

SUSTAINABILITY AT AET

CEO'S SUSTAINABILITY FOREWORD



At AET, sustainability and environmental, social and governance (ESG) initiatives are key components of long-term value and business resiliency. Our ESG journey started much earlier before ESG became a buzzword.

Against an evolving business landscape, and collectively as a team, we have continued to incorporate the interests of AET's stakeholders into our long-term plans. We recognise that over time such initiatives will enable us to build and protect our social license to operate. We have chosen to position sustainability as an important component of our business strategy because AET will be able to create stronger intrinsic value by addressing our materiality risks, and driving stakeholder engagement.

In formalising our Sustainability Strategy for 2021-2025, our objective is to address AET's longer-term risks and opportunities, as well as drive sustainable shipping. With the low carbon energy transition taking a renewed urgency for all the right reasons, I strongly believe that the time has come for all industry players to do more. Priorities would

have to be adjusted and additional resources allocated for all of us to realise our greener ambitions. At AET, the wheels are already in motion. This year, as part of the Sustainability Strategy, we will initiate our Task Force for Climate Related Financial Disclosures (TCFD) journey and implement its recommendations progressively. By incorporating climate-focused ESG principles into our business model, we aspire to align with IMO's GHG strategy for 2030. We will also establish our climate commitments beyond 2030, in keeping with our promise of "moving energy to build a better world".

Human and social capital are among the key assets that help us tide over challenges in times of uncertainty. Hence, our focus is also on the Social and Governance pillars, in addition to the Environmental agenda. Our success in managing the key risks and cultivating new opportunities ultimately falls upon the diverse skills, ideas and experiences of our people. We, therefore, remain committed to growing and developing our human capital, whose contributions would drive a sustainable future for AET.

The pandemic has deepened social inequalities globally, and as an organisation with a global footprint, we intend to do our part by continuing to contribute towards purposeful social causes, empowering the disadvantaged in communities where we have a presence, and seeking to make a positive impact through our actions and business performance.

In this chapter titled "Anchoring Sustainability", we hope to present you with a clearer idea of the material issues we have identified, and the specific steps we are taking to mitigate the ESG concerns of our respective stakeholders. I am confident that our ESG initiatives will enable AET to deliver stronger value, as we strive to forge deeper and more meaningful relationships with our stakeholders and continue to be a part of a sustainable solution for the planet.

CAPT. RAJALINGAM SUBRAMANIAM
President & CEO