zahid Osman





# Celebrating 30 Years of Progress and Our People

Over the last 30 years, AET has demonstrated remarkable growth both as an owner and operator of maritime transportation assets and as a specialised maritime service provider. It is safe to say that we have come a long way from our humble beginnings with three vessels in 1994, to becoming a leader in the tanker and lightering industry.



Our commitment towards building a better world has been, and will always be, deeply engrained within the DNA of the company. Since our founding 30 years ago, we have strived to give back by supporting the communities around us in meaningful ways.

As AET has grown, so too has our commitment to delivering more energy with less emissions. We maintain our unwavering dedication to innovation and leadership within the shipping industry and recognise the imperative to decarbonise efficiently as we work towards our net-zero target by 2050. We are poised to embark on bold initiatives to catalyse substantial transformation and establish pioneering benchmarks for conscientious shipping practices.

Our 30-year journey has bestowed AET with a great legacy, and we remain dedicated to translating our ambitions into action for a more sustainable and resilient maritime future.

#deliveringProgress  
#oneAET



1994

2024

## 1994-2004: Building Foundation

**1994**

Founded as American Eagle Tankers, in Houston, with three vessels

**2002**

First two VLCCs arrived, acquired lightering competitor MTL Petrolink to become a leading force in US Gulf lightering

**2003**

Acquired by MISC and expanded to more than 50 crude tankers in the following year



VLCC Eagle Virginia was our first VLCC delivered in 2002

## 2005-2014: Growth

**2007**

Rebranded as AET



**2011**

Commissioned the world's first purpose-built Lightering Support Vessel (LSV) and started lightering services in Latin America

**2012**

Expanded business in Latin America with the delivery of our first two DPSTs in Brazil

Took delivery of our first Suezmax tankers

**2014**

Operationalised the world's first and only two MCVs

## 2015-2024: Resilience

**2015**

Entered Norwegian market with delivery of two DPSTs

**2017**

Pioneered two of the world's first LNG dual-fuel Aframaxes

**2020**

Took delivery of two LNG dual-fuel DPSTs for operations in the North and Barents Seas

**2022**

Two among the world's first LNG dual-fuel VLCCs delivered, including Eagle Valence that was named Tanker of the Year and certified as a Green Ship by Maritime and Port Authority of Singapore (MPA)

Took delivery of six DPSTs

**2023**

Inked Collaboration Agreement with Akademi Laut Malaysia (ALAM) and Winterthur Gas & Diesel (WinGD) to drive development of engines for ammonia dual-fuel vessels

Took delivery of two LNG dual-fuel VLCCs

Inked Southeast Asia's first sustainability-linked Islamic RCF in the shipping industry

**2024**

Kickstarted our global 30<sup>th</sup> Anniversary celebration

Delivered and named Eagle Veracruz, our latest Singapore-flagged LNG dual-fuel VLCC, which also marked the Singapore Registry of Ship's 100 million gross tonnage milestone

Signed contracts with PTCLCL and DSIC to build two of the world's first ammonia dual-fuel Aframaxes



2024 Naming in Singapore of our latest Singapore-flagged LNG dual-fuel VLCC, Eagle Veracruz

# Celebrating 30 Years of Progress and Our People

At AET, our people are at the heart of everything we do and that will always remain true.

Today, our 270-strong workforce comprising onshore staff, Mooring Masters and workboat crews represent a rich diversity of backgrounds and nationalities across our eight offices in seven countries. As a global organisation, we owe our continued success to our employees both past and present. Hear from some of our employees in their own words about what working at AET, and our 30<sup>th</sup> anniversary, means to them.



"Being a woman, having zero maritime background, and working in a male-dominated industry I thought that it would be difficult to be taken seriously. But AET proved me wrong! I am lucky to be surrounded by great co-workers who are willing to teach and empower me. Thanks for all the support and for always making sure my voice is heard."

**Paola Bessa**  
Lightering Operator, Rio de Janeiro

"One of the things I have cherished in my decade-long career with AET has been the diverse cultures and groups of people I have had the pleasure to have on my team and work with. Seeing the different cultures, beliefs, and personalities come together to accomplish common goals and values has been one of the highlights of my career."

**Capt. David Boudreaux**  
Head of Lightering, Houston



"Back then, as a young person who was striving to make some progress in a career, I was given an opportunity for a scholarship by this esteemed organisation to pursue my dream. Here am I, having been in this organisation for the last 30 years and hoping to continue to serve further. Meeting new people, learning new skills and being part of the industry, at sea and onshore, has given me the knowledge to serve this organisation better."

**Capt. Halisham Ismail**  
HSSE Manager, Singapore



"AET is a diverse community that prioritises the growth and well-being of its employees. Throughout my journey here, I've been presented with numerous opportunities to upskill and expand my capabilities, both personally and professionally. Whether through training programmes or challenging projects, AET consistently encourages and supports our development. I'm grateful to be part of a company that not only talks about growth but actively cultivates it, making each day a rewarding step forward in my career journey."

**Yvonne Chai**  
Head, Enterprise Risk Management (ERM), Commercial Assurance and Business Improvement, Singapore

"What continues to astound me is AET's unwavering dedication to staying ahead in adopting new technologies and spearheading green initiatives, all to surpass our decarbonisation targets. While our aspirations are significant, I have no doubt that AET will accomplish everything it sets out to achieve. We really are #oneAET."

**James Horn**  
Senior Insurance Executive, London



"My career at AET has been rewarding! I have had the opportunity to develop my critical thinking skills as well as my soft skills to collaborate effectively on global projects. Moreover, it has empowered me to navigate diverse perspectives with confidence and tact."

**Fathin Idris**  
Senior HSSE Executive, Singapore



# Our Business

- Our Global Presence
- Our Global Operations
- Our Fleet and Services
- MISC's Services Across the Energy Value Chain

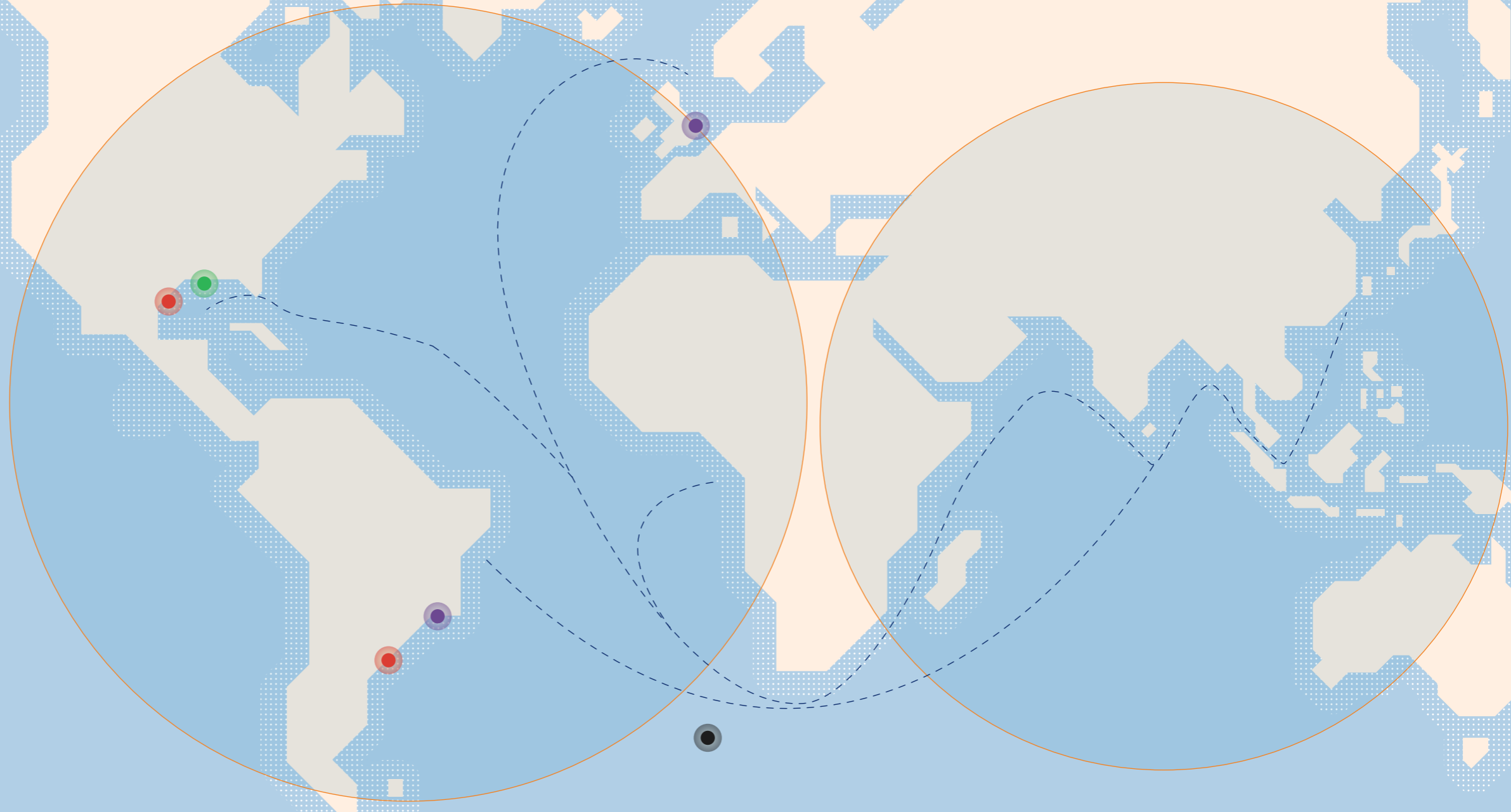
# Our Global Presence

- Large commercial presence
- Offices to support operations and client relationships

172 Onshore Staff
 56% Male
 44% Female
 19 Nationalities

100+ Mooring Masters and Workboat Crew
 7 Countries





# Our Global Operations

**Lightering: the US Gulf**  
 We are a market leader in the US Gulf lightering sector, with a track record of more than 15,500 STS transfers completed.

**Lightering: Latin America**  
 We continue to expand our presence in Latin America with over 670 STS operations completed in Uruguay and Brazil.

**DPST: Brazil**  
 We are a market leader with 13 DPSTs operating in Brazil.

**DPST: North and Barents Seas**  
 We boast a strong regional presence in the DPST market since 2015, following our partnership with an energy major. We have two LNG dual-fuel DPSTs that are among the world's first such vessels.

**MST: Atlantic and Pacific Regions**  
 Our Mid-size Tanker (MST) fleet generally operates in the Atlantic and Pacific regions either on spot or period charters.

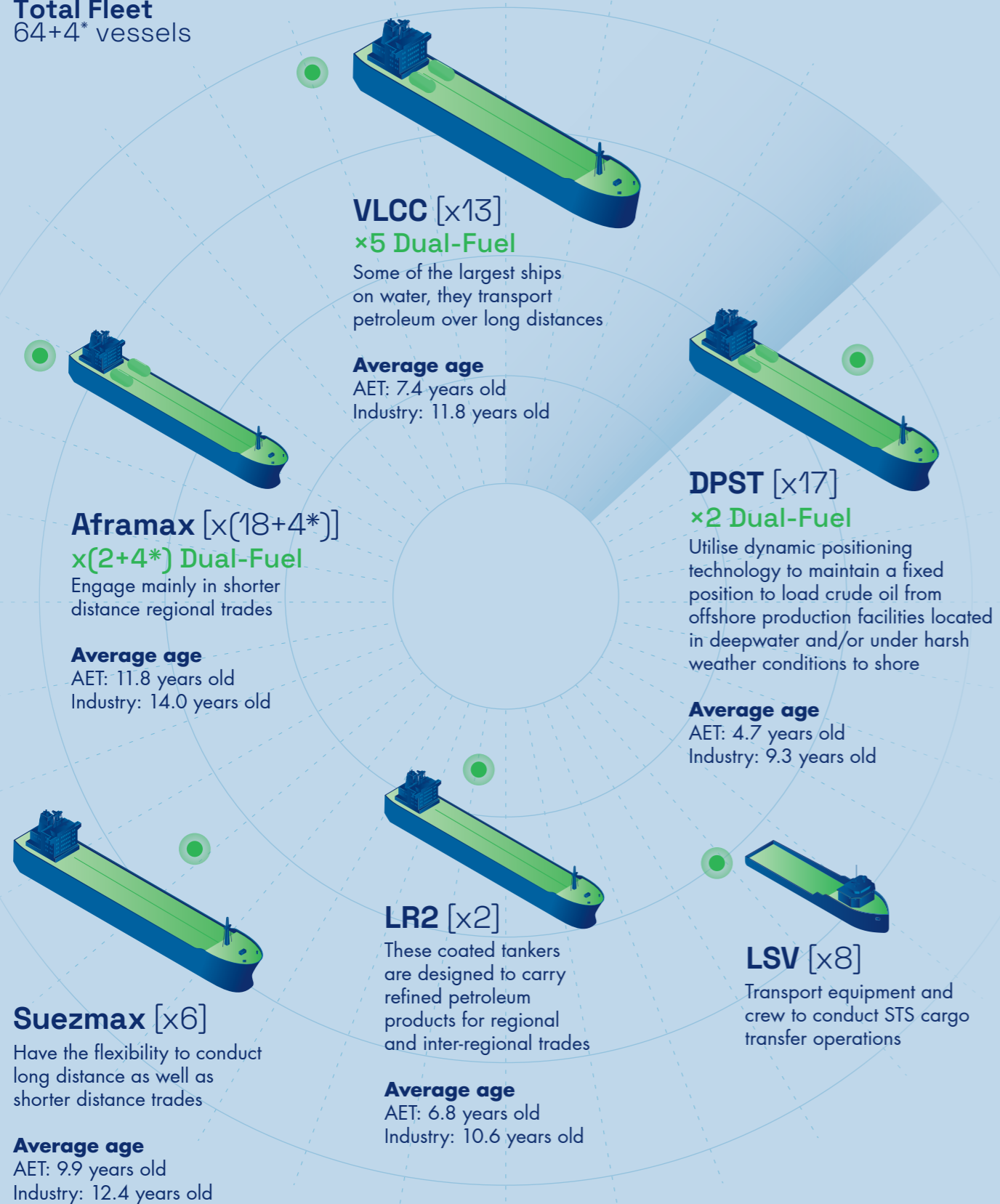
**MCV: the US Gulf**  
 Our MCVs normally trade as Aframaxes, with a readiness to respond should a well control incident occur in the US Gulf.

**VLCC: Global Trading**  
 We are among the top 20 global players in this segment with 13 vessels. Our VLCCs are mostly on long-term time charters with strategic customers. The key trade routes are Middle East-East and USG-East.

**Product**  
 Intra and inter-regional product trades.

# Our Fleet and Services

**Total Fleet**  
64+4\* vessels



## Our Specialised Services



### LNG Dual-Fuel Tanker Operations

We have nine LNG dual-fuel vessels in our fleet – two Aframaxes operating in the Atlantic and Pacific regions, two DPSTs operating in the North and Barents Seas, and five VLCCs operating globally. These vessels are among the most environmentally friendly in the tanker market. They offer 99% reduction in Sulphur Oxides (SO<sub>x</sub>) emission, 85% reduction in Nitrogen Oxides (NO<sub>x</sub>) emission, 95% reduction in particulate matter and up to 30% reduction in Carbon Dioxide (CO<sub>2</sub>) when operating on LNG as compared to conventional bunker fuel.



### Specialist DPST Operations

AET is a leading owner-operator of DPSTs. These vessels are the crucial link between offshore production assets located in extreme environmental conditions and the discharge port. They act as virtual pipelines where conditions are not suitable to lay physical pipes. In 2020, we notched up a world first when we delivered two LNG dual-fuel DPSTs for operation in the North and Barents Seas. These two vessels are also equipped with Volatile Organic Compound (VOC) recovery systems. Our cutting-edge vessels, together with our expanding infrastructure and personnel in Norway and Brazil, give us an unrivalled ability to service customers.



### Lightering Operations

We offer best-in-class integrated STS lightering and conventional voyage services that deliver synergy and provide customers with a one-stop shop to meet all their needs. We have performed more than 15,500 STS transfers and are a market leader in the US Gulf region. Supported by a base dedicated to lightering operations in Galveston, Texas, our fleet of purpose-built LSVs and our own dedicated pool of Mooring Masters and their assistants ensure consistently safe and high-quality operations. Our lightering operations in offshore Uruguay and the Brazilian Basin provide our Latin American customers with additional flexibility. We have performed over 670 lightering operations in offshore Uruguay and Brazil and continue to steadfastly expand our presence in Latin America.



### Operating MCVs

We are the only operator of these highly specialised vessels (included in the Aframax fleet) designed to perform hydrocarbon capture in the event of a well incident. Our two MCVs are able to carry out the safe capture of hydrocarbon by combining Floating Production Storage and Offloading and dynamic positioning technology in a single Aframax hull. Their adaptable design means that they are able to handle a wide range of subsea well conditions, wellhead connection scenarios and weather conditions and can operate at depths of up to 10,000 feet. The MCV requires a highly skilled team and efficient processes ashore and afloat to mount an operation. To hone our response readiness, we regularly conduct simulated incidents. Trading within the US Gulf, our MCVs are ever ready to respond to an incident there.

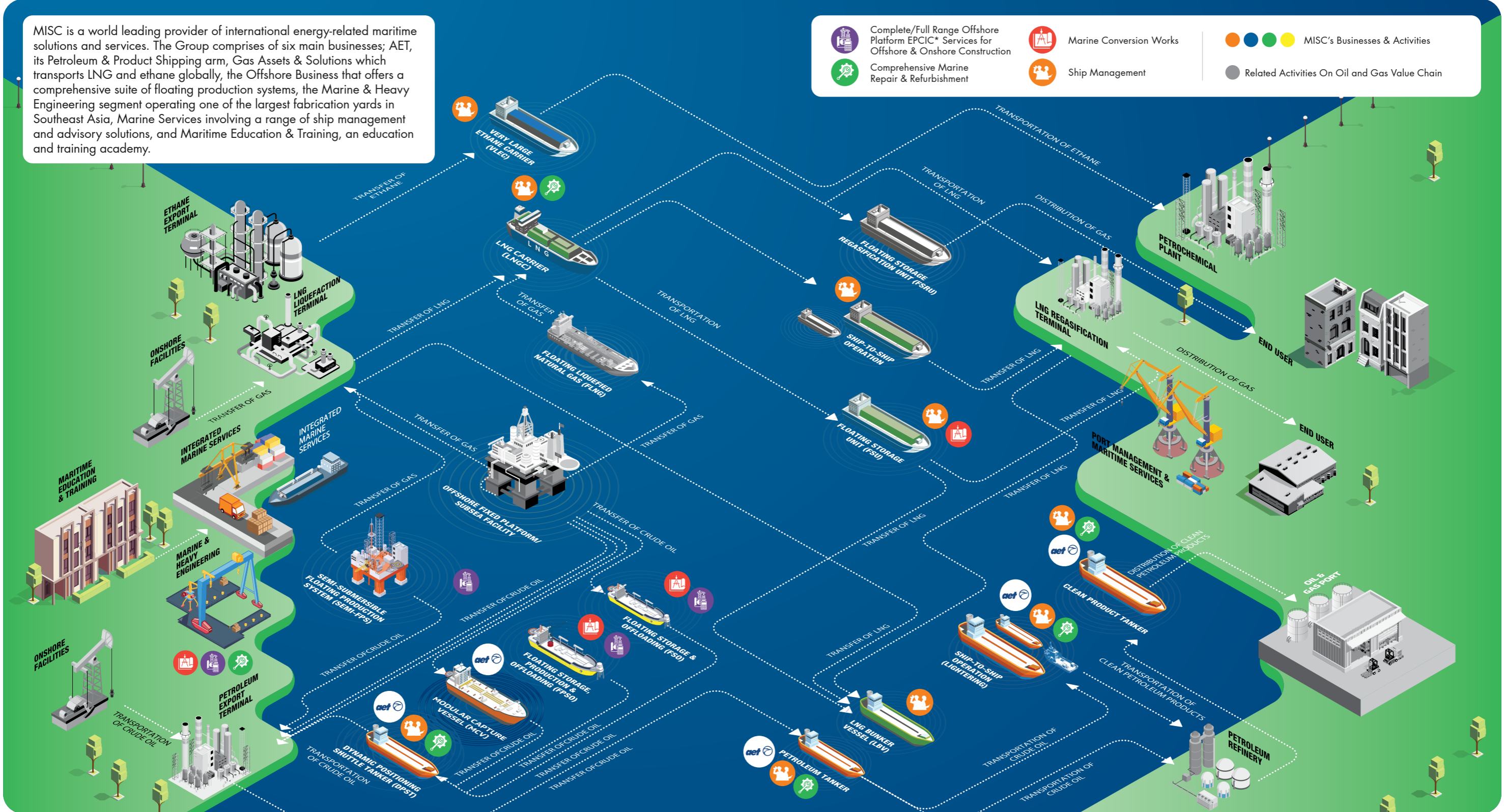
Information correct as of 30 April 2024

\*2 owned ammonia dual-fuel Aframax newbuilds and 2 signed in-chartered newbuild contracts for LNG dual-fuel Aframaxes

# MISC's Services Across the Energy Value Chain

MISC is a world leading provider of international energy-related maritime solutions and services. The Group comprises of six main businesses; AET, its Petroleum & Product Shipping arm, Gas Assets & Solutions which transports LNG and ethane globally, the Offshore Business that offers a comprehensive suite of floating production systems, the Marine & Heavy Engineering segment operating one of the largest fabrication yards in Southeast Asia, Marine Services involving a range of ship management and advisory solutions, and Maritime Education & Training, an education and training academy.

- Complete/Full Range Offshore Platform EPCIC\* Services for Offshore & Onshore Construction
- Marine Conversion Works
- Comprehensive Marine Repair & Refurbishment
- Ship Management
- MISC's Businesses & Activities
- Related Activities On Oil and Gas Value Chain



\*Engineering, Procurement, Construction, Installation and Commissioning

Transition Strategy

Progress

AET Energy Transition Strategy

#delivering

# Our Strategy

- Key Macro Trends and Drivers
- Risks and Opportunities Within Our Industry
- Our Energy Transition Strategy
- How We Create Value
- Our Perspective: Ammonia's Role as an Energy Carrier



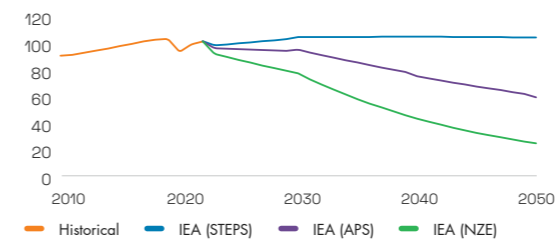
# Key Macro Trends and Drivers

## Evolving Energy Demand

As the world's demand for energy continues to grow so does the urgency to shift toward lower carbon energy sources to reduce GHG emissions. However, the pace of transition is uncertain.

To help understand the outlook for the world energy landscape, the International Energy Agency (IEA) explores three scenarios. Within the Stated Policies Scenario (STEPS) and the Announced Pledges Scenario (APS), global oil demand is forecasted to peak within this decade. However, it remains a key energy source during the transition period. The Net Zero Emissions by 2050 Scenario (NZE) sees oil demand falling away more rapidly.

Global Oil Demand by IEA Scenarios (mbpd)



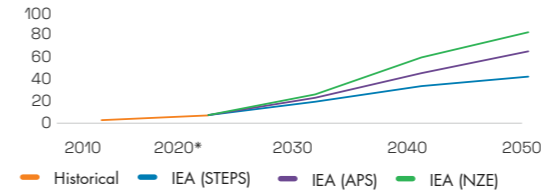
### Implication



Oil and tanker demand is expected to remain strong during the transition period. Opportunities exist for tanker owners who can transport oil in a more sustainable manner during this time.

As demand for hydrocarbon energy sources including oil eases, renewable energy increases to replace hydrocarbons to become the largest future source of energy with wind energy being a major component.

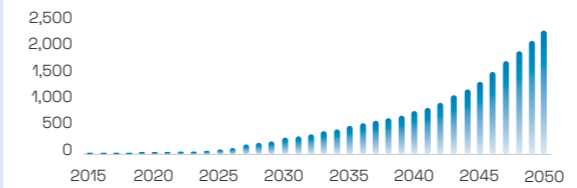
Global Wind Energy Demand by IEA Scenarios (exajoule)



The rapid growth of renewable energy, especially offshore wind, presents opportunities for specialised vessels to support the lifecycle of wind farms during construction, operation and decommissioning.

Carbon Capture, Utilisation and Storage (CCUS) is increasingly accepted as an essential part of the solution that will allow the hard-to-abate sectors to meet the net-zero goals.

Installed CCUS Capacity Outlook (MMtpa)



The growth of CCUS projects will require reliable shipping solutions for the transport of CO<sub>2</sub> for use in other products, or for long term storage.

## Increasingly Stringent Environmental Regulations

Within the past decade, there have been new regulations introduced, ranging from ship energy efficiency requirements to the sulphur cap on fuel, and requirements for ballast water treatment systems.

Shipping is already the most energy efficient form of transport, accounting for only 2.89% of global anthropogenic GHG emissions in 2018. Yet, to achieve the goal of net-zero emissions by 2050, more needs to be done.

### European Union (EU) Emissions Trading Scheme (ETS)

Shipping to be included in the EU ETS carbon trading system

2023

2024

2025

2030

2040

2050

### International Maritime Organization (IMO) Short-term

Energy Efficiency Existing Ship Index (EEXI) and Carbon Intensity Indicator (CII) are IMO directives requiring significant energy efficiency improvements in the existing fleet taking effect January 2023

### FuelEU Maritime

EU regulation to limit the yearly average GHG emissions intensity of energy used on board a ship sailing from and/or to EU ports

### GHG Levy

IMO agreed to a timeline to adopt regulation for global GHG levy in 2025 with expected entry into force in 2027

### EEDI (Energy Efficiency Design Index) Phase 3

Phase 3 will be implemented for remaining ship types

### IMO Indicative checkpoint of 70% reduction in total annual GHG, striving for 80%

### IMO

- 40% reduction in CO<sub>2</sub> per transport work compared to 2008 levels
- 5% uptake of zero-emissions fuels, striving for 10%
- Indicative checkpoint of 20% reduction in total annual GHG, striving for 30%

### IMO

Net-zero GHG emissions, by or around, i.e., close to 2050



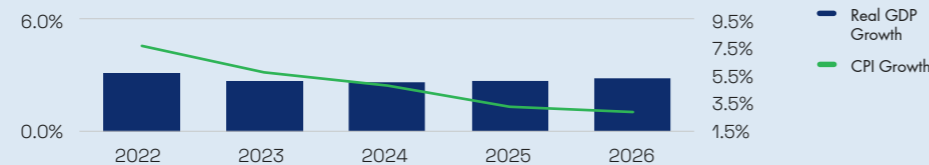
As regulations become more stringent and pricing of emissions expands to cover more of international shipping, demand for more energy efficient ships will increase as they will cost less to operate. This provides incentives for the development of lower to zero-emission fuels, propulsion systems and emissions abatement technologies.

\*Estimated Sources: IEA, IHS Markit, IMO and European Commission

# Risks and Opportunities Within Our Industry

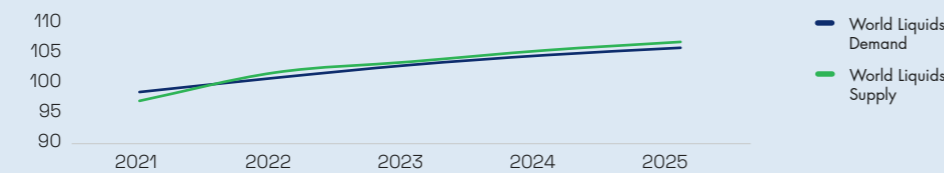
## Global Economic Outlook

Real Gross Domestic Product (GDP) Growth (LHS-%) and Consumer Price Index (CPI) (RHS-%)



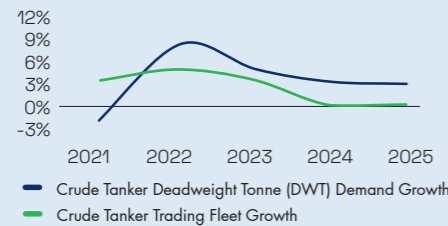
## Global Oil Market Outlook

Oil Market Demand and Supply (Million Barrels per Day)

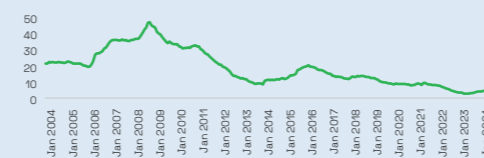


## Crude Tanker Market Outlook

Crude Tanker Demand and Supply (%)



Crude Tanker Orderbook as a Percentage of Fleet DWT (%)



## Geopolitical Developments

### Top Five Global Risks Ranked by Severity over the Short-term

1. Cost-of-living crisis
2. Natural disasters and extreme weather events
3. Geoeconomic confrontation
4. Failure to mitigate climate change
5. Erosion of social cohesion and societal polarisation

Geoeconomic confrontation – including sanctions, trade wars and investment screening – was considered a top-five threat over the next two years, among 42 countries surveyed in the Executive Opinion Survey done by the World Economic Forum in 2023.

## Technological Advancement

CH<sub>4</sub> H<sub>2</sub> NH<sub>3</sub>  
New Fuel Options

Smart Ships

Artificial Intelligence (AI)

Digitisation of Shipping Ecosystem

### Risks

- Inflation appears to have peaked but remains high. The ongoing tightening of monetary policy by major central banks could restrain economic growth.
- Cost of capital likely to remain high

### Opportunities

- Owners with strong balance sheet and access to capital may be better positioned to take advantage of growth opportunities
- Industry consolidation to achieve economies of scale

### Risks

- Global oil demand expected to continue growing. However, slower economic growth and geopolitical tensions could dampen demand.

### Opportunities

- Increasing oil demand in Asia Pacific and growing supply in the Americas create market imbalances, driving up tonne miles and tanker demand
- Non-Organization of the Petroleum Exporting Countries Plus (OPEC+) oil supply growth is expected from North America, Latin America and Norway

### Risks

- Weaker than expected oil demand could dampen crude tanker demand and tanker earnings growth

### Opportunities

- Tanker market expected to remain strong on the back of tight tanker supply due to new environmental regulations, limited orderbook and an improved tanker demand market

### Risks

- Geopolitical events and tensions can have substantial impacts on tanker markets, affecting shipping routes, oil supply chains, and market dynamics

### Opportunities

- The Russia-Ukraine conflict and Red Sea crisis have highlighted the impact of geopolitical events on trade routes. Events such as these could translate to increased sailing distances and hence tonne-miles for tankers.

### Risks

- Uncertainty over fuel choices and other emissions-saving technologies creates risks for owners ordering new vessels
- Increasing adoption of digital technology and connectivity increases the risks of cyberattacks

### Opportunities

- Ship owners that invest in and adopt feasible propulsion and technologies can gain competitive advantages

# Our Energy Transition Strategy

#deliveringProgress

Designed to propel AET towards a future where we deliver more energy with less emissions



## AET2030 Aspirations

**50% increase in CFO** compared to 2022 baseline, with half of the increase coming from new energy

**40% GHG emissions reduction** from 2008 baseline

## Resilient Core

### What we intend to do

This is an area we have expertise in that will provide AET with a reliable source of income to support our operations and financial commitments to our stakeholders. We intend to strengthen our core business and maintain growth through high asset utilisation, cost optimisation, portfolio rejuvenation and maintaining a high proportion of secured income. To build resilience and remain relevant under the energy transition period, we will continue to explore ways to deliver energy in a differentiated manner.



We continue to rejuvenate our fleet with modern, efficient vessels that not only enhance our operational capabilities, but also reduce emissions. Between 2023 and 2024, AET took delivery of three LNG dual-fuel VLCCs. Our dual-fuel assets contributed 13.3% of our gross revenue in FY2023.

## Profitable New Energy

### What we intend to do

As the world increasingly moves towards sustainable energy sources, our business finds itself at a crucial juncture to explore avenues in energy transition. With the global shift towards low-carbon fuels, investing in renewables and waste-to-value opportunities becomes imperative towards ensuring our long-term viability and competitiveness.



With the expansion of offshore wind, and CCUS initiatives, alongside efforts in zero-emission future fuels, we will be focusing on our new energy business.

## Decarbonisation

### What we intend to do

AET has a defined net-zero pathway with clear and actionable targets. In meeting the targets set within the pathway, we will also ensure we meet the environmental regulations set out by the authorities. We have identified short- to medium-term GHG reduction levers including energy efficient ship operations, LNG and ammonia dual-fuel assets, and deploying energy-saving devices/technologies on our existing vessels. We will continue to actively collaborate with industry partners to explore and adopt emerging technologies and solutions as they develop, working towards the goal of introducing ZEVs by 2030.



In 2024, we signed newbuilding and long-term TCP contracts with partners to develop the world's first ammonia dual-fuel Aframax. This is a bold step forward for not only AET, but the shipping industry itself, and reinforces AET's commitment to providing safe and lower carbon energy transport solutions aligned to our aspirations.

## Enablers

### Simplification

Look internally, streamline processes

### Partnership

Look externally, look for opportunities to grow

# How We Create Value

AET plays a vital role in the transportation of petroleum and tankers are the primary means of transporting crude oil from oil-producing countries to refineries and markets around the world. We aim to fulfil that need by

sustainably, responsibly, and economically delivering innovative shipping solutions and services to meet the world’s evolving energy needs. We also aim to create a positive difference to the communities we operate in.

## Inputs

### Financial Capital

Our financial capital is sourced from internally generated funds, as well as from equity and debt financing

### Physical and Intellectual Capital

Our fleet of 64 vessels (as of 30 April 2024) and expertise in DPSTs, MCVs and specialised STS lightering operations ensure resilient operations. AET is also a pioneer in LNG dual-fuel assets.

### Human Capital

AET’s experienced Board, pool of 172 onshore staff and over 100 mooring masters and workboat crew help steer the business. We also work with ship managers to operate AET’s ships efficiently and safely.

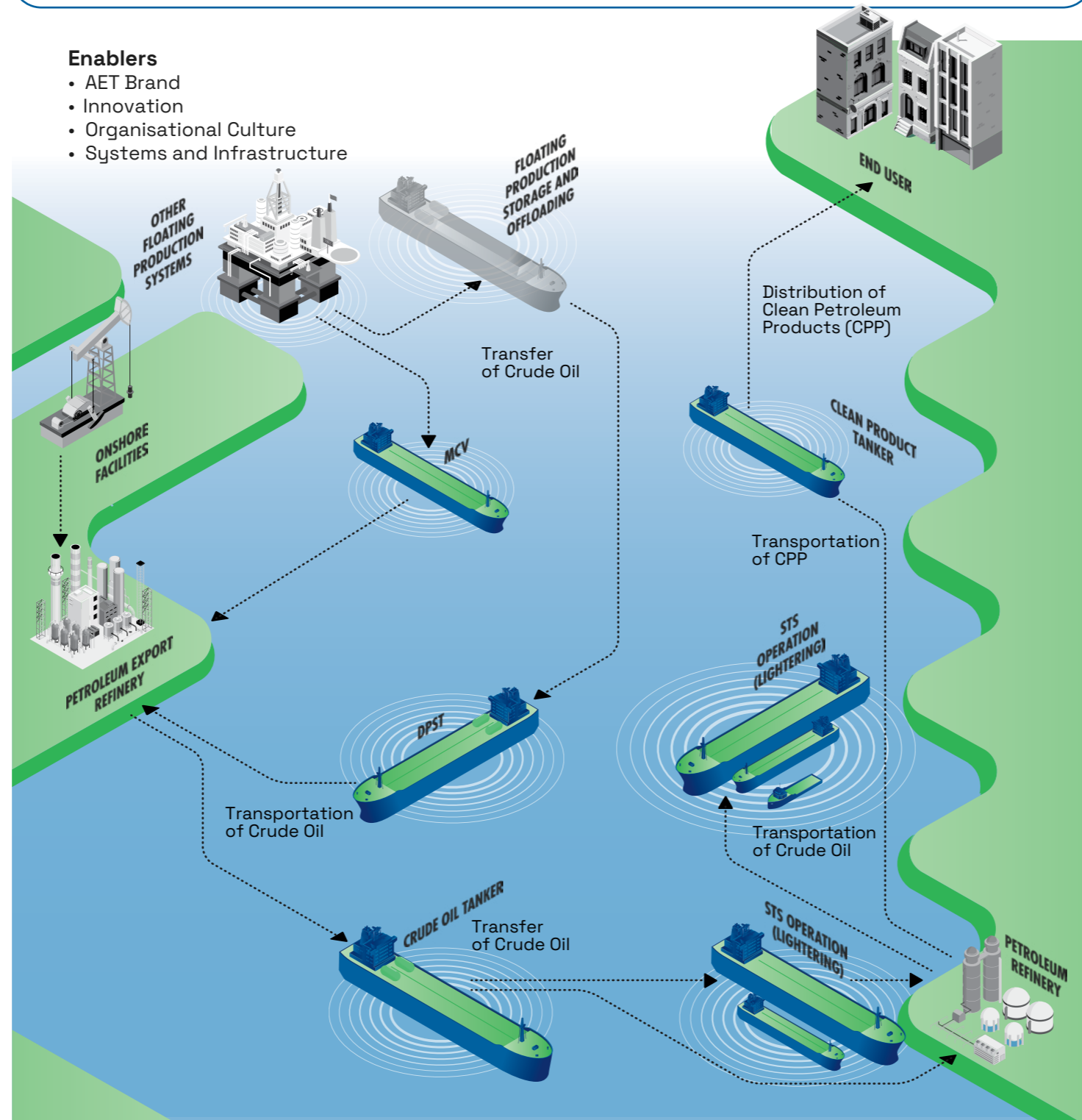
### Social and Relationship Capital

We foster strategic partnerships and trusted relationships with stakeholders such as our customers, suppliers, governments, regulators, unions, local communities & industry bodies across the globe

### Natural Capital

AET uses natural resources such as water and bunker fuel to run our operations at sea

## Key Activities



### Enablers

- AET Brand
- Innovation
- Organisational Culture
- Systems and Infrastructure

## Key Outcomes

### Financial Capital

#### Visibility into future cashflow

- Through our secured income strategy (62% EBITDA secured in 2023), we have better visibility into future cashflow while being able to manage market volatility

#### Stronger capital structure and financial resilience

- Improved profitability (from US\$190M in 2022 to US\$236M in 2023) and reduced leverage (Net Debt to Equity, from 0.60 times in 2022 to 0.53 times in 2023)
- 2.2% Y-o-Y improvement in shareholder’s equity and 30.5% Y-o-Y improvement in cash and bank balances in 2023

### Physical and Intellectual Capital

#### Fleet rejuvenation, enhancing operational capabilities & reducing emissions

- Continued to modernise the AET fleet with the addition of three new state-of-the-art LNG dual-fuel VLCCs in 2023/2024

### Human Capital

#### Better employee engagement and Leadership Effectiveness (LE)

- 5 point improvement in employee engagement in 2023
- 7 point improvement in LE in 2023

#### Creating a safe environment

- LTIF of 0.17 and TRCF of 0.25 in 2023
- 48 vessels received the CSA Jones F. Devlin Award for Safety in 2023

### Social and Relationship Capital

#### Improving transparency and building trust with stakeholders

- Enhanced our disclosures by reporting information with reference to the SASB and GRI standards in AET Connects in 2024, despite being a private company

#### Giving back to the communities we operate in and building connections

- An increase of over 20% in our staff volunteering hours in 2023
- Providing educational opportunities through our scholarships and internship programmes

### Natural Capital

#### Positive outcomes:

- Total Scope 1 AERCO<sub>2e</sub> reduction in 2023 (Y-o-Y): 6%
- 40 vessels obtained CSA Annual Environmental Achievement Award in 2023
- Six vessels maintained their Green Award certification through the Green Award Foundation

#### Negative outcomes and impacts:

- Increase in total Scope 1 absolute GHG emissions reduction in 2023 (Y-o-Y): 2%
- 3,246 m<sup>3</sup> of vessel garbage generated in 2023

# Our Perspective: Ammonia's Role as an Energy Carrier

Interest in ammonia is driven both by its potential as a zero or near-zero emissions fuel and by its anticipated importance in the world economy as an efficient, transportable energy carrier. As the world looks towards a hydrogen (H<sub>2</sub>) economy to decarbonise, the properties

of ammonia render it more suitable for trading across oceans than H<sub>2</sub> in its pure form. And as more ships begin to carry ammonia, more will become candidates for using it as fuel, in addition to increasing non-gas carrying vessels using it as bunker fuel.

## Main Types of Ammonia



Type of Ammonia	Production Process	Carbon Treatment	CO <sub>2</sub> Emissions
<b>Grey ammonia</b>	Usually refers to the use of natural gas in steam methane reforming to produce H <sub>2</sub> . The H <sub>2</sub> and Nitrogen (N) are then made into ammonia using the Haber-Bosch process.	Natural gas reacts with high-temperature steam to produce the H <sub>2</sub> needed for ammonia synthesis, but also releases CO <sub>2</sub> as a by product <b>Steam methane reforming:</b> $CH_4 + 2H_2O$ (steam) = $4H_2 + CO_2$	<b>Highest</b>
<b>Blue ammonia</b>	Same method as grey ammonia but with utilising Carbon Capture and Storage (CCS)	CO <sub>2</sub> is released, similar to grey ammonia but is captured, hence the overall CO <sub>2</sub> emissions are greatly reduced	↓ Lowest
<b>Green ammonia</b>	H <sub>2</sub> is typically produced from water electrolysis. The H <sub>2</sub> and N are then made into ammonia using the Haber-Bosch process. Renewable energy is used in its production.	Zero CO <sub>2</sub> is produced during the process <b>Water electrolysis:</b> $2H_2O$ (water) + Renewable energy = $2H_2 + O_2$ (oxygen)	

## Key Properties of Ammonia

- No sulphur**
- Boiling point**  
-33.3°C (at 1 bar pressure)
- Density**  
Liquid 680kg/m<sup>3</sup> at -33°C at 1 bar pressure
- Energy density**  
18.8 MJ/kg
- No carbon**

Energy Density Comparison Table

	Liquefied Ammonia	Methanol	LNG	Liquefied Hydrogen	Gaseous H <sub>2</sub> (350 bar)
Density (kg/m <sup>3</sup> )	696	790	450	70.8	23.35
Storage temp (°C)	-33	Ambient	-162	-253	25
Storage pressure (barg)	1	1	1	1	350
Lower heating value (MJ/kg)	18.8	19.9	48	119.93	119.93
Volumetric energy density (GJ/m <sup>3</sup> )	13.1	15.7	21.6	8.49	2.8
Volumetric comparison (MGO)	2.94	2.44	1.78	4.52	13.73

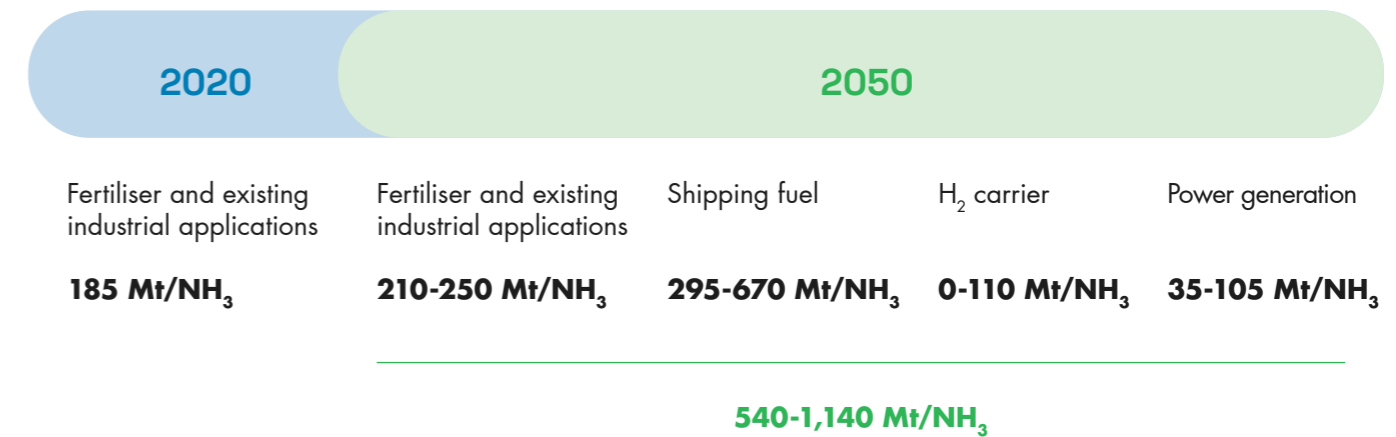
## Factors to Consider for Ammonia as a Bunker Fuel

Social Acceptance	Safe Handling/ Infrastructure	Ammonia Scalability
Potential to reduce the environmental impact of the maritime industry	Industrial and maritime cargo experience to draw on	Better energy carrier than liquefied hydrogen
Lifecycle analysis: 'actual' environmental reduction, only if supply is from green production	Ability to regulate and reduce risk	Existing production (although requiring large transformation to produce and supply near-zero or net-zero ammonia)
	Lack of existing bunkering infrastructure	Technology maturity demonstrated upstream
	Skills and training requirements	Transportation and opportunity to consume ammonia cargo as fuel
	Regulatory landscape currently inadequate for ammonia's use as fuel	

## Ammonia Demand, Mt/NH<sub>3</sub> Per Year

Ammonia is produced and has been used in large quantities as fertilisers and in other existing industrial applications for decades, where there is available knowledge on its handling, storage and operation. Growth in ammonia demand in the future will mainly come from new applications in maritime and power

generation. Under maritime applications, it can be separated into two streams: increasing demand for ocean transportation from gas carriers, some of which will use the cargo as a fuel; and increasing demand specifically as a bunker fuel for non-gas carrying vessels.



## AET on Ammonia

Recognising that there are multiple pathways in maritime decarbonisation, ammonia does stand out as a particularly promising option. Its potential lies in its ability to serve as a clean alternative fuel, offering significant reductions in GHG emissions compared to conventional bunker fuels. Given the opportunities that ammonia can bring to the maritime industry, we are

currently collaborating with partners to make progress in using ammonia as a bunker fuel as well as exploring ammonia as part of our new energy business-future fuel value chain. The signing of newbuilding and long-term TCP contracts with partners to develop the world's first ammonia dual-fuel Aframax was a significant milestone for AET and the wider maritime industry.

Source: Lloyd's Register, Mission Possible Partnership and Ammonia Energy Association



# Our Leadership

- ↗ Board of Directors
- ↗ Executive Leadership Team

# Board of Directors



**Capt. Rajalingam Subramaniam**  
Chairman,  
Non-Independent  
Non-Executive Director  
(June 2023 - May 2024)

- Capt. Rajalingam was Chairman of the AET Board from 1 June 2023 to May 2024. In addition, he is the President and Group CEO, and Non-Independent Executive Director of MISC Berhad since 1 October 2022.
- He has been a Director of AET since 1 January 2016 and served as President & CEO of AET from 2016-2023
- He began his career at sea and has held various positions in the MISC Group, namely Vice President of Fleet Management Services at MISC Berhad, and Group Vice President of AET Shipmanagement



**Datuk Abu Huraira Abu Yazid**  
Chairman, Independent  
Non-Executive Director  
(May 2024 – Present)

- Datuk Abu Huraira Abu Yazid was appointed as Chairman of AET and Independent Non-Executive Director in May 2024
- He was also appointed as an Independent Non-Executive Director of MISC Berhad on 9 October 2020 and effective 1 January 2021, Datuk Abu Huraira was appointed as Chairman of MISC Berhad
- He is currently the Chairman and Director of Pembangunan Sumber Manusia Berhad. Some of his other present appointments include Chairman at Pusat Rehab PERKESO Sdn. Bhd. and Malaysian Maritime Academy Sdn. Bhd.



**Zahid Osman**  
President & CEO,  
Non-Independent  
Executive Director

- Zahid has been a Director of AET since 1 January 2020 and was subsequently appointed as the President & CEO of AET on 1 June 2023
- He was previously the Vice President of Corporate Planning at MISC Berhad (2022-2023) and Vice President of MISC Berhad's Gas Assets & Solutions (2017-2021)
- Prior to joining MISC Berhad, Zahid held various roles within the Shell Group of Companies for over 20 years



**Ronald Bruce Blakely**  
Independent  
Non-Executive Director

- Ronald was appointed to the Board of AET on 1 November 2016
- Prior to this, Ronald had a 38-year career with Shell in senior finance roles
- He has also served as a Non-Executive Director on various boards in the oil and gas industry and services sector



Scan to read the full team bios



**Vice Admiral (RTD) Peter Neffenger**  
Independent  
Non-Executive Director

- Vice Admiral (RTD) Neffenger joined the Board of AET on 15 November 2019
- Prior to joining AET, he had a distinguished 34-year career in the US Coast Guard (1981-2015). He also served as the Administrator of the US Transportation Security Administration (2015-2017).



**Datuk Nasarudin Idris**  
Independent  
Non-Executive Director

- Datuk Nasarudin has been a Board Member of AET since 15 June 2010. He was previously the President and Group CEO of MISC Berhad from 2010 until his retirement at the end of 2014.
- Prior to joining MISC, he served in various senior positions in the Petronas Group including as a Board Member of Petronas, Vice President of Corporate Planning and Development and CEO of KLCC Holdings Berhad



**Colin Low**  
Independent  
Non-Executive Director  
Chairman, ARMC\*

- Colin has been a Board Director at AET since 15 November 2019
- He was previously the Investment Board Director of General Electric (GE) USA for the Asia Pacific Region (2005-2010), President of GE International, Managing Director of GE Aircraft Engines (1999-2004), and Chairman and Investment Committee Chair of Singapore-listed Intraco Limited (2014-2021)



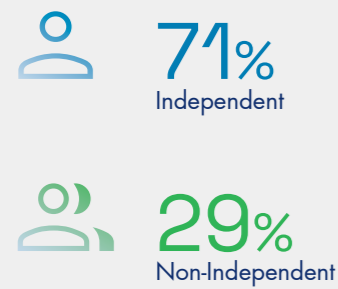
**Paula Porter**  
Independent  
Non-Executive Director

- Paula was appointed to the Board of AET on 1 January 2020
- Prior to joining AET, Paula was the Chief People Officer of Carnival UK (2012-2019) where she oversaw Human Resource (HR) operations across Asia, Europe and USA
- She has also held senior roles at B&Q, The Body Shop, Canadian Pacific and Marks & Spencer

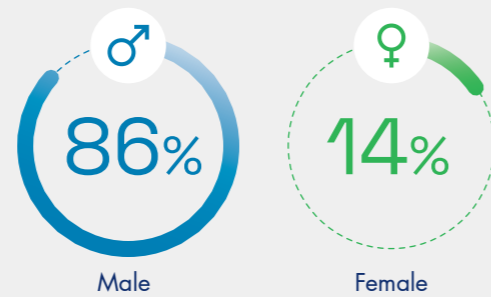
# Board of Directors

## Diversity of our Board

### Board Composition



### Gender



### Nationality



### Years of Service



### Skills and Experience



## Board Committee

### ARMC\*

Members	Position
<b>Colin Low (Chairman of ARMIC*)</b>	Independent Non-Executive Director
<b>Zahid Osman</b>	Non-Independent Executive Director
<b>Ronald Bruce Blakely</b>	Independent Non-Executive Director
<b>Vice Admiral (RTD) Peter Neffenger</b>	Independent Non-Executive Director









### 2023 Board and Board Committee Attendance

	ARMC*	Board
<b>Capt. Rajalingam Subramaniam (Chairman of the Board)</b>	-	5/5
<b>Zahid Osman</b>	5/5	5/5
<b>Datuk Nasarudin Idris</b>	-	5/5
<b>Colin Low</b>	5/5	5/5
<b>Ronald Bruce Blakely</b>	5/5	5/5
<b>Vice Admiral (RTD) Peter Neffenger</b>	5/5	5/5
<b>Paula Porter</b>	-	5/5

\*ARMC has been renamed to Audit, Risk and Sustainability Committee (ARSC), effective 2024  
Information correct as of 31 December 2023



# Executive Leadership Team (ELT)



 <b>Zahid Osman</b> President & CEO	 <b>Linda Murray</b> Global Director, HR & Facilities	 <b>Capt. Ron Wood</b> Global Director, MST Crude Shipping	 <b>Winnie Cruz-Ding</b> Global Director, Finance
 <b>Robert Sullivan</b> Global Director, Legal (General Counsel) and Business Development	 <b>Capt. Amit Pal</b> Global Director, DPST	 <b>Johan Munir</b> Global Director, Corporate Strategy & Planning and Joint Venture Management	 <b>Capt. Sachi Atmalingam</b> Global Director, HSSE and Industry Partnerships

We want to extend our heartfelt thanks to Capt. Amit Pal, Capt. Sachi Atmalingam, and Johan Munir, our outgoing ELT members, for their outstanding contributions and dedication to AET. They have played a vital role in shaping the success AET enjoys today and have helped create the strong foundations to support AET's future growth. We wish them all the best in their future roles within the MISC Group.

As AET focuses on our new Energy Transition Strategy, we have repositioned our organisational structure effective 1 April 2024 for us to be able to effectively deliver our AET2030 aspirations. As part of the reorganisation, we are pleased to welcome Capt. Pavan Kumar and Noridah Khamis, who joins our ELT from the MISC Group. Capt. Pavan will oversee operations, HSSE and decarbonisation while Noridah will be our General Counsel and Chief Integrity Officer.

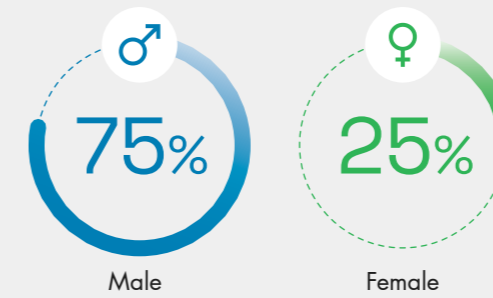


Scan to read the full team bios

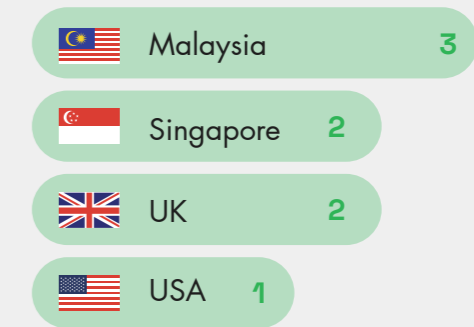
 <b>Capt. Pavan Kumar</b> Global Director, Technical - Operations, HSSE & Decarbonisation	 <b>Noridah Khamis</b> General Counsel and Chief Integrity Officer
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## Diversity of our ELT

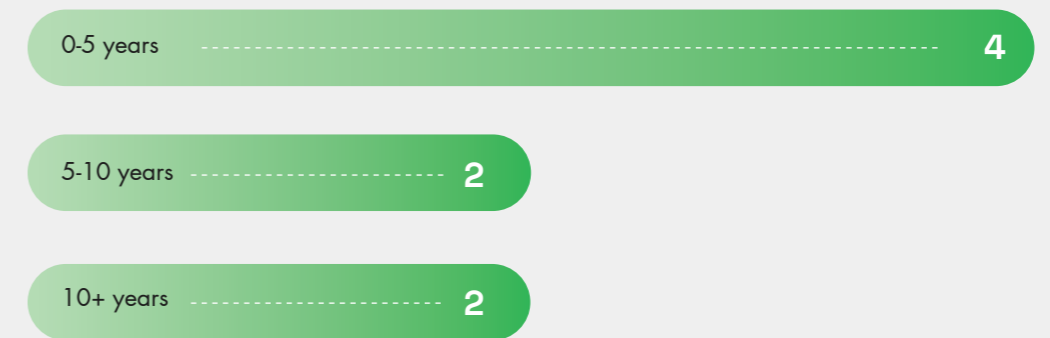
### Gender



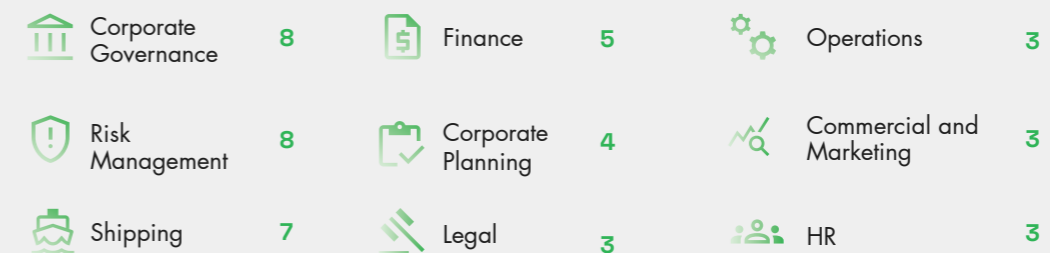
### Nationality



### Years of Service



### Skills and Experience



Information correct as of 31 December 2023

A photograph of three business professionals in a meeting. A man in a white shirt and glasses stands on the left, looking towards a woman on the right who is pointing at a laptop screen. Another man is seated in the foreground, looking at the laptop. The background features a world map on a blue wall. The image is overlaid with several large, semi-transparent green and teal shapes.

# Our Financial Performance and Year in Review

➤ Financial Performance

# Financial Performance

## Operating Environment in 2023

The oil tanker market experienced a buoyant 2023. As oil demand continued to recover from recent world events like the COVID-19 pandemic, geopolitical factors emerged and altered oil trading patterns towards longer distances, boosting tonne-mile demand. Meanwhile, a lack of clarity on future fuels and high newbuilding prices resulted in delayed orders of new tankers, leading to record low tanker orderbooks, all while the global fleet out on the seas continued to age.

2023 saw the EU and G7 impose restrictions on the import and transport of Russian oil, as a response to the invasion of Ukraine. However, Russia was able to maintain export levels, finding alternative lucrative markets to circumvent restrictions imposed by the West. As Russian exports to Europe dwindled, Russia pivoted and increased its exports to Asia. At the same time, Europe worked to substitute Russian oil with increased imports from other regions, mainly from the United States and Latin America, increasing tonne-mile demand, especially in the Aframax and Suezmax segments - key areas of operation for AET.

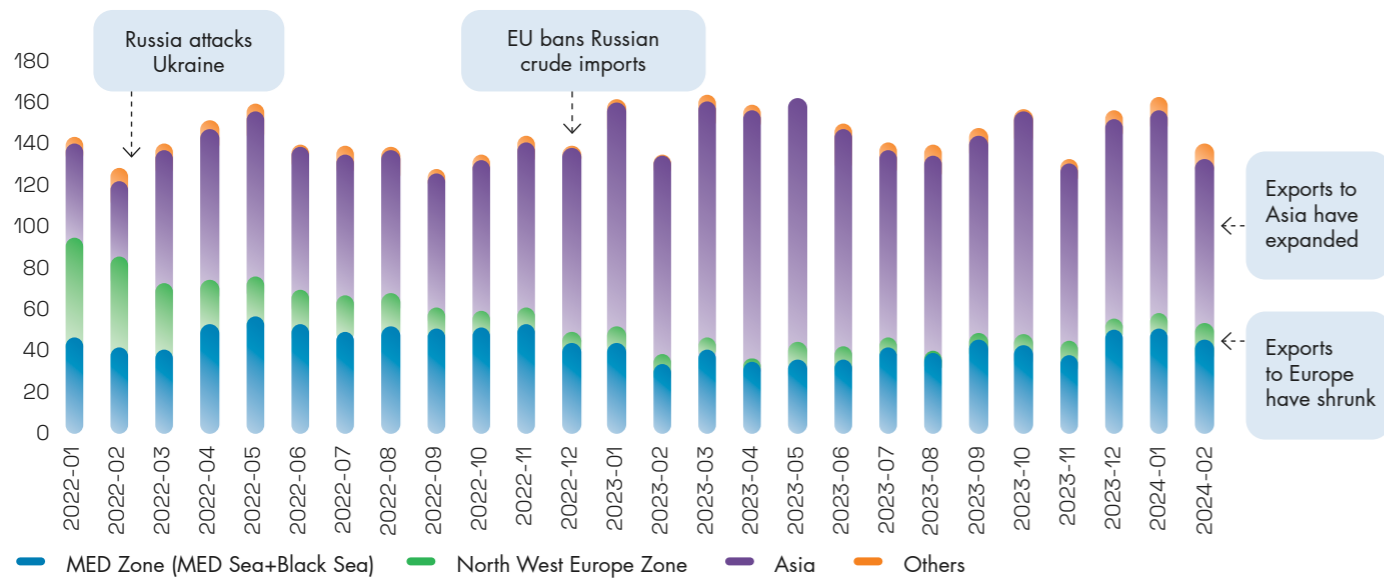
US oil exports continued to grow in 2023, helping to strengthen demand for lightering services in the US Gulf of Mexico. This is a key market for AET, and an offering that the company has invested significantly in over the past three decades, allowing us to establish and maintain a leading position.

Economic growth in China was slower than expected, affecting the oil trade in the world's largest oil importer. In response to the weaker market, the OPEC+ alliance worked to extend production cuts to support higher oil prices, reducing the volumes available for large tankers.

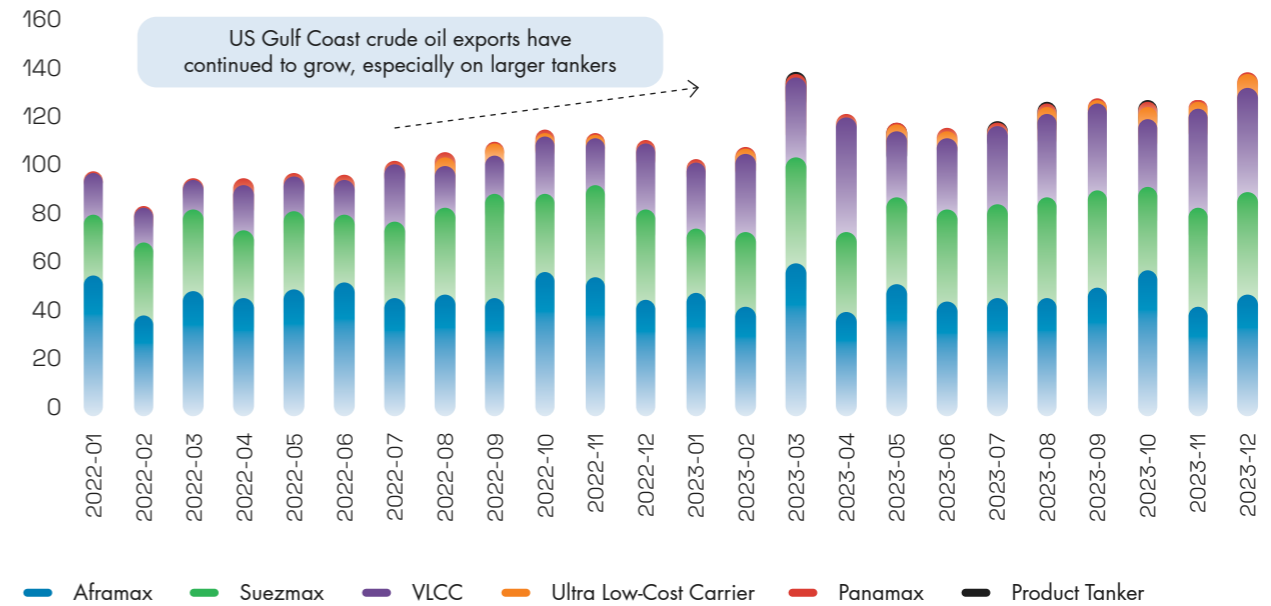
However, the tanker market is not without its challenges and the industry also faced headwinds in 2023, mainly affecting the VLCC segment.

As a result of this, average crude tanker earnings across the global fleet eased back from the recent peaks recorded at the end of 2022, yet they remained elevated and above the ten-year average for most of 2023.

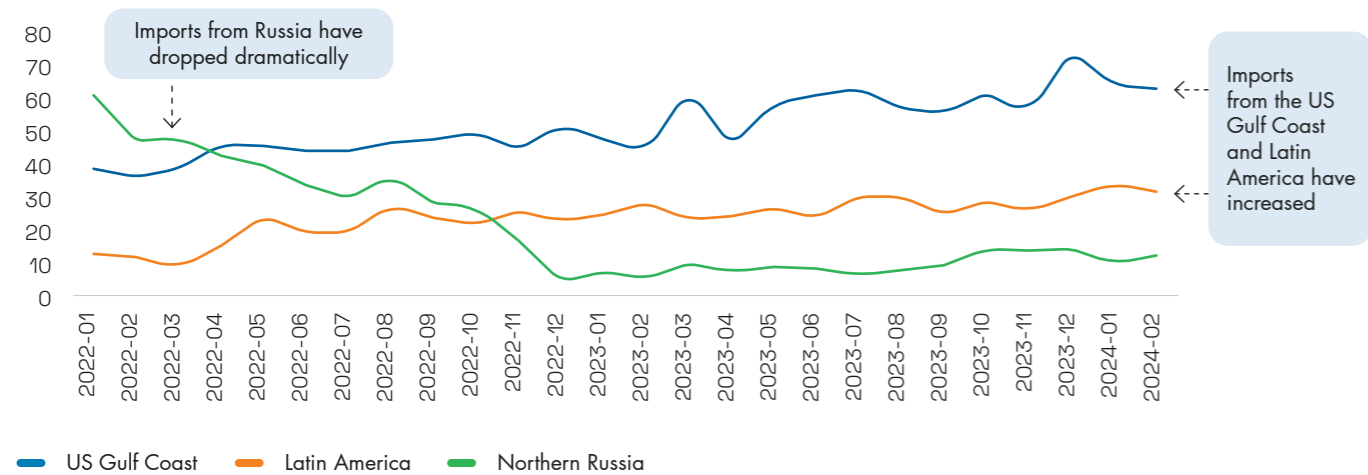
Russian Crude Oil Exports by Destination Region (million barrels)



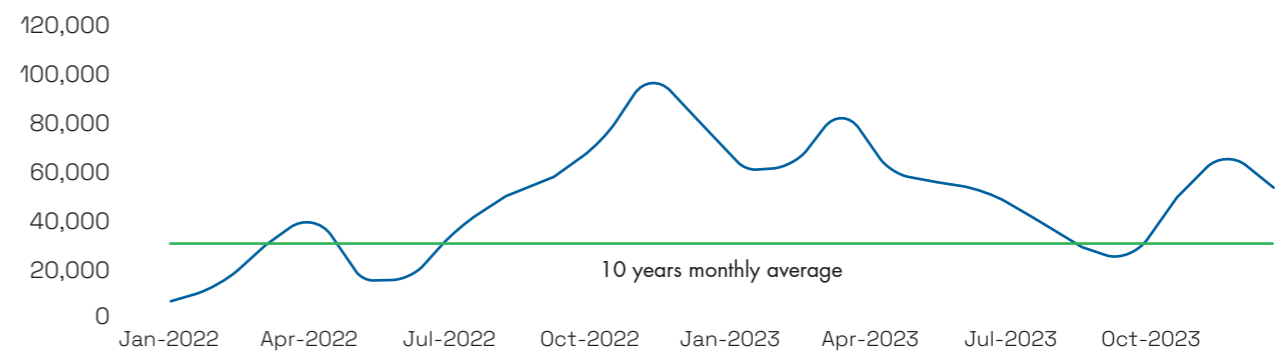
US Gulf Coast Crude Oil Exports by Vessel Type (million barrels)



European Crude Oil Imports from Selected Origin Regions (million barrels)



Weighted Average Crude Tanker Earnings (\$/day)



Source: Kpler and Clarksons Research

# Financial Performance

## Overall Performance Highlights

We delivered one of our best financial performances to date in FY2023. Revenue was US\$1,077M, an increase of US\$39M from FY2022. This lift was mainly due to the full year contribution from newbuilds that we took delivery of in 2022, offsetting a slightly reduced fleet. 13.3% of the revenue was contributed from lower carbon (LNG dual-fuel) assets.

EBITDA of US\$567M was an improvement of US\$69M, or 13.9% up, compared to FY2022 and helped by the stronger tanker market during FY2023. We also continued to improve our EBITDA margin, a reflection of the efficiency of the business – a key priority.

NPAT after minority interest surged to US\$236M compared to US\$190M in FY2022, a 24.2% improvement.

In FY2023, the level of secured income was 62%. Our secured income strategy provides AET with protection against market volatility and the stability to invest in a lower carbon future as part of the company's sustainability focus.

## Performance by Segment

Aframax and Suezmax, the MSTs, benefitted the most from the strong market environment described earlier in this report. We worked to position our assets to align with the changes in trading patterns and market opportunities whilst maintaining its commitment to customers in the lightering business.

The VLCC segment faced some headwinds due to weaker demand from China and reduced export volumes from the Middle East region. However, our focus on long-term time charters and differentiated assets helped reduced volatility and increased our revenue in this segment.

The DPST segment continued to underpin our secured income stream in FY2023 with the full year contribution from the six newbuilds that were delivered during FY2022.

## Financial Resilience

We strengthened our balance sheet and financial resilience with the continued strong cashflows generated in FY2023. Our Net Debt to Equity improved further from 0.60 in FY2022 to 0.53 in FY2023, continuing to be below the industry mean. Net Debt to EBITDA improved from 2.91 to 2.29. In FY2023, we maintained total assets at over US\$4B and managed to deliver approximately US\$144M in cash to our parent company, MISC Berhad, through the redemption of Redeemable Cumulative Preference Shares and dividend payments.

We also continued to build and strengthen our relationships with banking partners to provide flexibility in our financing.

These relationships, combined with AET's financial strength, allowed us to also secure favorable terms and interest rates. AET's Weighted Average Cost of Debt as of 31 December 2023 was 2.89% - noteworthy in the current high interest rate environment.

We further strengthened our cash and bank balances to US\$287M as of 31 December 2023, a 30.5% Y-o-Y increase.

In 2023, we also secured a US\$100M sustainability-linked Islamic RCF, the first such facility in the shipping industry in Southeast Asia. This not only broadens AET's funding options to include sustainability linked financing but is testament to our sustainability credentials.

This strong cash balance and broad access to credit positions AET well to weather potential market volatility and allows us to seize investment opportunities as they arise. We also managed to utilise our strong cash balance in the high interest rate environment to earn interest income of US\$7M during the year.

## Profitability

● 2023 ● 2022

**+3.8%**  
US\$1,077M  
US\$1,038M

Total Revenue

**+13.9%**  
US\$567M  
US\$498M

Total EBITDA

**+24.2%**  
US\$236M  
US\$190M

NPAT after Minority Interest

## Balance Sheet

● 2023 ● 2022

**+30.5%**  
US\$287M  
US\$220M

Cash and Bank Balances

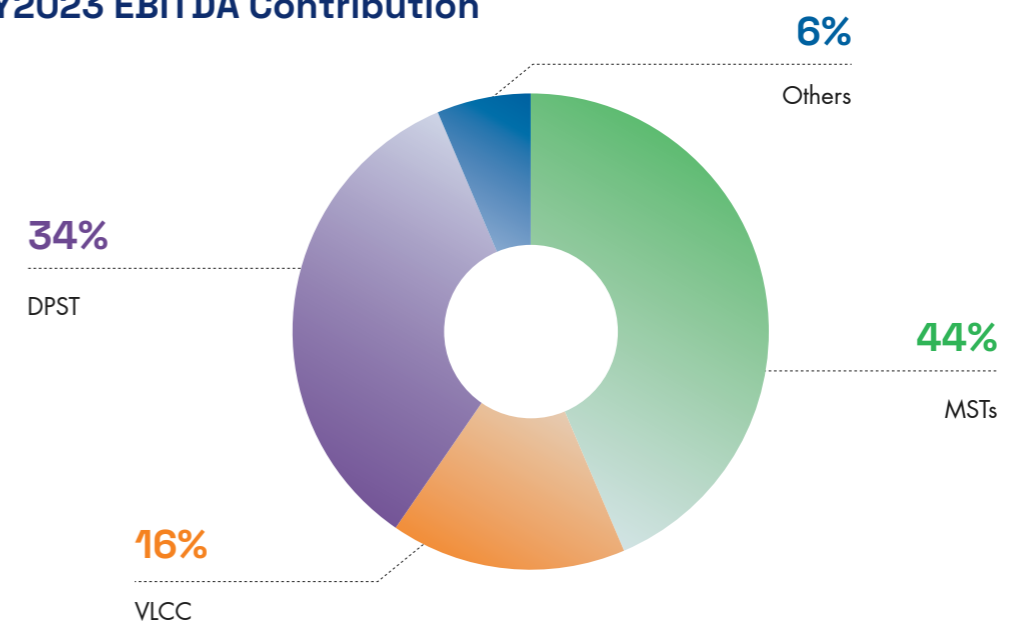
**-4.0%**  
US\$1,955M  
US\$2,036M

Total Liabilities

**+2.2%**  
US\$2,456M  
US\$2,402M

Shareholder's Equity

## FY2023 EBITDA Contribution



# Financial Performance

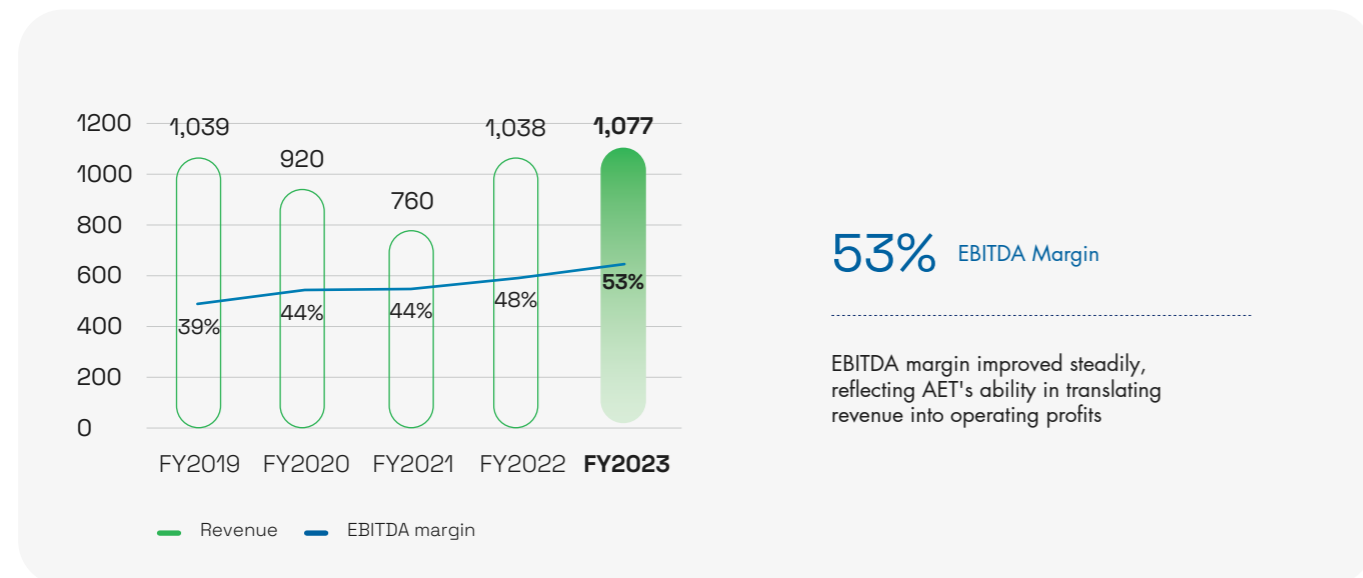
## Key Figures at a Glance

PROFITABILITY (US\$ M)	FY2019	FY2020	FY2021	FY2022	FY2023
Revenue	1,039	920	760	1,038	1,077
EBITDA	408	403	337	498	567
NPAT (operations)	41	85	41	187	237
Impairment/Gain or Loss on Sale of Assets	(31)	9	7	3	0
NPAT after Minority Interest	9	94	46	190	236

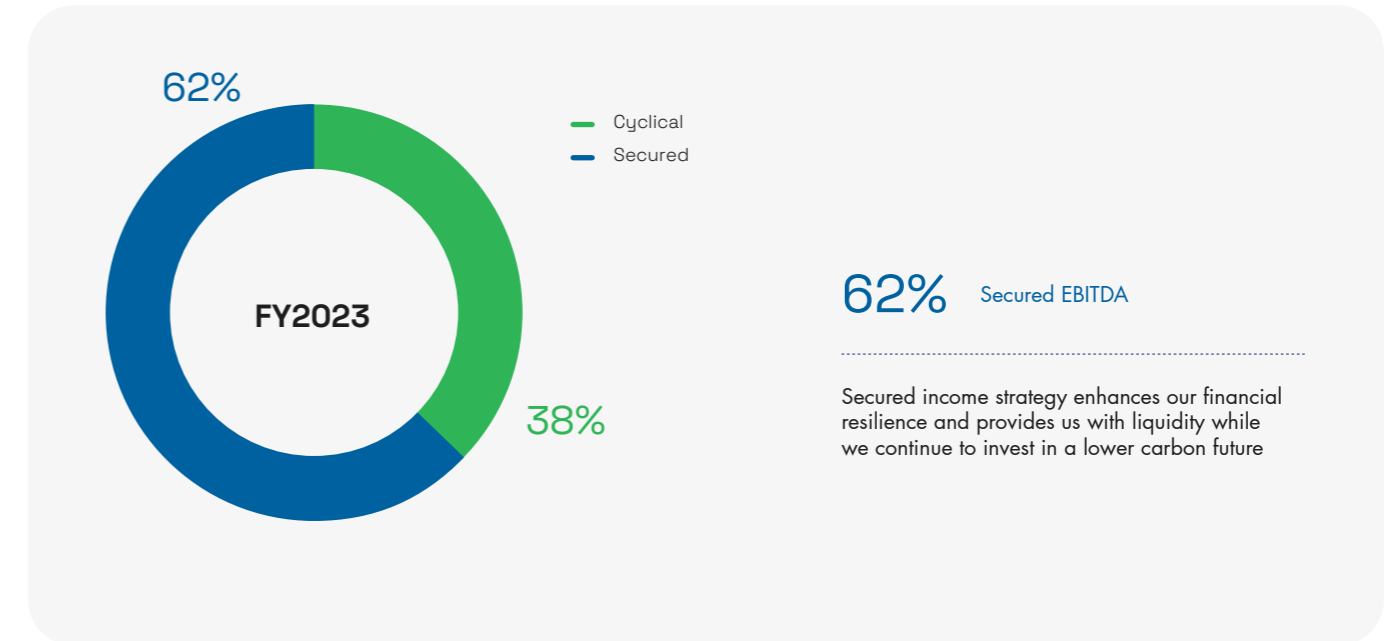
  

KEY BALANCE SHEET (US\$ M)	FY2019	FY2020	FY2021	FY2022	FY2023
Total Assets	3,876	4,134	4,198	4,438	4,412
Total Liabilities	1,756	1,987	2,034	2,036	1,955
Shareholder's Equity	2,120	2,147	2,164	2,402	2,456
Net Debt to Equity (times)	0.62	0.63	0.69	0.60	0.53

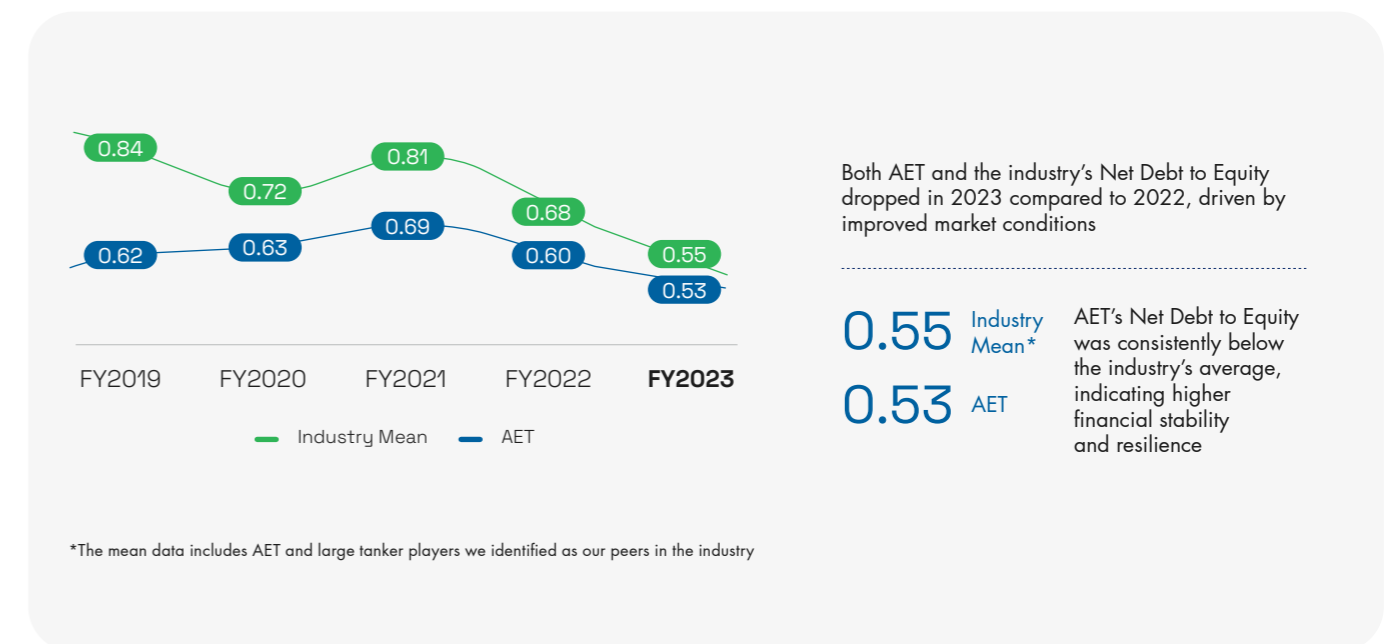
## Revenue (US\$ M) and EBITDA Margin (%)



## EBITDA by Income Type



## Net Debt to Equity





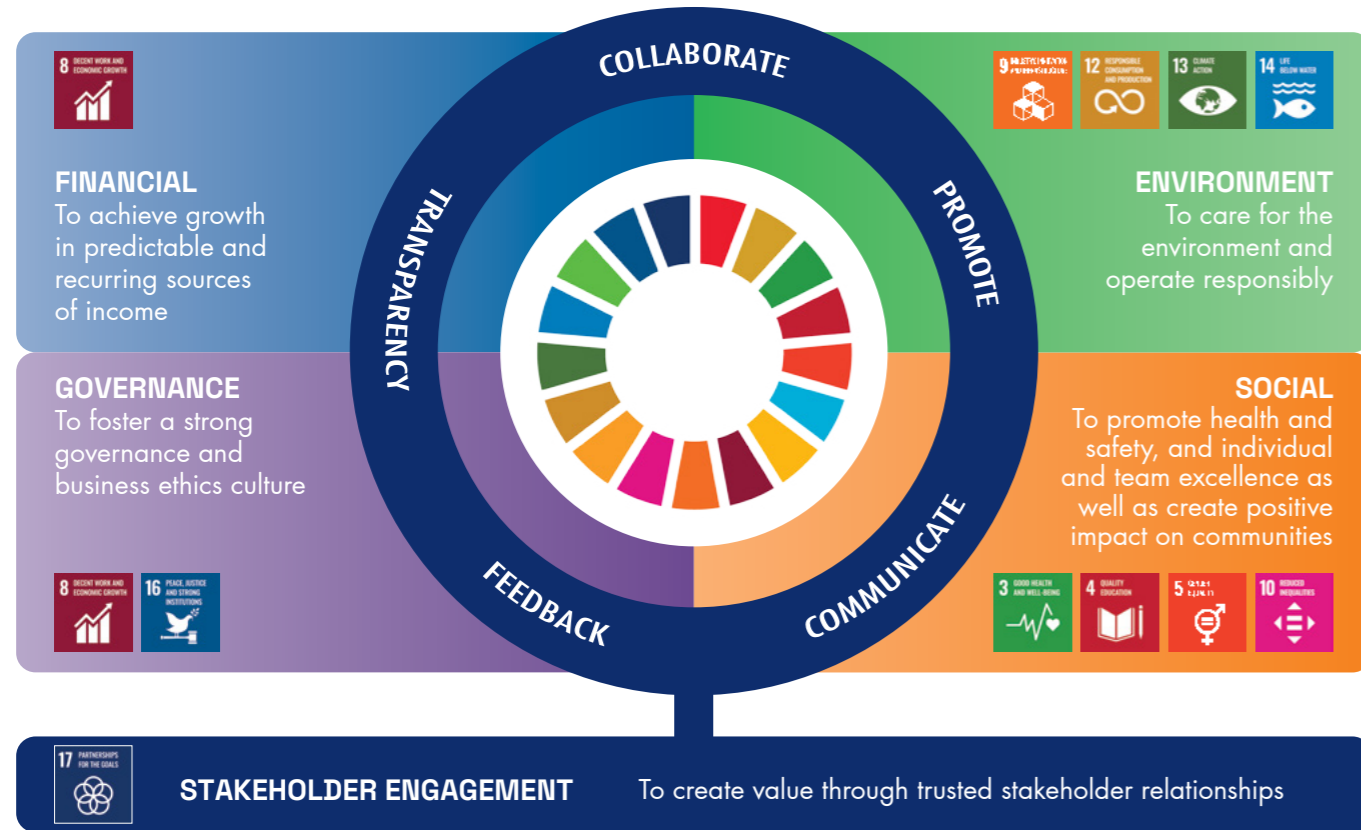
# Sustainability at AET

- Our Sustainability Strategy
- Sustainability Pillars
  - Environment, Social and Governance Pillars
  - Financial Pillar and Climate-Related Financial Disclosures
  - Stakeholder Engagement Pillar

# Our Sustainability Strategy

We are committed to becoming one of the world’s most sustainable energy-related maritime solutions and services providers, delivering long-term stakeholder value by operating safely, sustainably, and responsibly to create a positive impact on the environment and society.

Our sustainability strategy supports the UNSDGs by prioritising 11 key goals that are aligned with the organisation’s business objectives and sustainability framework.



We believe that strong governance has been a critical factor behind AET’s 30 successful years in business, and we remain committed to ensuring that governance throughout our organisation extends beyond mere compliance with principles and procedures.

Our sustainability governance frameworks are transparent and are integrated throughout the organisation, with our Board of Directors overseeing AET’s overall sustainability strategy and performance.

<b>Board</b>	Oversees the effective implementation of AET’s sustainability strategy and performance
<b>ARSC</b>	Reviews, reports, and makes appropriate recommendations to the Board on the progress and performance of AET’s sustainability strategy. Reviews reports on key ESG-related risks.
<b>ELT</b>	Chaired by the CEO, provides guidance and decision making on ESG matters and supports the ARSC and the Board
<b>Strategy &amp; Sustainability</b>	Drives and monitors AET’s progress in achieving its sustainability strategic priorities
<b>Business Units / Corporate Functions</b>	Support the Strategy and Sustainability Team and responsible for ensuring that approved initiatives are implemented

## Key Material Matters

Obtaining feedback on matters deemed material to our key stakeholders and responding to this feedback is a central element of our sustainability management approach as it ensures that AET’s sustainability agenda is built to address the concerns that matter most to both our internal and external stakeholders.

We conduct assessments every three years to evaluate the sustainability matters that are most material for AET. The last assessment was last conducted in 2022 following a double materiality approach and involving our key stakeholders.

**Our Double Materiality Approach**

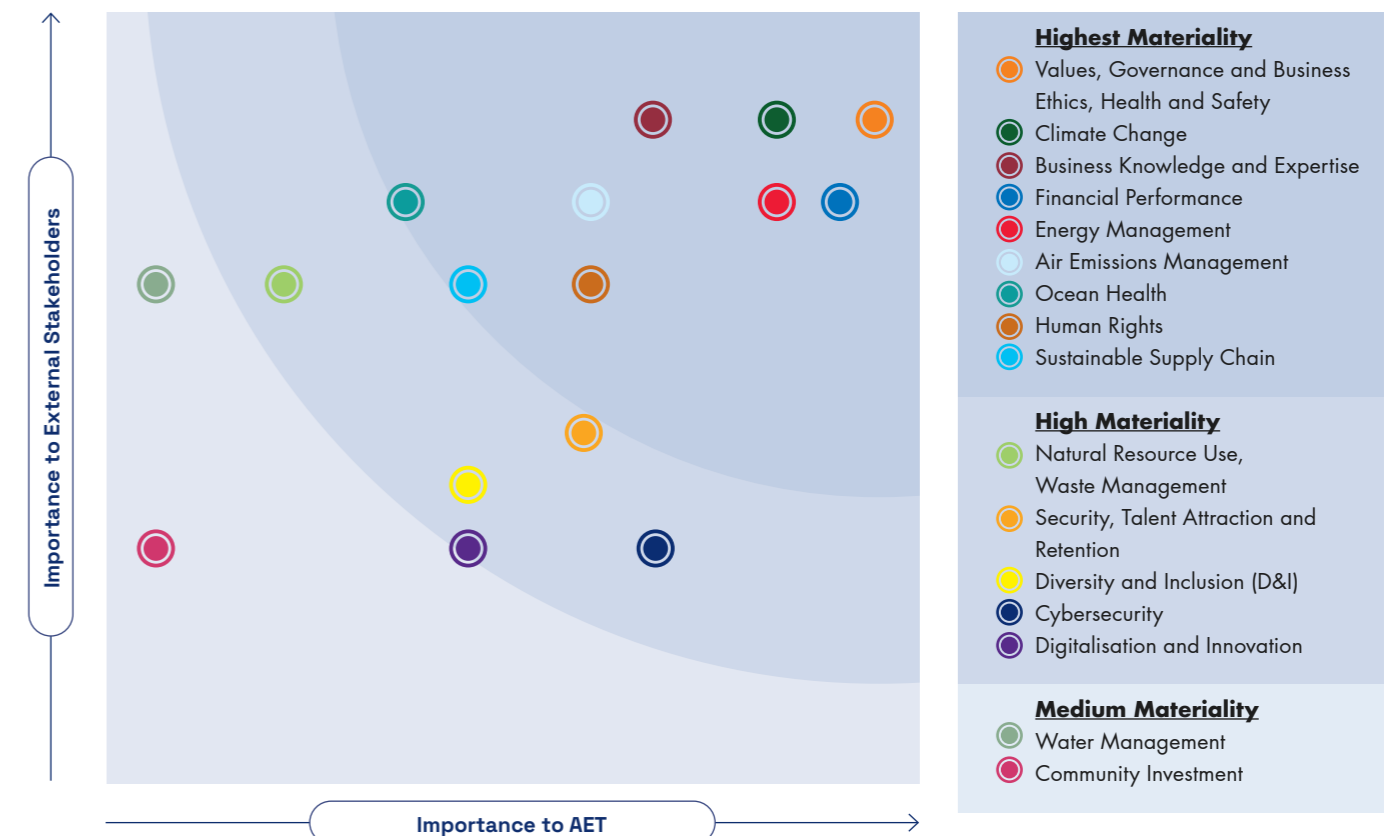
We define a sustainability matter as material based on the following criteria:

- Significant impact on the economy, environment and/or society
- Significant impact on a company's value drivers, competitive position, and long-term shareholder value creation
- Risk and opportunities of internal impact on enterprise value creation

### Selecting Material Matters



### Materiality Matrix















## Key Material Matters

Material Matters	Why these material matters are important to AET	Targets
<b>Values, Governance and Business Ethics</b>	Only by conducting ourselves with the highest standard of integrity, and embedding strong values, corporate governance and business ethics within the organisation are we able to generate sustainable financial results.	<ul style="list-style-type: none"> <li>Zero major breaches of relevant laws and regulations</li> </ul>
<b>Health and Safety</b>	We are dedicated to fostering a generative HSSE culture that emphasises safe practices and promotes a healthy environment for our employees, contractors, and local communities. Ensuring safety throughout our operations is crucial and our license to operate.	<ul style="list-style-type: none"> <li>Zero fatalities</li> <li>LTIF &lt;0.17</li> <li>TRCF &lt;0.33</li> </ul>
<b>Climate Change</b> <b>Energy Management</b> <b>Air Emissions Management</b>	Addressing climate change is a key priority for us as a significant portion of our energy consumption is derived from fuel combustion in our vessels. We are subject to, and actively work towards, meeting the requirements of, regulations that are key in driving the maritime industry towards improving energy efficiency and achieving our long-term target of net-zero GHG emissions.	<ul style="list-style-type: none"> <li>40% reduction in GHG emissions intensity in our shipping operations by 2030 (as compared to 2008 baseline)</li> <li>Net-zero GHG emissions by 2050</li> </ul>
<b>Business Knowledge and Expertise</b> <b>Financial Performance</b>	Having a strong foundation of business knowledge and expertise and maintaining a strong financial performance are crucial as it allows us to withstand challenges and capitalise on opportunities, enabling us to sustain our business performance and achieve customer satisfaction.	<ul style="list-style-type: none"> <li>Aspire to achieve a 50% increase in CFO compared to the 2022 baseline, with half of the increase stemming from new energy business by 2030</li> </ul>
<b>Ocean Health</b>	Ocean health and biodiversity hold significant importance for us due to the interaction between our business operations and the ocean environment. Our activities, if not properly controlled, have the potential to adversely impact marine habitats.	<ul style="list-style-type: none"> <li>Zero pollution</li> </ul>
<b>Human Rights</b>	Everyone deserves safety, health, well-being, and a clean and safe environment. Our commitment to upholding human rights is driven by our passion to create a positive impact on society.	<ul style="list-style-type: none"> <li>Zero human rights breaches</li> </ul>

Material Matters	Why these material matters are important to AET	Targets
<b>Sustainable Supply Chain</b>	Our suppliers play a crucial role in our sustainability journey and it is essential that they adopt ethical and environmentally responsible practices, such as a low-carbon and circular economy business models. Through collaboration with responsible suppliers, we can collectively drive positive change.	<ul style="list-style-type: none"> <li>100% of shortlisted critical suppliers assessed on ESG by 2024</li> </ul>
<b>Natural Resource Use</b> <b>Waste Management</b> <b>Water Management</b>	We are committed to the sustainable consumption of natural resources. We strive to reduce our environmental footprint through efficient energy use, conservation of freshwater and responsible waste management in both our shipping and non-shipping operations.	<ul style="list-style-type: none"> <li>27% reduction in plastic waste generation per vessel by 2025</li> <li>40% reduction in paper consumption per vessel by 2025</li> </ul>
<b>Security</b>	Given the nature of our industry and the inherent security risks, the protection of our people and assets remains a priority.	<ul style="list-style-type: none"> <li>Zero security incidents</li> </ul>
<b>Talent Attraction and Retention</b> <b>D&amp;I</b>	We are dedicated to maintaining a sustainable talent pipeline and cultivating a high-performing workforce because attracting and retaining top talent is essential for realising our business objectives. Embracing diversity and fostering an inclusive workplace culture not only drives innovation, but also promotes an environment where different perspectives are valued. These attributes are vital in ensuring our continued success.	<ul style="list-style-type: none"> <li>Retention rate: 80%</li> <li>Successor ratio (Critical Positions): 2:1</li> </ul>
<b>Digitalisation and Innovation</b> <b>Cybersecurity</b>	We embrace digitalisation and foster innovation as it enhances our ability to serve customers efficiently and adapt swiftly to market changes. However, we are also cognisant that the increased pace of digitalisation of our operations and processes means we are increasingly exposed to the risk of cybersecurity threats. We must protect our data against unauthorised access to ensure business continuity.	<ul style="list-style-type: none"> <li>Zero cybersecurity breaches</li> </ul>
<b>Community Investment</b>	We are committed to making a positive impact on society and the environment. We do this by supporting underprivileged communities, promoting quality education, and preserving the environment around us. Our initiatives strengthen strategic relationships and build mutual trust with our stakeholders.	<ul style="list-style-type: none"> <li>Award a minimum of five scholarships</li> </ul>



## Our Progress

Sustainability Pillar	Material Matters	Strategic Priorities	Our Progress since 2023	UNSDG Impacted
<b>Environment</b>	<ul style="list-style-type: none"> <li>Climate Change</li> <li>Energy Management</li> <li>Air Emissions Management</li> <li>Natural Resource Use</li> <li>Waste Management</li> <li>Water Management</li> <li>Ocean Health</li> </ul>	<ul style="list-style-type: none"> <li>Towards Decarbonisation</li> <li>Promoting a Circular Economy</li> <li>Biodiversity Conservation</li> </ul>	<ul style="list-style-type: none"> <li>Reduced total Scope 1 AERCO<sub>2,e</sub> by 6% compared to 2022 and 15% compared to 2008</li> <li>Signed contracts with PTLCL and DSIC for the world’s first two ammonia dual-fuel Aframax vessels</li> <li>Signed a collaboration agreement with WinGD to drive the development of engines for ammonia dual-fuel vessels</li> <li>The Castor Initiative: Conducted workshops and a panel discussion among members to discuss current regulations and guidelines, challenges and detailed concepts of the ammonia storage and fuel pre-treatment systems</li> <li>Continued to monitor and track our Scope 3 inventory</li> <li>Participated in MISC’s Mersing Islands Reef Conservation Initiative</li> <li>Continued to strengthen climate-related financial disclosures</li> </ul>	   
<b>Social</b>	<ul style="list-style-type: none"> <li>Health and Safety</li> <li>Security</li> <li>Talent Attraction and Retention</li> <li>D&amp;I</li> <li>Community Investment</li> </ul>	<ul style="list-style-type: none"> <li>Health and Safety</li> <li>Talent Excellence</li> <li>Community Investment</li> </ul>	<ul style="list-style-type: none"> <li>LTIF: 0.17</li> <li>TRCF: 0.25</li> <li>Rebranded and updated our Safety Rules to Life Saving Rules</li> <li>Improved our HSSE culture to ‘Proactive’ level on the Hudson HSE Culture Ladder</li> <li>Improved our PETRONAS Organisational Culture Survey (POCS) participation rate and engagement score by 10% and 5 points respectively</li> <li>Recorded 3,817 learning hours for onshore employees</li> <li>Logged 722 man-hours of volunteer work</li> <li>Sponsored 16 new scholarships: two with AET-MaritimeONE in Singapore, six with Texas A&amp;M Foundation in Galveston, US, one with Newcastle University in UK and seven vocational scholarships with Dream, Learn, Work (DLW) in Rio, Brazil</li> </ul>	   
<b>Governance</b>	<ul style="list-style-type: none"> <li>Values, Governance and Business Ethics</li> <li>Human Rights</li> <li>Cybersecurity</li> <li>Sustainable Supply Chain</li> </ul>	<ul style="list-style-type: none"> <li>Governance and Business Ethics</li> <li>Responsible Supply Chain Management</li> </ul>	<ul style="list-style-type: none"> <li>Linked management scorecard to AET’s compliance and business ethics performance</li> <li>Completed annual external audits and retained our certifications for ISO 9001 and ISO 37001</li> <li>Zero major cybersecurity breaches</li> <li>Conducted ESG self-assessments for critical suppliers</li> </ul>	 
<b>Financial</b>	<ul style="list-style-type: none"> <li>Business Knowledge and Expertise</li> <li>Financial Performance</li> <li>Digitalisation and Innovation</li> </ul>	<ul style="list-style-type: none"> <li>Financial Growth Plan</li> <li>Financial Governance Framework</li> </ul>	<ul style="list-style-type: none"> <li>Revenue: US\$1,077 M</li> <li>NPAT after Minority Interest: US\$236 M</li> <li>Net Debt to Equity: 0.53</li> <li>Secured a US\$100 M sustainability-linked Islamic RCF, the first such facility in the shipping industry in Southeast Asia</li> <li>Reviewed and updated Internal Carbon Price (ICP) to US\$68/tonne CO<sub>2,e</sub> to be used as initial sensitivity analysis for new investments from 1 January 2024</li> </ul>	
<b>Stakeholder Engagement</b>	<ul style="list-style-type: none"> <li>Refer to all material matters above</li> </ul>	<ul style="list-style-type: none"> <li>Stakeholder Engagement Activities and Disclosures</li> </ul>	<ul style="list-style-type: none"> <li>Continued to engage with internal stakeholders through townhalls, learning and development programmes, physical activities, surveys, leadership engagement events and more</li> <li>Continued to engage with external stakeholders through key conferences, industry and customer events, surveys, external disclosures, our annual publication AET Connects and more</li> <li>Improved our disclosures by reporting information with reference to the SASB and GRI standards in AET Connects for the first time in 2024</li> </ul>	

# Environment Sustainability Pillar

## Towards Decarbonisation

### Our Commitment

- Transition to low-carbon operations
- Deploy ZEVs by 2030
- Decarbonise shipping operations by 2050
- Achieve net-zero GHG emissions by 2050

### Our Contribution to UNSDGs

- 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE**
  - Design or retrofit sustainable assets that optimise resource-use efficiency with greater adoption of clean and environmentally-sound technologies
- 13 CLIMATE ACTION**
  - Design and operate assets that can reduce the effects of climate change

### Our Initiatives

- Short- to Medium-term (until 2030)**
  - Progressive fleet renewal to vessels that can operate on low-carbon fuel
  - Collaboration with strategic partners on developing Ultra-low Emission Vessels (ULEVs) and ZEVs

- Medium- to Long-term (up to 2050)**
  - Progressive fleet renewal to ULEVs and ZEVs
  - Value chain emissions (Scope 3) reduction
  - Beyond value chain mitigation
  - Explore and adopt GHG removal solutions

- Continuous**
  - Continual improvement in energy efficient designs and vessel operations
  - Increase usage of renewable energy mix

### Material Matters

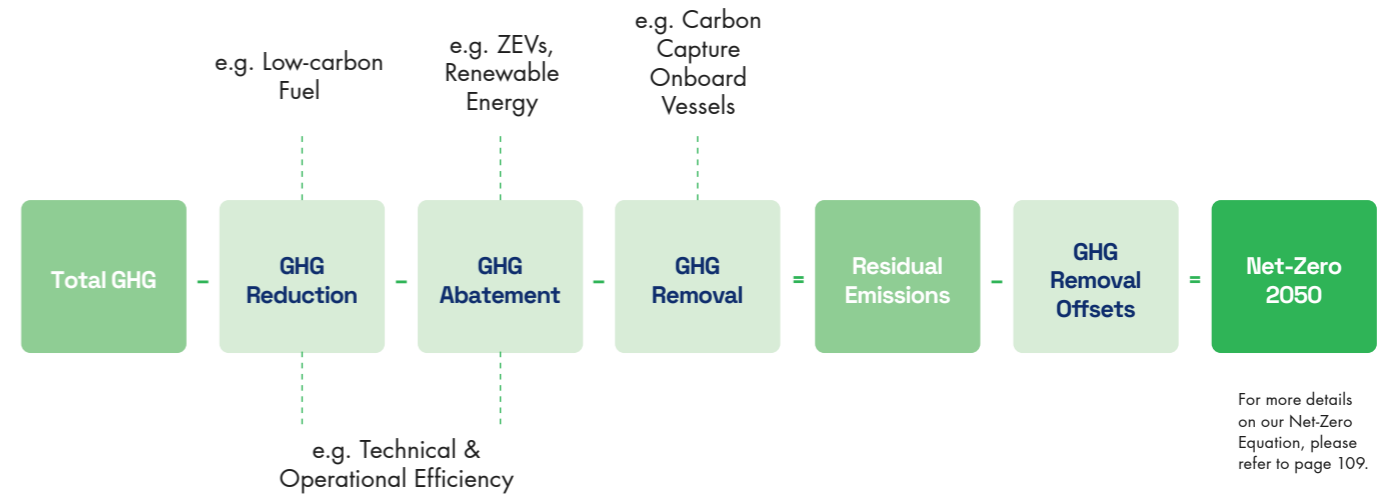
- Climate Change
- Energy Management
- Air Emissions Management

We remain committed to decarbonising our operations and have set medium-term and long-term climate targets in line with the IMO GHG emissions goals (2023 IMO Strategy on Reduction of GHG Emissions from Ships) and the broader objectives of the Paris Agreement. In 2023 we launched our new Energy

Transition Strategy, designed to propel us towards a future where we deliver more energy with less emissions. In the strategy, we introduced our aspiration of a 40% reduction in our fleet’s GHG emissions from the 2008 baseline underpinned by our decarbonisation pathways.

	Targets	Aspirations
<b>Medium-term</b>	Reduce GHG emissions intensity in our shipping operations by 40% by 2030 (as compared to 2008 baseline)	Reduce GHG emissions in our shipping operations by 40% by 2030 (as compared to 2008 baseline)
<b>Long-term</b>	Net-zero GHG emissions by 2050	-

## Our Net-Zero Equation



Our approach to achieving net-zero GHG emissions by 2050 involves a multifaceted strategy and we have established our decarbonisation pathways to help us achieve that goal. We prioritise the adoption of sustainable technologies throughout our operations and embrace cleaner and more efficient solutions to significantly reduce our carbon footprint and minimise the amount of unabated emissions we produce. However, we recognise that achieving absolute

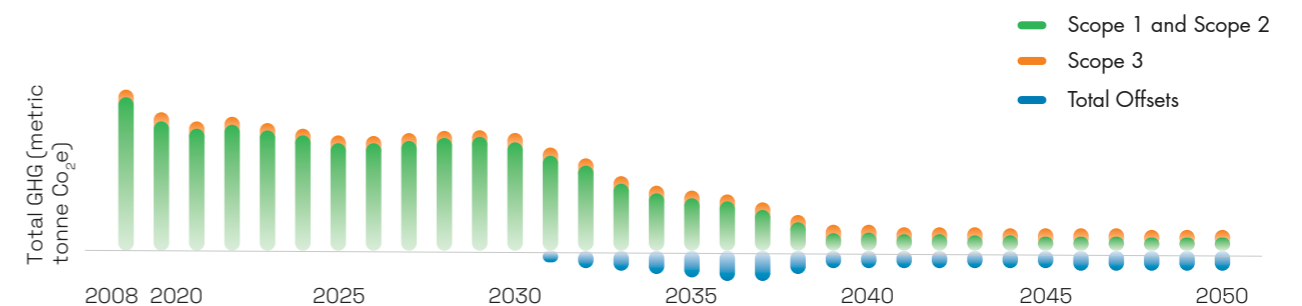
zero emissions across all aspects of our operations will be challenging. To address this, we are committed to actively offsetting any remaining unabated residual emissions that are beyond our direct control. We will achieve this by investing in high-quality nature-based carbon removal projects. These projects will effectively capture and store carbon, thereby compensating for the emissions we are unable to eliminate completely.

## Our GHG Projections

At AET, we recognise the importance of robust GHG emissions projections in guiding our sustainability efforts and tracking our progress towards our emissions reduction targets. Our projections encompass different time horizons, aligning with our specific targets for 2030 and 2050. By examining our GHG emissions intensity trajectory over these time frames, we can assess our progress in achieving our medium-term GHG emissions intensity target for 2030 and our long-term target

of net-zero GHG emissions by 2050. To ensure the accuracy and relevance of our projections, we consider a range of factors that may influence our emissions profile. This includes potential changes to AET’s asset portfolio, anticipated advancements in GHG reduction and abatement technologies and evolving regulatory policies. By incorporating these factors into our projections, we gain valuable insights into the potential challenges and opportunities that lie ahead.

AET Potential Carbon Removal/Offset Projection 2050



## Our Decarbonisation Pathways

Achieving net-zero is the ultimate long-term target for AET and it requires a robust transition plan that guides our near-term actions. Driving change through a set of immediate measures ensures that we are on track to achieve our goal.

Pathways	Initiatives
<b>Short- to Medium-term</b>	
Fleet Renewal and Newbuilds	<ul style="list-style-type: none"> <li>Progressively renew our shipping fleet with high-efficiency LNG dual-fuel engine vessels from now to 2030</li> <li>Collaboration with strategic partners on development of ULEVs and ZEVs</li> </ul>
<b>Medium- to Long-term</b>	
Fleet Renewal and Newbuilds	<ul style="list-style-type: none"> <li>Progressively renew our shipping fleet with ULEVs and ZEVs latest by 2030</li> <li>The Castor Initiative: deployment of ammonia dual-fuel ULEVs in, or after, 2027</li> </ul>
Value Chain Reduction	<ul style="list-style-type: none"> <li>Value chain emissions (Scope 3) reductions</li> </ul>
Beyond Value Chain Mitigation (Carbon Removal, Avoidance & Reduction)	<ul style="list-style-type: none"> <li>Carbon avoidance, reduction and removal outside of AET's value chain</li> </ul>
GHG Removal	<ul style="list-style-type: none"> <li>Explore and adopt commercially viable technologies for our existing fleet with methane and carbon capture technologies to safely capture and store away excess carbon</li> </ul>
<b>Continuous</b>	
Technical and Operational Efficiency	<ul style="list-style-type: none"> <li>Continuous exploration and adoption of technological solutions and improvements to optimise the operational efficiencies of our vessels</li> <li>Methane abatement on selected vessels</li> </ul>
Renewable Energy	<ul style="list-style-type: none"> <li>Explore and adopt renewable energy for shipping assets</li> </ul>

Note:  
 1. ZEVs refer to vessels that produce zero or negligible GHG emissions under continuous operations.  
 2. ULEVs refer to vessels that produce very low, almost zero GHG emissions under continuous operations.  
 3. Low-emissions vessels refer to vessels that are powered by LNG.

## Our Work In Practice



### ULEVs

Fleet Renewal & Newbuilds

On 19 April 2024, AET entered into TCP contracts with PTLCL and signed the SBCs with DSIC for the world's first two ammonia dual-fuel Aframaxes, taking concrete actions towards our commitment to delivering more energy with less emissions.

The signing with PTLCL marked the realisation of the Memorandum of Understanding (MOU) that AET and PTLCL had signed in February 2023 to develop a dual-fuel Aframax to be powered by ammonia.

AET had also inked a Collaboration Agreement with ALAM and WinGD in 2023 aimed at driving the development of engines for ammonia dual-fuel vessels. This strategic collaboration will also involve the development and training of mariners to safely manage vessels built with ammonia engines and other new technologies.

### Advancing maritime decarbonisation towards zero emissions

### LNG Dual-Fuel VLCCs

Fleet Renewal & Newbuilds

AET successfully delivered three state-of-the-art LNG dual-fuel VLCCs on long-term charter to Shell. These vessels are classed by Lloyd's Register and have been designed with state-of-the-art technologies, featuring optimised hull forms and propellers, wake improvement ducts and rudder bulbs, all of which contribute to enhancing the vessel's energy efficiency. These vessels are recognised as among the most eco-efficient VLCCs available today, meeting the IMO's 2025 EEDI Phase III standards. When operating on LNG, these vessels will achieve a 99% reduction in SO<sub>x</sub> emissions, 85% reduction in NO<sub>x</sub> emissions and a 95% reduction in particulate matter.

### Increasing our fleet of low-emissions vessels

### Methane Abatement

Technical and Operational Efficiency

As we progressively renew our fleet with high-efficiency LNG dual-fuel engine vessels to reduce our GHG emissions, we are cognisant of addressing CH<sub>4</sub> emissions. To identify the right methane abatement solution, we will need to accurately measure the CH<sub>4</sub> emissions released in the exhaust. We have been working with Daphne Technology, a Swiss climate tech start-up, on the deployment of PureMetrics™, an emission monitoring system, for this purpose.

### Deploying PureMetrics™ on at least two vessels in 2024

## Our Work In Practice

### Computational Fluid Dynamics (CFD) Study

Technical & Operational Efficiency

We partnered with third-party consultants to conduct a bespoke CFD study on our lead sister vessels to identify the right energy-efficient technologies to improve their emissions efficiency. Scenario-based decarbonisation plans will be developed based on an in-depth study on hydrodynamics, flow patterns, and interactions between our vessels and their aquatic surroundings. The energy-efficient technologies explored include Mewis Duct, Pre-Swirl Fins, Propeller Boss Caps and Air Lubrication Systems.

**Identifying energy-efficient technologies for retrofit in 2024**

### Cold Ironing Initiative - Onshore Electrical Power Supply

Technical & Operational Efficiency

At our facility in Galveston, Texas our AET Offshore team continues to use onshore electrical power supply as an alternative fuel source instead of burning fuel onboard our LSVs when docked. This resulted in an estimated 47% reduction of GHG emissions in 2023 and eliminated noise onboard, thereby helping to create a healthier working environment for our LSV crew.

**Achieved an estimated 47% reduction of GHG emissions in 2023**

### Ensuring Regulatory Compliance

Technical & Operational Efficiency

In response to EEXI regulations, we have implemented ShaPoli devices on all non-compliant vessels, allowing fuel consumption to be effectively managed. We have also been working closely with our ship managers to optimise vessel performance to meet CII requirements.

A multi-disciplinary task force was also put together to review AET's obligations under EU ETS, now in effect for the maritime sector since January 2024. The task force examined the EU ETS requirements and outlined actionable steps, such as engaging with charterers and ship managers, establishing an EU ETS process, and ensuring the implementation of the requisite system infrastructure.

- **Achieved full compliance to EEXI regulations and a minimum 'C' rating or better on our entire fleet in 2023**
- **Mitigating potential legal and financial risk exposure relating to EU ETS**

### Biofuels as Alternative Fuels

Renewable Energy

Exploring and increasing the use of renewable fuel in our bunker fuel mix is one of the pathways we have identified in our transition towards low-carbon operations. As such, AET piloted the use of biofuel, a B30 blend, on two of our Aframaxes in 2021. Based on our learnings, we then utilised biofuel during the vessel operations on four of our Aframaxes, including our MCVs operating in the US Gulf, in 2023 to improve vessel performance.

**Improved vessels' CII ratings and achieved approximately 3,600 tonnes CO<sub>2</sub> emissions savings in 2023**

# Environment Sustainability Pillar

## Promoting a Circular Economy

### Our Commitment

- To promote the elimination of waste and recycling of resources
- To increase the usage of renewable resources

### Our Initiatives

- Practise 4R - Refuse, Reduce, Reuse and Recycle (Waste to Value Concept)
- Practise Green Ship Recycling
- Greater Renewable Resource Utilisation

### Our Contribution to UNSDGs



Ensure sustainable consumption by promoting a circular economy (eliminating waste and the continual use of renewable resources) and sustainable procurement practices

### Material Matters

- Natural Resource Use
- Waste Management
- Water Management

AET adopts the "4R approach": Refuse, Reduce, Reuse and Recycle to manage the waste generated by our operational activities in the most responsible and sustainable way possible. This approach guides AET's waste management practices, emphasising waste elimination and reduction, encouraging responsible recycling, and promoting the use of renewable resources.

The waste generated from our shipping activities is managed in accordance with the International Convention for the Prevention of Pollution from Ships

(MARPOL Annex V) where each of our vessels must maintain a garbage management plan that ensures proper separation and responsible disposal of waste products.

Onshore, we have implemented various initiatives to minimise waste and promote sustainable practices, including phasing out single-use plastics, embracing digital solutions to reduce paper consumption, sourcing printing paper that is at least 30% recycled content or is certified by the Forest Stewardship Council and encouraging recycling within our office environments.

## Most preferred ← ————— → Least preferred



**REFUSE**  
Eliminate generation of waste by refusing to use items that are not needed



**REDUCE**  
Generate less waste through more efficient practices



**REUSE**  
Use material or product that is reusable in its original form



**RECYCLE**  
Convert waste into usable materials

## Our Work In Practice

### 4R Initiatives Ashore

At our AET Offshore facility, the team is continually enhancing their waste reduction efforts. They reuse wooden pallets and recycle those that are no longer in good condition. This waste is collected separately and transported offsite for recycling into other useful products.

**Achieved 100% reuse or recycling of wooden pallets in 2023**

### Raising Awareness on Importance of 4R

We are committed to promoting a circular economy and managing waste. Two events, 'Let's Swap' and 'Upcycling Workshops', were organised locally in our offices to raise awareness of the 4R approach.

'Let's Swap' focused on providing a sustainable and cost-effective alternative to shopping where our colleagues brought a variety of pre-loved items to the office to exchange. The 'Upcycling Workshops' encouraged our colleagues to re-imagine materials that can be used each day while incorporating sustainable habits into daily lives. Our colleagues were given opportunities to reuse and repurpose used items that would otherwise be discarded.

**Increasing employee awareness on the 4R concept**



### Ship Recycling

AET prioritises responsible ship recycling practices in line with The Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships 2009 (the Hong Kong Convention). The Hong Kong Convention will finally enter into force on 26 June 2025 following ratification by Bangladesh and Liberia in 2023.

Additionally, the MISC Group Ship Recycling Guidelines was developed to establish transparent principles for ethical and responsible ship recycling practices. Furthermore, in 2022, we launched the Ship Recycling Yard Assurance Programme to pre-approve and shortlist the preferred yards.

In 2023, assessments were conducted on four ship recycling yards in Turkey.

**Maximising material recovery and recycling and minimising risks to human health and safety**

## Scope of AET's Ship Recycling Policy

### Design and construction stage

- Constructing each ship with zero or minimal hazardous materials
- Documenting an approved Inventory of Hazardous Materials (IHM) for each ship

### Ship operations

- Generating minimal hazardous substances and waste onboard each ship
- Removing hazardous substances in a controlled manner and replacing them with non-hazardous materials, if practical, whenever repairs or maintenance are carried out on equipment
- Producing and maintaining a ship specific IHM for each existing ship in our fleet

### Repurpose or resold for further trading

### Sold to intermediary or directly to HKC approved yards for scrap

- Updating the ship's IHM and ensuring its inclusion with other documentation prior to the sale of the vessel
- Complying with the Hong Kong Convention and/or all relevant national and international laws when selling ships directly or indirectly to a yard for recycling
- Requiring buyers or yards in all sale contracts to adhere to safe and environmentally sustainable recycling practices as outlined in the Hong Kong Convention. This includes utilising approved shipyards and exercising monitoring rights over the ship-breaking process, whether directly or through appointed agents.



# Environment Sustainability Pillar

## Biodiversity Conservation

### Our Commitment

- To conserve and rehabilitate marine biodiversity

### Our Contribution to UNSDGs



- Sustainably manage and protect marine ecosystems by enhancing their resilience and implementing restoration measures to ensure sustainable ocean health

### Our Initiatives

- Volunteering activities in the MISC Group Mersing Islands Reef Conservation Initiative

### Material Matters

- Ocean Health

Maintaining and improving ocean health and biodiversity are important issues for AET due to the nature of our business and the interaction between our operations and the ocean environment. If our activities are not properly controlled, then they have the potential to adversely affect marine habitats. We are aware of our responsibilities and have implemented the following initiatives:

- Using low-sulphur fuel and LNG in our newer fleets in efforts to reduce air emissions from our vessels. We also comply with the IMO Global Sulphur Cap 2020;
- Progressively transforming our fleet to cleaner fuel (LNG dual-fuel vessels) and aiming for ZEVs no later than 2030 as part of efforts to lower GHG emissions;
- Ensuring all vessel discharges comply with MARPOL regulations and discharges are tracked and recorded. Furthermore, for engine room discharges, a bilge water management programme is implemented to reduce oil contamination from leakages and subsequently reduce water/oil accumulation in the engine room;
- Ensuring all vessels comply with IMO's ballast water discharge standards by utilising Ballast Water Treatment Systems to prevent the invasion of marine alien species into coastal areas; and

5. Reviewing the environmental performance of each vessel in a structured manner through established processes. The implementation of environmental management plans (e.g., garbage, sewage, bilges and cargo residues) is regularly reviewed, and any issues raised from internal audits are discussed and tracked to ensure effective closure.

AET employees also participated in the Employee Participation Programme organised by MISC at Pulau Tinggi, Johor, Malaysia alongside colleagues from the MISC Group. The programme aims to improve ocean health through activities such as reef monitoring, beach clean-up and community engagement. A total of 427.5kg of trash consisting of plastics, nets and various other items were collected during the beach clean-up. Attendees also learned how to conduct a quick coral health check by identifying the colour of corals. In their engagement with the community, they had the opportunity to visit a local villager's house to better understand their culture and traditions. Later in the year, we also organised beach cleaning events across our offices, during which we collected approximately 84kg of trash.

## Performance Data

Refer to page 124 for details on other environment-related data

	Unit	2021	2022	2023
<b>Total GHG Emissions</b>	tonnes CO <sub>2</sub> e	1,689,422	2,061,916	2,068,445
Scope 1 <i>SASB Metric</i>	tonnes CO <sub>2</sub> e	1,587,072*	1,601,688*	1,634,563
Scope 2	tonnes CO <sub>2</sub> e	627	638	612
Scope 3	tonnes CO <sub>2</sub> e	101,723	459,590	433,270
<b>Scope 1 Emissions</b>				
Shipping Operations - Petroleum	tonnes CO <sub>2</sub> e	1,529,202*	1,554,247*	1,607,509
Shipping Operations - Product	tonnes CO <sub>2</sub> e	52,054*	42,708*	21,851
Shipping Operations - Workboat	tonnes CO <sub>2</sub> e	5,738	4,655	5,125
Non-Shipping Operations	tonnes CO <sub>2</sub> e	78	78	78
<b>Scope 3 Emissions</b>				
Category 3 - Fuel and Energy-Related Activities	tonnes CO <sub>2</sub> e	-	384,824	392,832
Category 8 - Upstream Leased Assets	tonnes CO <sub>2</sub> e	101,723	74,766	40,438
Category 15 - Investments	tonnes CO <sub>2</sub> e	0	0	0
<b>Air Emissions</b>				
NO <sub>x</sub> <i>SASB Metric</i>	tonnes	29,115*	29,467	28,291
SO <sub>x</sub> <i>SASB Metric</i>	tonnes	2,614*	2,726*	2,815 <sup>^</sup>
PM <sub>10</sub> <i>SASB Metric</i> (Note: For non-shipping operations only)	tonnes	0.02	0.02	0.02
Ozone Depleting Substances (Note: For shipping operations only)	tonnes	0.13	0.02	0
<b>Carbon Intensity (Annual Efficiency Ratio (AER)) - Petroleum &amp; Product</b>				
AER	gCO <sub>2</sub> /ton-nm	3.72	3.64	3.42
AERCO <sub>2</sub> e	gCO <sub>2</sub> e/ton-nm	3.80*	3.71*	3.49
<b>Operational Data</b>				
Distance Travelled	Nautical Miles (nm)	2,681,562*	2,573,927*	2,551,258
Transport Work	million ton-nm	415,888	429,952	467,145
<b>Average EEDI For New Vessels</b> <i>SASB Metric</i>				
Conventional DPST	gCO <sub>2</sub> per tonne-mile	2.959	2.738	-
LNG Dual-fuel VLCC	gCO <sub>2</sub> per tonne-mile	-	1.960	1.665

\* Restated the numbers based on (1) post-IMO Data Collection System (DCS) verification on fuel related data and distance and (2) updates in performance data as part of our ongoing improvement in environmental data inventory and reporting.

<sup>^</sup> Excludes data from six vessels fitted with scrubbers as the system configuration for quantifying SO<sub>x</sub> emissions from scrubbers is still ongoing.

# Social

## Sustainability Pillar

### Health and Safety

#### Our Commitment

- To provide a safe and healthy environment for employees, contractors and communities
- To achieve a generative HSSE culture

#### Our Initiatives

- Strengthen health and safety culture through adoption of:
- Integrated Health and Safety Framework
  - Contractor HSE Management
  - Health and Safety Competency

#### Our Contribution to UNSDGs



Promote health and well-being of employees, contractors and communities to progress towards a generative safety culture

#### Material Matters

- Health & Safety
- Security

The health and safety of AET’s personnel remains our highest priority. AET is committed to social sustainability, evident in our emphasis on safeguarding health and safety across our organisation, whether employees are onshore or at sea. We offer a comprehensive HSSE training programme to all employees year-round, ensuring they are fully equipped to carry out their duties and manage HSSE concerns in the workplace.

### Safety Performance

Unfortunately, in 2023, we experienced a fatality involving one of AET’s employees due to a fall from height. We conducted thorough investigations to identify preventive measures to avoid similar incidents in the future. However, one fatality is one too many for AET.

Safety is our license to operate and we continue to work closely with our frontliners to prevent such incidents and build a generative HSSE culture.

### HSSE Standards

Our HSE and Security policies are endorsed by our Board and play a vital role as an integral component of our HSE Management System and Security Management System (SeMS), allowing AET to uphold the highest standards of HSSE practices within our organisation.

In 2023, we also adopted the International Association of Oil & Gas Producers Life Saving Rules and rebranded our AET Safety Rules into AET Life Saving Rules to enhance safety awareness, prevent accidents, and ultimately save lives.

### Leadership Commitment

The ELT plays a crucial role in reinforcing our organisation’s commitment to HSSE with regular vessel visits and quarterly management walkabouts, engaging employees both onshore and at sea. These interactions serve to promote HSSE awareness and establish the ELT as a role model for HSSE practices.

### Promoting HSSE Awareness

We provide various platforms for employees to share their HSSE experiences and insights. Townhall meetings and management sessions offer opportunities for employees to discuss incidents and share valuable lessons, enhancing their appreciation of the importance of safety. Additionally, all new employees undergo a HSSE induction programme, where they are introduced to our HSSE commitments. We actively encourage employees to report unsafe conditions and acts, helping to identify potential hazards and enhancing situational awareness.

Additionally, members of the ELT actively participate in regional safety committees, providing overall direction and supervision as Safety Advisors.

We prioritise the monitoring of our HSSE performance and activities and regular reports are submitted to the ELT to keep them informed. Every incident, regardless of its magnitude, is taken seriously.

### Our Work In Practice



### Prioritising Employee Well-being

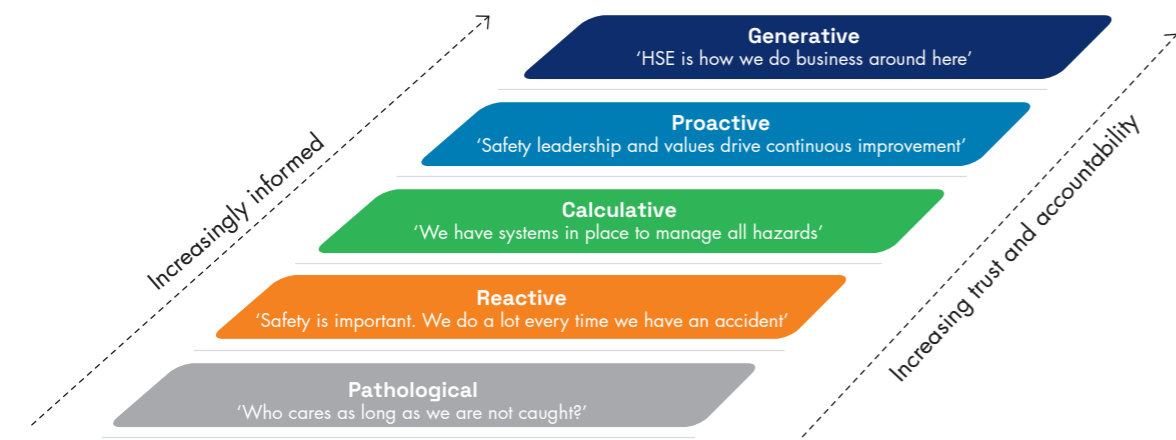
AET has introduced initiatives targeting four pillars of well-being for our staff: physical, social, mental, and financial. Under the mental well-being pillar, not only do we have trained mental health first aiders and Employee Assistance Programme resources in our offices, but we also have our managers participate in workshops helping them recognise and respond to individuals experiencing emotional distress. Throughout the year, our wellness team organised several activities to boost our employees’ well-being, including a microgreen workshop to promote mindfulness and relaxation, financial workshop on planning for the future, yoga sessions and an annual health screening.

#### Improving employees’ health and well-being

### Towards a Generative HSSE Culture

In our journey towards a generative HSSE culture, it is important for us to develop the right strategies and implement initiatives to drive the right behaviour in our people. To evaluate the effectiveness of our approach, we use the HSSE Culture Maturity Survey (CMS) to measure the development of our HSSE culture. In a survey conducted in 2021, we were assessed as "calculative". The survey highlighted four focus areas for intervention, including Communication, Visible Leadership, Capability Development, and Recognition. In 2023, we revisited the HSSE CMS and saw an improvement in our score, transitioning from "calculative" to "proactive", thus validating our approach.

#### Improved our HSSE culture from calculative to proactive in 2023



### Crisis Preparedness

In 2023, we organised a series of comprehensive drills to evaluate and enhance crisis preparedness across our offices in Brazil, Singapore, and Europe. Apart from stress-testing the members of our crisis teams, we also had the opportunity to collaborate with ship managers, charterers, regulatory authorities and oil spill response organisations and others as part of the drills.

These drills were complemented by extensive training sessions including the familiarisation of incident response in the US and system training using the Crisis Management Information System.

#### Enhancing our ability to handle a crisis quickly and responsibly

### Security

AET's security practices are guided by SeMS and are focused on ensuring the safety of our personnel and assets. The SeMS provides AET with valuable guidelines and tools for managing security risks. It also requires us to comply with the Mandatory Minimum Security Standards (M2S2), which takes into consideration the criticality and risk rating of our assets. Risk assessments are then conducted periodically or in response to significant security threat or operational changes. M2S2s are then updated to ensure the safety of AET's assets and operations. AET has also established procedures

aligned with recognised industry best practices such as the Oil Companies International Marine Forum's Best Management Practices (BMP) 5 and the International Chamber of Shipping's BMP West Africa. These procedures are specifically designed for our vessels operating in high risk areas, including West Africa, the Red Sea, the Gulf of Aden, the Indian Ocean, and the Arabian Sea. Detailed risk assessments are carried out and procedures established to ensure safety when navigating these high-risk areas.

# Social

## Sustainability Pillar

### Talent Excellence

#### Our Commitment

- To future-proof talent and leadership by accelerating the development and progression of our talent
- To build a performance-driven workforce in an engaging and inclusive work environment
- To promote 'inclusive leadership' and a work environment where diverse talent can perform to their full potential

#### Our Contribution to UNSDGs



- Grow and promote female participation in the maritime industry. Drive meritocracy and equal opportunities to ensure full and effective female participation and leadership at all levels of decision making



- Promote equal opportunities in the workplace so that diverse talents are able to perform to their full potential

#### Our Initiatives

Talent + Practices + Leadership = Belonging & High Performing Culture



#### Material Matters

- Talent Attraction and Retention
- D&I

At AET, we firmly believe our people are our most valuable asset. Over the last 30 years, our employees across the world have played a crucial role in driving our business forward and making AET the company it is today. We are focused on, and fully committed to,

investing in the development of our employees through our talent development programmes, ensuring their continued success within the organisation and the broader maritime industry.



## Our Work In Practice

### Talent Development

AET has a dedicated Talent Development Committee that regularly reviews the people strategy and programmes required to support business plans, organisational changes, succession planning, skills building/development, and employee advancement within AET. To ensure the continuous strengthening of AET's talent pool, we provide targeted and tailored training programmes to all levels of employees for their development or functional needs. International assignments are also offered to identified employees across our office functions and the MISC Group, expanding these employees' knowledge and skills within a global context.

Further to developing talents within AET, we also contribute to building talent pipelines in the maritime industry through our global internship programmes where our interns get to learn and gain relevant and valuable work experiences.

- **Clocked a total of 3,817 learning hours in 2023**
- **Offered four new international assignments and 24 new internships in 2023**
- **Hired four interns into permanent roles in 2023**

### Performance Management

AET adopts a differentiated performance management system to commensurate with our rewards programme. Our performance rating scale acknowledges employees who demonstrate excellent performance within their peer group, delivering high-quality results and displaying outstanding behaviour. An expectation-setting conversation is conducted at the start of each year, followed by mid-year and year-end performance reviews and competency conversations to help employees self-assess, reflect on their progress to date, and close any potential gaps.

- **Employees are clear on their accountability and deliverables**
- **Achieved close to 90% retention rate in 2023**

### Flexible Work Arrangements (FWA)

We recognise the importance of work-life balance and have a flexible working program which is well received by our employees and includes working from home. In 2023, we further enhanced the FWA program to include core workdays, part-time working options, and contingent work arrangements. This allows us to maintain connectedness within teams and offices while providing our employees with the opportunity to have more flexible working arrangements to suit their unique needs.

- **Improving employee satisfaction**
- **Promoting inclusive employer practices and talent attraction**

### Promoting Leadership Effectiveness

Effective leadership plays a vital role in shaping AET's direction, drives direction and ensures sustainable growth and success. We conduct annual LE surveys to gain valuable insights into AET's performance and the impact of our leaders. The data provides opportunities for AET to enhance its leadership development offerings to grow its employees to be better people leaders.

- **Achieved seven point improvement in the LE score in 2023**



### Inspiring Diversity, Inclusion and Belonging

In 2023, AET introduced a "D&I Community of Interest" and nominated staff from diverse backgrounds to act as D&I ambassadors across the organisation. This is the first such forum established where these ambassadors are tasked with raising awareness and driving inclusion and belonging through mutual mentoring programme, cultural awareness training and celebration of cultural differences. We continue to be a member of the Diversity Study Group, allowing us to gain access to collaboration and networking

opportunities in the maritime industry and guidance on Diversity, Equity and Inclusion trends and best practice.

In early 2024, we offered all senior women at AET the opportunity to be a member of the Women's International Shipping & Trading Association (WISTA) as part of supporting women into decision-making and leadership roles. Being a WISTA member creates exposure across the maritime industry and facilitates the professional development of our senior women.

- **Achieved seven point improvement in the inclusive leadership score in 2023**



### Keeping Employees Engaged

We use the POCS to measure our employee engagement level, understand what matters to our people, what drives them, and ways we can improve to develop a stronger workplace culture that powers our business growth. Some of the aspects covered under the POCS include measuring how happy employees are working at the organisation and whether employees feel that they are a part of something with a larger purpose. In 2023, we conducted the POCS and saw an improvement in our score compared to 2022.

- **Achieved 10% improvement in the participation rate in 2023**
- **Achieved five point and ten point improvements in the engagement and empowerment scores respectively in 2023**

### AET Reorganisation

With the launch of our new Energy Transition Strategy, we recognise the need to reposition our organisational structure for us to be able to effectively deliver our AET2030 aspirations. While the main objective of the reorganisation is to support this transition, it also drives clear accountability allowing employees to understand how they can contribute to the organisation goals and strengthen their sense of purpose. The reorganisation not only allows us to support succession planning and develop talents internally but also creates opportunities to attract diverse talents from the wider maritime industry and beyond.

- **Promoting talent development and progression**
- **Increased women representation in senior positions to 42% post-reorganisation in 2024**

# Social

## Sustainability Pillar

### Community Investment

#### Our Commitment

- To foster youth development towards becoming future leaders through education

#### Our Initiatives

- Establish multi-stakeholder community investment programmes aimed at upskilling entrepreneurship skills of youths
- Continuation of maritime cadet sponsorship programme

#### Our Contribution to UNSDGs



- Promote skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship

#### Material Matters

- Community Investment

During our 30 years, AET has remained committed to making a positive impact on society and our local communities across the world – 2023 was no exception. In addition to continuing and extending our scholarship programmes to drive interest in, and the development of

talent in the maritime industry, AET employees also gave their time generously to support community initiatives. In 2023 alone, our staff across the globe dedicated 722 volunteer hours to our chosen community projects.



### Our Work In Practice

#### Maritime Scholarships

AET continued its dedication to nurturing the development of young talent in the maritime industry through scholarship programmes in locations where we operate.

For a fourth consecutive year, AET awarded two three-year scholarships to students enrolled in a three-year Diploma in Maritime Business with the Singapore Maritime Academy at the Singapore Polytechnic.

We also continued our collaboration with the Texas A&M Foundation for scholarships to support undergraduate students who are majoring in Maritime Transportation and Marine Engineering at Texas A&M University at Galveston during their practical summer semester.

In addition, AET partnered for the first time with Newcastle University in the UK with a scholarship for a one-year full-time Master of Science in Shipping and Logistics.

**Awarded nine new maritime scholarships globally, overall supporting 13 recipients**



#### Providing Food to Those in Need

Our colleagues in London volunteered with The Felix Project to prepare over 4,000 cooked meals in Felix's Kitchen for beneficiaries and helping to organise donated food at the foodbank's warehouse for distribution to individuals and charities facing food insecurity. Our colleagues in the US volunteered at Target Hunger, packing fruits and vegetables which were then distributed to households in need in the Houston neighbourhood and assisted in growing produce in the community garden.

- The Felix Project, UK: Prepared cooked meals for beneficiaries**
- Target Hunger, USA: Helped distribute food to households in need**



## Our Work In Practice



### Sekolah Kebangsaan Sedili Kecil in Johor, Malaysia

AET's leaders traded suits for sneakers for a fun-filled afternoon engaging with over 30 primary students through games at the Sekolah Kebangsaan Sedili Kecil, in Johor, Malaysia. One of the most memorable activities was the "Wheel to Dream" bike-building challenge where teams transformed loose pieces into dream machines, which were then given to the needy students for their daily commute to school. Apart from spending time interacting with the students, AET also sponsored new sports equipment and stationery.

**Enriching activities and learning of local students**

### Dream, Learn, Work in Rio, Brazil

As part of our educational support initiative aimed at empowering students in Rio, we collaborated with DLW to provide students between ages 20 to 25 the opportunity to pursue vocational education, setting them on the path towards a brighter future. These promising young adults will attend courses across a variety of industry-related fields offered by esteemed educational institutions in Rio. AET and DLW will also go the extra mile to plan collaborative work-related activities, ensuring they gain practical experience and valuable skills to thrive in the workforce.

**Provided seven students access to vocational education, supporting their entry into the labour market**



### Singapore Children's Society (SCS), Sunbeam Place

In 2023, we continued to work with the SCS, supporting the residents and staff at the Sunbeam Place.

In May, we organised a donation drive among our AET and MISC Marine colleagues and sponsored an upcycling workshop which provided insights to the residents the 4R approach through the transformation of disused milk cartons into useful pouches.

Later in December, our colleagues volunteered as part of an AET-sponsored refurbishment project aimed at improving the facilities at Sunbeam Place, which also included transforming an existing storeroom into a study room and cleaning and organising the home's ration room. Another group of volunteers brought residents and staff of Sunbeam Place to the movies for a much-needed break from their daily routine, bringing joy and smiles to their faces.

- **Donated over 870 stationery, toiletries, household items and food items in 2023**
- **Replaced 82 bed frames, mattresses, and other furniture in 2023**



### Supporting Seafarers

AET was a bronze sponsor of The Mission to Seafarers' Flying Angel Campaign. Our contribution supported the Seafarers' Centers Fund which is used to modernise and enhance green spaces at over 120 Flying Angel Centers worldwide – a dedicated space for seafarers during their limited time ashore.

In addition, we continued our support of the Houston International Seafarers' Center (HISC) as a table sponsor at their Annual Houston International Maritime Gala. The HISC provides humanitarian services to seafarers that visit Houston daily on commercial seagoing vessels and no-cost transportation for seafarers on liberty from their vessels to the center and local area.

**Continuing to support seafarers' welfare in the wider maritime industry**

# Governance

## Sustainability Pillar

### Governance and Business Ethics; Responsible Supply Chain Management

#### Our Commitment

- To continuously embed a culture of strong corporate governance, business ethics and conduct
- To enhance our cybersecurity framework and safeguard our operations
- To drive sustainable practices with our suppliers

#### Our Contribution to UNSDGs

8 DECENT WORK AND ECONOMIC GROWTH



- Promote sustainable economic growth and decent work for all by ensuring labour rights and promoting a safe and secure working environment

16 PEACE, JUSTICE AND STRONG INSTITUTIONS



- Promote fair business practices and foster strong governance and business ethics

#### Material Matters

- Values, Governance and Business Ethics
- Cybersecurity
- Human Rights
- Sustainable Supply Chain

#### Our Initiatives

##### Corporate Governance

- Include ESG Risks in ERM
- Increased Board oversight on ESG risks and opportunities including cyber risk governance

##### Compliance and Business Ethics

- Continue to embed compliance culture in business processes through awareness and assurance programmes
- Continuously improve our Anti-bribery Management System (ABMS)
- Implement human rights assessment
- Create cybersecurity capabilities and awareness within AET
- Elevate and continuously improve cybersecurity framework

##### Responsible Supply Chain

- Implement ESG supply chain Self-assurance programme emphasising sustainable sourcing, circular economy, health and safety and business ethics compliance
- Look for collaboration/partnership opportunities on pollution prevention and decarbonisation of our operations
- Promote circular economy across the value chain

## Message from ARSC Chairman



AET's ERM framework is built on robust governance structures and processes, ensuring the adoption of rigorous safety standards and regulatory compliance. Our aim is to foster trust amongst all stakeholders, including our shareholder, customers, employees, and regulatory bodies. This framework, along with our Board committee quarterly review and monitoring sessions, and combined with both our group internal and external audits, ensures that we are on point in managing our financial reporting, risk management and sustainability initiatives.

In today's landscape of geopolitical uncertainty, strong and effective risk management is critical for enabling AET not only to mitigate the inherent risks within the geopolitical environment, but to seize emerging opportunities. Throughout 2023, the ARMC has gone above and beyond to integrate emerging and geopolitical risks into the current ERM framework to ensure operational resilience, safeguard AET's interests and identify business opportunities that will propel AET forward. In sync with the volatile, uncertain, complex and ambiguous world events unfolding (for example, in Europe and the Middle East) and to ensure we are at all times prepared to anticipate, manage and mitigate such events head on, the AET Board instituted a special committee in 2023 co-chaired by Admiral Neffenger and I, to generate various scenarios and commensurate risk management/assuagement strategies, policies, including corporate action plans for AET. We will continue to diligently conduct assessments regarding the potential impact of the ongoing and changing geopolitical landscape. This will be conducted in parallel with AET's strengths, our intellectual property and our know-how to capture business opportunities for AET, while concurrently guiding our priority to pivot into new business areas in line with our decarbonisation strategy and long-term sustainability goals.

In 2024, the AET Board made the decision to redesignate the ARMC to the ARSC. The ARSC is additionally tasked with governing sustainability strategy and related initiatives, climate change reporting, and compliance

throughout AET's operations. This strategic move further supports our target to reduce our GHG emissions intensity by 40% by 2030 and to reach net-zero GHG by 2050.

Prioritising responsible investments, we initially ventured into dual-fuel assets, emphasising sustainability in our operations. As pioneers of the world's first LNG dual-fuel vessels in 2018, we are committed to now further investing in low- to zero-emissions vessels. Collaborating with the co-founders of the Castor Initiative, including MISC, Samsung Heavy Industries (SHI), Lloyd's Register, MAN, and MPA, we aim to embrace ZEVs as a crucial element of our decarbonisation strategy.

In 2024, we proudly took a significant step forward on our journey by partnering with PTCLCL and DSIC to commission two of the world's first ammonia dual-fuel Aframax. This is a transformative strategy, not only for AET, but for the entire maritime industry in taking the lead on ZEVs. The signing of these contracts reinforces AET's commitment to decarbonisation and underscores our leadership in driving the industry's collective efforts toward sustainability.

AET's ongoing focus on technology will also help to propel our sustainability agenda. We are currently exploring a compendium of options for green technology, including those that reduce methane slip, a GHG that is 28-30 times more harmful than CO<sub>2</sub> emission, to enable us to further manage our carbon footprint.

Finally, our adherence to HSSE standards is paramount across AET. I am proud of our CEO, Encik Zahid and the ELT, who constantly remind staff of the priority AET places on safety and risk management. These communication efforts from senior leadership and the reinforcing of our "safety first" and compliance culture, permeates throughout the organisation and is extensively adopted. I know that my Board colleagues and the ARSC can totally rely on our ELT to consistently build a strong HSSE culture, as well as a culture of compliance and performance.

At AET, we are fully committed to directly addressing financial and ESG risks and opportunities, embracing industry best practices, and fortifying our risk management protocols to bolster our resilience in confronting future challenges. We had one of our best years in 2023 and we are already looking forward to many more exciting years ahead.

#### Colin Low

Chairman  
Audit, Risk and Sustainability Committee

Sound governance is crucial for sustainable growth. A high standard of governance supports AET's long-term success by preserving and strengthening stakeholder confidence, while providing a solid foundation for a high-performing resilient organisation.

At AET, we are committed to a culture of strong corporate governance, compliance and upholding of the highest standards in business ethics and business conduct. Our proactive approach to conducting business in strict adherence with our corporate governance principles sees the company implement all necessary regulatory compliance programmes and establish a clear governance structure to manage our operational compliance risks and obligations.

### Governance and Business Ethics

The Board and the ARSC oversee the governance, values, and ethics of AET, ensuring adherence to high standards and promoting responsible business practices throughout the organisation. Our Compliance team, which is part of the Legal and Integrity Division, supports the Board, ARSC and ELT in managing compliance risks.

We are all guided by the Compliance Management Framework in upholding high standards of compliance throughout the organisation.

To ensure effective corporate governance compliance in the conduct of our business, we have developed our Code of Conduct and Business Ethics (CoBE) for all directors, employees and third parties performing work or services for or on behalf of the organisation. The CoBE outlines the standard of behaviour and ethical conduct expected of all individuals in the course of their work. Employees must act in the best interest of AET and not engage in conduct or activities that may adversely affect the organisation.

We have a zero-tolerance policy against all forms of bribery and corruption. The Anti-Bribery and Corruption Manual provides detailed guidance on the key principles set out in the CoBE on how to deal with improper solicitation, bribery and other corrupt practices that may arise in the course of business. Our offices in Houston, London, Rio de Janeiro, Singapore, and Stavanger are also ISO 37001 certified and these certifications ensure our Quality Management System and ABMS remain adequate and are effectively implemented.

### Compliance Management Framework



## Our Work In Practice

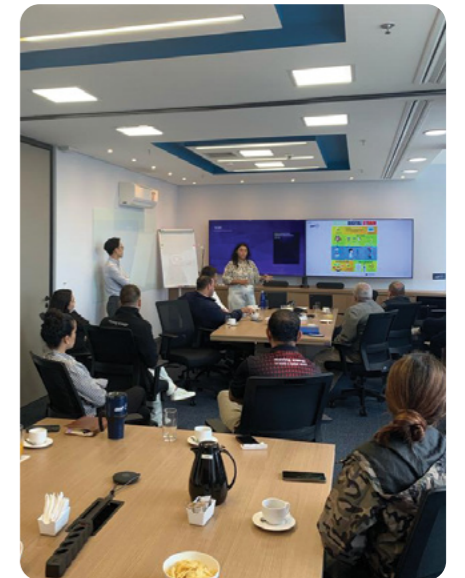
### Renaming of ARMC to ARSC

The significance of the sustainability agenda is on the rise as investors place greater emphasis on assessing a company's value and progress through its impact on people, planet, and profits. While the ARMC has been responsible for the review of the progress and performance of AET's sustainability strategy since its inception, the responsibility was formally adopted as part of its Terms of Reference in Q4 2023. Later in Q1 2024, the ARMC was renamed into ARSC.

### Strengthening governance of sustainability and climate-related risks and opportunities

### Compliance Training

As part of upskilling the Virtual Compliance Team, specific and tailored training was provided to the Compliance Leaders in 2023 covering topics such as anti-trust and competition and data protection. The Compliance Leaders remain as the key focal in their divisions when it comes to compliance matters and driving the compliance agenda. An Integrity Development Week was launched for our Brazil office in early 2024 to entrench a strong culture of corporate governance and uphold the highest standards of business ethics and conduct. Topics covered include the Brazilian General Data Protection Law – Lei Geral de Proteção de Dados Pessoais, harassment laws in Brazil and the inter-relationship between bribery and corruption for businesses with a global presence.



### Increasing employee awareness of key compliance issues

### Cybersecurity

As part of the MISC Group, AET benefits from the strong protection of information assets and technologies deployed by a dedicated cybersecurity team, led by a Chief Information Security Officer. Cybersecurity management is guided by several standards and frameworks which were developed based on standards such as the National Institute of Standards and Technology Cybersecurity Framework and ISO 27001 Information Security, Cybersecurity and Privacy Protection.

There is also a Cybersecurity Incident Response Plan detailing a clear escalation process to respond to suspicious or actual cybersecurity incidents. Apart from annual third-party audits that include cybersecurity processes and practices, the cybersecurity team also conducts vulnerability assessment and penetration testing to ensure the robustness of the IT infrastructure and management system, with the last assessment held in 2022.

To raise employees' awareness on cybersecurity, monthly phishing campaigns are conducted, and trainings are provided which include the sharing of regular cybersecurity tips and launching of a cybersecurity e-learning module.

### Increased employee awareness of cybersecurity risks led to zero cybersecurity breaches in 2023

## Human Rights

AET is committed to ensuring that there is no slavery, human trafficking or child labour in our own business and supply chain, and this is represented by our Modern Slavery Policy and Modern Slavery Act Transparency Statement. To assess how human rights issues could impact AET, we identified key human rights topics that are relevant to our operations and conducted a human rights risk assessment in 2021 on the labour and working conditions of our shore staff, leading to the launch of a training programme for all staff.

In 2023, as part of implementing the ESG Self-Assessment Framework, we conducted preliminary risk assessments for selected critical suppliers within our supply chain. These assessments integrated specific inquiries regarding human rights, such as forced labour and child labour, enabling us to evaluate the human rights risk exposure associated with our critical suppliers.

### Continuing efforts to recognise, prevent, and address human rights impacts

#### Key Human Rights Topics

##### Labour and Working Conditions

- Forced labour
- Child labour and young workers
- Non-discrimination
- Freedom of association
- Workplace / accomadation health and safety
- Employment and work conditions

##### Responsible Security

- Conduct of third party security
- Human rights training
- Mechanism to report to security personnel

##### Supply Chain Management

- Contract / supplier performance related to labour and working conditions, responsible security and community well-being
- Corruption and bribery



## Responsible Supply Chain

To ensure that our suppliers are aligned to the same set of supply chain management governance principles, we screen them before they are onboarded, establish relevant contractual terms for them to comply with and evaluate their performance on an annual basis. Our suppliers are required to agree to the AET CoBE and are subjected to a third-party due diligence through Know Your Customer forms. They also need to agree to our contractual terms which include HSSE, human rights and ESG requirements.

On an annual basis, our suppliers are evaluated on their ability to perform in areas such as quality of products and/or services, health and safety and business ethics ensuring alignment to the AET CoBE and relevant contractual terms.

We established the ESG Self-Assessment Framework in 2021 to identify, assess, and manage ESG risks within our supply chains. The framework covers seven ESG topics including Sustainability Strategy and Climate Action, HSE and Security, Ethics and Integrity, Competition Law, Data Privacy and Information Security, Sanction/Export Control and Human Rights. We expect to complete the self-assessments for all shortlisted critical suppliers by 2024.

Critical suppliers refer to suppliers whose goods, materials and services (including IP/patents) meet any of the following criteria:

- Suppliers that can cause a significant impact on the competitive advantage, market success or survival of the company;
- Suppliers of critical components and non-substitutable suppliers; and/or
- Suppliers that perform high-risk activities (defined as activities having high HSSE impacts; involving subcontractors and/or high volume of foreign/migrant workers participation; and/or affected by the remoteness of services rendered).

### Completed ESG self-assessments for 60% of the shortlisted critical suppliers since 2021



Scan to read our governance policies, guidelines and standards



# Financial

## Sustainability Pillar

### Financial Growth Plan and Governance Framework

#### Our Commitment

- To achieve growth in predictable and recurring sources of cashflow

#### Our Initiatives

- Five-year Financial Growth Plan
- Financial governance framework, developed in line with the Financial Reporting Accounting Standards and Corporate Financial Policy

#### Our Contribution to UNSDGs

8 DECENT WORK AND ECONOMIC GROWTH



- Promote sustained economic growth, full and productive employment and decent work for all

#### Material Matters

- Business Knowledge and Expertise
- Financial Performance
- Digitalisation and Innovation

Responsible financial management is crucial in meeting the expectations of our shareholder and key stakeholders. Therefore, we continue to prioritise securing our financial position to drive growth, allowing us to future-proof our business and participate in green investments and future initiatives.

We develop a comprehensive five-year rolling business plan and financial growth plan each fiscal year to ensure the long-term financial sustainability of our business where these plans serve as forecasts for our future operating revenue, business costs and cash flow management. The financial management at AET is governed by a robust framework outlined in its Corporate Financial Policy which provides guidance and sets the standards for financial governance and decision making.

Our outstanding financial performance in 2023 can be credited to several pivotal factors, notably our committed and proficient workforce, effective strategic implementation, and this robust long-term plan, which is

already providing stability and clear direction. To ensure the resilience of our business, we have prioritised financial prudence, strong cash balance and broad access to credit positions, allowing AET to weather market volatility and seize investment opportunities as they arise.

We reviewed and updated our ICP for 2024, setting it at US\$68/tonne CO<sub>2</sub>e. We continue to use the ICP as an initial sensitivity analysis for new investments, reflecting our commitment to identify and seize low-carbon opportunities and drive energy efficiency and low-carbon investments while meeting stakeholder expectations.

In FY2023, 13.3% of AET's gross revenue is derived from our investments in the dual-fuel fleet. We continue to focus on the transition to low-to zero-emissions vessels and pursue such strategic investments to meet our 2030 medium term target and longer term net-zero goal.

For more details on our financial performance, please refer to pages 50-55.

#### Revenue

US\$  
 1,077 M

#### EBITDA

US\$  
 567 M

#### NPAT after Minority Interest

US\$  
 236 M

#### Net Debt to Equity

0.53

### Our Work In Practice



#### Sustainability-Linked Islamic RCF

In December 2023, AET secured a US\$100 M sustainability-linked Islamic RCF from Maybank Singapore. This is the first such facility in the shipping industry in Southeast Asia. The RCF can be used to fund more low-carbon initiatives and decarbonisation efforts including financing LNG dual-fuel tankers and the ongoing development of ULEVs.

**Supporting our ongoing decarbonisation efforts towards net-zero**

# Climate-Related Financial Disclosures

Effective climate risk management remains a key priority for AET. 2023 was the planet’s hottest year on record and we believe that individual companies, and their wider industries, all have a role to play in doing their part to slow the pace of climate change while managing its impacts on their business for the benefit of all stakeholders. In line with this, we are pleased to present AET’s 2023 Climate-Related Financial Disclosures, our third such report since adopting the framework in 2021.

AET is a leading provider of shipping solutions to meet the world’s evolving energy needs and has been driving initiatives that contribute to the development of a sustainable global maritime sector. AET took this one step further in 2023 with the launch of our new Energy Transition Strategy, which sits alongside our 2050 GHG net-zero target, and is designed to propel us towards a future where we deliver more energy with less emissions.

AET’s climate risk and net-zero initiatives are very much interconnected, with the former focusing on identifying, measuring, and managing climate-related risks, while the latter centres on mitigating our impact and achieving our net-zero emissions target, thereby reducing risk.

Our 2023 report outlines how climate change scenarios may impact AET’s operations and lays out our strategy to mitigate potential impacts to our business and ensure resilience, alongside our governance structures, strategy and risk management, assessment of resilience, and metrics and targets. Within this report, we have also refined the climate scenarios adopted by AET to identify our risks and opportunities, embedding Key Risk Indicators (KRIs) to help us quantify and monitor specific risks.

Our disclosures reflect AET’s commitment to understanding and integrating climate risk into our risk management governance, processes, and strategies. It serves to help us realise our Energy Transition Strategy and net-zero goal, positioning us at the forefront of sustainable practices within the maritime industry.

Timeline of our Climate Action			
2017	Invested US\$350 to US\$400 M on low-carbon newbuilds in the year	Placed order for two LNG dual-fuel Aframaxes	Placed order to build two of the world’s first LNG dual-fuel DPST
2018	Secured time charter arrangements for two LNG dual-fuel Aframaxes		
2019	Took delivery of two LNG dual-fuel Aframaxes	Our parent company, The MISC Group joined the "Getting to Zero"	The MISC Group initiated The Castor Initiative, jump-starting the development of ammonia dual-fuel ZEVs
2020	Invested US\$200 to US\$250 M on low-carbon newbuilds in the year	Placed order for two LNG dual-fuel VLCCs, among the world’s first	Took delivery of two LNG dual-fuel DPSTs featuring VOC recovery
2021	Developed AET’s sustainability strategy for 2021-2025	Through the MISC Group, participated in the Carbon Disclosure Project	
2021	Invested US\$300 M to US\$350 M on low-carbon newbuilds in the year	Invested in climate tech startup, Daphne Technology	Through the MISC Group, became a signatory of Call to Action for Shipping Decarbonisation and adopted the recommendations of the TCFD
2022	Placed order for three LNG dual-fuel VLCCs	Established GHG emissions intensity targets for 2030 (for shipping operations)	Signed an MOU with Lloyd’s Register and SHI to develop two zero-emissions green ammonia VLCCs
2022	Net-zero GHG emissions target by 2050	Signed an MOU with PTT for the development of two zero-emissions green ammonia Aframaxes	
2022	Published inaugural TCFD report		
2023	Signed an MOU with PTCLCL for the development of one zero-emissions green ammonia Aframax	US\$100 M sustainability linked loan facility	
2024	World’s first two ammonia dual-fuel Aframaxes to be developed by AET following signing of TCP contracts with PTCLCL and SBCs with DSIC.		

## Governance

AET’s approach to managing climate-related risks is multi-layered to ensure high levels of oversight.

AET’s Board constitutes the first layer and is responsible for overseeing the evaluation and integration of climate-related opportunities and risks throughout the organisation. This includes oversight of the AET Energy Transition Strategy and AET’s 2050 GHG net-zero target, as well as endorsing the materiality matrix, which includes climate-related topics. Additionally, the Board also reviews the progress and performance made by AET in meeting its climate commitments and executing its strategy.

The ARSC of the Board of Directors forms the second layer supporting the Board in overseeing AET’s ERM and ESG strategy. The ARSC also reviews AET’s key risk policies and practices, including those related to climate-related risks. To support the Committee in carrying out its role, the management provides the committee with quarterly risk reports on significant risk events that breach predetermined risk thresholds.

The management, represented by the ELT, makes up the third layer. The ELT is responsible for reviewing and providing guidance on AET’s ESG activities and goals.

The ELT meets monthly to discuss company matters, including those that are ESG-related, and review AET’s progress towards meeting its net-zero goal. The ELT also reviews all risk events that breach predetermined risk thresholds, along with the proposed mitigation strategies for these events.

The ELT is supported firstly by the Strategy and Sustainability Team, who are responsible for developing and monitoring AET’s ESG and corporate strategy and for coordinating ESG initiatives across the organisation. This Team also oversees ESG-related external and internal engagement and disclosures. It works across departments to address regulatory and ESG rating requirements, of which climate requirements represent a large part.

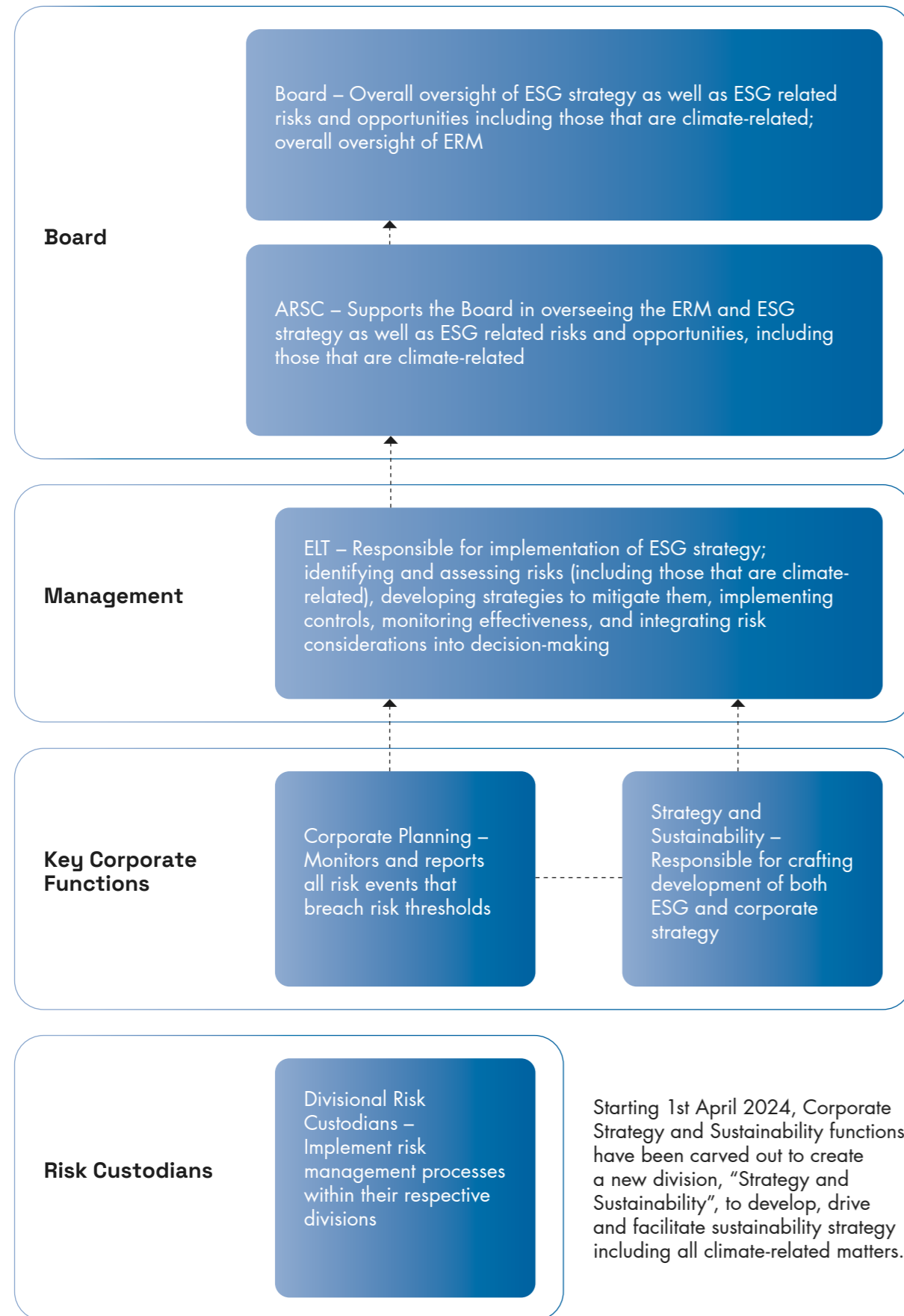
Finally, the ELT is also supported by the Corporate Planning Division, which is responsible for undertaking risk management activities as part of AET’s ERM process. This includes the identification, assessment, evaluation, management, reporting and monitoring of climate-related risks.

### Key Climate-Related Topics Reported and Discussed

	Q1 2023	Q2 2023	Q3 2023	Q4 2023
ARMC	Risk Scorecard including ESG and climate-related risks	Risk Scorecard including ESG and climate-related risks	Risk Scorecard including ESG and climate-related risks	Risk Scorecard including ESG and climate-related risks
ARMC			Special paper on upcoming climate-related regulation, risks and mitigations	Risk register endorsed including integration of ESG and climate-related risks into the overall risk management
Board			AET Energy Transition Strategy endorsed along with the key physical and transition risks and opportunities	



Governance Structure



Board Level Governance

AET’s Board assumes a pivotal role in setting the Company’s overall ESG strategy, endorsing all decisions related to ESG, including ultimate oversight over the Company’s approach to assessing, evaluating, and integrating climate-related risks and opportunities. AET’s net-zero target and transition plan fall under the purview of the Board, demonstrating our commitment to ESG goals.

The Board then entrusts specific governance duties to the ARSC, to aid the Board in fulfilling its obligations and responsibilities. The ARSC functions under well-defined Terms of Reference.

In Q1 2024, AET’s Board approved the renaming of the ARMC to the ARSC to reflect AET’s commitment to sustainability as a core component embedded throughout AET’s activities and operations.

The ARSC has been tasked by the Board to meticulously review AET’s sustainability risk profile, sustainability strategy and governance structure, policies, processes, and practices, encompassing climate-related risks and opportunities, further enhancing AET’s Risk Management Framework and ERM. The Board and ARSC take

climate-related matters into account during the evaluation and direction of strategy, significant action plans, ERM, annual budgets, and business plans. They also establish performance objectives, and supervise implementation and performance, including providing oversight on major Capital Expenditures (CAPEX), acquisitions, and divestitures.

Management Level Governance

AET’s CEO leads and chairs the ELT and is responsible for implementing the ESG strategy and the company’s climate targets as well as identifying and assessing risks (including those that are climate-related). The ELT meets quarterly to discuss key company issues, including key ESG areas. At each meeting, the ELT is informed both on the progress against climate and other targets, and readiness for upcoming regulatory requirements (including climate regulation). In 2023, topics discussed by the ELT included AET’s transition path towards net-zero, progress on our ESG performance, opportunities to optimise the implementation of our ESG strategy, and upcoming ESG-related regulatory requirements.

Training



## Strategy

AET’s governance structure is designed to integrate sustainability across all aspects of our business, including our strategy, business model and our financial planning process, ensuring that our focus on sustainability permeates through everything that we do. Identification of climate risks and opportunities form a core part of AET’s five-year business and sustainability strategy roadmap. Key areas presented in 2023 include our AET Energy Transition Strategy, our 2030 decarbonisation plan, evaluation of our Scope 3 data accounting and reporting, and our regulatory requirements on climate reporting.

Within our financial planning, all CAPEX decisions require an environmental sustainability assessment conducted through the Project Risk Assessment (PRA) framework/methodology to determine its potential impact on the climate and/or the organisation’s exposure to climate risks. AET also applies a ICP of US\$68/tonne CO<sub>2</sub>e in decisions on strategic CAPEX, with this price being reviewed annually, and we factor

climate change risks and opportunities into our financial planning by means of budgeting to achieve our climate targets.

In 2023, AET deployed CAPEX of US\$1.5M on environmental projects to reduce consumption of natural resources and improve energy efficiency across our operations. This spending is aligned with our long-term target for net-zero emissions by 2050, and our medium-term target of 40% GHG emissions intensity reduction compared to 2008 baseline in our own operation by 2030.

AET has established three different time horizons to assess climate risks and opportunities, as well as develop subsequent strategies in response.

The chosen timeframes – short-, medium-, and long-term – are then adjusted in line with AET’s regular planning cycles and are evaluated as part of the company’s transformation plans.

Time Horizon	Rationale on Material Financial Impact
<b>Short-term</b> (Within the next 2-3 years)	Any climate-related risks and opportunities that have or are expected to have material financial impacts in the next two to three years, stemming from current and emerging climate legislation and market transition to low-carbon assets
<b>Medium-term</b> (Current year up to 2030)	Any climate-related risks and opportunities that have or are expected to have material financial impacts in meeting the following expectations: <ul style="list-style-type: none"> <li>Achieving IMO targets, which are reducing emissions by at least 20%, striving for 30% by 2030, and at least a 70% reduction striving for 80% by 2040</li> <li>Acknowledging the typical lifespan of a vessel to be around 20 to 25 years, the shipping industry must develop economically sustainable deep-sea vessels with ultra-low or zero carbon emissions by 2030 to fulfil IMO 2050 net-zero goal and achieve AET’s net-zero emissions target by 2050</li> </ul>
<b>Long-term</b> (2031-2050)	Any climate-related risks and opportunities that have, or are expected to have, material financial impacts in addressing the energy transition and global movement towards net-zero GHG emissions by 2050

## Climate Scenarios






In considering the potential impacts of climate change on our operations and financial performance, we have evaluated various scenarios based on different levels of global warming. The three different scenarios of low, medium and high future emissions are based on the Shared Socioeconomic Pathways (SSP) which are the different narratives of societal development, reflecting a range of possible future trajectories based

on varying assumptions about demographics, economic growth, technological innovation, governance, and environmental policy. Each SSP is associated with a specific level of radiative forcing, which measures the difference between the amount of solar radiation absorbed by the earth and the amount of energy radiated back to space.

AET’s Climate Scenarios	Projection of Temperature Rise from 1881 to 2100 (°C)		Policy Ambition	Scenario Highlights
	Mean	Range		
<b>Low future emissions</b> <b>&lt; 2°C</b>	1.8	1.3 ~ 2.4	SSP1-2.6	As the world shifts gradually, but pervasively, toward a more sustainable path, there is emphasis on more inclusive development that respects perceived environmental boundaries. Management of the global commons slowly improves, educational and health investments accelerate the demographic transition, and the emphasis on economic growth shifts toward a broader emphasis on human well-being. Driven by an increasing commitment to achieving development goals, inequality is reduced both across, and within, countries. Consumption is oriented toward low material growth, lower resource and energy intensity. This is a low radiative forcing scenario that assumes a significant and sustained reduction in global GHG emissions. It projects a peak in CO <sub>2</sub> emissions before the mid-21st century, followed by a decline to zero levels by the 2070s. It also assumes aggressive deployment of renewable energy, CCS and other technologies that limit GHG emissions.
<b>Moderate future emissions</b> <b>2-3°C</b>	2.7	2.1 ~ 3.5	SSP2-4.5	The world follows a path in which social, economic, and technological trends do not shift markedly from historical patterns. Development and income growth proceeds unevenly, with some countries making relatively good progress while others fall short of expectations. Global and national institutions work toward, but make slow progress in, achieving sustainable development goals. Environmental systems experience degradation, although there are some improvements and overall the intensity of resource and energy use declines. Global population growth is moderate and levels off in the second half of the century. Income inequality persists or improves only slowly and challenges remain to reducing vulnerability to societal and environmental changes. This is a stabilisation scenario, which means the radiative forcing level stabilises before 2100 by employment of a range of technologies and strategies for reducing GHG emissions.
<b>High future emissions</b> <b>3-4°C</b>	3.6	2.8 ~ 4.6	SSP3-7.0	Resurgent nationalism, concerns about competitiveness and security, and regional conflicts push countries to increasingly focus on domestic or, at most, regional issues. Policies shift over time to become increasingly oriented toward national and regional security issues. Countries focus on achieving energy and food security goals within their own regions at the expense of broader-based development. Investments in education and technological development decline. Economic development is slow, consumption is material-intensive, and inequalities persist or worsen over time. Population growth is low in industrialised and high in developing countries. A low international priority for addressing environmental concerns leads to strong environmental degradation in some regions. This is a high radiative forcing scenario that assumes continued growth in GHG emissions throughout the 21st century. It assumes little or no climate mitigation effort and a continued reliance on fossil fuels for energy production. Based on these assumptions, significant impact on the global climate system, including more frequent and severe heatwaves, droughts, floods and storms are assumed.

These scenarios were sourced from: Intergovernmental Panel on Climate Change; SSP; IEA; The International Renewable Energy Agency

## Key driving forces and trends under each scenario

Driving Forces	 Physical	 Regulatory	 Technology	 Market	 Reputation and Social
<p><b>Scenario 1</b></p> <p>Low Emissions Scenario</p> <p>(&lt; 2°C)</p>	<ul style="list-style-type: none"> <li>• Sea level rise and higher sea surface temperatures affect coastal communities</li> <li>• Increase in wind speed and wave power in the Southern Hemisphere</li> </ul>	<ul style="list-style-type: none"> <li>• Extensive international collaboration</li> <li>• Clear policies to support net-zero transition</li> <li>• Well-established carbon pricing</li> </ul>	<ul style="list-style-type: none"> <li>• Accelerated deployment of renewable energy technologies, such as solar and wind, to meet ambitious emissions reduction targets</li> <li>• Rapid advancement and adoption of electrification of transportation, supported by advancements in battery storage technology - utilisation of e-fuels in international shipping decarbonisation</li> <li>• Innovation and investment in CCUS technologies to mitigate remaining emissions from hard-to-abate sectors, like shipping</li> </ul>	<ul style="list-style-type: none"> <li>• Accelerated demand for clean energy solutions from environmentally conscious consumers and businesses</li> <li>• The global demand for crude oil is expected to see a significant decline by 2050 with the shift towards lower-carbon energy sources. In this scenario, oil demand is likely to peak within this decade.</li> <li>• Increased pressure to reduce GHG emissions and adopt more sustainable practices, such as using low-carbon fuels or investing in CCS technologies</li> </ul>	<ul style="list-style-type: none"> <li>• Significant stakeholder pressure to reduce emissions across the value chain</li> <li>• Increased regulatory requirements for reporting and disclosing performance and targets</li> <li>• Creation of a new green economy and employment opportunities</li> </ul>
<p><b>Scenario 2</b></p> <p>Moderate Emissions Scenario</p> <p>(2 – 3°C)</p>	<ul style="list-style-type: none"> <li>• Infrastructure and communities in lower latitudes will experience notable impacts from climate-related risks</li> <li>• Larger winter ocean waves and increase in wave heights</li> </ul>	<ul style="list-style-type: none"> <li>• Industry environmental standards</li> <li>• Growing international collaboration</li> <li>• Clear policies to support net-zero transition</li> <li>• Well-defined industry environmental standards</li> </ul>	<ul style="list-style-type: none"> <li>• Continued growth in renewable energy deployment, albeit at a slightly slower pace compared to the low emissions scenario, as nations work towards achieving emissions reduction targets</li> <li>• Increased focus on energy-efficient technologies across industries</li> <li>• Deployment of more resilient infrastructure and adaptation measures to address the impacts of moderate climate change, such as sea-level rise and changing weather patterns</li> </ul>	<ul style="list-style-type: none"> <li>• Shift towards more sustainable consumer behavior, including preferences for eco-friendly products and services</li> <li>• The global demand for oil is likely to plateau at current levels and fall marginally from current levels in 2050. Oil is likely to peak in the 2030s.</li> <li>• Growing recognition of the economic benefits of climate action, spurring investments in clean energy projects, green finance initiatives, and sustainable development programs by governments, businesses, and financial institutions. The pace of these actions is sporadic.</li> </ul>	<ul style="list-style-type: none"> <li>• Progress towards improving sustainable and responsible practices will be mixed</li> <li>• Widespread social awareness about climate change which influences purchasing and consumption decisions</li> <li>• Shortage of skills in climate change adaptation with many displaced workers</li> </ul>
<p><b>Scenario 3</b></p> <p>High Emissions Scenario</p> <p>(3 – 4°C)</p>	<ul style="list-style-type: none"> <li>• Extreme sea level rise and intense impact on ports and coastal infrastructure</li> <li>• Warmer sea surface with extreme heatwaves and intense tropical cyclones</li> </ul>	<ul style="list-style-type: none"> <li>• Moderate implementation of carbon pricing</li> <li>• Large differences across regions and countries on environmental standards and policies</li> <li>• Continuing government incentives for the oil and gas sector in some countries</li> <li>• Carbon pricing is not widely adopted</li> </ul>	<ul style="list-style-type: none"> <li>• Limited progress in emissions reduction efforts, leading to continued reliance on fossil fuels for energy generation and transportation</li> <li>• Focus on process efficiency with slower adoption of best-performing technologies</li> <li>• Increased investment in adaptation strategies, including infrastructure upgrades, coastal defenses, and disaster preparedness measures, to cope with the worsening impacts of climate change</li> </ul>	<ul style="list-style-type: none"> <li>• Slower adoption of renewable energy sources</li> <li>• Oil demand is likely to continue to see a small growth</li> <li>• Continued investment into upstream oil and gas</li> </ul>	<ul style="list-style-type: none"> <li>• Some pressure and urgency placed on companies for climate action</li> <li>• Unequal spread of job gains and losses between sectors and countries</li> </ul>

## Climate-Related Risks and Opportunities

### Impact of Climate-Related Risks and Opportunities on AET’s Strategy and Financial Planning

Risk Category	Driving Forces	Risk	Time Horizon	Impact to AET’s Business	Potential Opportunities	Management’s Approach
Physical	Acute	Increase in extreme wind and precipitation	Medium - long term	<ul style="list-style-type: none"> <li>Elevated Operational Expenditure (OPEX) due to operational delays or disruptions increasing transit times, fuel consumption and operational costs</li> <li>Elevated asset maintenance costs and expenses due to operational delays or disruptions</li> <li>Rise in personal injury and asset damage cases, leading to higher insurance premiums</li> <li>Potential damage to structures and equipment exposed to external weather and elevated costs for upgrading building sites</li> <li>Potential reputational impact from failure to meet project deadlines due to disruptions in asset newbuilding yards, port operations, and affected supply chain operations</li> <li>Escalation in compliance costs due to increased spill or leak risks, leading to damages and potential litigation</li> </ul>	<ul style="list-style-type: none"> <li>Explore digitalisation to minimise dependency on physical assets, optimise operations and minimise maintenance costs</li> <li>Seize opportunities to provide specialised asset design services that can withstand extreme weather conditions</li> <li>Expand exploration of alternative shipping routes and logistics strategies to circumvent regions most affected by weather changes to ensure supply chain resilience</li> <li>Increased collaboration across supply chains</li> </ul>	<p>All AET’s vessels are engineered to withstand extreme weather conditions. To enhance crew preparedness, these vessels receive real-time weather updates, including maps and satellite imagery, from the National Oceanic and Atmospheric Administration and guidance from port authorities. Equipped with advanced sensors and comprehensive weather monitoring solutions, AET’s vessels can predict sea state, wind, and other crucial weather conditions, ensuring safe navigation during extreme weather events. AET is committed to continually enhancing the specifications of our newbuild vessels to effectively address acute physical risks. Rigorous safety controls are implemented for vessel navigation, including a comprehensive set of procedures covering passage planning, vessel management during adverse weather conditions, navigational equipment maintenance, resource management and contingency plans for various vessel emergencies. AET has established a robust Crisis Management Plan (CMP) to manage corporate-level crises. Operational-level emergency plans are seamlessly integrated into the CMP, forming a cohesive link to our business continuity management and disaster recovery planning, effectively mitigating business risks.</p>
	Chronic	Sea level rise	Medium - long term	<ul style="list-style-type: none"> <li>Risk of damage to shipping hubs and ports where critical infrastructure is affected, most being located only a few meters above sea level</li> </ul>		
Transitional	Regulatory	Increasing environment/ carbon policies and legislations	Short - medium term	<ul style="list-style-type: none"> <li>Higher capital and operating costs incurred due to compliance with IMO’s EEXI, CII regulations and enforcement of carbon tax</li> <li>Encounter potential premature asset write-downs of ship asset renewals or refurbishments, to meet specified emissions standards</li> <li>Reduced competitive advantage for less efficient assets due to regulations or customer requirements</li> <li>Uneven global adoption of regulations creates complexities for AET’s operations, impacting our efforts to align with, and contribute to, the global net-zero agenda</li> </ul>	<ul style="list-style-type: none"> <li>Higher market differentiation for owners of low-carbon assets</li> <li>Increase in demand for cleaner sources of energy driven by government policies</li> <li>Capitalise on opportunities to provide low-emission maritime services to meet customer needs</li> <li>Diversification of business portfolio into low- and zero-emission solutions by investing and adopting ammonia and hydrogen technologies aligning with global climate targets</li> </ul>	<ul style="list-style-type: none"> <li>Integration of regulatory climate risk in the risk register with Board level oversight</li> <li>100% of vessels rated as C and above and are CII compliant.</li> <li>100% of vessels are EEXI compliant</li> <li>ICP of US\$68/tonne CO<sub>2</sub>e for all new CAPEX investments</li> <li>Preparation for compliance with EU ETS. Upgrade of the software systems; training of the commercial staff; adoption of Baltic and International Maritime Council recommended standard clauses; AET is taking steps to comply by issuing signed mandates to ship managers for EU Measurement, Reporting and Verification (MRV) and ETS obligations and amending ship management agreements to include adherence to ETS requirements.</li> </ul>
	Technological	Development of new technologies for low-carbon solutions	Short - medium term	<ul style="list-style-type: none"> <li>Invest in research for new technologies to meet low-carbon economy requirements</li> <li>Require adaptation and innovation, including operational and logistical changes to handle new fuel types</li> <li>Face technology adoption risks where the solutions deployed may not meet business demands and regulations</li> <li>Impacts demand for existing assets that are still running on older, more carbon-intensive technology</li> </ul>	<ul style="list-style-type: none"> <li>Increased annual savings from retrofitting existing vessels with energy-efficient technologies and reduced energy consumption</li> <li>Increased funding/incentives from financial providers for first movers in developing and adopting new technologies</li> </ul>	<p>One of the world’s first adopters of LNG dual-fuel vessels. Since then, our dual-fuel fleet has expanded to nine vessels. As a member of the “Getting to Zero Coalition” as part of the MISC Group, AET shares the goal of deploying commercially viable deep-sea ZEVs, by no later than 2030. In 2024, AET signed two SBCs and TCP contracts for ammonia dual-fuel vessels. Efforts are also underway to explore GHG abatement technologies. These initiatives target the reduction of CH<sub>4</sub> emissions from LNG dual-fuel vessels. At the broader MISC Group level, the New Energy and Decarbonisation team was formed to drive forward the decarbonisation pathway and focus on seeking a new portfolio of businesses within the carbon and hydrogen value chains that will enable the Group to thrive in the net-zero economy.</p>
		Training for the right expertise and skills required to manage new assets	Short - medium term	<ul style="list-style-type: none"> <li>Incur reskilling and upskilling costs for AET’s workforce to manage new low- and zero-carbon technologies</li> <li>Increased requirements for digital literacy and necessary skills for using advanced technologies, data analytics, and automation</li> </ul>	<ul style="list-style-type: none"> <li>Standing as a climate leader enhances ability to attract talent</li> </ul>	

Risk Category	Driving Forces	Risk	Time Horizon	Impact to AET's Business		Potential Opportunities	Management's Approach
Transitional	Market	Market interest shift towards low-carbon economy and shift in customer expectations	Medium - long term	<ul style="list-style-type: none"> <li>• Long-term decline in the use of oil and gas products and increased use of renewable energy, substantially impacting transported volumes, revenues, and overall business model</li> <li>• Increased customer preference for carbon-neutral transportation options</li> <li>• Higher volume of renewable energy equipment and storage facilities for zero-emission fuels at ports, necessitating an overhaul in handling and storage capabilities</li> </ul>		<ul style="list-style-type: none"> <li>• Expansion and diversification of fleet offerings to meet customer demand in parallel value chains such as offshore wind, carbon, and alternative fuels</li> <li>• Provision of innovative and sustainable solutions in ship management, engineering, procurement, and consultancy</li> <li>• Expansion of service offerings for integrated maritime services, especially for handling and storage facilities at ports</li> </ul>	<ul style="list-style-type: none"> <li>• Established a new AET Energy Transition Strategy</li> <li>• For more details refer to pages 34 and 35</li> </ul>
		Changing capital providers trends	Medium - long term	<ul style="list-style-type: none"> <li>• Increased barriers to gain access to finance due to commitments to green financing</li> <li>• Adjustments in capital flows and a pivot by investors to align the energy sector with a favourable economic and environmental trajectory</li> </ul>		<ul style="list-style-type: none"> <li>• Introduce new funding opportunities for low-emissions assets and businesses by demonstrating collective commitment towards emissions reduction across the sector</li> </ul>	<ul style="list-style-type: none"> <li>• Secured SLL financing</li> </ul>
	Reputational & Social	Being perceived as advanced or laggard in climate change/failure to comply with regulation	Short - long term	<ul style="list-style-type: none"> <li>• Pressure to ensure accurate and timely information about sustainability performance including emissions reduction initiatives, safety measures, and environmental stewardship efforts to maintain stakeholder confidence and demonstrate progress</li> </ul>		<ul style="list-style-type: none"> <li>• Explore partnerships with counterparts in the energy and chemical sectors based on shared commitments to reduce emissions</li> <li>• Engage in close collaborations with suppliers and partners to ensure stringent adherence to environmental standards and initiatives to reduce emissions</li> </ul>	<ul style="list-style-type: none"> <li>• Publicly committing to achieve net-zero GHG emissions target by 2050, and transparently communicating sustainability endeavours to both internal and external stakeholders</li> <li>• Decarbonising our business portfolios, ensuring proactive risk management and adaptation strategies to enhance resilience to climate-related risks that align with investor expectations, and securing financing for future initiatives</li> <li>• Proactive collaborations with players across the value chain to showcase a stronger sector-wide commitment and unlock new funding sources</li> <li>• Embarking on a responsible supply chain management programme with comprehensive self-assessments, engagements, and initiatives to strengthen our reputation and manage stakeholder expectations as part of climate risk management</li> <li>• Actively navigating the transition risks associated with talent retention, attraction, and climate change action within the maritime and energy sectors</li> </ul>
		Talent retention and attraction	Short - long term	<ul style="list-style-type: none"> <li>• Ensure the job security of employees who are directly dependent on the oil and gas sector</li> <li>• Experience loss of talent as professionals may seek out opportunities with companies that are "greener" in nature</li> </ul>		<ul style="list-style-type: none"> <li>• Increased commitment to community engagement, local employment support and sustainability initiatives</li> <li>• Demonstrate strong commitment to reducing value chain emissions and providing sustainable services</li> </ul>	<ul style="list-style-type: none"> <li>• Engaging in strategic partnerships, exemplified by our role as a key partner of the Global Maritime Forum, our signatory status with the "Getting to Zero Coalition" since 2019, and others. These affiliations and presence in the global maritime sector underscore our dedication to contributing to climate action both globally and locally.</li> </ul>

**Outcome of AET’s Climate Scenario Analysis**

The following is the outcome of our analysis using the three future scenarios identified and their respective time horizons\*.

Risk Category	Driving Forces	Risk	Low Emissions Scenario	Moderate Emissions Scenario	High Emissions Scenario
<b>Physical</b>	Acute	Increase in extreme wind and precipitation	<ul style="list-style-type: none"> <li>Minimal impact as our assets are built to withstand certain extreme weather conditions</li> </ul>	<ul style="list-style-type: none"> <li>Increased OPEX to maintain and reinforce assets due to heightened extreme weather conditions</li> </ul>	<ul style="list-style-type: none"> <li>Increased CAPEX for designing and constructing new assets and OPEX to maintain and reinforce assets due to heightened extreme weather conditions</li> </ul>
	Chronic	Sea level rise	<ul style="list-style-type: none"> <li>Additional incurred cost of property maintenance/ reinforcements due to erosion from sea level rise/ tidal wave changes</li> </ul>	<ul style="list-style-type: none"> <li>Increased cost of property maintenance/ reinforcements and relocations due to erosion from sea level rise/ tidal wave changes</li> </ul>	<ul style="list-style-type: none"> <li>Increased OPEX to relocate or implement adaptation measures for operations at coastal locations, such as upgrading building sites or relocating to higher grounds</li> <li>Increased cost from operational delays and disruptions related to trading routes, ports, and related infrastructure due to submergence, coastal flooding, and coastal erosion</li> </ul>
<b>Transitional</b>	Regulatory	Increasing environment/ carbon policies and legislations	<ul style="list-style-type: none"> <li>Significantly increased compliance costs due to stringent carbon policies and legislation for more efficient assets – CAPEX and OPEX</li> </ul>	<ul style="list-style-type: none"> <li>Increasing compliance costs due to extensive carbon regulations – CAPEX and OPEX</li> </ul>	<ul style="list-style-type: none"> <li>Increased compliance cost due to moderately increasing carbon regulations –CAPEX and OPEX</li> </ul>
	Technological	Development of new technologies for low-carbon solutions	<ul style="list-style-type: none"> <li>Significantly increased investment costs in low-carbon solutions</li> </ul>	<ul style="list-style-type: none"> <li>Increased investment costs in low-carbon solutions</li> </ul>	<ul style="list-style-type: none"> <li>Increased investment costs in low-carbon solutions</li> </ul>
		Training for the right expertise and skills required to manage new assets	<ul style="list-style-type: none"> <li>Increased talent development and upskilling costs (OPEX)</li> </ul>	<ul style="list-style-type: none"> <li>Increased talent development cost (OPEX)</li> </ul>	<ul style="list-style-type: none"> <li>Increased talent development cost (OPEX)</li> </ul>
	Market	Market interest shift towards low-carbon economy and shift in customer expectations	<ul style="list-style-type: none"> <li>Substantial reduction in market demand for oil and gas production, storage and transportation assets and logistic services</li> </ul>	<ul style="list-style-type: none"> <li>Costs of investment and risk of temporary business interruption in adapting to the uncertainties to transition and expand low-carbon solutions technology to meet customer expectations</li> </ul>	<ul style="list-style-type: none"> <li>Market trends toward profit-driven motives, showing less emphasis on environmentally conscious and lower-carbon solutions</li> <li>Moderate decrease in global demand for fossil fuels, potentially affecting exploration and production activities, impacting business operations and revenues</li> </ul>
		Changing capital providers trends	<ul style="list-style-type: none"> <li>Lack of funding/ increased interest rates for conventional fuelled assets</li> </ul>	<ul style="list-style-type: none"> <li>Shift in investor sentiment impacts the valuation and funding opportunities for traditional energy companies</li> <li>Increased cost of borrowing and reduced capital availability</li> </ul>	<ul style="list-style-type: none"> <li>Lack of funding/ increased interest rates for conventional marine assets</li> <li>Challenges in attracting the requisite capital for our operations and growth with increasing apprehension about committing capital to carbon-intensive industries</li> </ul>
	Reputational and Social	Being perceived as advanced or laggard in climate change/ failure to comply with regulation	<ul style="list-style-type: none"> <li>Increased costs, potential fines, and a negative impact on reputation from failure to meet stakeholders increasing social awareness</li> </ul>	<ul style="list-style-type: none"> <li>Increased costs, potential fines, and a negative impact on reputation from failure to meet stakeholders increasing social awareness</li> </ul>	<ul style="list-style-type: none"> <li>More room for adjustments to expectations and requirements towards low-carbon solutions with lesser concerns on compliance issues</li> </ul>
Talent retention and attraction		<ul style="list-style-type: none"> <li>Increased OPEX to attract and retain talent</li> </ul>	<ul style="list-style-type: none"> <li>Increased OPEX to attract and retain talent</li> </ul>	<ul style="list-style-type: none"> <li>Moderately increased OPEX to attract and retain talent</li> </ul>	

Insignificant to minor impact on AET’s current business objectives.
  Minor to moderate impact on AET’s current business objectives.
  Major or substantial impact on AET’s current business objectives.

\*We have systematically categorised climate-related risks and opportunities to AET, and identified risks of particularly high importance, considering the degree of impact and importance on our business, as well as the anticipated level of stakeholder interest. The risk or opportunity is deemed material if it has a high chance of occurrence and has a substantial financial impact on AET objectives.

### Our Energy Transition Strategy

Against the dynamic landscape of the contemporary global maritime and energy industry, we are acutely aware of the imperatives posed by climate change. Acknowledging the intricacies of our sector and the profound implications of environmental shifts, our Energy Transition Strategy is aligned with identified climate-related risks. It has been crafted to not only navigate the challenges inherent in AET’s operations but also to seize the opportunities emerging in the transition towards a low-carbon energy future.

At its heart, our Energy Transition Strategy outlines our aspiration of a 40% reduction in our fleet’s GHG emissions from the 2008 baseline, and a 50% increase in CFO compared to the 2022 baseline, with half of the increase stemming from new energy business by 2030. The strategy is underpinned by our business focus areas of resilient core, profitable new energy, and decarbonisation. Our strategy supports our ambitious target for net-zero GHG emissions by 2050.

By systematically addressing the risks and opportunities identified, we aim to fortify our resilience, reduce emissions, and foster sustainable practices throughout our value chain. Grounded in innovation and strategic foresight, our plan underscores our commitment to sustainable shipping practices, ensuring the long-term

viability of our industry while responsibly contributing to global climate goals.

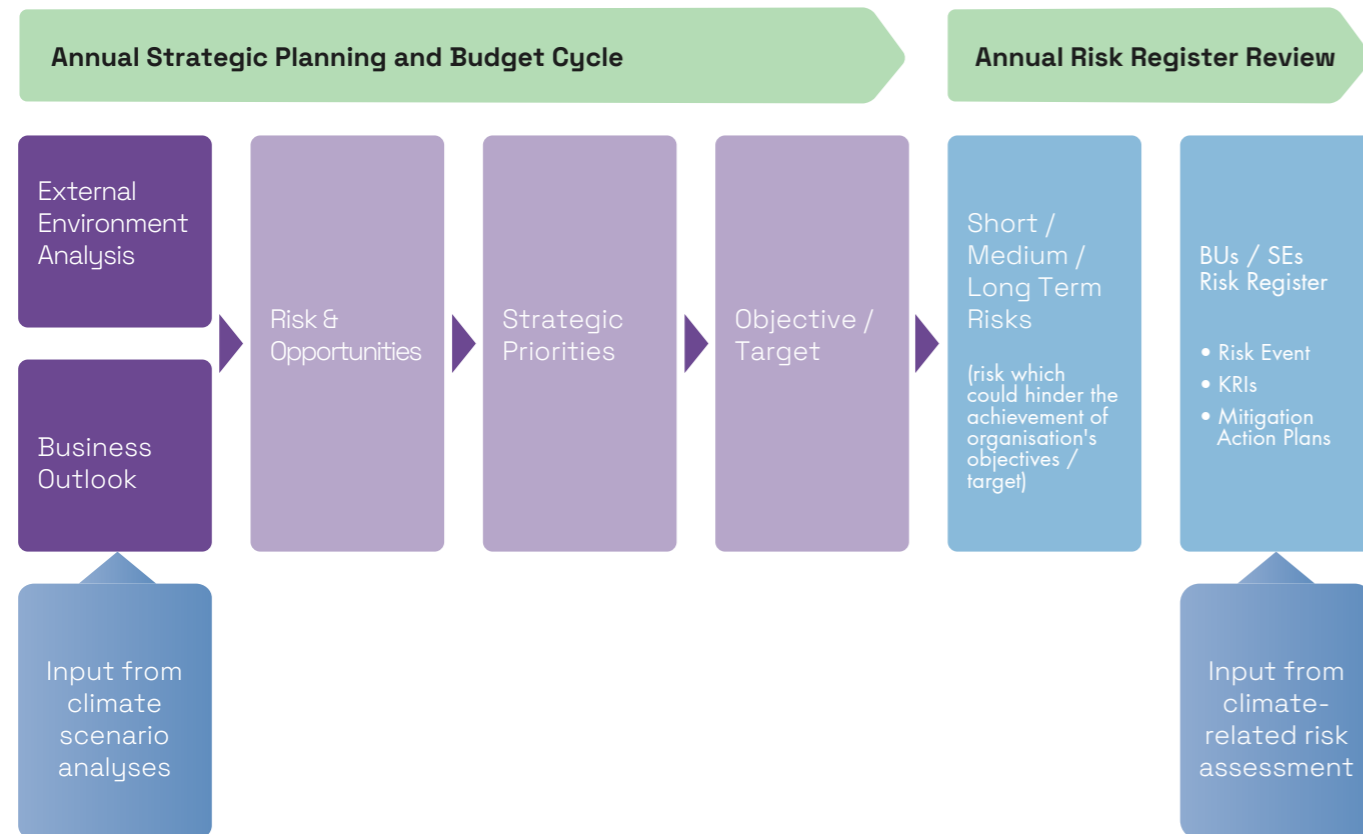
More detailed information about the individual aspects of our Energy Transition Strategy can be found on page 34-35.

### Risk Management

Our risk management process is integral to the ongoing success of AET’s business and our resilience against the impact of climate change. It seamlessly incorporates the identification, assessment, and management of climate-related risks within our comprehensive risk management programme, which is specifically structured to identify risks across AET, gathering input from each business unit and function.

AET incorporates climate risk evaluation into our strategic planning and business processes, aligning with our ERM framework. Specifically, a PRA is systematically conducted before the initiation of any new capital-intensive project. This thorough assessment aids in the identification of potential risks associated with the project, allowing the business to implement effective controls and measures to mitigate these risks.

#### Our Integrated Annual Business Planning and Risk Management Process



### Enterprise Risk Management

Understanding, preparing for and managing climate-related risks is extremely important to AET, and identified climate-related risks are fully integrated into our comprehensive ERM Framework.

Risk management processes for climate-related risks are undertaken across each business unit and function within AET. These units are required to perform an annual review of their risk profiles, with a focus on linking risks to AET’s business objectives, including climate-related risks, their impact and mitigation plans.

The outcomes from this exercise, documented in quarterly ERM reports, are reviewed, monitored, and reported to the ELT, before being escalated to the ARSC and subsequently the Board. The oversight of ESG and sustainability risks and opportunities are an essential component of AET's comprehensive business strategy, influencing decisions at both Board and Management levels.

In 2023, the ARMC dedicated attention to guiding the overall transition of AET’s business, focusing on reducing carbon emissions in the current portfolio and exploring potential investments to bolster stable financial returns. Building upon the decision by the Board in 2022 to integrate sustainability risks into ARMC reviews, we have continuously improved our disclosures on climate risks and opportunities to our stakeholders.

Within AET, the Corporate Planning division is responsible for overseeing the annual integration of climate-related risks and opportunities into AET’s strategic planning exercise. This integration aims to facilitate the development of business plans that encompass both financial and climate-related considerations.

AET adheres to the PETRONAS Resiliency Model which takes a comprehensive approach to the overall strategy towards risk management.

#### AET Risk Oversight Structure

<b>Board Level</b>	<b>Board of Directors</b>	<ul style="list-style-type: none"> <li>Responsible for the overall oversight of AET risk management system and activities</li> </ul>
	<b>ARSC</b>	<ul style="list-style-type: none"> <li>Reviews the adequacy and effectiveness of AET’s Risk Management Framework and ongoing activities for identifying, evaluating, monitoring and mitigating risks</li> <li>Reviews AET’s risk tolerance level</li> </ul>
<b>Management Level</b>	<b>ELT</b>	<ul style="list-style-type: none"> <li>Provide a reasonable level of assurance to the ARSC that AET’s risks are being managed appropriately</li> </ul>
	<b>Risk Owners</b>	<ul style="list-style-type: none"> <li>Responsible for implementing risk management processes at respective units</li> </ul>

**Corporate Planning**

- Reviews ERM risk register annually
- Reviews and monitors risk reporting quarterly

### Identifying and Assessing Risk and Opportunities

AET’s ERM Framework serves as a guide for identifying, tracking, and monitoring climate-related risks – both physical and transitional risks across our business. This is performed through our ‘three lines of defence’ risk management model against existing and emerging risks that impact AET’s ability to generate value for our stakeholders. In this model, the first and second lines are responsible for executing and monitoring risk management activities and they refer to our Corporate Planning Division and ARSC respectively. The third line operates independently to check how well the risk management processes are working and refers to the internal audit function. In defining risks, we also identify the corresponding opportunities as actions required to mitigate the risks. Both internal and external contexts are considered in the scoping and management of these risks and opportunities to facilitate strategy and decision-making.

The external context involves reviewing all external factors that may affect the achievement of AET’s objectives. The external environment analysis includes assessing the impact of climate-related scenarios on our business outlook. This serves to assist AET in identifying trends, changes, and external driving forces, economic, political, and social conditions related industry environment, as well as regulatory requirements and other external factors.

The internal context is an overview of AET’s strategic direction, our main operations, and targets. Understanding the internal context ensures that the management of risk is at the appropriate level and is cohesive with AET’s objectives and strategies.

Material risks and opportunities are then translated into strategic business priorities as part of AET’s five-year rolling business plan. A risk or opportunity is deemed material if has a high probability of occurrence and has a substantial financial impact on AET.

### Investment Decisions – PRA

Climate-related risks and opportunities undergo evaluation during AET’s PRAs and project economics, where details are included in the Management and the Board’s Final Investment Decision papers. AET systematically prioritises these factors, particularly those linked to climate challenges, by evaluating the potential impact severity of risks and the scale of opportunities.

During AET’s investment decision-making process, the assessment of identified climate-related risks, specifically carbon emissions from new assets, involves estimating the potential emission amounts and scope. This includes

proposing options to mitigate, transfer, accept, or control these risks through considerations such as:

- Existing and emerging regulatory requirements related to climate change, including applicable external carbon prices.
- Potential implementation of low-carbon technologies to reduce asset emissions, and improve energy efficiency and performance, with sensitivity assessments utilising our ICP (shadow price comparisons).
- Evaluation of the asset's total GHG emissions and its GHG emissions intensity, aligning with AET’s climate commitments.

### Metrics and Targets

In quantifying our commitment to climate resilience, we have identified several performance indicators and targeted benchmarks to manage climate-related risks and opportunities that are essential in steering us towards a sustainable and low-carbon future. These include:

- GHG emissions intensity performance (in annual emissions ratio in the unit of gCO<sub>2</sub>e/t-nm) for historical periods and 2050 projections;
- Total GHG for Scope 1, 2 and 3;
- ICP;
- Revenue from low-carbon services;
- Operating expenditure on low-carbon or energy reduction initiatives; and
- Energy consumption.



### Our Commitment And Performance

	Medium-term Target 40% reduction in GHG emissions intensity (for shipping operations) by 2030	Long-term Target Net-Zero GHG Emissions by 2050
<b>Scope</b>	<ul style="list-style-type: none"> <li>• Shipping operations which fall within AET’s GHG Organisational Boundary (Financial Control)</li> <li>• Vessels not subjected to the requirements of Regulations 21 and 25 of MARPOL Annex VI are excluded</li> </ul>	AET’s value chain: <ul style="list-style-type: none"> <li>• AET’s own operations (Scopes 1 and 2)</li> <li>• Material upstream and downstream operations (Scope 3)</li> </ul>
<b>Base Year</b>	2008	2008
<b>Target Type</b>	Intensity reduction	Absolute reduction
<b>Measurement Metric</b>	AERCO <sub>2</sub> e (gCO <sub>2</sub> e/t-nm)	CO <sub>2</sub> e (gCO <sub>2</sub> e)
<b>GHG Included</b>	All material GHG <ul style="list-style-type: none"> <li>• CO<sub>2</sub></li> <li>• CH<sub>4</sub></li> <li>• N<sub>2</sub>O</li> </ul>	All material GHG: <ul style="list-style-type: none"> <li>• CO<sub>2</sub></li> <li>• CH<sub>4</sub></li> <li>• N<sub>2</sub>O</li> </ul>

### Our Net-Zero Equation



Scope of Gases	Scope of Activities	Mitigation Pathways	Timeframe
<ul style="list-style-type: none"> <li>• All GHG</li> <li>• Unit CO<sub>2</sub>e</li> </ul>	Scopes 1-3	<ul style="list-style-type: none"> <li>• Abatement</li> <li>• Removal Offset (beyond value chain)</li> </ul>	Long-term
Gases include: <ul style="list-style-type: none"> <li>• CO<sub>2</sub></li> <li>• CH<sub>4</sub></li> <li>• N<sub>2</sub>O</li> </ul>	<ul style="list-style-type: none"> <li>• AET’s operations (Scope 1&amp;2)</li> <li>• Upstream and downstream of AET’s operations (Scope 3 on material categories)</li> </ul>	<ul style="list-style-type: none"> <li>• Abatement and removal pathways to reduce own operations and value chain emissions</li> <li>• Beyond value chain carbon removal avoidance and reduction to offset residual GHG</li> </ul>	2050

### Why Net-Zero by 2050? Our rationale:

Typically, investments in our newbuild assets have an average lifespan of 20 years.

Assuming ZEVs are commercially available only in 2030, we will need 20 years from 2030 to complete the transition from existing fleet to ZEV.



### AET GHG Inventory

The organisational boundary for AET's GHG inventory accounting is determined by the financial control approach outlined in the GHG Protocol Corporate Standard. We assert financial control over an operation when we have the authority to direct its financial and operational policies to gain economic benefits from its activities.

#### Scope 1 & 2

All direct GHG emissions occurring on assets where AET has financial control are included under AET's Scope 1 GHG emissions. All indirect emissions from energy purchased for consumption on assets where AET has financial control are accounted for under AET's Scope 2 GHG emissions.

Scope 1 accounts for 99.96% of AET's total Scope 1 and 2 GHG emissions and Scope 2 GHG emissions are from purchased electricity by building operations.

#### Scope 3

AET accounts for and reports material Scope 3 emissions according to the following definition:

- Top Scope 3 categories covering at least 67% of the total Scope 3 emissions
- Operational emissions from assets not accounted as AET's Scope 1 and 2, which fall under the following Scope 3 categories:
  - i. Category 8 – Upstream leased assets and facilities where AET has no financial control
  - ii. Category 13 – Downstream leased assets and facilities where AET has no financial control
  - iii. Category 15 – Investments not accounted for in AET's Scope 1 and 2

Based on this definition, the following Scope 3 categories were deemed material to AET:

- iv. Category 3 (Fuel and Energy-Related Activities)
- v. Category 8 (Upstream Leased Assets) – In-chartered vessels where AET is the commercial operator only
- vi. Category 15 (Investments) – Vessels which are jointly owned by AET and other parties, where AET has equity ownership but does not have financial control

AET's Scope 3 GHG emissions account for 21% of AET's total GHG (Scope 1, 2 and 3) in FY2023. Fuel-related activities (i.e., emissions associated with upstream fuel production and transportation) are the primary source of Scope 3 emissions for AET.

### Carbon Intensity

We measure our carbon intensity using the AER metric which is aligned with IMO's mandatory scheme on operational CO<sub>2</sub> reduction known as CII. AER measures a vessel's total CO<sub>2</sub> emissions per unit of transport work (unit: gCO<sub>2</sub>/t-nm). Transport work is calculated by multiplying the vessel's deadweight by the distance travelled.

However, the AER metric only measures CO<sub>2</sub> and does not include other GHGs converted into CO<sub>2</sub> equivalent (CO<sub>2</sub>e). Therefore, in addition to AER, AET also tracks and reports our vessels' GHG performance in units of gCO<sub>2</sub>e per t-nm which includes all relevant GHGs from our operations i.e., CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O.

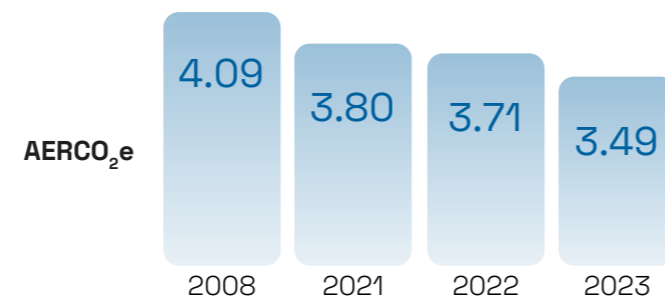
### GHG Emissions Performance

#### GHG Emissions (tonnes CO<sub>2</sub>e)

	2008	2021	2022	2023
<b>Scope 1</b>	2,031,593	1,587,072	1,601,688	1,634,563
<b>Scope 2</b>		627	638	612
<b>Scope 3</b>		101,723	459,590	433,270

In 2023, Scope 3 emissions for material categories accounted for 433,270 tonnes CO<sub>2</sub>e. In comparison to 2022 performance, our Scope 3 emissions for 2023 decreased by 6% due to a reduction in the number of our in-chartered vessels.

#### Scope 1 GHG Emissions Intensity (gCO<sub>2</sub>e/ton-nm)



In 2023, we achieved a 15% reduction in our GHG emissions intensity compared to 2008. In comparison to our performance in 2022, our GHG emissions intensity improved by 6% in 2023.

The improvement was due to:

- The introduction of two new LNG dual-fuel EEDI Phase III compliant VLCCs, Eagle Vellore and Eagle Ventura.
- Ongoing commercial and operational excellence interventions on AET's existing fleet, including:
  - Enhanced awareness and collaboration with charterers to optimise speed (slow steaming), improved voyage planning;
  - Internal initiatives to drive awareness about energy efficiency performance and operations;
  - Conducting trade optimisation, particularly for vessels on STS trading;
  - Carrying out regular hull and propeller cleaning;
  - Applying ultra-low friction paint when vessels are in drydock; and
  - Increased utilisation of biofuel.

### Energy Management

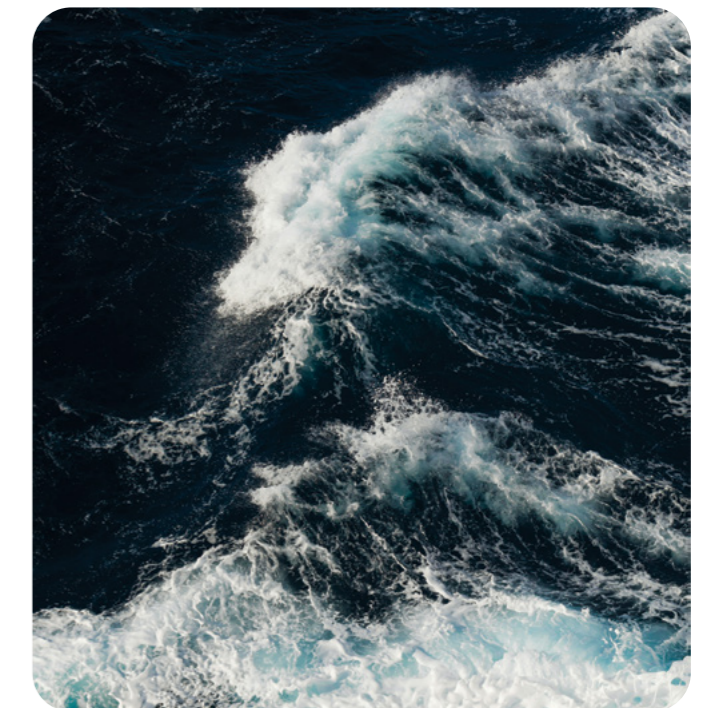
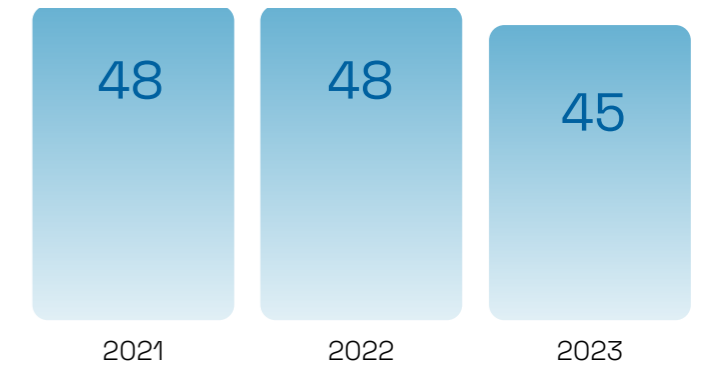
The maritime sector consumes a significant amount of energy to power vessels, and for maintenance and upgrading of vessels. Therefore, efficient energy management is important to reduce operating costs, optimise efficiency and minimise environmental impacts. Given the connection between energy management and GHG emissions, particularly if the energy used is fossil fuels, the maritime and shipping sector is under increasing pressure to reduce its environmental impact, adopt energy-efficient practices and transition to cleaner fuels. These efforts contribute to environmental sustainability and compliance with emission regulations.

Recognising this, AET has identified energy efficiency as one of the environmental initiatives, aiming to implement energy efficiency measures within the short and medium term. One of the initiatives at our ship manager is the certification to the ISO 50001:2018 Energy Management System for our fleet. As part of the requirements under ISO 50001, internal and external audits are conducted annually to ensure compliance and identify areas for improvement. To support the implementation of energy efficiency initiatives, energy efficiency-related training is regularly organised for our seafarers and shore staff.

Among initiatives under our shipping operations conducted by our ship manager are:

- Implementing controls under ISO 50001, including monitoring of energy consumption at discharge, and loading ports; and audits and corrective actions under ISO 50001
- Commercial and operational efficiency interventions (as described in the decarbonisation section) are collectively aimed at reducing energy consumption while delivering the same or higher work outputs

#### AET's Energy Intensity Ratio (GJ per million transport work)



## Climate-Related Remuneration

AET first introduced climate-related strategic initiatives and annual GHG emissions intensity targets as part of ESG-related key performance indicators into AET's Balance Scorecard in 2022.

In the Balanced Scorecard, the CEO has five weighted strategic objectives across key priority areas, including targets related to ESG matters. Performance against these strategic objectives accounts for 100% of CEO's annual variable bonus. Environmental sustainability is included within the strategic objective 'ESG/Human Capital'. This includes performance against the AET's absolute emissions reduction targets and other sustainability targets. The ESG-related performance of senior management via the scorecard and remuneration is reviewed by the AET Board. The Board conducts performance appraisals for AET and the President & CEO, covering aspects of financial performance, strategic initiatives, operations, HSSE, sustainability and people development. In 2023, the management of climate-related risks and opportunities accounted for 12% of AET's Balance Scorecard.

The ELT also has a long-term incentive plan, 20% of which is directly linked to the Sustainability targets.

## Internal Carbon Price

In 2023, AET established an ICP to anticipate and manage immediate and future regulatory developments related to carbon emissions. The ICP is used to encourage the consideration of carbon emissions and associated costs when evaluating investment decisions, CAPEX, and long-term business strategies, apart from managing client and investor expectations. The ICP, set at an internal price of US\$50/tonne CO<sub>2</sub>e in 2023, was used to calculate new investment costs.

An internal process was also developed in 2023 to determine the annual ICP and integrate this into calculations for asset investments and PRAs. In 2024, we have revised the ICP to US\$68/tonne CO<sub>2</sub>e.



## Revenue From Low-Carbon Services

Most of AET's business is within the traditional energy space where we continue to capitalise on our expertise and financial strength to ensure steady returns for our stakeholders. For our next phase of growth, we aspire to achieve a 50% increase in CFO compared to the 2022 baseline, with half of the increase stemming from new energy business by 2030. This includes the opportunities in offshore wind and carbon value chains and future fuels.

## Operating Expenditure on Low-Carbon Or Energy Reduction Initiatives

In 2023, AET spent a total of US\$12M on climate-related expenses which included costs to retrofit our assets and costs to purchase transition fuels such as LNG and biofuel to improve energy efficiency and reduce emissions.

## Moving Forward

Throughout 2023, we have continued to demonstrate our commitment to integrating climate considerations into AET's overall business strategy and daily decision-making processes – ensuring that it is present in everything that we do. Through diligent assessment and disclosure, we aim to enhance stakeholder understanding of our climate-related impacts, foster resilience and contribute to the broader global effort towards a sustainable and low-carbon future, as well as leading the maritime industry in initiatives that contribute to a more sustainable future.

As we continue to navigate the dynamic landscape of climate-related challenges, we remain steadfast in our pursuit of sustainable practices, innovation, and responsible stewardship, underlining our dedication to creating long-term value for our organisation, our value chain, and our stakeholders.



# Stakeholder Engagement

## Sustainability Pillar

### Stakeholder Engagement Activities and Disclosures

#### Our Commitment

- To create value through trusted stakeholder relationships

#### Our Initiatives

- To collaborate with strategic partners and regularly seek feedback on sustainability agenda
- To transparently promote and communicate sustainability agenda through disclosures

#### Our Contribution to UNSDGs

- 17 PARTNERSHIPS FOR THE GOALS**
- Promote global partnerships for a sustainable maritime industry by encouraging multi-stakeholder collaborations

#### Material Matters

- Refer to all identified material matters

At AET, our stakeholders are our essential partners and a key driver for the continued success of our business. By bringing together a diverse array of stakeholders from across the industry and across value chains, we can share and leverage knowledge, expertise, technologies, and financial resources. This empowers us to address complex challenges and determine how best we can create value in ways that align with our business objectives and sustainability agenda.

We identify our key stakeholders based on their unique characteristics, level of involvement with AET and ability to have the potential to impact AET including those that are directly or indirectly impacted by AET's operations and activities. As part of our value generation process, a stakeholder-inclusive strategy and a structured stakeholder engagement methodology have been established.

### Our Principles of Engagement

- 1** Collaborate with strategic partners
- 2** Promote sustainability awareness
- 3** Communicate effectively through identified platforms
- 4** Feedback sought regularly from stakeholders
- 5** Transparency through disclosures on sustainability related frameworks

### Our Key Stakeholders



## Collaborating with Strategic Partners

Collaboration with stakeholders is at the core of AET's ethos, underpinning its commitment to safety, operational excellence, and industry advancement. Through strategic partnerships and proactive engagement, AET has established itself as a leader in the maritime sector, leveraging collective expertise and resources to address complex challenges and drive positive change.

### Business Partners and Suppliers

One such example of AET's efforts is the collaboration between AET and the Sabine Pilots, which aims to address safety concerns and foster dialogue within the maritime community in Houston and Sabine. Recognising the need for concerted action following a series of incidents and near misses in the Houston and Sabine ship channels, AET took the lead in organising an industry workshop in collaboration with the Sabine Pilots. This initiative sought to bridge the gap between Brown Water and Blue Water operators, facilitating a dialogue among professionals operating in these crucial waterways. The workshop garnered significant interest, drawing over 150 participants from diverse backgrounds, including pilots, port captains, ship owners, inland tug and barge operators, and members of the shrimp and fishing boat community. This wide-ranging participation underscored the urgency and importance of the issues at hand and through interactive discussions and knowledge sharing, participants gained valuable insights into best practices, risk mitigation strategies, and the latest developments in maritime safety.



### Regulatory Authorities

Another example is AET's participation in the biennial Maritime Information Sharing Exercise (MARISX) in Singapore. In 2023, this exercise, conducted by the Information Fusion Centre (IFC) of the Republic of

Singapore's Navy, brought together maritime security practitioners from around the world. By actively engaging in information sharing and knowledge exchange, AET not only demonstrated its commitment to industry-wide cooperation but also gained valuable insights into emerging threats and best practices in maritime security. Following MARISX, AET continued collaboration with stakeholders by hosting a joint discussion with the IFC at its Singapore office. This forum provided an opportunity to further explore opportunities for collaboration in maritime security, emphasising AET's proactive approach to addressing shared challenges and fostering long-term partnerships.

Moreover, AET's collaboration with MPA exemplifies its commitment to working closely with government agencies to enhance safety and preparedness. From participating as panelists in high-profile forums during the Singapore Maritime Week to conducting annual crisis drill exercises with MPA, AET has actively engaged in strengthening operational linkages and communication workflows, ensuring readiness to respond to potential crises effectively.



## Promoting Sustainability Awareness

AET also takes the opportunity to promote awareness on ESG matters as part of our sustainability journey. Having been at the forefront of investments in modern, energy-efficient assets to operate our business responsibly and efficiently while reducing GHG emissions, we see the need to raise awareness among our industry peers about the urgency to accelerate their efforts to meet the IMO GHG emissions goals.

Our Global Director of Corporate HSSE & Sustainability presented at the Asia Maritime Decarbonisation Conference, where he emphasised the need for a higher mandate to achieve emissions reductions that goes beyond the usual technical solutions or mere compliance. He then shared our climate disclosure pathways and initiatives to accomplish our 2030 and 2050 climate targets. Further highlighting the pivotal role collaborations and partnerships play, he covered AET's experiences and learnings as a pioneer in dual-fuel vessels and from our latest collaborations on zero-emissions green ammonia tankers. He also stressed the need for commitment towards safe adoption, training, retraining, and reskilling to ensure the safety of our staff at sea and onshore as new technologies and fuels also bring new risks.



At the Argus Sustainable Marine Fuels Conference in Houston, our AVP of Business Development, participated in a panel discussion alongside industry peers, exploring the question: "Is LNG a future-proof investment option or a risky venture?". The panel delved into their experience as pioneers of LNG in the industry as well as the future for new sustainable fuels and environmentally friendly ways for their distribution and access. Other key topics included regulatory considerations, infrastructure development and the evolving energy landscape. Our participation in the Argus Sustainable Marine Fuels Conference underscores our unwavering commitment to sustainability, innovation, and responsible business practices.



Our colleagues from Stavanger also attended various panel discussions at the Nor-Shipping conference held in Oslo where different maritime stakeholders gathered and exchanged industry insights. AET was also featured for its strategic investments in the 2023 Nor-Shipping magazine and through a video advertisement showcased at the conference.



### Business Partners and Suppliers

On the front of health and safety and closer to home, our President and CEO moderated one of the significant panel sessions at the 2023 MISC HSSE Partners Summit, which underscored the critical importance HSSE plays in AET and across the MISC Group. The session, titled “Influencing HSSE Culture and Behavior towards a Generative Approach”, included esteemed panelists from Chevron, Dyna-Mac, and the Marine Department Malaysia. The panel emphasised that leaders need to demonstrate generative HSSE behaviour to embed such culture across their organisations. They shared their experiences and insights on sustaining a robust safety culture across varied operations. The panel discussion also highlighted the need for key strategies across AET and the MISC Group, including leadership engagement, ensuring psychological safety, maintaining open and effective communication, and focus on learning from incidents rather than penalising mistakes.

### Customers

Our team in Houston hosted the first AET Operations and Lightering Forum which brought together approximately 30 of our key clients located in the area. The half-day event aimed to further strengthen working relationships, foster collaboration, and create a space to share knowledge while also providing networking opportunities. Representatives from various departments took the stage and shared their expertise to provide our clients with a comprehensive overview of our operations and an in-depth understanding of our capabilities. The inaugural AET Operations and Lightering Forum was a testament to our commitment to excellence, collaboration, and building lasting partnerships.



### Communicating Effectively Through Identified Platforms

Having representation at the right forums is important when dealing with issues that matter to AET. These may refer to topics relating to the health and safety of our people, operational issues and even CoBE. While we hold various memberships, below are some key involvements we have with trade associations which we are also a member of.

#### INTERTANKO International Association of Independent Tanker Owners

INTERTANKO promotes the interests of independent tanker owners in international forums and organisations.

AET is represented in the Insurance and Legal Committee, and as part of the MISC Group, in the Executive Committee, Council, Vetting Committee, and the Human Element in Shipping Committee (HEISC). In HEISC, we advocate for industry interests by emphasising the crucial role of the human element in adopting best practices for the safe operation of tankers and focus on ensuring strict compliance with operational and environmental regulations and practices. We play an active role in INTERTANKO through collaborations with peers, constructively listening to feedback from industry partners and resolving members’ concerns.

AET, together with MISC, were technology sponsors at the INTERTANKO Dubai Meet and Annual Tanker Event. Our AET and MISC colleagues also attended the INTERTANKO Latin American Panel and North American Panel in Rio de Janeiro and Houston respectively.

#### MACN Maritime Anti-Corruption Network

MACN is a global business network that envisages a corruption-free maritime industry that provides fair trade for the benefit of society.

As a member of MACN, we work towards the elimination of all forms of maritime corruption by raising awareness of the challenges faced, implementing the MACN Anti-Corruption Principles and co-developing and sharing best practices. We also collaborate with governments, non-governmental organisations, and civil society to identify and mitigate the root causes of corruption and create a culture of integrity within the maritime community.

#### CSA Chamber of Shipping of America

CSA represents U.S. based companies that own, operate or charter oceangoing vessels engaged in both domestic and international trades and companies that maintain a commercial interest in the operation of such oceangoing vessels. CSA envisions an integrated maritime sector with coordination and cooperation between regulators and industry.

AET is represented on the Board which allows us to gain access to critical information and leaders such as Washington DC Regulators, Policy Makers, Legislators, US Customs and Border Protection and US Coast Guard to capitalise on opportunities and make informed decisions. We also get to interact with Senior Members of our customer base who are members of CSA and participate in the CSA Members Awards Programme, which includes the Jones F. Devlin Awards and the Environmental Achievement Award.

We showed further support by sponsoring again a table at the June 2023 Board Meeting and Annual Safety Awards Luncheon and November 2023 Annual Environment Achievement Awards Dinner.

**SSA****Singapore Shipping Association**

SSA is a national trade association formed to serve and promote the interests of its members and to enhance the competitiveness of Singapore as an International Maritime Centre.

As a member of SSA, AET is a part of a collective voice representing the interests of the Singapore shipping industry at the local, regional, and international levels. We also get to participate in forums, feedback and dialogue sessions that engage key regulatory agencies and international maritime organisations, drive key initiatives of interest to the Singapore shipping industry and have an impact on the development of regulatory and operational issues.

AET also supported SSA as one of the bronze sponsors at SSA's 38<sup>th</sup> Anniversary Gala Dinner.

**ITOL****Industry Taskforce on Lightering**

ITOL was formed to provide a proactive forum for identifying, assessing, planning, communicating, and implementing operational and environmental measures, some of which are beyond what the law requires, that promote safe, and secure STS transfer operations in the Gulf of Mexico.

As a co-chair of ITOL, we get to provide inputs on policy and procedures with regards to STS operations, as well as work closely with the US Coast Guard, Oil Companies International Marine Forum and others to promote industry self-policing and continuous improvement.

In 2023, we conducted a learning session with the United States Coast Guard Sector Corpus Christi on STS lightering and also shared at the Navtech conference in Fort Lauderdale, Florida the different technologies and programs the Mooring Masters utilise to help safely berth and moor the vessels together underway.

**Other Associations and Memberships**

- Getting to Zero Coalition (through MISC)
- Global Maritime Forum (through MISC)
- Houston International Seafarers Center
- International Tankers Owners Pollution Federation Limited
- Lone Star Harbour Safety Committee
- Marine Preservation Association
- National Navigation Safety Advisory Committee
- North American Marine Environment Protection Agency
- Offshore Marine Service Association
- San Jacinto College Maritime Advisory Committee
- Singapore Business Federation
- Singapore National Employers Federation
- Society of Maritime Arbitrators
- South Texas Waterways Advisory Committee
- Southeast Texas Waterway Advisory Council
- Texas A&M University Marine Engineering Technology Industry Advisory Board
- West Gulf Maritime Association

**Stakeholder Feedback**

We actively seek feedback from our stakeholders as we believe in improving how we create value. This can be done in two ways, either through formal engagements such as stakeholder surveys and meetings, or informal engagements such as social events and activities. In both instances we listen to our stakeholders and understand what and how we can do better.

**Employees**

Our President & CEO is committed to building strong relationships with all our employees and fostering a sense of responsible community. We have held several in-person focus and engagement sessions with our President & CEO across all our offices and quarterly townhalls are now regionally focused to allow for greater interaction between employees and the ELT. To further encourage interaction, we launched a new digital tool for staff to share ideas, allowing our global team to connect and collaborate with one another in an informal and fun way. Through the digital tool, employees also get to ask questions and connect directly with the ELT. Social activities and events were organised across all our offices to foster greater connections among our employees and celebrate our diversity. Our employees also participated in various volunteering initiatives, building on our common sense of purpose while giving back to our communities where we operate. AET embraces diversity across the organisation and believes that working collaboratively as one team is the key to success.

**Customers**

As part of our commitment to stakeholder engagement, we recognise the paramount importance of gathering feedback from our customers. Regular meetings and periodic surveys enable us to understand their

perspective on the level of service we provide and identify areas for improvement. Recently, in line with our expanding presence in Latin America, we hosted a stakeholder reception and dinner in Rio de Janeiro, Brazil. This event provided a valuable opportunity to interact directly with key stakeholders, including Brazilian authorities, esteemed customers, and vital business partners, reinforcing our dedication to fostering strong relationships and ensuring their voices are heard in our continuous improvement efforts. In addition to our engagement efforts in Latin America, we recently commemorated AET's 30<sup>th</sup> anniversary with a stakeholder reception in Singapore. This special event not only celebrated our milestone but also served as a platform for our customers to provide feedback to help enhance our services further. By actively involving our customers in such gatherings, we reaffirm our commitment to listening and responding to their needs, thereby fostering stronger partnerships and continuous improvement in the services we provide.

**Transparency Through Disclosures**

Our disclosures in AET Connects, adhering to standards set by SASB and GRI, exemplify our ongoing dedication to improving transparency despite our status as a private company, where such disclosures are not mandated by regulatory authorities. This commitment underscores our proactive approach to accountability and stakeholder engagement. We continue to improve our disclosure on our ESG performance and activities through public domains such as our annual publication – AET Connects, website, social media i.e., LinkedIn, press releases, surveys, and external engagement opportunities.





# Supporting Information

- Performance Data
- Sustainability Reporting Standards & Disclosures
- Fleet List
- Global Office Directory
- Abbreviations

## Performance Data

Refer to page 73 for details on emissions, carbon intensity and EEDI

Environment	Unit	2021	2022	2023
<b>Total Energy Consumption</b> <small>SASB Metric</small>	GJ	20,110,659	20,563,263	21,042,842
Heavy Fuel Oil <small>SASB Metric</small>	tonnes	69,620	64,769	72,649
Low Sulphur Heavy Fuel Oil	tonnes	265,506	291,496	302,360
Ultra-Low Sulphur Heavy Fuel Oil	tonnes	0	752	4
Marine Gas Oil	tonnes	0	64	0
Low Sulphur Marine Gas Oil	tonnes	4,177	1,815	3,846
Ultra-Low Sulphur Marine Gas Oil	tonnes	133,492	131,721	114,742
LNG	tonnes	15,747	10,455	13,985
Biodiesel	tonnes	-	-	5,329
Diesel	Litre	22,716	22,716	22,716
Petrol	Litre	6,816	6,816	6,816
Electricity	kWh	896,055	994,525	993,241
<b>Energy Intensity Ratio - Petroleum &amp; Product</b>	GJ per million transport work	48	48	45
<b>Waste</b>				
<b>Non-Shipping Operations</b>				
<b>Non-Hazardous Waste Generated</b>	tonnes	32	71	58
Recycled / Reused / Recovered	tonnes	2	8	22
Final Disposal	tonnes	30	63	36
<b>Hazardous Waste Generated</b>	tonnes	64	73	39
Recycled / Reused / Recovered	tonnes	64	73	39
Final Disposal <small>(Note: Sent for incineration / landfill)</small>	tonnes	0	0	0
<b>Shipping Operations</b>				
Oil Sludge	m <sup>3</sup>	4,609	5,651	5,798
Operational Effluent Discharge <small>(Note: Comprises bilge water only)</small>	m <sup>3</sup>	13,417	14,518	13,907
Operational Effluent Discharge per Vessel per Month <small>(Note: Comprises bilge water only)</small>	m <sup>3</sup>	19.36	21.86	21.04
<b>Vessel Garbage</b>	m <sup>3</sup>	3,095	3,110	3,246
Disposed to Reception Facility	m <sup>3</sup>	2,397	2,431	2,542
Discharged to Sea - Category B	m <sup>3</sup>	278	282	281
Incinerated Onboard	m <sup>3</sup>	420	397	423

Environment	Unit	2021	2022	2023
<b>Water</b>				
<b>Freshwater Withdrawal</b>	m <sup>3</sup>	6,339	8,797	11,116
From Surface Water	m <sup>3</sup>	6,339	8,797	11,116
From Third-Party Water	m <sup>3</sup>	0	0	0
<b>Water Consumption from Vessels' Freshwater Generator</b>	m <sup>3</sup>	163,016	151,114	148,737
<b>Fleet Implementing Ballast Water</b>				
Exchange <small>SASB Metric</small>	%	14%	5%	0%
Treatment <small>SASB Metric</small>	%	86%	95%	100%
<b>Spills</b>				
Spills <small>SASB Metric</small>	Number	2	1	1
Aggregate Volume of Spills Released to the Environment <small>SASB Metric</small>	m <sup>3</sup>	0.049	0.015	0.015
<b>Fines / Penalties on Environmental-Related Non-Compliances</b>	Number	2	0	0



## Reporting Assumptions

Metrics	Assumptions
AER	Measures a vessel's CO <sub>2</sub> emissions per transport work (gCO <sub>2</sub> /t-nm). Transport work is calculated by multiplying the vessel's deadweight with the distance travelled.
AERCO <sub>2e</sub>	Measures a vessel's total emissions of CO <sub>2</sub> , CH <sub>4</sub> and N <sub>2</sub> O using a common unit termed as CO <sub>2e</sub> per transport work (gCO <sub>2e</sub> /t-nm). Transport work is calculated by multiplying the vessel's deadweight with the distance travelled.
Average EEDI for New Vessels	Total EEDI for new vessels divided by total number of new vessels
Non-Hazardous Waste	Sum of all non-hazardous waste types generated from AET's shore operations
Hazardous Waste	Sum of all hazardous waste types generated from AET's shore operations. Hazardous wastes managed through reuse, recovery and recycle (3R) is the sum of all hazardous waste types generated which are sent to 3R facilities and excludes the quantity of hazardous wastes sent to final disposal sites i.e. landfill or incineration sites.
Operational Effluent Discharge	Bilge water discharged to sea and at shore reception facility, as recorded in the vessel's oil record book
Vessel Garbage	Sum of all garbage categories in m <sup>3</sup> disposed to reception facilities, discharged to sea and incinerated, as recorded in the vessel's garbage record book
Freshwater Withdrawal	Actual volume of freshwater drawn into AET facilities from municipal supply, as recorded in water bills
Spills	Unplanned or uncontrolled releases of liquid or solid associated with current operations from primary or secondary containment, into the environment. (i.e., soil and surface water)
Fines / Penalties	A sum of money required to be paid to the regulatory agency/local authority as a penalty for an offence such as non-compliance with rules and regulations

Social – Health and Safety	Unit	2021	2022	2023
<b>Health and Safety</b>				
<b>Working Hours</b>	Hours	12,810,334	11,926,265	11,992,502
<b>Fatalities</b>	Number	0	0	1
Employees	Number	0	0	1
Contractor	Number	0	0	0
<b>Lost Time Injury (LTI)</b>	Number	1	2	2
Employees	Number	1	1	2
Contractor	Number	0	1	0
<b>LTIF</b> <small>SASB Metric</small>	Per 1 M man-hours	0.08	0.17	0.17
Employees	Per 1 M man-hours	0.08	0.09	0.17
Contractor	Per 1 M man-hours	0.00	6.10	0.00
<b>Total Recordable Case (TRC)</b>	Number	4	3	3
Employees	Number	4	2	3
Contractor	Number	0	1	0
<b>TRCF</b>	Per 1 M man-hours	0.31	0.25	0.25
Employees	Per 1 M man-hours	0.32	0.17	0.26
Contractor	Per 1 M man-hours	0.00	6.10	0.00
<b>Rate of Occupational Disease</b>		0	0	0
<b>Fines / Penalties on Non-Compliances Concerning the Health and Safety Impacts of Products and Services</b>	Number	0	0	0
<b>Health and Safety Assurances</b> <small>(Note: Refers to HSE self-assessments done on HSE Management System elements through myAssurance)</small>	Number	7	8	15

## Reporting Assumptions

Metrics	Assumptions
LTI	The sum of Fatalities, Permanent Total Disabilities (PTD), Permanent Partial Disabilities (PPD) and Lost Workday Cases (LWC) but excluding Restricted Work Cases (RWC) and Medical Treatment Cases (MTC)
LTIF	The number of LTIs per million hours worked
TRC	The sum of Fatalities, PTD, PPD, LWC, RWC and MTC
TRCF	The number of TRCs per million hours worked
Working Hours	Actual “hours worked” including overtime and training but excluding off-duty hours (although the time is spent at the worksite or premise), leave, sickness and other absences. For shipping operations (MISC Marine), man-hours accumulation starts when the employee signs on and ends when the employees sign off from the vessel.
Fines / Penalties	A sum of money required to be paid to the regulatory agency/local authority as a penalty for an offence such as non-compliance with rules and regulations. This shall include traffic summons and fines by municipal bodies issued to AET-owned vehicles.
Work-related	Work-related is described as those activities for which management controls are, or should have been, in place. Incidents occurring during such activities are reportable and will be included in the statistics.

Social – Talent Excellence	Unit	2021	2022	2023
<b>Total Employees</b>	Number	185	180	172
<b>By Gender</b>				
Female	Number (%)	81 43.78%	83 46.11%	75 43.60%
Male	Number (%)	104 56.22%	97 53.89%	97 56.40%
<b>By Age Group</b>				
30 and below	Number (%)	19 10.27%	31 17.22%	28 16.28%
31 - 50 years old	Number (%)	131 70.81%	116 64.45%	106 61.63%
Over 50 years old	Number (%)	35 18.92%	33 18.33%	38 22.09%
<b>By Countries of Operations</b>				
Malaysia	Number (%)	3 1.62%	4 2.22%	4 2.33%
Singapore	Number (%)	94 50.81%	90 50.00%	79 45.92%
Europe	Number (%)	22 11.89%	20 11.11%	20 11.63%
North & South America	Number (%)	66 35.68%	66 36.67%	69 40.12%
<b>By Employment Position</b>				
<b>Senior Management</b>	Number (%)	14 7.57%	16 8.89%	18 10.47%
Female	Number (%)	3 21.43%	5 31.25%	6 33.33%
Male	Number (%)	11 78.57%	11 68.75%	12 66.67%
<b>Middle Management</b>	Number (%)	19 10.27%	18 10.00%	19 11.05%
Female	Number (%)	7 36.84%	4 22.22%	5 26.32%
Male	Number (%)	12 63.16%	14 77.78%	14 73.68%
<b>Junior Management</b>	Number (%)	52 28.11%	48 26.67%	43 25.00%
Female	Number (%)	16 30.77%	15 31.25%	13 30.23%
Male	Number (%)	36 69.23%	33 68.75%	30 69.77%
<b>Executive</b>	Number (%)	79 42.70%	78 43.33%	73 42.43%
Female	Number (%)	40 50.63%	45 57.69%	39 53.42%
Male	Number (%)	39 49.37%	33 42.31%	34 46.58%
<b>Non-Executive</b>	Number (%)	21 11.35%	20 11.11%	19 11.05%
Female	Number (%)	15 71.43%	14 70.00%	12 63.16%
Male	Number (%)	6 28.57%	6 30.00%	7 36.84%
<b>By Management Position in Revenue Generating Function</b>				
	Number	-	32	33
Female	Number (%)	-	1 3.13%	1 3.03%
Male	Number (%)	-	31 96.87%	32 96.97%

Social – Talent Excellence	Unit	2021		2022		2023	
<b>By Science, Technology, Engineering and Mathematics (STEM)-Related Function</b>	Number	-	-	60	-	51	-
Female	Number (%)	-	-	33	55.00%	27	52.94%
Male	Number (%)	-	-	27	45.00%	24	47.06%
<b>By Nationality</b>							
American	Number (%)	55	29.72%	50	27.78%	51	29.65%
Singaporean	Number (%)	48	25.95%	48	26.67%	43	25.00%
Malaysian	Number (%)	29	15.68%	31	17.22%	27	15.70%
British	Number (%)	13	7.03%	9	5.00%	12	6.98%
Brazilian	Number (%)	9	4.86%	8	4.44%	10	5.81%
Indian	Number (%)	10	5.41%	9	5.00%	10	5.81%
Others	Number (%)	21	11.35%	25	13.89%	19	11.05%
<b>By Employment Type</b>							
Permanent	Number (%)	173	93.51%	152	84.44%	144	83.72%
Contract and Third-Party	Number (%)	12	6.49%	28	15.56%	28	16.28%
<b>Employees with Disability</b>	Number	0	-	1	-	2	-
Female	Number (%)	0	0.00%	1	100.00%	1	50.00%
Male	Number (%)	0	0.00%	0	0.00%	1	50.00%
<b>Employees Basic Salary by Gender (Male:Female)</b>	Ratio	1.2:1	-	1.2:1	-	1.4:1	-
<b>Total New Hires</b>	Number	56	-	47	-	35	-
<b>By Gender</b>							
Female	Number (%)	21	37.50%	27	57.45%	16	45.71%
Male	Number (%)	35	62.50%	20	42.55%	19	54.29%
<b>By Age Group</b>							
30 and below	Number (%)	14	25.00%	17	36.17%	11	31.43%
31 - 50 years old	Number (%)	36	64.29%	27	57.45%	21	60.00%
Over 50 years old	Number (%)	6	10.71%	3	6.38%	3	8.57%
<b>By Countries of Operations</b>							
Malaysia	Number (%)	0	0.00%	0	0.00%	0	0.00%
Singapore	Number (%)	25	44.64%	26	55.32%	12	34.29%
Europe	Number (%)	10	17.86%	5	10.64%	4	11.43%
North & South America	Number (%)	21	37.50%	16	34.04%	19	54.28%
<b>By Employment Position</b>							
Senior Management	Number (%)	-	-	-	-	3	8.57%
Middle Management	Number (%)	-	-	-	-	2	5.71%
Junior Management	Number (%)	-	-	-	-	6	17.14%
Executive and Below	Number (%)	-	-	-	-	24	68.57%
<b>Average Hiring Cost</b>	USD	-	-	-	-	19,631	-
<b>Internal Mobility</b>	Number	22	-	32	-	23	-
Female	Number (%)	9	40.91%	11	34.38%	3	13.04%
Male	Number (%)	13	59.09%	21	65.62%	20	86.96%

Social – Talent Excellence	Unit	2021		2022		2023	
<b>Total Turnover</b>	Number	44	-	58	-	28	-
<b>By Gender</b>							
Female	Number (%)	19	43.18%	28	48.28%	17	60.71%
Male	Number (%)	25	56.82%	30	51.72%	11	39.29%
<b>By Age Group</b>							
30 and below	Number (%)	6	13.64%	5	8.62%	6	21.43%
31 - 50 years old	Number (%)	31	70.45%	46	79.31%	18	64.28%
Over 50 years old	Number (%)	7	15.91%	7	12.07%	4	14.29%
<b>By Countries of Operations</b>							
Malaysia	Number (%)	1	2.27%	0	0.00%	0	0.00%
Singapore	Number (%)	15	34.09%	29	50.00%	13	46.43%
Europe	Number (%)	14	31.82%	7	12.07%	3	10.71%
North & South America	Number (%)	14	31.82%	22	37.93%	12	42.86%
<b>By Employment Position</b>							
Senior Management	Number (%)	-	-	-	-	0	0.00%
Middle Management	Number (%)	-	-	-	-	3	10.71%
Junior Management	Number (%)	-	-	-	-	6	21.43%
Executive and Below	Number (%)	-	-	-	-	19	67.86%
<b>Voluntary Turnover</b>	Number	32	-	51	-	25	-
<b>Total Absenteeism</b>	Number	-	-	-	-	0	-
<b>By Gender</b>							
Female	Number (%)	-	-	-	-	0	0.00%
Male	Number (%)	-	-	-	-	0	0.00%
<b>By Age Group</b>							
30 and below	Number (%)	-	-	-	-	0	0.00%
31 - 50 years old	Number (%)	-	-	-	-	0	0.00%
Over 50 years old	Number (%)	-	-	-	-	0	0.00%
<b>Training</b>							
<b>Average Training Hours</b>	Hours	24	-	25	-	20	-
<b>By Employment Position</b>							
<b>Executive and Above</b>	Hours	25	-	25	-	21	-
Female	Hours	-	-	-	-	22	-
Male	Hours	-	-	-	-	21	-
<b>Non-Executive</b>	Hours	22	-	22	-	15	-
Female	Hours	-	-	-	-	17	-
Male	Hours	-	-	-	-	11	-
<b>Training Days</b>	Days	-	-	387	-	477	-
Female	Days	-	-	-	-	204	-
Male	Days	-	-	-	-	273	-
<b>Employees Trained</b>	%	-	-	81%	-	79%	-
Female	%	-	-	67%	-	90%	-
Male	%	-	-	79%	-	78%	-

Social – Talent Excellence	Unit	2021	2022	2023			
<b>Training Hours By Employment Position</b>							
Senior Management	Hours	-	-	330			
Middle Management	Hours	-	-	1,117			
Junior Management	Hours	-	-	520			
Executive and Below	Hours	-	-	1,850			
<b>Amount Invested in Training</b>	USD M	-	0.3	0.3			
Average Amount Invested per Employee	USD	-	1,730	1,810			
<b>Human Capital Return on Investment</b>	Ratio	-	2.6	2.8			
<b>Performance Appraisal</b>	%	-	100%	100%			
Female	%	-	46.11%	43.60%			
Male	%	-	53.89%	56.40%			
<b>Parental Leave</b>							
<b>Employees Taking Parental Leave</b>	Number	4	4	5			
Female	Number (%)	2	50.00%	3	75.00%	3	60.00%
Male	Number (%)	2	50.00%	1	25.00%	2	40.00%
<b>Employees Returned After Parental Leave Ended</b>	Number	4	4	5			
Female	Number (%)	2	50.00%	3	75.00%	3	60.00%
Male	Number (%)	2	50.00%	1	25.00%	2	40.00%
<b>Employees Returned After Parental Leave Ended and Still Employed 12 Months After Return to Work</b>	Number	4	0	5			
Female	Number (%)	2	50.00%	0	0.00%	3	60.00%
Male	Number (%)	2	50.00%	0	0.00%	2	40.00%
<b>Employees Engaged</b>	%	-	95%	95%			
<b>Employees Covered by Collective Bargaining Agreements</b>	Number (%)	9	4.86%	9	5.00%	10	5.81%
Malaysia	Number (%)	0	0.00%	0	0.00%	0	0.00%
Singapore	Number (%)	0	0.00%	0	0.00%	0	0.00%
Europe	Number (%)	0	0.00%	0	0.00%	0	0.00%
United States of America	Number (%)	0	0.00%	0	0.00%	0	0.00%
Brazil	Number (%)	9	100.00%	9	100.00%	10	100.00%

## Reporting Assumptions

Metrics	Assumptions
Total Employees	Regular shore-based employees excluding those on unpaid leave as of 31 December 2023. Permanent and contract employees and third-party are included in the scope.
Senior Management	Refers to Senior Managers and above unless stated otherwise.
Middle Management	Refers to Senior Managers unless stated otherwise.
Junior Management	Refers to Managers unless stated otherwise.
Management Position in Revenue Generating Functions	Refers to management roles in departments such as sales, or that contribute directly to the output of products or services. It excludes support functions such as HR, IT, Legal. May also be referred to as roles that have Profit & Loss (P&L) responsibility.
STEM-Related Functions	Refers to roles that use their knowledge of Science, Technology, Engineering and Mathematics in their daily responsibilities.
Average Hiring Cost	The average hiring cost includes internal and external recruiting cost e.g. recruiter salaries, interviews, agency fees, advertising, job fairs, travel and relocation costs.
Absenteeism	Refers to non-attendance at work when attendance was scheduled or expected i.e. Absent Without Leave (AWOL)/Missing in Action (MIA).
Average Training Hours	Total training hours divided by the total number of employees.
Human Capital Return on Investment	Refers to AET's level of profitability in relation to the total human capital expenses. This is calculated by subtracting AET's operating expenses less employee-related expenses (salaries and benefits) from AET's revenue and then dividing by employee-related expenses (salaries + benefits).
Performance Appraisal	All eligible employees will undergo formal performance evaluation during year-end review and will be given performance rating based on the performance rating scale.
Employees Engaged	Based on active employees participating in AET's employee engagement survey i.e., POCS.

Governance	Unit	2021	2022	2023
<b>Anti-Bribery and Corruption</b>				
ABMS Assurances (Note: Refers to ISO 37001 internal and external audits and self-assessments done on critical legal areas through myAssurance)	Number	3	3	3
Operations Assessed for Corruption-Related Risks	%	100%	100%	100%
Confirmed Incidents of Corruption and Actions Taken	Number	0	0	0
Monetary Losses as a Result of Legal Proceedings Associated with Bribery or Corruption <a href="#">SASB Metric</a>	Number	0	0	0
<b>Whistleblowing</b>				
Cases Received	Number	0	0	2
Cases On-going	Number	0	0	0
Cases Investigated	Number	0	0	2
Cases Closed	Number			2
<b>Competition Protocols and Other Critical Laws</b>				
Legal Actions for Anti-Competitive Behaviour, Anti-Trust, Monopoly Practices and Other Critical Laws	Number	0	0	0
<b>Personal Data and Information</b>				
Substantiated Complaints Concerning Breaches of Customer Privacy and Losses of Customer Data	Number	0	0	0
Substantiated Complaints from Regulatory Authorities	Number	0	0	0
Substantiated Complaints from External Parties	Number	0	0	0
<b>Public Policy Positions / Political Contributions</b>				
Contribution to Politically-Related Agenda	Number	0	0	0
Expenditure on Lobbying Activities	Number	0	0	0
<b>Third Party Due Diligence Conducted</b>	Number	172	171	134
<b>Major Cybersecurity Breaches</b>	Number	0	0	0
<b>CoBE</b>				
<b>Coverage</b>				
Employees	%	100%	100%	100%
Contractors / Suppliers / Service Providers	%	100%	100%	100%
Subsidiaries	%	100%	100%	100%

Governance	Unit	2021	2022	2023
<b>Written / Digital Acknowledgement by Employees</b>	%	100%	100%	100%
<b>Training Provided to Employees</b>	%	100%	100%	100%
<b>Human Rights</b>				
Human Rights Risk Assessments Conducted	Number	1	0	0
Incidents of Harassment and Discrimination	Number	1	0	1

Financial	Unit	2021	2022	2023
<b>Financial Performance</b>				
Refer to Key Figures at a Glance on page 54				
<b>Total Revenue from LNG Dual-Fuel Vessels</b>	USD M	65	150	143
Aframax	USD M	20	83	62
DPST	USD M	45	45	45
VLCC	USD M	-	22	36
<b>Climate-Related Expenditure</b>				
Climate-Related Initiatives	USD M	-	-	12
Environmental Protection Initiatives (Note: Includes climate change and environmental management systems)	USD M	-	-	0.6
<b>Transitional Fuel</b>				
LNG	USD M	-	-	2.8
Biodiesel	USD M	-	-	1.1

### Sustainability Reporting Standards & Disclosures – SASB Content Index

Topic	Metric	Unit of Measure	Location of Disclosures/ Value
GHG Emissions	Gross global Scope 1 emissions	Metric tons (t) CO <sub>2</sub> -e	Environment Sustainability Pillar - Performance Data
	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	N/A	Towards Decarbonisation
	(1) Total energy consumed, (2) Percentage heavy fuel oil, and (3) Percentage renewable	(1) GJ, (2) & (3) Percentage (%)	Performance Data - Environment
Air Quality	Average EEDI for new ships	Grammes of CO <sub>2</sub> per ton-nautical mile	Environment Sustainability Pillar - Performance Data
	Air emissions of the following pollutants: (1) NO <sub>x</sub> (excluding N <sub>2</sub> O), (2) SO <sub>x</sub> and (3) Particulate matter (PM <sub>10</sub> )	Metric tons (t)	Environment Sustainability Pillar - Performance Data
Ecological Impacts	Shipping duration in marine protected areas or areas of protected conservation status	Number of travel days	4.13
	Percentage of fleet implementing ballast water (1) Exchange and (2) Treatment	Percentage (%)	Performance Data - Environment
	(1) Number and (2) Aggregate volume of spills and releases to the environment	(1) Number, (2) m <sup>3</sup>	Performance Data - Environment
Workforce Health & Safety	Lost time incident rate	Rate	Performance Data - Social - Health & Safety
Business Ethics	Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Number	0
	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Presentation currency	Performance Data - Governance
Accident & Safety Management	(1) Number of marine casualties, (2) Percentage classified as very serious	(1) Number, (2) Percentage (%)	(1) 2 (2) 50%
	Number of (1) Conditions of Class or (2) Recommendations	Number	(1) 5 (2) 1
	Number of port state control (1) Deficiencies and (2) Detentions	Number	(1) 19 (2) 0

Activity Metric – Petroleum & Product	Unit of Measure	Value
Number of shipboard employees	Number	2,448
Total distance travelled by vessels	nm	2,551,258
Operating days	Days	20,132
Deadweight tonnage	Thousand deadweight tonnes	9,256
Number of vessels in total shipping fleet	Number	56
Number of vessel port calls	Number	2,887

### Sustainability Reporting Standards & Disclosures – GRI Content Index

AET has reported the information cited in this GRI content index for the period 01 January 2023 to 31 December 2023 with reference to the GRI standards.

GRI Standards and Disclosure Requirements	Location of the Disclosures	Page No.
<b>GRI 1: Foundation 2021</b>		
<b>GRI 2: General Disclosures 2021</b>		
Disclosure 2-1 Organisational details	<ul style="list-style-type: none"> <li>About AET</li> <li>Our Business</li> </ul>	6-7 20-23
Disclosure 2-2 Entities included in the organisation's sustainability reporting	Our Sustainability Reporting Boundaries	Inside front cover
Disclosure 2-3 Reporting period, frequency and contact point		
Disclosure 2-4 Restatements of information	Performance Data - Environment	73
Disclosure 2-5 External assurance	Our Sustainability Reporting Boundaries	Inside front cover
Disclosure 2-6 Activities, value chain and other business relationships	<ul style="list-style-type: none"> <li>About AET</li> <li>Our Business</li> </ul>	6-7 20-27
Disclosure 2-7 Employees	Performance Data - Social - Talent Excellence	129-130
Disclosure 2-8 Workers who are not employees		
Disclosure 2-9 Governance structure and composition		
Disclosure 2-11 Chair of the highest governance body	<ul style="list-style-type: none"> <li>Board of Directors</li> <li>Our Sustainability Strategy</li> <li>Climate-Related Financial Disclosures - Governance</li> </ul>	42-45 58 93-95
Disclosure 2-12 Role of the highest governance body in overseeing the management of impacts		
Disclosure 2-13 Delegation of responsibility for managing impacts		
Disclosure 2-14 Role of the highest governance body in sustainability reporting		
Disclosure 2-17 Collective knowledge of the highest governance body	Board of Directors	42-44
Disclosure 2-22 Statement on sustainable development strategy	Chairman's Message	10-11
Disclosure 2-23 Policy commitments	Governance Sustainability Pillar	84-89
Disclosure 2-24 Embedding policy commitments		
Disclosure 2-27 Compliance with laws and regulations	<ul style="list-style-type: none"> <li>Performance Data - Environment</li> <li>Performance Data - Social - Health &amp; Safety</li> <li>Performance Data - Governance</li> </ul>	125 127 134
Disclosure 2-28 Membership associations	Stakeholder Engagement Sustainability Pillar	114-121
Disclosure 2-29 Approach to stakeholder engagement		
Disclosure 2-30 Collective bargaining agreements	<ul style="list-style-type: none"> <li>Human Rights</li> <li>Performance Data - Social - Talent Excellence</li> </ul>	88 132

GRI Standards and Disclosure Requirements	Location of the Disclosures	Page No.
<b>GRI 3: Material Topics 2021</b>		
Disclosure 3-1 Process to determine material topics	Key Material Matters	59-61
Disclosure 3-2 List of material topics		
Disclosure 3-3 Management of material topics	Sustainability Pillars	64-121
<b>GRI 201: Economic Performance 2016</b>		
Disclosure 201-1 Direct economic value generated and distributed	Financial Performance	50-55
Disclosure 201-2 Financial implications and other risks and opportunities due to climate change	Climate-Related Risks and Opportunities	100-103
<b>GRI 203: Indirect Economic Impacts 2016</b>		
Disclosure 203-2 Significant indirect economic impacts	Our Fleet and Services	24-25
<b>GRI 205: Anti-corruption 2016</b>		
Disclosure 205-1 Operations assessed for risks related to corruption		
Disclosure 205-2 Communication and training about anti-corruption policies and procedures	<ul style="list-style-type: none"> <li>• Governance Sustainability Pillar</li> <li>• Performance Data - Governance</li> </ul>	84-87 134-135
Disclosure 205-3 Confirmed incidents of corruption and actions taken		
<b>GRI 206: Anti-competitive Behavior 2016</b>		
Disclosure 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Performance Data - Governance	134

GRI Standards and Disclosure Requirements	Location of the Disclosures	Page No.
<b>GRI 302: Energy 2016</b>		
Disclosure 302-1 Energy consumption within the organisation		
Disclosure 302-2 Energy consumption outside of the organisation	<ul style="list-style-type: none"> <li>• Energy Management</li> <li>• Performance Data - Environment</li> </ul>	111
Disclosure 302-3 Energy intensity		124
Disclosure 302-4 Reduction of energy consumption		
Disclosure 302-5 Reductions in energy requirements of products and services		
<b>GRI 303: Water and Effluents 2018</b>		
Disclosure 303-1 Interactions with water as a shared resource		
Disclosure 303-3 Water withdrawal	<ul style="list-style-type: none"> <li>• Biodiversity Conservation</li> <li>• Performance Data - Environment</li> </ul>	72
Disclosure 303-4 Water discharge		125
Disclosure 303-5 Water consumption		
<b>GRI 305: Emissions 2016</b>		
Disclosure 305-1 Direct (Scope 1) GHG emissions		
Disclosure 305-2 Energy indirect (Scope 2) GHG emissions		
Disclosure 305-3 Other indirect (Scope 3) GHG emissions	<ul style="list-style-type: none"> <li>• Towards Decarbonisation</li> <li>• Environment Sustainability Pillar - Performance Data</li> <li>• AET GHG Inventory</li> </ul>	64-68
Disclosure 305-4 GHG emissions intensity		73
Disclosure 305-5 Reduction of GHG emissions		110-111
Disclosure 305-6 Emissions of ozone-depleting substances		
Disclosure 305-7 NO <sub>x</sub> , SO <sub>x</sub> , and other significant air emissions		

GRI Standards and Disclosure Requirements	Location of the Disclosures	Page No.
<b>GRI 306: Waste 2020</b>		
Disclosure 306-1 Waste generation and significant waste-related impacts		
Disclosure 306-2 Management of significant waste-related impacts		
Disclosure 306-3 Waste generated	<ul style="list-style-type: none"> <li>• Promoting Circular Economy</li> <li>• Performance Data - Environment</li> </ul>	69-71 124
Disclosure 306-4 Waste diverted from disposal		
Disclosure 306-5 Waste directed to disposal		
<b>GRI 308: Supplier Environmental Assessment 2016</b>		
Disclosure 308-2 Negative environmental impacts in the supply chain and actions taken	Responsible Supply Chain	89
<b>GRI 401: Employment 2016</b>		
Disclosure 401-1 New employee hires and employee turnover		
Disclosure 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Performance Data - Social - Talent Excellence	130-132
Disclosure 401-3 Parental leave		
<b>GRI 403: Occupational Health and Safety 2018</b>		
Disclosure 403-1 Occupational health and safety management system		
Disclosure 403-2 Hazard identification, risk assessment, and incident investigation		
Disclosure 403-3 Occupational health services		
Disclosure 403-4 Worker participation, consultation, and communication on occupational health and safety		
Disclosure 403-5 Worker training on occupational health and safety		
Disclosure 403-6 Promotion of worker health	<ul style="list-style-type: none"> <li>• Health &amp; Safety</li> <li>• Performance Data - Social - Health &amp; Safety</li> </ul>	74-76 127
Disclosure 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		
Disclosure 403-8 Workers covered by an occupational health and safety management system		
Disclosure 403-9 Work-related injuries		
Disclosure 403-10 Work-related ill health		

GRI Standards and Disclosure Requirements	Location of the Disclosures	Page No.
<b>GRI 404: Training and Education 2016</b>		
Disclosure 404-1 Average hours of training per year per employee		
Disclosure 404-2 Programs for upgrading employee skills and transition assistance programs	<ul style="list-style-type: none"> <li>• Talent Excellence</li> <li>• Performance Data - Social - Talent Excellence</li> </ul>	77-79 131-132
Disclosure 404-3 Percentage of employees receiving regular performance and career development reviews		
<b>GRI 405: Diversity and Equal Opportunity 2016</b>		
Disclosure 405-1 Diversity of governance bodies and employees	<ul style="list-style-type: none"> <li>• Board of Directors</li> <li>• Performance Data - Social - Talent Excellence</li> </ul>	44 129-130
Disclosure 405-2 Ratio of basic salary and remuneration of women to men		
<b>GRI 406: Non-discrimination 2016</b>		
Disclosure 406-1 Incidents of discrimination and corrective actions taken	Performance Data - Governance	135
<b>GRI 407: Freedom of Association and Collective Bargaining 2016</b>		
Disclosure 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	<ul style="list-style-type: none"> <li>• Human Rights</li> <li>• Performance Data - Social - Talent Excellence</li> </ul>	88 132
<b>GRI 408: Child Labor 2016</b>		
Disclosure 408-1 Operations and suppliers at significant risk for incidents of child labor	Human Rights	88
<b>GRI 409: Forced or Compulsory Labor 2016</b>		
Disclosure 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human Rights	88
<b>GRI 413: Local Communities 2016</b>		
Disclosure 413-1 Operations with local community engagement, impact assessments, and development programs	Community Investment	80-83
<b>GRI 414: Supplier Social Assessment 2016</b>		
Disclosure 414-2 Negative social impacts in the supply chain and actions taken	Responsible Supply Chain	89
<b>GRI 415: Public Policy 2016</b>		
Disclosure 415-1 Political contributions	Performance Data - Governance	134
<b>GRI 418: Customer Privacy 2016</b>		
Disclosure 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Performance Data - Governance	134



# Fleet List

No.	Vessel	Type	Yard	Year Built	DWT	Flag
1	Eagle Kuching	Aframax	Tsuneishi Shipbuilding Co. Ltd., Japan	2009	107,481	Singapore
2	Eagle Kuantan	Aframax	Tsuneishi Shipbuilding Co. Ltd., Japan	2010	107,481	Singapore
3	Eagle Kangar	Aframax	Tsuneishi Shipbuilding Co. Ltd., Japan	2010	107,481	Singapore
4	Eagle Klang	Aframax	Tsuneishi Shipbuilding Co. Ltd., Japan	2010	107,481	Singapore
5	Eagle Kinabalu	Aframax	Tsuneishi Shipbuilding Co. Ltd., Japan	2011	107,481	Singapore
6	Eagle Kinarut	Aframax	Tsuneishi Shipbuilding Co. Ltd., Japan	2011	107,481	Singapore
7	Eagle Louisiana	Aframax	Tsuneishi Shipbuilding Co. Ltd., Japan	2011	107,481	Marshall Islands
8	Eagle Texas	Aframax	Tsuneishi Shipbuilding Co. Ltd., Japan	2011	107,481	Marshall Islands
9	Eagle Hanover	Aframax	Sungdong Shipbuilding & Marine Engineering Co., Ltd., Korea	2010	114,014	Isle of Man
10	Eagle Hamilton	Aframax	Sungdong Shipbuilding & Marine Engineering Co., Ltd., Korea	2010	114,022	Isle of Man
11	Eagle Helsinki	Aframax	Sungdong Shipbuilding & Marine Engineering Co., Ltd., Korea	2010	114,164	Isle of Man
12	Eagle Hatteras	Aframax	Sungdong Shipbuilding & Marine Engineering Co., Ltd., Korea	2010	114,164	Isle of Man
13	Eagle Halifax	Aframax	Sungdong Shipbuilding & Marine Engineering Co., Ltd., Korea	2010	114,164	Isle of Man
14	Eagle Hydra	Aframax	Sungdong Shipbuilding & Marine Engineering Co., Ltd., Korea	2011	114,164	Isle of Man
15	Eagle Barcelona	Aframax	Samsung Heavy Industries Co. Ltd., Korea	2018	113,327	Singapore
16	Eagle Brisbane	Aframax	Samsung Heavy Industries Co. Ltd., Korea	2018	113,327	Singapore
17	Eagle Brasilia (LNG Dual-Fuel)	Aframax	Samsung Heavy Industries Co. Ltd., Korea	2019	113,416	Singapore
18	Eagle Bintulu (LNG Dual-Fuel)	Aframax	Samsung Heavy Industries Co. Ltd., Korea	2019	113,049	Malaysia
1	Eagle San Antonio	Suezmax	Samsung Heavy Industries Co. Ltd., Korea	2012	157,850	Singapore
2	Eagle San Diego	Suezmax	Samsung Heavy Industries Co. Ltd., Korea	2012	157,850	Singapore
3	Eagle San Juan	Suezmax	Samsung Heavy Industries Co. Ltd., Korea	2012	157,850	Singapore
4	Eagle San Pedro	Suezmax	Samsung Heavy Industries Co. Ltd., Korea	2012	157,850	Singapore
5	Eagle San Francisco	Suezmax	Hyundai Heavy Industries Co. Ltd., Korea	2018	157,512	Malta
6	Eagle San Jose	Suezmax	Hyundai Heavy Industries Co. Ltd., Korea	2018	157,512	Malta


No.	Vessel	Type	Yard	Year Built	DWT	Flag
1	Bunga Kasturi Lima	VLCC	Universal Shipbuilding Corporation, Japan	2007	300,246	Malaysia
2	Bunga Kasturi Enam	VLCC	Universal Shipbuilding Corporation, Japan	2008	299,319	Malaysia
3	Eagle Vancouver	VLCC	Daewoo Shipbuilding and Marine Engineering, Korea	2013	311,922	Singapore
4	Eagle Varna	VLCC	Daewoo Shipbuilding and Marine Engineering, Korea	2013	311,922	Singapore
5	Eagle Verona	VLCC	Daewoo Shipbuilding and Marine Engineering, Korea	2013	320,122	Singapore
6	Eagle Versailles	VLCC	Daewoo Shipbuilding and Marine Engineering, Korea	2013	320,122	Singapore
7	Eagle Victoria	VLCC	Hyundai Heavy Industries Co. Ltd., Korea	2016	299,392	Singapore
8	Eagle Venice	VLCC	Hyundai Heavy Industries Co. Ltd., Korea	2016	300,342	Singapore
9	Eagle Valence (LNG Dual-Fuel)	VLCC	Samsung Heavy Industries Co. Ltd., Korea	2022	299,244	France
10	Eagle Vallery (LNG Dual-Fuel)	VLCC	Samsung Heavy Industries Co. Ltd., Korea	2022	299,473	Malaysia
11	Eagle Vellore (LNG Dual-Fuel)	VLCC	Hanwha Ocean Co., Ltd., Korea	2023	299,554	Malaysia
12	Eagle Ventura (LNG Dual-Fuel)	VLCC	Hanwha Ocean Co., Ltd., Korea	2023	299,407	Singapore
13	Eagle Veracruz (LNG Dual-Fuel)	VLCC	Hanwha Ocean Co., Ltd., Korea	2024	299,525	Singapore
1	Eagle Le Havre	LR2	Hyundai Heavy Industries Co. Ltd., Korea	2017	113,905	France
2	Eagle Lyon	LR2	Hyundai Heavy Industries Co. Ltd., Korea	2017	113,808	Singapore
1	Eagle Paraiba	DPST	Samsung Heavy Industries Co. Ltd., Korea	2012	105,153	Malaysia
2	Eagle Parana	DPST	Samsung Heavy Industries Co. Ltd., Korea	2012	105,153	Malaysia
3	Eagle Barents	DPST	Samsung Heavy Industries Co. Ltd., Korea	2015	119,690	Norway
4	Eagle Bergen	DPST	Samsung Heavy Industries Co. Ltd., Korea	2015	120,657	Bahamas
5	Eagle Blane (LNG Dual-Fuel)	DPST	Samsung Heavy Industries Co. Ltd., Korea	2020	128,427	Norway
6	Eagle Balder (LNG Dual-Fuel)	DPST	Samsung Heavy Industries Co. Ltd., Korea	2020	128,442	Norway
7	Eagle Petrolina	DPST	Samsung Heavy Industries Co. Ltd., Korea	2020	153,227	Singapore
8	Eagle Paulinia	DPST	Samsung Heavy Industries Co. Ltd., Korea	2020	153,352	Singapore


# Fleet List

No.	Vessel	Type	Yard	Year Built	DWT	Flag
9	Eagle Paraiso	DPST	Samsung Heavy Industries Co. Ltd., Korea	2020	153,265	Singapore
10	Eagle Passos	DPST	Samsung Heavy Industries Co. Ltd., Korea	2020	153,291	Singapore
11	Eagle Pilar	DPST	Samsung Heavy Industries Co. Ltd., Korea	2021	153,184	Singapore
12	Eagle Campos	DPST	Hyundai Heavy Industries Co. Ltd., Korea	2022	154,325	Malaysia
13	Eagle Canoas	DPST	Hyundai Heavy Industries Co. Ltd., Korea	2022	154,336	Singapore
14	Eagle Colatina	DPST	Samsung Heavy Industries Co. Ltd., Korea	2022	155,363	Singapore
15	Eagle Colombo	DPST	Hyundai Heavy Industries Co. Ltd., Korea	2022	154,365	Singapore
16	Eagle Cambe	DPST	Samsung Heavy Industries Co. Ltd., Korea	2022	155,414	Singapore
17	Eagle Crato	DPST	Samsung Heavy Industries Co. Ltd., Korea	2022	155,397	Singapore
1	ELS Maite	LSV	Zigler Shipyard, USA	1975	1,023	Uruguay
2	Olivia	LSV	Candies Shipbuilding LLC., USA	2008	1,227	Brazil
3	Didi K	LSV	Guangzhou Hangtong Shipbuilding & Shipping Co., Ltd., China	2008	1,371	Uruguay
4	AET Innovator	LSV	Leevac Industries, LLC., USA	2011	1,475	USA
5	AET Excellence	LSV	Leevac Industries, LLC., USA	2012	1,475	USA
6	AET Partnership	LSV	Leevac Industries, LLC., USA	2012	1,475	USA
7	AET Responsibility	LSV	Leevac Industries, LLC., USA	2012	1,475	USA
8	Amy Chouest	LSV	North American Shipbuilding, USA	1993	2,919	Brazil

4 newbuilds: 2 owned ammonia dual-fuel Aframax newbuilds and 2 signed in-chartered newbuild contracts for LNG dual-fuel Aframaxes

## Global Office Directory

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# Abbreviations

<b>ABMS</b>	Anti-Bribery Management System	<b>EBITDA</b>	Earnings Before Interest, Taxes, Depreciation and Amortisation	<b>LTI</b>	Lost Time Injury	<b>SCS</b>	Singapore Children's Society
<b>AER</b>	Annual Efficiency Ratio	<b>EEDI</b>	Energy Efficiency Design Index	<b>LTIF</b>	Lost Time Injury Frequency	<b>SeMS</b>	Security Management System
<b>AERCO<sub>2</sub>e</b>	Annual Efficiency Ratio Carbon Dioxide Equivalent	<b>EEEXI</b>	Energy Efficiency Existing Ship Index	<b>m<sup>3</sup></b>	Cubic Metres	<b>ShaPoLi</b>	Shaft Power Limitation
<b>AI</b>	Artificial Intelligence	<b>ELT</b>	Executive Leadership Team	<b>M2S2</b>	Mandatory Minimum Security Standards	<b>SHI</b>	Samsung Heavy Industries
<b>APS</b>	Announced Pledges Scenario	<b>ERM</b>	Enterprise Risk Management	<b>MACN</b>	Maritime Anti-Corruption Network	<b>SO<sub>x</sub></b>	Sulphur Oxides
<b>ARMC</b>	Audit and Risk Management Committee	<b>ESG</b>	Environment, Social and Governance	<b>MARISX</b>	Maritime Information Sharing Exercise	<b>SSA</b>	Singapore Shipping Association
<b>ARSC</b>	Audit, Risk and Sustainability Committee	<b>EU</b>	European Union	<b>MARPOL</b>	International Convention for the Prevention of Pollution from Ships	<b>SSP</b>	Shared Socioeconomic Pathways
<b>BMP</b>	Best Management Practices	<b>FWA</b>	Flexible Work Arrangements	<b>MCV</b>	Modular Capture Vessel	<b>STEM</b>	Science, Technology, Engineering & Mathematics
<b>CAPEX</b>	Capital Expenditure	<b>GDP</b>	Gross Domestic Product	<b>MOU</b>	Memorandum of Understanding	<b>STEPS</b>	Stated Policies Scenario
<b>CCS</b>	Carbon Capture and Storage	<b>GHG</b>	Greenhouse Gas	<b>MPA</b>	Maritime and Port Authority of Singapore	<b>STS</b>	Ship-to-ship
<b>CFD</b>	Computational Fluid Dynamics	<b>GRI</b>	Global Reporting Initiative	<b>MST</b>	Mid-size Tanker	<b>TCFD</b>	Task Force on Climate-Related Financial Disclosures
<b>CFO</b>	Cash Flow from Operations	<b>H<sub>2</sub></b>	Hydrogen	<b>N</b>	Nitrogen	<b>TCP</b>	Time Charter Party
<b>CH<sub>4</sub></b>	Methane	<b>HEISC</b>	Human Element in Shipping Committee	<b>NH<sub>3</sub></b>	Ammonia	<b>TRCF</b>	Total Recordable Case Frequency
<b>CII</b>	Carbon Intensity Indicator	<b>HR</b>	Human Resource	<b>nm</b>	Nautical Miles	<b>ULEV</b>	Ultra-low Emissions Vessel
<b>CMS</b>	Culture Maturity Survey	<b>HSE</b>	Health, Safety and Environment	<b>NO<sub>x</sub></b>	Nitrogen Oxides	<b>UNSDG</b>	United Nations Sustainable Development Goal
<b>CMP</b>	Crisis Management Plan	<b>HSSE</b>	Health, Safety, Security and Environment	<b>NZE</b>	Net Zero Emissions by 2050 Scenario	<b>VLCC</b>	Very Large Crude Carrier
<b>CO<sub>2</sub></b>	Carbon Dioxide	<b>ICP</b>	Internal Carbon Price	<b>N<sub>2</sub>O</b>	Nitrous Oxide	<b>VOC</b>	Volatile Organic Compounds
<b>CoBE</b>	Code of Conduct and Business Ethics	<b>IHM</b>	Inventory of Hazardous Materials	<b>NPAT</b>	Net Profit After Tax	<b>WinGD</b>	Winterthur Gas & Diesel
<b>CPI</b>	Consumer Price Index	<b>IMO</b>	International Maritime Organization	<b>OPEC+</b>	Organization of the Petroleum Exporting Countries Plus	<b>WISTA</b>	Women's International Shipping & Trading Association
<b>CPP</b>	Clean Petroleum Product	<b>INTERTANKO</b>	International Association of Independent Tanker Owners	<b>OPEX</b>	Operational Expenditure	<b>Y-o-Y</b>	Year-On-Year
<b>CSA</b>	Chamber of Shipping of America	<b>ITOL</b>	Industry Taskforce on Lightering	<b>POCS</b>	PETRONAS Organisational Culture Survey	<b>ZEV</b>	Zero-Emissions Vessel
<b>CCUS</b>	Carbon Capture, Utilisation and Storage	<b>ISO</b>	International Organization for Standardization	<b>PRA</b>	Project Risk Assessment		
<b>DPST</b>	Dynamic Positioning Shuttle Tanker	<b>KRI</b>	Key Risk Indicators	<b>PTLCL</b>	PETCO Trading Labuan Company Ltd		
<b>DSIC</b>	Dalian Shipbuilding Industry Co., Ltd	<b>LE</b>	Leadership Effectiveness	<b>RCF</b>	Revolving Credit Facility		
<b>DWT</b>	Deadweight Tonne	<b>LNG</b>	Liquefied Natural Gas	<b>SASB</b>	Sustainability Accounting Standards Board		
<b>DLW</b>	Dream, Learn, Work	<b>LSV</b>	Lightering Support Vessel	<b>SBC</b>	Shipbuilding Contract		
<b>D&amp;I</b>	Diversity and Inclusion						



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