

# **MOVING ENERGY:** Navigating A Sustainable Future Together



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## Our Brand

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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.

## ANNUAL REVIEW 2024/2025

# Navigating A Sustainable Future Together

The theme of AET Annual Review 2024/2025 – "Moving Energy: Navigating a Sustainable Future Together" – showcases AET's long-term commitment to taking a leadership role in maritime decarbonisation and highlights its ongoing efforts to achieve this.

As we celebrated the company's 30<sup>th</sup> anniversary in 2024, the changing nature of the world we operate in and the challenges of the environment around us mean 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-plus 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. The "Together" in our theme signifies that our ability to navigate a sustainable future and blaze a trail for the industry begins with a collective effort and drive within AET, in collaboration with our external stakeholders.



Our Journey Our Customer Value Proposition

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# **AET at a Glance**



## **Operational Excellence**



>98% vessel availability and vessel utilisation





## Human Capital (Onshore)

184



5

staff

Human Capital (Seafaring)

2./19 羸瘍 staff<sup>(3)</sup>

## Health, Safety, Security and Environment (HSSE)

16% Scope 1 Shipping Operations<sup>(4)</sup> absolute Greenhouse Gas (GHG) emissions reduction in 2024 compared to 2008

0.08 Lost Time Injury Frequency (LTIF)

## Awards and Recognition

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

Information correct as of 31 December 2024 unless otherwise stated <sup>(1)</sup> Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA) (2) Three owned ammonia dual-fuel Aframax newbuilds and two signed in-chartered newbuild contracts for LNG dual-fuel Aframaxes <sup>(3)</sup> Including seafarers managed by our appointed shipmanagers and AET Offshore (4) Petroleum and Product only. For total Scope 1, refer to the "Decarbonisation Performance" section under the Climate-Related Financial Disclosures chapter (5) AERCO2e: Annual Efficiency Ratio Carbon Dioxide Equivalent

# Chairman's Message



Since assuming the chairmanship of AET in 2024, I have had the privilege of witnessing firsthand the resilience, dedication and excellence that define this organisation. From the very beginning, it was clear to me that AET's greatest strength lies in its people; in their expertise, commitment and ability to navigate an increasingly complex maritime landscape with professionalism and agility. This belief was reinforced by a visit I made early in my tenure to the AET Offshore Services Facility in Galveston and the Eagle Texas. The former is the centre of excellence for all our lightering support, while the Eagle Texas operates in the US Gulf. The interaction I had with our diverse seafaring and onshore teams and witnessing ship-to-ship (STS) transfer operations deepened my appreciation for the expertise and dedication that underpin our success.

The financial year FY2024 marked a historic milestone. During the year AET not only celebrated its 30<sup>th</sup> anniversary, it also delivered one of its strongest financial performances. We achieved a net profit after tax and minority interest of US\$288 million, a 22% increase from FY2023, which was in itself a strong year. Our net debt-to-EBITDA (earnings before interest, taxes, depreciation and amortisation) improved to 1.74, down from 2.29 in FY2023, further strengthening our financial position. These results reflect strong earnings across all major business segments driven by firm tanker markets and the strategic execution of our secured income business model. The model was crucial in providing us with stability and enhancing our visibility into future cashflows.

However, our success wasn't just about numbers. In a rapidly evolving and often volatile environment, we remained agile, stayed focussed on our long-term strategy and concentrated on accelerating the execution of our Energy Transition Strategy through the rejuvenation of our core fleet.

In 2024, we placed orders for three of the world's first ammonia dual-fuel Aframaxes, signed an agreement to in-charter two Liquefied Natural Gas (LNG) dual-fuel Aframax newbuilds, and took delivery of Eagle Veracruz, an LNG dual-fuel Very Large Crude Carrier (VLCC). In the same year, we collaborated with Fleetzero to develop the world's longest-range hybrid-electric vessel. As we transform our fleet, Health, Safety, Security and Environment (HSSE) remains at the top of our agenda and governs our entire operations. Through advanced technologies, rigorous training programmes and open communication, we are able to identify and mitigate risks early. We work closely with our stakeholders including regulators, class societies and customers to uphold the highest HSSE standards. While we have made significant progress, we remain vigilant and committed to continuous improvement in this area.

As a subsidiary of MISC Berhad, AET upholds the Group's commitment to strong governance, ethical leadership and responsible business practices. We conduct our business with integrity, transparency and accountability, adhering to the highest corporate governance standards. To ensure that all employees understand regulatory requirements and uphold ethical conduct, we provide comprehensive training on topics such as anti-bribery and corruption, data protection and compliance to sanctions.

We're committed to making a positive impact beyond shipping by supporting communities, fostering education and driving social progress. In 2024, our global teams demonstrated this commitment through several initiatives, including assembling 200 solar-powered lights for energy-poor communities via SolarBuddy LIVE's "Hour of Power," providing aid after floods in Rio Grande do Sul, and distributing 18,000 meals and essential supplies to those affected by Hurricane Beryl. To mark our 30<sup>th</sup> anniversary, we also rolled out Community Investment initiatives, supporting three beneficiaries in Greater Houston and Galveston.

As part of our continued focus on fostering education, we funded vocational training for young Brazilians through Dream Learn Work, doubled the AET-MaritimeONE Scholarships we offer, and signed an MoU with the Singapore Maritime Foundation to sponsor scholarships and internships from 2025 to 2027.

These initiatives reflect our core value of responsible corporate citizenship and our aspiration to make a meaningful contribution to society while shaping a more sustainable future. In 2024, leadership transitions further strengthened AET's strategic direction. I had the honour of succeeding Capt. Rajalingam Subramaniam as Chairman in April 2024. Under his leadership, AET adopted the transformative secured income business model, which has proven essential for resilience against market volatility while enhancing visibility into AET's future cashflows. On behalf of AET, I extend my deepest gratitude to Capt. Rajalingam and wish him the very best in his future endeavours.

We are also excited to welcome Nick Potter as AET's new CEO and member of the MISC leadership team. With his extensive experience in maritime leadership, I am confident he will guide AET with strength and vision, ensuring the company's continued progress. I also extend my heartfelt appreciation to Zahid Osman for his leadership during his stint as AET President and CEO. As he embarks on his next role as MISC President and Group CEO, we wish him every success in leading the Group to new heights.

Looking ahead, the industry we operate in will continue to be influenced by economic headwinds, geopolitical developments and evolving climate regulations. Successfully navigating this landscape demands agility, foresight, and decisiveness in managing risks and capturing opportunities. At AET, we remain committed to sustainable growth by executing our strategy effectively, managing risks prudently, maintaining financial discipline and advancing a clear sustainability agenda.

Our target to reduce greenhouse gas emissions intensity by 40% by 2030 reflects our proactive stance in leading the transition towards a sustainable maritime future.

I would like to express my deepest gratitude to our employees, partners, customers and shareholder for their trust and support, which have been instrumental in AET's continued progress. The steps we take today are crucial in shaping a sustainable future for the maritime industry and, together, we will continue driving AET forward.

Sincerely,

Datuk Abu Huraira Abu Yazid Chairman

# President and CEO's Message



It is with great honour that I step into the role of President and CEO of AET, and I am deeply grateful to the Board for entrusting me with this opportunity. I also want to take a moment to acknowledge the exceptional team whose dedication has been instrumental in shaping AET into the maritime industry leader it is today, recognised widely for operational excellence and innovative solutions.

With its strong foundation, I believe AET is well-positioned for an exciting future, one where it will continue to lead in energy shipping while driving sustainable progress. As a key player in global supply chains, AET transports the energy that fuels communities and businesses worldwide. Its work serves to bridge energy producers and energy consumers, ensuring that the growing energy needs of individuals, industries and nations are met.

In 2024, we made significant strides in executing our strategic priorities under our Energy Transition Strategy and, with that, reinforced both our financial and operational strength. Our continued investment in fleet modernisation, technology and, most importantly, our people, has yielded strong results, underscoring our commitment to delivering long-term value to all our stakeholders.

Our core business, anchored by a fleet of more than 60 vessels, remains foundational to our success and growth. This solid foundation contributed to our record financial performance in FY2024. In this financial year, we achieved revenue of US\$1,097 million and net profit after tax and minority interest of US\$288 million. This achievement reflects not just financial growth, but also underscores the strength of our operation and upholds the continued confidence that both our customers and our shareholder have in our ability to deliver long-term value.

Despite operating in a challenging market environment marked by geopolitical uncertainties, volatile energy prices and evolving regulatory demands, AET remained resilient and achieved notable growth across key financial metrics in 2024. In an industry known for its cyclicality, AET was able to navigate cyclical challenges well through its secured income strategy, which allowed it to bolster its liquidity and reduce its leverage in the year. Its cash reserves grew by 41% year-on-year to reach US\$406 million. This provided AET with a robust financial buffer to manage market fluctuations with confidence. Additionally, AET improved its net debt-to-equity ratio from 0.53 in FY2023 to 0.40 in FY2024, further enhancing its financial position.

This strong performance was driven by steady earnings across all business segments, with the Mid-Sized Tanker (MST) segment experiencing the most significant growth. In this segment, we optimised earnings by strategically deploying our vessels across spot markets, lightering contracts and time charter agreements and by aligning with market changes and customer needs. While the Very Large Crude Carrier (VLCC) segment faced challenges from weaker demand in China and lower Middle Eastern exports, our focus on long-term charters and our differentiated dual-fuel assets helped mitigate volatility and increase revenue. Meanwhile, our Dynamic Positioning Shuttle Tanker (DPST) segment continued to be a cornerstone of secured income, providing stability amidst market fluctuations and reinforcing our long-term earnings base.

Even as we continue to strive to deliver strong financial performance, we remain committed to decarbonising our business. Reducing our carbon footprint is one of the pillars of our Energy Transition Strategy, with our key target being a 40% reduction in greenhouse gas (GHG) emissions intensity fleetwide by 2030 from a 2008 baseline. In 2024, we made significant progress towards realising this target by reducing our GHG emissions intensity by 19% compared to 2008, and improving by 7% over our 2023 performance. This progress is made possible by our fleet, which is not only one of the youngest in the industry but also one of the most environmentally friendly.

With 11 Liquefied Natural Gas (LNG) dual-fuel vessels, and orders for the world's first three ammonia dual-fuel Aframaxes, we are priming the AET fleet to meet the rising demand for carbon-efficient shipping solutions. In December 2024, we took another important step towards making the green transition a reality at AET with the signing of an agreement with Fleetzero for the development of the world's longest-range hybrid-electric vessel.

Moving forward, our journey to net-zero by 2050 will be steered by a structured and progressive approach. Recognising that our shipping operations are by far the largest contributor to AET's total emissions, we've developed a Tiered Decarbonisation Strategy for this domain. This strategy phases in initiatives pertaining to our shipping operations based on their technical feasibility, commercial viability and alignment with evolving market developments. By factoring in the unique characteristics of our fleet — such as technical specifications, age and operating environment — we are able to ensure a cost-effective, low-risk transition to lower emissions. This phased approach not only supports our immediate decarbonisation goals but also positions us for long-term competitiveness and resilience as the maritime industry continues to evolve.

We are also proud of the recognition we have garnered for our sustainability efforts this financial year. At The Tanker Shipping and Trade Awards 2024, AET was named Tanker Operator of the Year. The award underscores our commitment to operational excellence and sustainability, and signals the trust placed on us by our customers. This recognition is a reflection of the hard work and dedication of our people, the talent that drives us forward.

At the heart of our success is our people. In a rapidly changing energy shipping landscape, attracting, developing and retaining diverse and innovative talent is more crucial than ever. We are deeply committed to fostering an environment where our people can thrive and empowering them to innovate and lead. Our inclusive, respectful and rewarding workplace encourages collaboration and gives us the ability to tackle the industry's most pressing challenges, from sustainability to adapting to technological advancement.

At the core of our values is safety. This is non-negotiable and embedded in everything we do. Our commitment to safety extends beyond operational excellence; it reflects our genuine concern for the well-being of our people and the safety of our customers and the cargo we carry. We cultivate a robust safety culture across every facet of our operations to ensure that safety is integrated into every decision we make and every action we take. It's not just a priority; it's foundational to our identity. We are dedicated to upholding the highest safety standards and empowering our people with the training and support needed for them to act responsibly and protect those around them.

Equally essential to our success is a strong commitment to compliance, ethics and integrity. These principles guide all our actions from our day-to-day operations to long-term strategy development. By maintaining the highest standards of integrity, we build trust with our stakeholders and ensure responsible decision-making at every level.

Looking back on 2024, I would like to extend my gratitude to my predecessor Zahid Osman for his leadership. As the maritime industry undergoes transformative shifts, I find myself reflecting on what has allowed AET to remain a trusted leader in the maritime sector. It's clear that, time and time again, whenever industry paradigms changed, AET seized the opportunity to reinvent itself, be it through fleet modernisation, the adoption of new technologies or a steadfast commitment to decarbonisation. This adaptability continues to drive us forward as we accelerate towards a more sustainable future, not only for us but for the industry as a whole.

Looking ahead, our success will hinge on both the resilience of our core operations and our ability to stay agile in a rapidly evolving landscape. Resilience stems from our disciplined approach to capital allocation, operational excellence and deep industry expertise. But resilience alone isn't enough; we will need agility in order to anticipate market shifts, turn disruptions into opportunities and lead with confidence.

By embracing new opportunities, adopting sustainable practices and staying ahead of emerging trends, AET will remain a leader in shaping a sustainable future for both its business and for the broader maritime sector.

Sincerely,

Nick Potter President and CEO

# **Our Journey**

Founded over 30 years ago in Houston and now based in Singapore, AET is a leading global provider of maritime transportation and specialised services. Driven by innovation and partnerships, we are committed to delivering more energy with less emissions to meet the world's evolving needs.



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2024

Celebrated our 30<sup>th</sup> Anniversary



Took delivery of and named Eagle Veracruz, our latest Singapore-flagged LNG dual-fuel VLCC. The vessel also marked the Singapore Registry of Ship's 100 million gross tonnage milestone.

Signed contracts with DSIC to build three of the world's first ammonia dual-fuel Aframaxes; two will be taken on time charter by PTLCL

Named Tanker Operator of the Year at The Tanker Shipping & Trade 2024 Awards for exceptional operational performance across the fleet and high levels of safety, efficiency and reliability, while demonstrating a strong commitment to environmental sustainability.



Relocated our global headquarters to Labrador Tower. This reflects our growth ambitions and commitment to anchoring our business in Singapore.



Our Strategy

# **Our Customer Value Proposition**

With over 30 years' experience and a strong conventional shipping core, we deliver trusted and customised shipping solutions to meet our customers' needs. Our customer-driven approach and proven operational excellence enable us to provide unique specialised skills and services - including DPSTs, MCVs for hydrocarbon containment, LSVs and low-carbon shipping solutions.



## What Do We Promise?

**Operational expertise in harsh** environments (such as in Brazilian waters and the North Sea), ensuring safe and reliable offshore oil transportation

Advanced, customer-centric solutions for unique, customised applications such as the safe capture of hydrocarbons in an event of a well blowout. Solutions such as the MCVs incorporate innovative designs, combining Floating Production Storage and Offloading with dynamic positioning technology.

> Safe, cost-effective cargo transfer (crude oil and refined products) between ships at sea

Help customers meet their Scope 3 emissions targets by offering a compliant future-ready fleet and a path to low-carbon shipping

Confidence in operational excellence, HSSE culture and regulatory compliance

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# **Our Business**

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# **Our Global Presence**



Our offices in seven countries strengthen our global presence, enabling us to build strong customer relationships and deliver dedicated support worldwide.

## Our Offices in Asia-Pacific

## Kuala Lumpur and Labuan Malaysia

Our Kuala Lumpur office supports our business operations, as well as the shipmanagement and crew operations for our fleet operating in the Asia-Pacific region.

Our Labuan office supports our business operations.

# <image>

Our global headquarters houses our commercial, corporate and shipmanagement teams.

In January 2025, we relocated to the new Labrador Tower to support our growing presence and foster closer engagement with customers and key stakeholders.

## Our Offices in North America

## Houston United States

The Houston office supports our large commercial presence and the shipmanagement operations for our Atlantic fleet, enabling us to serve our customers across time zones.

## Galveston United States

The centre of excellence for all AET's global ship-to-ship (STS) lightering support activities, our Galveston office is also the home base for AET's fleet of Lightering Support Vessels (LSVs).



Our presence in Montevideo (through a joint venture) allows us to support our lightering operations in Uruguay.

## Rio De Janeiro Brazil

Our Rio de Janeiro office anchors our Dynamic Positioning Shuttle Tanker (DPST) operations and lightering business in Latin America, enabling closer engagement with customers and key stakeholders in the region.

## Our Offices in Europe

## Stavanger Norway

Our Stavanger office supports our DPST fleet operating in the North and Barents Seas, helping us serve our customers and strengthen our relationships in the region.



Our commercial presence in the heart of London's business district brings us closer to our customers and stakeholders.

 Large commercial presence
 Offices to support operations and build client relationships

# **Our Global Operations**

# Total 2,719 Male: 98% Female: 2%



## MST: Atlantic and Pacific Regions

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

## ····· VLCC: Global Trading

With 13 vessels, we rank among the top 20 global Very Large Crude Carrier (VLCC) players. Our VLCCs mostly serve our strategic customers who deploy them on long-term time charters for the key trade routes of Middle East-Far East, Middle East-Singapore, West Africa-Far East, US Gulf-Far East and Brazil-Far East.

## Lightering: The US Gulf

With a track record of more than 16,000 Ship-to-Ship (STS) transfers, we are a market leader in the lightering sector in the US Gulf.

## Lightering: Latin America

We have a growing foothold in the Latin American lightering sector, having performed over 750 STS operations in Uruguay and Brazil.

## 3 DPST: Brazil

We are a market leader with 13 Dynamic Positioning Shuttle Tankers (DPSTs) operating in Brazil.

## **OPST: North and Barents Seas**

We have an established presence in the DPST market in the North and Barents Seas. Our fleet of four DPSTs sailing the North and Barents Seas includes two Liquified Natural Gas (LNG) dual-fuel vessels that are among the world's first such vessels.

## 5 MCV: The US Gulf

Our Modular Capture Vessels (MCVs) normally trade as Aframaxes, with a readiness to respond should a well control incident occur in the US Gulf.

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## Product

We participate in intra- and inter-regional product trading.

Sustainability at AET

# **Our Fleet and Services**



## **Our Specialised Services**



## LNG Dual-Fuel Tanker Operations

We have 11 LNG dual-fuel vessels in our fleet four 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 up to 99% reduction in sulphur oxide (SO<sub>x</sub>) emissions, 85% reduction in nitrogen oxide (NO<sub>x</sub>) emissions, 98% reduction in particulate matter and 25% reduction in carbon dioxide (CO<sub>2</sub>) emissions when operating on LNG as compared to conventional bunker fuel(3).



## **Lightering Operations**

Lightering operations, also known as ship-to-ship (STS) transfers, involve moving cargo (such as crude oil) between a larger vessel (such as a VLCC) and a smaller one (such as an Aframax or Suezmax), typically due to port restrictions. AET offers 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. 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 more than 16.000 STS transfers and are a market leader in the US Gulf region. We have performed over 750 lightering operations in offshore Uruguay and Brazil and continue to steadily expand our presence in Latin America.

Industry (1) Three owned ammonia dual-fuel Aframax newbuilds and two signed in-chartered newbuild contracts for Liquefied Natural Gas (LNG) dual-fuel Aframaxes

<sup>(2)</sup> Two of the vessels are LR2s, currently trading crude oil

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<sup>(3)</sup> Emissions performance of dual-fuel vessels is dependent on engine type and based on manufacturer data

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Sustainability at AET

Supporting Information



## **Specialist DPST Operations**

AET is a leading owner-operator of DPSTs. These vessels are a crucial link between offshore production assets located in extreme environmental conditions and the discharge port. They act as floating pipelines in oceans where conditions are not suitable to lay physical pipes. In 2020, we notched up one of the world's firsts 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 Compounds (VOC) recovery systems. Our cutting-edge vessels, together with our expanding infrastructure and personnel in Norway and Brazil, give us an unrivalled capability to serve customers.



## **Operating MCVs**

We are the only operator of highly specialised Modular Capture Vessels (MCVs) (included in our Aframax fleet) that are 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 simulation exercises. Trading within the US Gulf, our MCVs are ever ready to respond to an incident there.

# **MISC's Services Across**



\*Engineering, Procurement, Construction, Installation and Commissioning



# **Our Strategy**

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# **Key Macro Trends and Drivers**

The global energy and shipping landscape is rapidly evolving, with a few key macro trends taking centre stage in driving change in the industry and, with that, reshaping our business. We summarise a few of the most significant macro trends that will shape shipping in the years to come.

## Macro Trends

**Energy security** reshaping global policies and economic landscape

## Description

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- · Geopolitical conflicts such as the Russia-Ukraine crisis and Israel-Hamas war highlight the fragilities of today's energy system and will continue to infuse fear of supply disruptions triggering diversification efforts
- · Escalating trade barriers and tit-for-tat tariffs may trigger a new era of global isolationism, further threatening energy security
- With countries prioritising self-reliance, oil remains essential to the economy this decade as demand for energy continues to grow and greener solutions gather pace
- Global oil demand will reach its peak this decade across all scenarios<sup>(1)</sup>, but it will remain part of the energy mix through to 2050

**Energy transition is** happening but at an uncertain pace

- 2024 was the hottest year on record<sup>(2)</sup>. There is hence even greater urgency to shift toward lower-carbon energy sources to reduce greenhouse gas (GHG) emissions. However, the pace of transition remains uncertain due to a multitude of factors including economic volatility, geopolitical tensions, technological shifts and unpredictable policy landscapes.
- Offshore wind<sup>(3)</sup> is forecast to be one of the potential solutions for delivering the large-scale, reliable, affordable and zero-carbon power needed to accelerate the global energy transition. Its capacity is expected to grow tenfold by 2040 as countries and companies strive to meet their net-zero targets.
- Carbon capture<sup>(3)</sup> is an essential part of the solution for lower-carbon future fuels and for the hard-to-abate sectors to meet net-zero goals
- Increasing share of lower carbon hydrogen<sup>(3)</sup> in the energy supply mix as technologies mature









## Electric Generation Capacity of Offshore Wind (GW)



(1) Source: IEA World Economic Outlook 2024 (2) Source: NASA (3) Source: S&P Global

800 600	>	<ul> <li>Implications</li> <li>Oil trade remains highly volatile</li> <li>Oil and tanker demand is expected to remain strong,</li> </ul>	Our Business	
200		presenting opportunities for tanker owners capable of transporting oil in a sustainable manner	Our Strategy	
utl	>	The rapid growth of renewable energy, especially offshore wind, presents opportunities for specialised vessels to support the lifecycle of wind farms during	Our Leadership	
2046 2047 2049 2050		<ul> <li>construction, operation and decommissioning</li> <li>The growth of Carbon Capture, Utilisation and Storage (CCUS) projects will require reliable shipping solutions for the transport</li> </ul>		
		of carbon dioxide for use in other products, or for long-term storage • Properties of ammonia make it more suitable for transoceanic trade than hydrogen. As more ships	Sustainability at AET	
2049		begin to carry ammonia, more will become candidates for using it as a fuel, increasing demand for dual-fuel ammonia carriers	Supporting Information	
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Introduction

## Key Macro Trends and Drivers

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## **Macro Trends**

The shipping industry continues to be under regulatory pressure to decarbonise

## Description

- Shipping is already the most energy-efficient form of transport, accounting for only 2.89% of global anthropogenic GHG emissions in 2018<sup>(1)</sup>. However, to achieve the goal of net-zero emissions by 2050, more needs to be done.
- In April 2025, the 83<sup>rd</sup> session of the IMO's Marine Environment Protection Committee (MEPC 83) approved new requirements on greenhouse gas (GHG) fuel intensity that will take effect from 2028. The amendments are due for adoption in October 2025. The proposed measures include a goal-based marine fuel standard regulating the phased reduction of marine fuel's GHG intensity and economic costs and benefits based on vessel fuel emission intensity performance against the standard in a given year.





## 2030

## IMO's Ambition

For 40% reduction in carbon intensity compared to 2008

For 5% uptake of zero or near-zero GHG emissions technologies, fuels and/or energy sources, striving for 10%

## IMO's Indicative

Checkpoint For 20% reduction in total

annual GHG emissions, striving for 30%, compared to 2008

## EU's Climate Target

For 55% reduction in net GHG emissions compared to 1990

## 2040 IMO's Indicative Checkpoint

For 70% reduction in total annual GHG emissions, striving for 80%, compared to 2008

## **EU's Climate Target**

For 90% reduction in net GHG emissions relative to 1990

## 2050

## IMO's Ambition

For net-zero GHG emissions by or around 2050

## **EU's Climate Target**

To achieve climateneutrality, that is, net-zero GHG emissions Our Financial Performance

Sustainability at AET

## Implications

- As regulations<sup>(1)</sup> 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
- The adoption of alternative fuels is increasing. Today, 19% of the total orderbook for crude tankers and LR2s are dual-fuel vessels, as compared to the existing fleet where only 3% of crude tankers and LR2s are dual-fuel

# The Key Risks and Opportunities That Lie Ahead

We currently operate in the crude and petroleum product tankers segment, which is cyclical and highly sensitive to market conditions. Here, we outline the key emerging and other critical risks and opportunities that could impact our earnings, along with our mitigation strategies and ways to capitalise on these opportunities.

## Categories

## **Risks and Opportunities**

## Geopolitical

Geopolitical confrontation (such as sanctions, war and tariffs)

**Emerging Risk** 

## Escalating geopolitical confrontations among major economies create uncertainty

in global trade, dampening economic growth and disrupting supply chains. Global oil demand in 2025 could be 0.5 million barrels per day lower<sup>(1)</sup> than 2024, impacting freight rates

• Rising conflicts, such as US-China tensions over Taiwan and instability in the Middle East,

heighten security risks and disrupt trade flows. However, on the flip side, vessels may be forced to take longer routes, increasing sailing distances and tonne-mile demand, which could support freight rates.

- Supply disruptions and shifting energy trade patterns (for example, China diversifying crude imports) could reshape demand across tanker segments

## Technological

Unavailability or delayed development of critical decarbonisation technologies and unavailability of green fuels

**Emerging Risk** 

or unavailability of critical innovations, such as fuelefficient propulsion systems and green technologies, could create significant challenges and disruptions for the shipping industry, impacting profitability, operational efficiency, safety and environmental sustainability

The delayed development

• Cleaner fuels such as green ammonia and biofuels play a critical role in reducing carbon



emissions and addressing climate change. However, their adoption has been hindered by infrastructure limitations, high costs, market readiness and regulatory barriers.

- AET has three ammonia dual-fuel vessels on its orderbook and ambitious decarbonisation goals, which may subject it to these challenges

## Energy Transition

Renewed focus on strategic resources, with a reinforced commitment to oil and gas development and unpredictable policy landscape affecting the progress of project approvals

 A shift in policy direction favouring oil and gas development and the potential rollback of climate commitments in key markets could slow the global energy transition. While this may support short-term growth in fossil fuel exports, potentially altering

trade routes and market dynamics, the broader structural shift toward decarbonisation remains inevitable as global regulatory, financial and customer pressures continue to build momentum.



- risk assessment.

## Mitigations/Actions

Continue maintaining optimal portfolio of assets on long-term charters to reduce AET's exposure to market risk and capitalise on the upside from the spot market whenever possible

## • AET is collaborating with partners to advance

technologies across the supply chain to decarbonise profitably. For example, by providing technical expertise and using its vessels as a testbed for Daphne Technology and its PureMetrics<sup>™</sup> emissions tracking technology.

• The AET Energy Transition Strategy ensures long-term business sustainability by focussing on building a profitable New Energy business portfolio that is adjacent to our existing business. We are actively diversifying our portfolio, identifying niche opportunities, and pursuing differentiated plays that leverage on our core capabilities and strengths — ensuring resilience and long-term value creation in an evolving energy landscape.

We are focussing on regions with stronger policy support and making well-informed investment decisions with thorough market evaluation and adequate project

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# The Key Risks and Opportunities That Lie Ahead

## Categories

## **Risks and Opportunities**

## Economic

Elevated costs for financing, newbuilds and operations

## Interest rates and inflation likely to remain elevated, potentially leading to higher operating expenses and cost of capital. However, owners with strong balance sheets and access to capital will have a competitive advantage, being better positioned to take advantage

of growth opportunities.



## Oil and Gas Market Volatility, and Shipping Demand

Some support for crude tanker freight rates; new environmental regulations provide opportunities for investments in greener fleet

• The capacity of the Trans Mountain pipeline expanded from 300,0000 barrels per day to 890,000 barrels per day. An increase in crude oil flows through the Trans Mountain pipeline in Canada will add to the seaborne trade, thereby increasing demand for tankers and lightering services. Crude tanker market will be

supported by factors including recent sanctions on dark fleet and limited fleet growth. However, geopolitical changes, slower-thanexpected economic growth and

the pace of OPEC+ unwinding production cuts remain a risk. Some pressure is anticipated in 2026 when fleet growth is expected to pick up further, outpacing growth in Deadweight Tonne (DWT) demand.

 New environmental regulations provide an opportunity for cleaner crude tankers to reduce emissions and improve overall sustainability in the shipping industry





our assets

## Workforce Gap

Talent and/or labour shortages for New Energy businesses

 Limited talent pool that has the right skills and capabilities to operate new assets as we transition into New Energy businesses. This may potentially disrupt our business operations and strategic pivot.



## Digitalisation, Artificial Intelligence and Cybersecurity Threats

Digitalisation and AI provide opportunities but also increase cybersecurity threats

· Digitalisation and AI streamline operations, boost efficiency and enable smarter, faster decision-making. However, adoption also increases the risk of cybersecurity threats. Cybersecurity breaches could negatively impact the reputation of the business and the trust our customers have in us. It can affect our financials and result in loss of intellectual property, customer data and other sensitive critical information.

According to the Global Cybersecurity Outlook 2024 by World Economic Forum, 29% of organisations reported that they had been materially affected by a cyber incident in the past 12 months



- and processes

## Mitigations/Actions

• Continue to **build and strengthen our relationships** with banking partners to enjoy flexibility in financing

• Build a resilient core business to support sustainable growth

 Promote simplification and improve operational efficiency by streamlining processes

• Leverage our strong financial position to pursue attractive opportunities that support our Energy Transition Strategy

• Rejuvenation of our fleet with greener assets to capture market opportunities

• Maintain **agility** to capture opportunities when it arise • Continue maintaining resilient balance sheet and optimal

portfolio of assets on long-term charters to reduce AET's sensitivity to the market

• Improve Employee Value Proposition to attract and retain the right talents

Reskilling and upskilling to develop capabilities in our people to support the business' strategic direction

• Increasingly integrate digitalisation and AI into our business

 Conduct regular training and awareness sessions to educate employees on potential threats

· Conduct regular checks to ensure systems are updated and to detect potential breaches

# **Our Energy Transition Strategy**

In 2023, we launched a forward-looking strategy designed to propel us towards a future where we deliver more energy with less emissions. Our Energy Transition Strategy sets out a three-pronged roadmap to help us navigate a shipping landscape increasingly shaped by the global energy transition.



## **AET2030** Aspirations

**Increase in Cashflow** from Operations (CFO)

compared to 2022 baseline, with half of the increase coming from New Energy businesses



Greenhouse Gas (GHG) emissions reduction from 2008 baseline



1

## **Building** a **Resilient** Core

AET operates a diverse portfolio of efficient petroleum assets on both conventional and dual-fuel systems. Through high asset utilisation, cost optimisation and portfolio rejuvenation underpinned by strong secured income — we are building a resilient core to support sustainable growth.

## **Highlights of 2024**

- Achieved US\$590 million in EBITDA (proxy for CFO), 19% increase as compared to 2022 baseline
- · Delivery of one new state-ofthe-art Liquefied Natural Gas (LNG) dual-fuel Very Large Crude Carrier (VLCC)
- Signed a long-term charter for two LNG dual-fuel Aframaxes
- Contracted three of the world's first ammonia dual-fuel Aframaxes, two of which have been committed to long-term time charter contracts



## (2) Investment in **Profitable New Energy**

We are actively pursuing investment opportunities in promising New Energy businesses beyond fossil fuels. As the world accelerates its shift to low-carbon solutions, this is a pivotal moment to tap into renewable, future fuel, offshore wind and waste-tovalue opportunities. We see this strategic move as essential to securing our long-term viability and maintaining our competitive edge.

## Highlights of 2024

 Continued to review opportunities in the carbon, offshore wind and future fuels value chains that meet our portfolio and profitability criteria



## Simplification

Look internally, streamline processes with clear accountability



## 3

## Unwavering **Commitment to** Decarbonisation

We are committed to achieving our 2030 decarbonisation aspirations and our 2050 net-zero goal. In achieving our goals, we will be steered by our Tiered Decarbonisation Strategy This phased approach balances technical feasibility, commercial viability, market conditions and fleet characteristics, enabling a realistic, cost-effective transition by integrating proven solutions first and scaling innovative technologies as they mature.

## **Highlights of 2024**

- Signed an agreement to retrofit one of our workboats to become the world's longest-range hybrid-electric vessel
- Concluded a Computational Fluid Dynamics (CFD) study with findings showing how currently available energy efficiency decarbonisation technologies can be applied to our fleet



## Partnership

Look externally, to grow and participate in new businesses

# How We Create Value

Key Activities

AET plays a vital role in the transportation of crude and petroleum products, and tankers are the primary means of transporting them 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 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 67 vessels (as of 30 April 2025) and expertise in Dynamic Positioning Shuttle Tankers (DPST), Modular Capture Vessels (MCV) and specialised Ship-to-Ship (STS) lightering ensure resilient operations.



and specialised seafarers (including seafarers managed by our appointed ship managers and AET Offshore), 184 personnel onshore and our experienced Board of Directors steer our business and ensure that our ships and facilities operate safely and efficiently.

## Social and **Relationship Capital**

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



We use natural resources such as water and fuel to run our operations at sea and onshore.



## **Key Outcomes**

## **Financial Capital**

- Visibility into future cashflow
- Stronger capital structure and financial resilience
  - to 0.40 times in 2024)
  - and bank balances in 2024

## Physical and Intellectual Capital

- innovative shipping solutions
- Carrier (VLCC) in 2024
- range hybrid-electric vessel
- Awards organised by Riviera Maritime Media

## Human Capital

- - Achieved 92% retention rate in 2024
  - Learning and development
  - Creating a safe environment
- Total Recordable Case Frequency (TRCF) of 0.08 in 2024

## **Social and Relationship Capital**

- Advancing diversity, equity and inclusion

## **Natural Capital**

## Positive outcomes

- Negative outcomes
- 2024 (Y-o-Y): 4%

• Through our secured income strategy (67% Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA) secured in 2024) we have better visibility into future cashflow

• Improved profitability (Net Profit after Tax after Minority Interest from US\$236M in 2023 to US\$288M in 2024) and reduced leverage (Net Debt to Equity from 0.53 times in 2023

• 5.0% Y-o-Y improvement in shareholders' equity and 41.5% Y-o-Y improvement in cash

## Fleet rejuvenation, enhancing operational capabilities and pioneer in

• Transported ~171 million tonnes of crude and petroleum products globally in 2024 Contracted three of the world's first ammonia dual-fuel Aframaxes, two of which are under long-term time charter contracts with PETCO Trading Labuan Company Ltd • Delivery of one new state-of-the-art Liquefied Natural Gas (LNG) dual-fuel Very Large Crude

• Signed a long-term charter for two LNG dual-fuel Aframaxes · Signed an agreement to retrofit one of our workboats to become the world's longest

• AET awarded Tanker Operator of the Year 2024 at The Tanker Shipping and Trade 2024

## Better employee engagement and satisfaction

• Two-point improvement in employee engagement score in 2024

• Invested an average of US\$2,782 per employee on training and development in 2024

• Lost Time Injury Frequency (LTIF) of 0.08 in 2024

• 41 vessels received the Chamber of Shipping of America's (CSA) Jones F. Devlin Safety Award

## Improving transparency and building trust with stakeholders

• Continued enhancing our disclosures by reporting information with reference to the Sustainability Accounting Standards Board (SASB) and Global Reporting Initiative (GRI) standards in 2025, despite being a private company

Became a member of the United Nations Global Compact

· Joined the All Aboard Alliance in 2024 and, with that, committed to advancing diversity, equity and inclusion while fostering a more innovative and sustainable industry

## Strategic partnerships to support maritime industry's decarbonisation

· Joined the Maritime Energy Training Facility in 2024 to develop specialised training courses for maritime professionals, focussing on future fuels and technologies

Giving back to the communities we operate in and building connections

• Signed memorandum with the Singapore Maritime Foundation to jointly develop Singapore's maritime talent pool through our scholarships and internship programmes • Staff contributed 1,292 volunteering hours in 2024

• Scope 1 Shipping Operations<sup>(1)</sup> AERCO<sub>2</sub>e reduction in 2024 (Y-o-Y): 7%

• 51 vessels conferred the CSA Environmental Achievement Award in 2024

 Our LNG dual-fuel VLCCs, Eagle Veracruz and Eagle Ventura, were awarded Green Ship status under the Maritime and Port Authority of Singapore's (MPA) Green Ship Programme

• Increase in Scope 1 Shipping Operations<sup>(1)</sup> absolute Greenhouse Gas (GHG) emissions in

Introduction

# Joint Development of The World's Longest-Range Hybrid-Electric Vessel

Continued investment and commitment are essential to forging a sustainable future for the shipping industry. In 2024, we partnered Fleetzero to develop the world's longest-range hybrid-electric vessel to further advance our efforts to decarbonise our fleet.



AET management, AET Offshore crew and Fleetzero management at the hybrid-electric vessel signing ceremony on 19 December 2024

## **AET turning ambitions into action**

In December 2024, we signed an agreement with Fleetzero, a developer and owner of modular marine batteries for hybrid and electric ships, for the development of the world's longest-range plug-in hybrid-electric vessel.

The signing ceremony took place at the AET Offshore office in Galveston, Texas, with representatives from both companies present. The agreement was signed by Capt. Ron Wood, AET's former Global Director of Commercial, and Mr Steven Henderson, Fleetzero's CEO.

Under the agreement, one of AET's Lightering Support Vessels (LSVs) will be retrofitted with a plug-in hybrid-electric system. The vessel will operate primarily on battery power, reducing Greenhouse Gas (GHG) emissions by about 82% when compared to conventional LSVs<sup>(1)</sup> on a tank-to-wake basis. This is estimated to avoid 1,220 tonnes of greenhouse gases, significantly reducing fuel consumption and maintenance costs while maintaining high safety standards.

The battery-hybrid system will retain the vessel's existing diesel generators for longer voyages where extended range and endurance are required. This will ensure operational efficiency. We are also exploring the purchase of 100% renewable power to charge the batteries, which would further reduce emissions across the full operational lifecycle (well-to-wake).

We also expect a 49% reduction in operational expenses as compared to using diesel based on our preliminary analysis.

## Why is electrification beneficial for our lightering operations?

AET operates a fleet of Mid-Sized Tankers, which provide Ship-to-Ship (STS) transfers of crude and full-service lightering services (STS transfers and conventional voyage services). To complement this STS offering we operate a fleet of purpose-built LSVs that are used for the transportation of mooring masters and their assistants as well as equipment required by tanker vessels involved in a STS transfer.

Both the service ship (typically Aframax or Suezmax) that transfers crude to or from a tanker (typically a VLCC) and the LSV that supports the transfer operate short-haul trips. This means they have relatively high GHG emission intensity figures compared to other vessels operating longer trips. Unlike conventional internal combustion engines, electric propulsion produces zero emissions on a tank-to-wake basis, offering a pathway to reduce both absolute emissions and emissions intensity.

Other than emissions reduction, electric motors stand out for a few reasons. Firstly, simpler maintenance. A marine diesel engine has over 1,000 moving parts while an electric motor has less than 20 moving parts. Secondly, it presents no risks of overboard discharge and seafarer exposure to methanol, ammonia and hydrogen (compared with bunker fuels). Additionally, in AET's case, we chose an Lithium Ion Phosphate (LFP) battery chemistry, which has a lower risk of thermal runaway (fire) compared to other lithium-ion chemistries, making it well-suited for marine uses. Battery-electric hybrid engines can also be implemented now versus other green solutions such as the usage of alternative fuels, which are dependent on the availability and cost of the alternative fuels.

## **Current key limitations to electrification**

Currently, this technology is limited to short-haul transportation or when vessels have frequent port stops and access to charging facilities. As vessels become more energy-efficient, battery and charging technology advances, and battery costs decline, the economics of this technology will improve, potentially making it viable for longer routes and larger vessels.

Electrification is seen as one of the strategies to reach the maritime industry's net-zero goals but presently, the greenhouse gas emissions reduction is primarily on a tank-to-wake basis. Achieving full decarbonisation on a well-to-wake basis requires electricity to be sourced from low-carbon energy, such as renewables. Additionally, power grids must scale up to meet the rising demand for electricity from the maritime sector.

<sup>(3)</sup> Clarksons, February 2025

According to the International Energy Agency's definition, electrification is the replacement of technologies or processes that use fossil fuels --such as internal combustion engines and gas boilers - with electrically-powered equivalents. Electrification delivers both fuel and emissions savings.

Electrification of vessels spans from the use of fully battery-powered systems (full electrification) to various levels of hybridisation, where batteries are combined with generators or fuel cells.

## Adoption by shipowners

Due to their short voyages, frequent port stops and access to dedicated shore-power connections, ferries are at the forefront of this technology. Most electric ferries operate on plug-in hybrid systems, incorporating internal combustion engines as backups and to extend their sailing range<sup>(2)</sup>.

Other than ferries, other ship types typically operating short-haul voyages are also adopting this technology. For instance, in the shuttle tanker segment, six out of 103 vessels are currently fitted with battery-hybrid propulsion<sup>(3)</sup>. In the offshore wind farm support segment, more than 80% of commissioning service operation vessels fleet and almost 100% of the orderbook are fitted with hybrid-electric propulsion. We are likely to see an increasing number of vessels adopting this technology as shipowners and charterers attempt to meet short- to long-term decarbonisation targets and understand the benefits of electrification<sup>(4)</sup>.

## What else can we expect moving forward?

Under the agreement, we will work with Fleetzero to pioneer this technology on one of our LSVs. However, in the longer term, we see significant potential for scaling this solution across other vessels in our fleet engaged in short-haul transportation, such as our other LSVs, our Mid-Sized Tankers doing lightering and our Dynamic Positioning Shuttle Tankers.

Overall, this collaboration underscores our dedication to advancing sustainable maritime transportation and driving innovation in alignment with the industry's broader decarbonisation efforts.

<sup>&</sup>lt;sup>(2)</sup> DNV's Energy Transition Outlook, MARITIME FORECAST TO 2050

<sup>&</sup>lt;sup>(4)</sup> Mærsk Mc-Kinney Møller, Battery-electric pre-feasibility study September 2024

# **Our Sustainability**

:			
	N	(Page 63)	
• Towards Deca	arb	onisation	
Reduce GHG emissions intensity AERCO <sub>2</sub> e (gCO <sub>2</sub> e/tonne-nm) in our Shipping Operations <sup>(1)</sup> by <b>40%</b> by 2030 (versus 2008 baseline)	>	3.33 below 2024 target of 3.37 (-19% versus 2008)	٢
<b>Reduce absolute GHC emissions</b> (million tonnes CO <sub>2</sub> e) in our Shipping Operations <sup>(1)</sup> by <b>40%</b> by 2030 (versus 2008 baseline)	>	1.70 below 2024 target of 1.71 (-16% versus 2008)	
Net-zero GHG emissions by 2050 (AET business and value chain)	>	On track	
• Promoting a Circu	ıla	r Economy	
SHIPPING OPERATIONS <sup>(1)</sup>			
Reduce plastic waste generation (m³/vessel/month) by 28% in 2025 (versus 2019 baseline)	>	1.7 above 2024 target of 1.3	0
Reduce paper consumption (ream/vessel/month) by 37% in 2025 (versus 2019 baseline)	>	3.2 above 2024 target of 2.5	0
Ensure all ship recycling complies with the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships	>	Ship recycling guidelines in place, no ship recycling in 2024	
AET OFFSHORE OPERATIONS			
Maintain an <b>annual 4R (Refuse,</b> <b>Reduce, Reuse, Recycle)</b> <b>rate of &gt;95%</b> for hazardous wastes generated	>	4R rate 100%	
Increase the annual 4R rate of non-hazardous wastes generated to <b>60% in 2025 from 10% in 2018</b>	>	4R rate 31% below 2024 target of 40%	0
• Biodiversity C	on	servation	
Zero pollution from major spills on our vessels	>	Zero	
<b>Conserve biodiversity</b> by offering staff the opportunity to drive impact through participating in local events	>	Completed one beach clean-up per major office location <sup>(2)</sup> in 2024	
9 ARCH NOUTR A RECENT	CLIMATE ACTION	14 Internation Hadre	

SOCIAL (Page 75)				
• Health a	d Safety			
Zero fatalities	> Zero			
Lost Time Injury Frequency (LTIF) <0.17 (per 1 million man-hours)	> 0.08			
Total Recordable Case Frequency (TRCF) < <b>0.42</b> (per 1 million man-hours)	> 0.08			
• Talent Ex	cellence			
Achieve a <b>top quartile employee</b> engagement score versus an industry benchmark by 2030 as measured by the PETRONAS Organisational Culture Survey (POCS) for shore-based staff	> 73% (on track)	S		
Achieve a <b>80% retention</b> <b>rate</b> for shore-based staff (Managers and above)	> 92%	۲		
Achieve a successor ratio (successors to critical positions) of more than or equal to 2:1 for shore-based staff	> 3:1	۲		
• Community	Investment	t		
Award a minimum of <b>100 scholarships</b> by 2030 starting from 2020	22 scholars awarded ir bringing th to 53 since	ships were n 2024, he total		

# Framework

GOVERNANCE (Page 87)				
• Governance and	d Business Ethics			
Zero major breaches of relevant laws and regulations	> Zero			
Zero human rights breaches	> Zero			
Zero major cybersecurity incidents	> Zero			
• Responsible Supply	/ Chain Managemen	it		
100% Environmental, Social and Governance (ESG) self- assessments conducted for our shortlisted critical suppliers	> 100% completed			



(on track)



 $^{(2)}\ {\rm Major}$  office locations: Galveston, London, Rio de Janeiro and Singapore

## FINANCIAL (Page 92)

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**AET's financial commitments** and performance are discussed in the "Financial Performance" chapter. Introduction

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# **Board of Directors**



DATUK ABU HURAIRA ABU YAZID

Chairman, Independent Non-Executive Director (April 2024 – Present)

- Datuk Abu Huraira Abu Yazid was appointed as Chairman and Independent Non-Executive Director of AET on 22 April 2024
- He was appointed as an Independent Non-Executive Director of MISC Berhad on 9 October 2020 and, effective 1 January 2021, Datuk Abu was appointed as Chairman of MISC Berhad
- He is currently the Chairman and Director of Pembangunan Sumber Manusia Berhad and Chairman of Malaysian Maritime Academy Sdn. Bhd.



ZAHID OSMAN

## MISC President and Group CEO, Non-Executive and Non-Independent Executive Director

- Zahid has been a Director of AET since 1 January 2020. He was subsequently appointed as the President and CEO of AET on 1 June 2023
- He was appointed as the President and Group CEO of MISC Group on 16 August 2024
- He was previously the Vice President of Corporate Planning at MISC Berhad (2022-2023) and Vice President of MISC Berhad's Gas Assets and 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
- Ronald will complete his nine-year term as a Director of AET at the end of 2025
- 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



## 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)



COLIN LOW

## Independent Non-Executive Director, Chairman, Audit, Risk and Sustainability Committee

- Colin has been a Board Director at AET since
   15 November 2019
- He was previously the Group Investment Board Director of General Electric (GE) USA for the Asia Pacific Region (2005-2010); President of GE International and Region Growth Executive (South East Asia region); Managing Director of GE Aircraft Engines (1999-2004); Chairman and Investment Committee Chair of Singaporemainboard listed Intraco Limited (2014-2021)
- He was also formerly the CEO and, later, Chairman of private equity firm Singapore Investment Development Corporation (2011-2020)



## **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

Our Business

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Sustainabil at AET

Supporting Information



Over the past 14 years, Datuk Nasarudin has provided invaluable guidance and oversight, contributing meaningfully to AET's governance and strategic direction.

His deep expertise and thoughtful counsel have helped shape the resilient organisation we are today, and we are truly grateful for his service and commitment. We wish him the very best in his future endeavours.



Scan to read our full team bios

# **Board of Directors**

## Diversity<sup>(1)</sup> of Our Board





## Nationality

	Malaysian		2
(*)	Canadian	1	
	American	1	
	British	1	
<u>C:</u>	Singaporean	1	

## Years of Service

Below 3 years 17%

## Above 5 years 83%

## Age

 $\begin{array}{ccc} & \text{50-60 years} & \text{61-70 years} & \text{Above 70 years} \\ \hline 34\% & \overline{33\%} & \overline{33\%} \end{array}$ 

Number of Board Members with

Industry Experience

## Number of Board Members with Skills

(	6	Corporate Governance	2	Environmental, Social and Governance (ESG
(	6	Risk Management	2	Human Resource
(	4	Corporate Planning	2	Operations/Commerce and Marketing
(	4	Economics	1	Engineering
(	4	Finance/Audit		

4	Transportation: Shipping	1	Healthcare/ Social Services
3	Finance/Banking	(1)	Telecommunications
3	Oil and Gas	1	Transportation: Railway
2	Retail		
(2)	Transportation:	n	

## **Board Committee**

## Audit, Risk and Sustainability Committee (ARSC)

Members	Position
Colin Low (Chairman of ARSC)	Independent Non-Executive Director
Zahid Osman	Non-Independent Executive Director
Ronald Bruce Blakely	Independent Non-Executive Director
Vice Admiral (RTD) Peter Neffenger	Independent Non-Executive Director
Paula Porter	Independent Non-Executive Director

## 2024 Board and Board Committee Attendance

Datuk Abu Huraira Abu Yazid (Chairman of the Board) Zahid Osman Datuk Nasarudin Idris Colin Low **Ronald Bruce Blakely** Vice Admiral (RTD) Peter Neffenger

Paula Porter

Information correct as of 31 December 2024

 $^{(1)}$  Diversity of Our Board data excludes the data of Datuk Nasarudin who stepped down from the Board in March 2025

<sup>(3)</sup> Refers to the number of ARSC meetings attended after Paula Porter was appointed as a member of the ARSC

# Introduction

# Our Business

ARSC	Board
-	3/3(2)
5/5	7/7
-	7/7
5/5	7/7
5/5	6/7
4/5	7/7
3/3(3)	7/7

# Executive Leadership Team (ELT)



NICK POTTER

President and CEO

LINDA MURRAY

Global Director,

HR and Facilities



WINNIE CRUZ-DING Chief Financial Officer

PETER LIEW

Commercial

Global Director,



WILLIAM BLAGBROUGH General Counsel and Chief Integrity Officer

**CAPT. PAVAN KUMAR** 

Global Director,

Operations, HSSE and Decarbonisation

Technical -



**ROBERT SULLIVAN** 

Global Director, Business Development and Technology



SMRITI SHARMA

Global Director, Strategy, Sustainability and Enterprise Risk Management

We would like to extend our heartfelt thanks to Capt. Ron Wood, our outgoing Global Director for Commercial, for his remarkable leadership and dedication to AET.

Ron has played a key role in strengthening our operations in the US and has been instrumental in building trusted relationships with our customers and partners across the region. His deep industry knowledge and steadfast commitment have left a lasting impact on our organisation.

We are truly grateful for his contributions and wish him continued success in his future endeavours within the MISC Group.



Scan to read our full team bios

## Diversity of Our ELT



Years of Service<sup>(1)</sup>

 Below 3 years
 3-5 years
 Above 5 years

 62%
 25%
 13%

# Number of ELT Members with Skills



<sup>(1)</sup> Since date of appointment as ELT member



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# **Financial Performance**

## **Operating Environment in 2024**

In 2024, the crude tanker market demonstrated resilience, with freight rates generally surpassing longterm averages. In the first half, strong tanker demand, combined with limited tanker supply, supported firm spot freight rates even as geopolitical disruptions, such as Red Sea re-routing, added further complexities to the market. In the second half of the year, freight rates softened driven by a slowdown in Chinese oil demand. In 2024, Chinese crude oil imports fell by 3% year-on-year, to average around 10 million barrels per day (mbpd). This contraction in demand contributed to a 0.6% reduction in global seaborne crude volumes, which, in turn, softened the overall performance of the crude tanker market. This was compounded by ongoing OPEC+ production cuts, which were instrumental in lowering Middle East Gulf crude oil exports. Despite a softening in rates, average crude tanker

earnings in 2024 stood at US\$43,172 per day – well above the 10-year average of US\$33,060 (2015-2024), though down from US\$53,579 in 2023.

Western sanctions imposed in response to the Russia-Ukraine conflict have significantly reshaped global crude oil trade flows. Following the sanctions, major buyers have diversified their supply sources, leading to structural shifts in trade patterns that may become permanent. In 2024, as Europe scaled back its reliance on Russian crude oil, refiners increasingly turned to the US as a stable alternative. The move reflected a prioritising of energy supply security amid persistent geopolitical risks. In 2024, US seaborne crude exports reached 1,449 million barrels (MMbbl), with approximately 48% exported to Europe. The ensuing trade realignment drove up tanker utilisation,

especially on routes from the US Gulf to key markets in Asia and Europe. The resultant increase in long-haul maritime trade boosted demand for tankers – particularly Mid-Sized Tankers (MST) – and kept freight rates firm.

Apart from the US, increased oil production elsewhere in Brazil, Canada and Guyana targeted at export markets has been a positive driver for tanker trade. In 2024, Canada's crude oil exports to the US West Coast and Asia-Pacific surged following the expansion of the Trans Mountain pipeline. The expansion increased the export capacity of the pipeline by 590,000 barrels per day. This boost in crude loadings from Canada's West Coast benefited both the Very Large Crude Carrier (VLCC) and MST fleets.





US\$, 000/day



UNITED STATES ANNUAL EXPORTS (CRUDE, BY DESTINATION REGION)



Sources: Kpler and Clarksons

TANKER EARNINGS BY SEGMENTS



**CRUDE TANKER FLEET DEVELOPMENT** 



Spot earnings across vessel segments reflected these market fundamentals.

For instance, Aframax vessels recorded average spot earnings of US\$44,487 per day in 2024. While this is down from the US\$56,827 per day recorded in 2023, it is still well above the 10-year average of US\$30,490 per day.

Suezmax vessels earned an average of US\$47,188 per day in 2024. While this is a decline from the US\$55,847 per day recorded in 2023, it still significantly surpasses the 10-year average of US\$32,268 per day.

Likewise, VLCC vessels reached US\$39,239 per day in 2024. This is a decrease from the US\$49,376 per day recorded in 2023 but it is still well above the 10-year average of US\$34,991 per day.

## **Financial Performance**

On the supply side, the global crude tanker trading fleet expanded by only 0.2% due to limited new vessel deliveries in 2024. This is the slowest growth of the global fleet in the past five years.

Despite historically high newbuilding prices, new orders increased in 2024 on the back of growing prospects for long-haul trade as well as the pressing need to renew the industry's ageing fleet. The rise in orders resulted in a high crude tanker orderbook with an orderbook to fleet ratio currently standing at approximately 11%.

Notably, close to 20% of the crude tanker orderbook now consists of alternative-fuelled vessels. This shift reflects the industry's response to stringent environmental regulations as well as the industry's drive towards cleaner, more efficient technologies.

## **AET's Financial Performance FY2024**

## **Overall Performance Highlights**

AET achieved another strong financial performance in FY2024, demonstrating its agility and resilience in navigating tough market challenges. The year was one of AET's best-performing years, with revenue reaching US\$1,097 million and Net Profit After Tax (NPAT) after minority interest of US\$288 million.

Strong earnings were recorded across all key segments, including VLCC, MST and Dynamic Positioning Shuttle Tanker (DPST). Approximately 12% of the revenue came from AET's lower-carbon LNG dual-fuel vessels, reflecting the degree of AET's commitment to sustainable shipping.

Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA) was US\$590 million with 67% derived from secured contracts. The effective commercial strategies and cost discipline helped AET mitigate the impact of market volatility, further strengthening its financial position in FY2024. This resulted in Net Profit After Tax (NPAT) after minority interest of US\$288 million, an improvement of 22% year-on-year.

AET's strategy of securing long-term contracts continued to ensure stable and predictable cashflows in the year.

## **Performance by Segment**

The MST segment benefitted the most from the strong market environment described earlier in this chapter. AET leveraged its ability to deploy its MST fleet across spot, lightering Contracts of Affreightment<sup>(1)</sup> (COA) and time charter contracts efficiently and effectively to achieve higher Time Charter Equivalent<sup>(2)</sup> (TCE) rates.

By actively tracking global trade developments and quickly adapting to shifting market conditions, AET maintained its customer commitments while maximising operational returns. The VLCC segment faced some headwinds due to weaker demand from China and reduced export volumes from the Middle East region. However, AET's focus on long-term time charters and its differentiated assets helped reduce volatility and increased its revenue in this segment.

The DPST segment continued to provide a stable and predictable income stream in FY2024, underpinned by long-term contracts with leading energy companies.

## **Financial Resilience**

In FY2024, AET maintained a strong financial position with key leverage ratios including net debt-to-equity (0.40) and net debt-to-EBITDA (1.74) staying below targeted thresholds.

AET's ability to manage debt while maintaining liquidity, even in a volatile market, is central to its financial strategy. This is reflected in AET's weighted average cost of debt, which stood at 2.95% as of 31 December 2024.

AET maintained its total assets at US\$4 billion and delivered US\$138 million in cash to MISC Berhad through the redemption of redeemable cumulative preference shares and dividend payments.

AET closed the year with cash and bank balances of US\$406 million, 41% higher than in FY2023. Buoyed by its strong liquidity position, AET strategically placed surplus funds in term deposits. This generated US\$17 million in interest income in FY2024. This bolstered AET's earnings and allowed it to sustain its strong cash position.

at The Asset Triple A Islamic Finance Awards 2024. It was **Commitment to Sustainable Shipping** recognised as the Best Sustainability-Linked Financing The US\$100 million sustainability-linked Islamic Revolving under the Best in Sustainable Finance Deals, and Best Credit Facility (RCF-i), secured by AET in December 2023, Deals by Country (Singapore) categories. These awards are won multiple awards in 2024. testimonies to AET's commitment to leading the way in Euromoney named it Islamic Finance Deal of the Year sustainable shipping.

Singapore 2024. The deal was also conferred two awards

## **Profitability**

**Total Revenue** 

+0.2%

US\$1.097 million in 2024 versus

US\$1,095 million in 2023

+4.1% US\$590 million in 2024 versus US\$567 million in 2023

## **Balance Sheet**

Cash and Bank Balances +41.5% US\$406 million in 2024 versus US\$287 million in 2023

## **Total Liabilities** -9.0% US\$1,780 million in 2024 versus US\$1,956 million in 2023

Total EBITDA

**FY2024 EBITDA CONTRIBUTION** 



(1) Lightering contract of affreightment is a long-term, hybrid type of charter where a shipowner agrees to transport specified quantities of cargo over a set period, across specific voyages, without assigning a specific ship.

(2) Time Charter Equivalent (TCE) rate is a standard measure of a vessel's average daily revenue performance, calculated by subtracting voyage expenses from revenue and dividing by the number of voyage days.

+21.7% US\$288 million in 2024 versus US\$236 million in 2023

NPAT After Minority Interest

Shareholders' Equity +5.0%

US\$2,579 million in 2024 versus US\$2,456 million in 2023

> 5% Others

33%

DPST

Our Business

Our Strategy

Our Leadership

Sustainability at AET

Our Financial Performance

# **Financial Performance**

## Key Figures at a Glance

Profitability (US\$M)	FY2020	FY2021	FY2022	FY2023	FY2024
Revenue	920	767	1,053	1,095	1,097
EBITDA	402	335	497	567	590
NPAT (Operations)	85	41	187	237	280
Gain or Loss on Sale of Assets	9	7	3	_	8
NPAT after Minority Interest	93	46	190	236	288
Key Balance Sheet Items (US\$M)	FY2020	FY2021	FY2022	FY2023	FY2024
Key Balance Sheet Items (US\$M) Cash and Cash Balances	<b>FY2020</b> 193	FY2021 177	<b>FY2022</b> 220	<b>FY2023</b> 287	FY2024 406
Key Balance Sheet Items (US\$M) Cash and Cash Balances Total Assets	<b>FY2020</b> 193 4,129	<b>FY2021</b> 177 4,198	<b>FY2022</b> 220 4,437	<b>FY2023</b> 287 4,412	FY2024 406 4,359
Key Balance Sheet Items (US\$M)         Cash and Cash Balances         Total Assets         Total Liabilities	<b>FY2020</b> 193 4,129 1,984	<b>FY2021</b> 177 4,198 2,034	<b>FY2022</b> 220 4,437 2,036	<b>FY2023</b> 287 4,412 1,956	FY2024 406 4,359 1,780

EBITDA BY INCOME TYPE



NET DEBT TO EQUITY



 $^{*}\,$  The mean data includes AET and large tanker players we identify as our peers in the industry.

**REVENUE (US\$M) AND EBITDA MARGIN (%)** 



54% EBITDA Margin

AET's efficient operations allowed it to maintain its EBITDA margin.

Introduction



Our secured income strategy strengthens our financial resilience and enhances our liquidity.

As a result of our financial discipline, AET's net-debt-to-equity ratio has consistently remained below the industry's average.

0.71 Industry Mean<sup>•</sup> 0.40 AET



# Sustainability at AET

## IN THIS SECTION

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

	)
	Introduction
	Our Business
	Our Strategy
	Our Leadership
	Our Financial Performance
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# **Our Sustainability Strategy**

We aim to be a global leader in providing sustainable energy-related maritime solutions and services, generating long-term stakeholder value through safe and responsible operations that positively impact both the environment and society. Our sustainability strategy is aligned with the United Nations Sustainable Development Goals (UNSDGs), focusing on 11 of the goals that complement our business goals and sustainability framework.



## Sustainability Governance

Effective governance is fundamental to our success, and we are dedicated to fostering practices that go beyond mere compliance with principles and procedures. Our sustainability governance framework is fully integrated across the organisation to ensure transparency, with the Board of Directors overseeing the overall sustainability strategy and performance.

Board	Sets the strategic direction and is overall responsible for AET's sustainability strategy
Audit, Risk and Sustainability Committee (ARSC)	Oversees the effective implementation of AET's sustainability strategy and performance, including the review of Environmental, Social and Governance (ESG)-related risks, and makes appropriate recommendations to the Board
Executive Leadership Committee (ELT)	Chaired by the CEO, the ELT provides guidance and decision-making on ESG matters and supports the ARSC and the Board
Strategy, Sustainability and Enterprise Risk Management (ERM)	Drives ESG initiatives, monitors AET's progress in achieving its sustainability strategic priorities, and identifies and manages related risks
Business Units/ Corporate Functions	Responsible for implementing ESG initiatives and supporting the Strategy, Sustainability and ERM division

## Sustainability Materiality

A central element of our sustainability approach is gathering feedback on topics that are material to our key stakeholders and creating programmes that address these topics. We conduct a materiality assessment every three years for this purpose. The last assessment was conducted in 2022 following a double materiality approach and we intend to conduct the next assessment in 2025. This ensures that AET's sustainability agenda is aligned with topics that are important to both its internal and external stakeholders. The results of the materiality assessment also help with risk identification and mitigation as part of our ERM process.

## **Our Double Materiality Approach**

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

- It has significant impact on the economy, environment and/or society
- It has significant impact on AET's financial performance, value drivers, competitive position, and long-term shareholder value creation

## MATERIALITY MATRIX



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## SELECTING MATERIAL TOPICS

## Benchmarking

We conducted desktop research on current and emerging sustainability trends as well as industry and peer benchmarking to evaluate and establish the list of sustainability topics relevant to our business.

## Stakeholder Engagement

We conducted a survey with a sample of our key internal and external stakeholders on how they rank the material topics in terms of importance.

## **Materiality Matrix**

 $\mathbf{O}\mathbf{O}$ 

Based on the inputs from both internal and external stakeholders, we mapped out the AET materiality matrix which was later endorsed by our ELT and presented to the Board.



- Values, Governance and Business Ethics; Health and Safety
- O Climate Change
- O Business Knowledge and Expertise
- Financial Performance
- Energy Management
- Air Emissions Management
- Ocean Health
- O Human Rights
- Sustainable Supply Chain

## **Medium Materiality**

- Natural Resource Use;
   Waste Management
- Security; Talent Attraction and Retention
- O Diversity and Inclusion
- O Cybersecurity
- O Digitalisation and Innovation

## Low Materiality

- Water Management
- Community Investment

Our Business

Sustainability at AET

SUSTAINABILITY PILLAR

ENVIRONMENT

# **Towards Decarbonisation**

?	Why It Matters	12	Our Ambition	
Decarb becaus existen and hu we are threat, evolving and em	ponisation is critical be climate change is an tial threat to the planet mankind. By decarbonising, not only mitigating this we are also meeting g customer, regulatory nployee requirements.	We are net-ze busine By 203 reduce Operat by 409 reduct Gas (G a 2008	e committed to a ro emissions acro ess and value chai 0, we are commit e our Scope 1 (Shi tions <sup>(1)</sup> ) emissions 6 with an aspirati tion in absolute C HC) emissions co 8 baseline.	ch oss n ł tte pp s ir on ire om
	Our Commitments and Perfo	ormanc	e	
OUR C	OMMITMENT		OUR PERFORMAN	1CI
Reduc AERC Shipp (versu	ce GHG emissions intensity O <sub>2</sub> e (CO <sub>2</sub> e/tonne-nm) in our ing Operations <sup>(1)</sup> by 40% by 2030 is a 2008 baseline)	0	3.33 below 2024 (-19% versus 200	ta )8)
Reduc tonne by 40	ce absolute GHG emissions (mill es CO₂e) in our Shipping Operati % by 2030 (versus a 2008 baselir	lion ons <sup>(1)</sup> ne)	1.70 below 2024 (-16% versus 200	ta )8)
Net-ze (AET k	ero GHG emissions by 2050 ousiness and value chain)		On track	
9	Our Contribution to the UNSDGs	9 ROLSTRY INVOLV AND INFRASTRUCT	13 cume Constants	

## **AET's GHG Footprint**

Our GHG emissions come from a range of sources including: the fuel used on board our ships (Scope 1), energy used in our offices (Scope 2) and the emissions we create through our value chain (Scope 3). Given our far-reaching targets for decarbonisation, we are focussing efforts in areas that are most material and where we have the greatest influence over reducing emissions.

# Our Sustainability Strategy

## **Strategic Priorities**

We mapped our material sustainability topics to strategic priorities under each of the four Pillars of our Sustainability Strategy.



<sup>(1)</sup> Refers to all owned and chartered-in vessels in our Petroleum and Product fleet

- ieving our by 2050.
- ed to
- ing ntensity
- for a 40% enhouse pared to

## How We Are Realising Our Ambition

- Reducing emissions from our Shipping Operations (Scope 1)
- Scope 2 and Scope 3 value chain initiatives
- Supporting industry decarbonisation through partnerships

## E IN 2024 COMMITMENT STATUS arget of 3.37 Meeting commitment rget of 1.71 Meeting commitment Commitment in $\bigcirc$ progress

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## TOTAL GHG FOOTPRINT BREAKDOWN



Scope 1 makes up 76% of our total<sup>(1)</sup> estimated emissions and Scope 2 makes up 0.03%. We estimate that Scope 3 makes up 24% of our total emissions, the largest categories being:

- Category 2 Capital Goods (23% of Scope 3), emissions from the construction of a vessel we commissioned in the reporting period
- Category 3 Fuel- and Energy-Related Activities (77% of Scope 3), emissions from the upstream emissions

SCOPE 3 EMISSIONS BREAKDOWN BY CATEGORY



associated with the fuel we use on board ships, the Well-to-Tank (WtT) emissions<sup>(2)</sup>

• Category 8 - Upstream Leased Assets (0.45% of Scope 3), emissions from the fuel used on board the vessels we in charter from other shipowners

Overall, 94% (Scope 1, Scope 3 (Category 3) and Scope 3 (Category 8)) of our total reported emissions can be attributed to fuel usage and its associated upstream emissions in our Shipping Operations.

## **Our Net-Zero Equation and Decarbonisation Targets**

To meet our decarbonisation targets, we will first reduce emissions as far as possible within our business and associated value chain. Next, we will remove emissions directly from our operations using on-board Carbon Capture and Storage (CCS) and methane capture technology, provided technically and commercially feasible solutions are available. This will leave us with residual emissions that we are unable to reduce. To address these, we will evaluate the purchase of high-quality carbon offsets to enable us to achieve net-zero by 2050.



(1) For the purpose of this calculation, we excluded emissions from our non-shipping operations and emissions from the combustion of biomass.

(2) Scope 3 Category 3 is the WtT part of total lifecycle emissions. Adding our Scope 1 Shipping Operations emissions or Tank-to-Wake (TtW) emissions for our vessels and Scope 3 Category 8, emissions from in-chartered vessels account for our total lifecycle or Well-to-Wake (WtW) emissions

our 2050 net-zero goal.





## **Reducing Emissions from Our Shipping Operations**

On our journey to net-zero by 2050, we recognise the need for a robust year-by-year plan that breaks down the drivers of decarbonisation and the measures we will take for our Shipping Operations, which is by far the largest contributor to our total emissions. For this we have developed a Tiered Decarbonisation Strategy that organises technology measures for our fleet into three tiers.

- 1. Foundational: Established initiatives that will be integrated on board our vessels from 2025 onwards such as energy audits
- 2. Advanced: Novel initiatives that are to be evaluated for suitability for AET's fleet such as fuel cells
- 3. Transformational: Initiatives under early-stage development that may be implemented as they mature such as carbon capture and storage

We will implement measures based on their technical feasibility, commercial viability, our view on the external market and the unique characteristics of our current fleet (such as technical specifications, age and operating environment). This ensures a realistic and effective transition to lower emissions, where costs and risks are distributed over time by integrating proven solutions first and scaling innovative technologies as they mature. The technologies in each tier apply across the drivers of decarbonisation for our Shipping Operations below.

## DECARBONISATION DRIVERS

Operational and Technical Emissions Reductions		Low-Carbon Fuels		Direct
Energy Efficiency Operational Initiatives	Energy Efficiency Technological Initiatives	Low-Carbon Drop-In Fuels	Low-Carbon Fuel Vessel Retrofit and Fleet Renewal	Emissions Capture
<ul><li> Route optimisation</li><li> Hull cleaning</li></ul>	<ul> <li>Ultra-low friction hull paint</li> <li>Propeller Boss Cap Fins</li> </ul>	Biofuels	<ul> <li>Dual-fuel retrofit (for example, ammonia and ethanol)</li> <li>Vessel electrification (Lightering Support Vessels)</li> <li>Newbuild dual-fuel</li> </ul>	<ul><li>Carbon capture and storage</li><li>Methane capture</li></ul>

Supporting



vessels (ammonia)

## Based on our net-zero equation, we have developed a long-term phased decarbonisation trajectory that will bring us to

2035 2040 2045 2050

65

## SHIPPING OPERATIONS<sup>(1)</sup> 2030 DECARBONISATION PATHWAYS



## Contribution of Drivers to GHG Emissions Reductions (2025-2030)

Operational Emissions	and Technical Reductions	Low-Carbon Fuels Director Low-Carbon Fuel Low-Carbon Drop-In Fuels Fleet Renewal		Direct
Energy Efficiency Operational Initiatives	Energy Efficiency Technological Initiatives			Emissions Capture
1%	-20%	30%-45%	20%-30%	20%-30%

For each of these drivers of decarbonisation, there are different considerations. Energy efficiency initiatives are most directly within the control of AET and where technically and commercially viable can be implemented readily in AET's fleet.

The contribution of low-carbon drop-in fuels (biofuels), which are readily available today, will depend on their price relative to conventional fuels, physical availability and the ability for their supply to scale over the long term beyond 2030.

The contribution of low-carbon fuel vessel retrofit and fleet renewal as drivers relies on charterers using zeroor near-zero fuels such as ammonia when they run our vessels. This will be determined by factors including zero- or near-zero fuel price levels relative to conventional fuels, supporting infrastructure, safety considerations, and physical availability, all of which mean there is significant uncertainty in our projections.

The direct emissions capture driver includes CCS relevant to our conventionally fuelled vessels and methane capture relevant to our Liquefied Natural Gas (LNG) dual-fuel vessels when running on LNG. The contribution of these technologies to decarbonisation will depend on technical viability, mandatory carbon price levels (for example carbon taxes), charterers' voluntary net-zero commitments, availability of offloading infrastructure and the inclusion of emissions reductions within relevant regulatory frameworks such as EU ETS and FuelEU Maritime.

In addition to the above, an important business driver is the mix of the fleet between Very Large Crude Carrier (VLCC), Suezmax, Aframax, Product Tanker (LR2), and Dynamic Positioning Shuttle Tanker (DPST). For example, while our DPSTs are among the youngest and most efficient available globally, they operate on repeated short shuttle runs between offshore rigs and offloading ports causing them to have significant idle time and therefore a significantly higher operational GHG emissions profile per unit of work (gCO<sub>2</sub>e/tonne-nm) as compared to our VLCCs which operate on long, continuous journeys.

## **Energy Efficiency Operational and Technological Initiatives**

In 2023, we undertook a Computational Fluid Dynamics (CFD) study to understand how energy efficiency initiatives could be applied to our current fleet. In 2024, we concluded the study and organised the initiatives into the "Foundational" and "Advanced" tiers of our Tiered Decarbonisation Strategy, as detailed below:

## **ENERGY EFFICIENCY DECARBONISATION INITIATIVES**

	Foundational
Description	Established initiatives that will b integrated on board AET's vesse from 2025 onwards
Example	Image courtesy of MISC Marine Service
List of Initiatives	<ul> <li>Energy audits</li> <li>Hull cleaning</li> <li>Propeller Boss Cap Fins</li> <li>Ultra-low friction paint</li> <li>Mewis ducts</li> <li>Variable Frequency Drives</li> </ul>
Potential Efficiency Savings Range per Initiative	1%-5%

We already have several vessels equipped with some of these technologies. For example, three DPST sister vessels - Eagle Cambe, Eagle Crato, and Eagle Colatina - are fitted with energy-saving devices such as Saver Fins and Savor Stator for improved propulsion efficiency. Consequently, the vessels are approximately 6% more efficient than the Energy Efficiency Design Index (EEDI) Phase II requirements.

In rolling out these technologies, we are also applying innovative financing approaches. For example in the "Advanced" tier, we are collaborating with the Global Centre for Maritime Decarbonisation (GCMD) in a pilot. The goal is to address the data variability and uncertainty associated with energy efficiency technologies in reducing fuel consumption, which often discourages widespread adoption of such solutions.

(3) Source: Bound4blue



5%-20%

In addition to initiatives implemented for vessels during their operation at sea, we have also continued our cold ironing programme to provide onshore grid power to our Lightering Support Vessels (LSVs) in Houston. This has reduced their GHG emissions by 89% compared to operating on on-board auxiliary engines for power while vessels are docked.

## Low-Carbon Drop-In Fuels

Drop-in biofuels represent an immediate lever to reduce GHG emissions by 80%<sup>(3)</sup> (with B100 biofuel source) when replacing conventional fuels powering a vessel, although they are typically more expensive per unit of power. We have been exploring the use of biofuels since 2021 to support our decarbonisation trajectory. Based on our learnings, we increased the utilisation of biofuel to four vessels in 2023 and later to 14 vessels in 2024. The use of B24 and B30 blends in 2024 helped us save approximately 7,400 tonnes of CO<sub>2</sub>.

## **Direct Emissions Capture**

As we move towards realising the 2030 aspirations outlined in our AET Energy Transition Strategy, we recognise there will be multiple fuel options our customers will utilise such as conventional, LNG, ammonia and hybrid. Their choices will depend on vessel type, operating region and mandatory emission regulations. This means we will have to continue to operate conventionally-fuelled vessels in our fleet in the medium term. As such, we consider emissions capture from fuel sources as part of the "Transformational" tier within our Tiered Decarbonisation Strategy. In our fleet there are two primary emissions sources to capture:

- 1. Carbon dioxide from our conventionally fuelled vessels
- 2. Methane from our LNG-fuelled vessels, commonly referred to as "methane slip", which is a potent GHG

To address the first, we will evaluate the readiness of CCS technology for our conventional fleet focussing on vessels with the highest emissions profiles. Post evaluation and testing and assuming technical and commercial viability, we will pilot CCS. To address the second, see our collaboration with Daphne Technology below.

As prescribed by our 2050 Net-Zero pathway, we will focus on Shipping Operations emission reductions between 2025 and 2030. In parallel, for our Scope 2 and Scope 3 emissions, we will focus on improving the breadth and accuracy of reporting, and, where possible, identify opportunities to reduce emissions.



Daphne Technology PureMetrics™ system onboard an AET vessel

## Focus Story: Daphne Technology PureMetrics<sup>™</sup> Trial

To address methane slip on our LNG dual-fuel vessels, we have invested in and partnered with Daphne Technology and are piloting its PureMetrics™ emissions tracking technology on two vessels, Eagle Ventura (Aframax) and Eagle Bintulu (VLCC). This technology is designed to record engine emissions in real time, enhancing visibility of performance and our ability to assess solutions for methane capture, several of which are in early stages of development and review.

## **Retrofitting and Fleet Renewal**

We believe that a key driver of decarbonisation over the next five years will be the use of low-carbon and near-zero emissions fuels. To support our customers in meeting their decarbonisation goals, our policy is to build all new vessels with dual-fuel or dual-fuel ready capabilities. This marks us as a leader within the tanker sector and supports our Energy Transition Strategy. Since 2017, AET has invested over US\$1 billion in dual-fuel assets and pioneered nine amongst the world's first newbuild LNG dual-fuel Aframaxes, DPSTs and VLCCs.

In 2023/24 AET successfully delivered three state-of-the-art LNG dual-fuel VLCCs on long-term charter to Shell. When operating on LNG these vessels will achieve up to 99% reduction in Sulphur Oxides (SO<sub>x</sub>) emissions, up to 30% reduction in Nitrous Oxides (NO<sub>x</sub>) emissions, a 90% reduction in Particulate Matter (PM) as well as a 24% reduction in carbon dioxide emissions on a TtW basis<sup>(1)</sup>. The Maritime and Port Authority of Singapore (MPA) recently awarded two of these vessels, Eagle Veracruz and Eagle Ventura Green Ship status.

From 2027 we plan to launch three new Aframax vessels with ammonia dual-fuel engines, as part of the "Transformational" tier of our strategy. We are the first globally in this vessel class to offer this. This will provide charterers with the ability to significantly reduce their GHG emissions, up to 95% on a TtW basis<sup>(2)</sup>, and potentially benefit from significant savings under mandatory emissions control regimes such as the EU FuelEU Maritime and Emissions Trading (EU ETS) schemes. Two of these vessels will be taken on time charter by PETCO Trading Labuan Company Ltd (PTLCL).

Between now and 2030, we plan to pilot the retrofit of existing vessels with ammonia and ethanol dualfuel capabilities. Depending on the commercial and technical feasibility of these measures, we will roll them out across our conventional fleet to accelerate the pace of decarbonisation. In addition, we are evaluating battery hybrid capabilities for our fleet. For more details, see "Supporting Industry Decarbonisation Through Partnerships" in this chapter.

## Scope 2 and Scope 3 Value Chain Initiatives

As prescribed by our 2050 Net-Zero pathway we will focus on reducing Scope 1 (Shipping Operations) emissions between 2025 and 2030. In parallel, for our Scope 2 and Scope 3 emissions, we will focus on improving the breadth and accuracy of reporting and, where possible,

<sup>(1)</sup> Based on manufacturer data

<sup>(3)</sup> Based on Fleetzero operational assumptions

**Our Business** 

identify opportunities to reduce emissions. In 2024, we reviewed the materiality of our Scope 3 categories based on our operational history and refreshed our reporting. In 2025, we plan to review our relevant Scope 3 categories for emissions reduction opportunities.

## Supporting Industry Decarbonisation Through Partnerships

In addition to implementing current decarbonisation technology, AET is also at the forefront of innovation, working with partners to provide technical expertise and offering its vessels as testbeds for new solutions. One example, as mentioned above, is our partnership with Daphne Technology on their PureMetrics<sup>™</sup> solution.

Another notable example is in Brazil with ethanol. Here the fuel is widely available and regarded as a promising alternative renewable fuel for marine applications. Derived from crushed sugar cane, green ethanol absorbs carbon dioxide from the air as the plant grows, resulting in a near-zero emission net contribution to the atmosphere when burned. Under the initiative, we are collaborating with Wärtsilä, an engine manufacturer, and Raízen, a fuel supplier, to explore the technical feasibility of converting our engines to run on ethanol for our operations in the Brazilian basin. The study indicates that green ethanol has the potential to achieve a 50% reduction in WtW emissions, contingent upon the acceptance of relevant regulations.

At our AET Offshore unit based in Galveston, US, we are piloting the use of a hybrid-electric drive for one of our LSVs that supports ship-to-ship transfers. This is in collaboration with Fleetzero, a provider of hybrid-electric battery systems. Under the agreement, one LSV will be retrofitted with a hybrid-electric system and will operate primarily on battery power, reducing GHG emissions by approximately 82% compared to conventionally fuelled LSVs on a TtW<sup>(3)</sup> basis. This is estimated to avoid 1,220 tonnes of GHG per year, while significantly reducing fuel consumption and maintenance costs, and maintaining high safety standards. We are also exploring the purchase of 100% renewable power to charge the batteries, which would further reduce emissions on a full emissions lifecycle basis (WtW).

Finally, we are supporting industry-wide decarbonisation by contributing our vessel emissions data to INTERTANKO's GHG Benchmarking Tool (GHG Toolbox) to help INTERTANKO members assess vessel and fleet performance against anonymised industry data.

<sup>&</sup>lt;sup>(2)</sup> ClassNK Alternative Fuels Insight February 2025
ENVIRONMENT

# Promoting a Circular Economy



#### Why It Matters

Our Ambition

At AET we are committed to the sustainable consumption of natural resources to limit the impact our operations have on the environments in which we work, so as to support our licence to operate. We strive to reduce our environmental footprint through resource efficiency, our procurement policies, recycling and other circular consumption

models in both our shipping

and non-shipping operations.

- How We Are Realising Our Ambition
- Reducing waste impact from Shipping Operations
- Reducing waste impact from AET Offshore
- Ensuring environmental compliance in ship recycling

#### Our Approach

As a shipowner, AET has several channels through which it contributes to a circular economy. Our primary impact on the environment comes from our vessels, and occurs in two phases. Firstly, during the operational lives of our vessels, through their energy, water and waste impacts, which are managed by our ship management partners. The second phase occurs when our ships are recycled at the end of their operational life. This creates environmental impacts. We also generate impact onshore through our AET Offshore unit, which operates a warehouse and provides ship-to-ship services in the US Gulf. Lastly, waste is produced by our global offices which provide business support services<sup>(3)</sup>.

#### **Reducing Waste Impact from Shipping Operations**

The waste generated by our Shipping Operations is managed in accordance with the International Convention for the Prevention of Pollution from Ships (MARPOL), where our vessels must maintain a garbage management plan that ensures proper separation and responsible disposal of waste products. Most of the waste produced on board our ships are delivered to reception facilities on shore for onward recycling, treatment, recovery or disposal.



Waste that is not sent to shore is incinerated on board using shipboard incinerators that meet IMO standards, while food wastes are discharged to sea in compliance with MARPOL Annex V.

Specifically, for the vessel garbage category, we have initiated programmes to reduce single-use plastic and paper usage. We favour reusable non-plastic alternatives or biodegradable options for consumables, alongside other reduction programmes. Examples of recent action taken include preferring refillable rather than disposable containers for cleaning chemicals, and getting our suppliers to collect back the plastic packaging of their products. We have also introduced a digital system for our paper-based work processes on board our vessels. The Permit-to-Work (PTW) processes are digitalised through the implementation of the SOL-X system; as of April 2025, 74% of our MISC Marine managed vessels were equipped with the application. Despite this progress, we continue to face challenges sourcing alternatives to single-use plastic items in certain consumable categories. In some jurisdictions paper remains a requirement for official documentation, limiting our ability to improve performance.

Apart from waste, our ships are equipped with freshwater generators to reduce our portable water purchases at ports. This reduces water extraction from ports we call at.

<sup>(3)</sup> We do not currently report on the waste from our global office footprint.
 <sup>(4)</sup> Comprises bilge water only

Our Commitments	and Perform	ance

OUR COMMITMENT	OUR PERFORMANCE IN 2024	COMMITMENT STATUS
Shipping Operations <sup>(1)</sup> : Reduce plastic waste generation (m³/vessel/month) by 28% in 2025 (versus 2019 baseline)	1.7 above 2024 target of 1.3	Not meeting commitment
Shipping Operations <sup>(1)</sup> : Reduce paper consumption (ream/vessel/month) by 37% in 2025 (versus 2019 baseline)	3.2 above 2024 target of 2.5	Not meeting commitment
Ensure all ship recycling complies with the Hong Kong Convention <sup>(2)</sup>	Ship recycling guidelines in place, no ship recycling in 2024	Meeting commitment
AET Offshore operations: Maintain an annual 4R (Refuse, Reduce, Reuse, Recycle) rate of >95% of hazardous wastes generated	4R rate 100%	Meeting commitment
AET Offshore operations: Increase the annual 4R rate of non-hazardous wastes generated to 60% in 2025 from 10% in 2018	4R rate 31% below 2024 target of 40%	Not meeting commitment

Our Contribution to the UNSDGs



 $^{(1)}$  Refers to all owned and chartered-in vessels in our Petroleum and Product fleet

<sup>(2)</sup> Refers to the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships



ENVIRONMENT

# AET RESPONSIBILITY THE OWNER WATER COMPANY

AET Offshore facility and centre of excellence for lightering support in Galveston, Texas

#### Reducing waste impact from AET Offshore

AET adopts the "4R approach", Refuse, Reduce, Reuse and Recycle, to manage the waste generated by AET Offshore. This approach guides AET's waste management practices, with an emphasis on waste elimination and reduction, encouraging responsible recycling, and promoting the use of renewable resources. Through our programmes, we have achieved 100% 4R performance for hazardous waste at our facilities and aim to maintain this going forward.

For our non-hazardous waste, we have achieved 31% 4R rate versus a target of 40% in 2024. In 2025 to achieve our target we have introduced several initiatives including the reuse and recycling of pallet waste, digitisation to reduce paper usage, the implementation of a no single-use plastic bottle policy for meetings and staff awareness briefings.



#### Ensuring environmental compliance in ship recycling

Periodically, AET will have vessels that come to the end of their operational lives with AET and that are either sold for further trading or recycled. 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) which will enter into force on 26 June 2025. Ahead of this, since 2021 we have established a Ship Recycling Policy that is aligned with

the Hong Kong Convention. Our parent company, the MISC Group, has established Ship Recycling Guidelines to set clear principles for responsible and ethical ship recycling, docking and repairs, which we have adopted. These include actions to limit hazardous materials in construction, maintaining an inventory of these materials to be passed on to the ship recycling party, utilising approved shipyards and exercising monitoring rights over the ship breaking process. In 2023, MISC launched the Ship Recycling Yard Assurance Programme. Since then, assessments have been conducted on six ship recycling yards to identify and shortlist preferred yards.

# **Biodiversity Conservation**





Ocean health and biodiversity are important to AET due to the interaction between its shipping operations and the ocean environment. If not properly controlled, these have the potential to adversely impact marine habitats which in turn may impact our licence to operate.

We seek to minimise the impact our Shipping Operations have on the marine environment and support our employees to have a positive impact on marine biodiversity.



#### **Our Approach**

to the UNSDGs

Our potential impacts on biodiversity come primarily In addition to carbon dioxide that is driving climate from our vessels and the emissions, noise, waste, ballast change, conventionally fueled vessels also produce other air pollutants that can impact biodiversity at a local level water exchange, and wastewater generated during their operations. If not properly controlled, these activities have such as sulphur oxides, nitrogen oxides and particulate the potential to adversely affect marine habitats. matter. As part of our Tiered Decarbonisation Strategy, see the "Towards Decarbonisation" chapter, we have To address these issues, we seek to reduce the impacts made transitioning to cleaner power sources such as LNG, of our ships by transitioning to cleaner fuels, complying ammonia, fuel cells and hybrid-electric a central goal. with international regulations and implementing ship The added benefit is that air pollutants are also reduced. environmental management programmes. Additionally, We also invest in biofuels, which contributed to 19% lower we provide our employees with opportunities to positively GHG emissions as compared to the use of conventional impact marine biodiversity. Building on our current fuel in our vessels on a WtW basis. These power sources biodiversity programme, in 2025 we will introduce a are at different stages of development with LNG and company-wide biodiversity policy. As part of this, we biofuels in use currently, hybrid-electric in pilot phase, will conduct a detailed biodiversity risk assessment to and ammonia planned based on feasibility. Ships understand our impacts at a granular level and identify high operating on hybrid-electric systems also generate risk locations to better focus our actions to reduce impact. less noise during operations which can improve living conditions for aquatic species, promoting biodiversity.

(1) Spills are considered major if there is a loss of primary containment at or above the Tier 1 threshold quantity as per American Petroleum Institute (API) 754 <sup>(2)</sup> Major office locations: Galveston, London, Rio de Janeiro and Singapore



#### How We Are Realising Our Ambition

- Transitioning to cleaner fuels
- Regulatory compliance and ship-level environmental management
- Conserving marine biodiversity

COMMITMENT STATUS Meeting commitment Completed one beach clean-up Meetina per major office location<sup>(2)</sup> in 2024 commitment

### **Transitioning to Cleaner Fuels**

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SOCIAL

## Health and Safety







#### **Our Approach**

AET's scope for health and safety impacts encompasses our onshore staff, seafarer population who are employed through our third- and second-party (MISC Marine Services) ship management partners and contractors who work for AET.

Seafarers on board our vessels are exposed to a wide range of hazards due to the physically demanding nature of their work, the natural environment, challenges to their mental health and local security threats. Firstly, seafarers are engaged in manual labour, often in enclosed spaces, which can cause accidents if the correct procedures are not followed. These risks can be magnified in highly dynamic situations, such as in unpredictable sea or weather conditions. Secondly, extreme weather can cause falls from height, slips and trips, independent of work. Extreme weather can also create operational hazards from equipment failure and navigational challenges leading to injury and loss of life. Additionally, seafarers are often at sea for extended periods with a fixed crew and away from family and friends, which can create mental health challenges. Lastly, seafarers may face security threats at sea from piracy and hostile actors on land. For these reasons, the health and safety of our seafarers is a top priority at AET. Contractors also perform works on behalf of AET in a variety of settings and we also include them in our HSSE scope.



Beach clean-ups in Galveston, London, Rio de Janeiro and Singapore

#### Focus Story: International Coastal Cleanup Day

To mark International Coastal Cleanup Day, AET colleagues across the globe took part in a series of beach clean-ups in Singapore, Rio, de Janeiro, Galveston and Brighton. They collected 99 kilogrammes of trash globally, including cigarette butts, disposable plastics, straws and Styrofoam packaging, common culprits of marine pollution. For the clean-ups in Rio and Singapore, we partnered with Dream Learn Work (DLW) and VOX @ Singapore Children's Society respectively, giving our employees the opportunity to engage with youth members in the local community while caring for the environment.

#### **Regulatory Compliance and Ship-Level Environmental Management**

There are several regulations that we strictly comply with that contribute to biodiversity protection. Firstly, our fleet is aligned with the GHG intensity targets set out in the International Maritime Organization's (IMO) GHG reduction strategy. Our AET aspiration of a 40% absolute GHG emissions reduction in our Shipping Operations by 2030 compared to a 2008 baseline goes above and beyond mere compliance. Secondly, we comply with MARPOL which regulates discharges from ships, garbage disposal and prevention of air pollution from ships. We also comply with the IMO's ballast water discharge standards by utilising Ballast Water Treatment Systems (BWTS) to prevent alien marine species from invading coastal areas. Beyond compliance with regulations, in partnership with our ship managers we implement environmental management programmes designed to continuously improve performance through recycling, reducing waste and paper usage and using cold ironing (using electrical power whilst docked) where possible.

#### **Conserving Marine Biodiversity**

To contribute to conserving biodiversity in marine communities and raise awareness, we organise employee beach clean-ups and support AET employees to join MISC Group's employee participation programme "Heart Of The Ocean" (HOTO), which conducts reef monitoring and conservation work in Malaysia.

In addition, as part our Community Investment initiatives, (see the "Community Investment" chapter), we directly support projects that conserve biodiversity. One such example in 2024 is our work with the Galveston Bay Foundation (GBF) in the Chocolate Bay Preserve, a conservation property in Galveston, US. With our support, the GBF is repairing a water control structure that regulates the balance between fresh and salt water. This will restore the salinity balance, which will improve vegetative cover and support animal habitats including wild species, while also sequestering carbon. Additionally, we supported two tree-planting projects in Malacca and Singapore which are expected to have positive biodiversity impacts.

For our onshore staff who are office-based and, hence, have a different health and safety risk profile, we focus on promoting their holistic well-being.

We maintain high health and safety performance at AET through leadership commitment, establishing robust HSSE policies and processes, embedding a Generative HSSE culture, proactively focussing on security and crisis management and promoting holistic well-being.

In striving to improve our health and safety performance we are guided by metrics. These are both leading, such as safety process audits that seek to reduce the risk of future incidents and lagging, such as LTIF and TRCF which report on past incidents. Together, these data enable us to assess the effectiveness of our HSSE programme and stay ahead of evolving safety risks.

#### LTIF AND TRCF METRICS

Safety metric	Definition	Usage
Lost Time Injury Frequency (LTIF)	The rate of total number of Lost Time Injuries (LTI) per one million man-hours worked, where LTI refers to Fatalities, Permanent Total Disabilities (PTD), Permanent Partial Disabilities (PPD) and Lost Workday Cases (LWC)	Provides clear indication of the frequency of serious injuries in the workplace
Total Recordable Case Frequency (TRCF)	The rate of total number of Total Recordable Cases (TRC) per one million man-hours worked, where TRC refers to Fatalities, PTD, PPD, LWC, Restricted Workday Cases (RWC) and Medical Treatment Cases (MTC)	Provides a broader view of overall workplace safety by including both serious and minor incidents

In 2024, we improved our health and safety performance compared to 2023, largely because of measures described above and incremental improvement on:

- incident investigations and safety learnings that are thoroughly reviewed, with corrective actions implemented to prevent recurrence
- close engagement with ship managers. In one example in November 2024, we organised the inaugural Ship Manager Forum. The event brought together our ship managers to exchange HSSE learnings, operational insights, best practices and industry trends, and to address onboard safety challenges.
- active monitoring of safety culture through data analytics and near-miss reporting to enhance overall operational safety

#### Leading from the Top on HSSE Best Practice

At AET, our commitment to safety is modelled by the Executive Leadership Team (ELT) who conduct regular ship visits and quarterly management walkabouts to promote HSSE awareness. These engagement efforts demonstrate to our employees the importance senior management places on HSSE. In addition, our ELT closely monitor our HSSE performance and activities through HSSE reports they receive regularly. Also, HSSE metrics are included in our Balanced Scorecard (BSC) which is reviewed quarterly by the Board providing an additional layer of oversight on HSSE performance. Every incident, regardless of magnitude, is taken seriously. Our "U See, U Act" programme actively encourages employees to identify and report unsafe conditions, unsafe acts, near misses and accidents. This helps us to identify potential hazards and enhances situational awareness so that we can take remedial actions.

## Establishing Robust HSSE Policies and Processes

Our Health, Safety and Environment (HSE) Policy and Security Policy steer health and safety and security at AET. Endorsed by our Board, these policies are an integral component of our HSE Management System and Security Management System (SeMS), allowing us to uphold the highest standard of HSSE practices within the organisation. International Maritime Organization (IMO) standards also require that our ship managers maintain the International Safety Management (ISM) code, which includes the requirement that they implement their own Safety Management System (SMS) to ensure the safety of seafarers operating on board our vessels. The SMS covers elements such as occupational health and safety targets and action plans, risk and hazard assessments and their associated mitigations, internal audits, incident investigation procedures, training and awareness and an emergency response plan.

For our shore-based operations, we conduct a health risk assessment every five years. The last assessment was conducted in 2022. In 2023, we adopted the International Association of Oil & Gas Producers (IOGP) Life Saving Rules as the "AET Life Saving Rules". The Rules are applied in combination with our HSSE Rules & Commitments. Together these enhance safety awareness, prevent accidents and, ultimately, save lives. They are regularly communicated to all AET staff and apply to everyone; ensuring a unified safety mindset and reinforcing a culture of accountability, leadership and proactive risk management. Our Business

Our commitment to safety extends beyond our employees. Our HSE Policy ensures that all contractors working for us are truly committed to managing safety. The policy requires all our contractors to comply with all health, safety, security and environmental laws and regulations at our worksites. They must take all necessary precaution to protect workers and the public from hazards and risks in all work they undertake for us.

### Embedding a Generative HSSE Culture

Underpinning our efforts to build a safe working environment is learning and employee empowerment. This is established through HSSE training and regular discussion sessions, ensuring that our teams are fully competent in managing HSSE matters in the workplace.

All new employees undergo a HSSE induction programme where they are introduced to our HSSE commitments, reporting and management processes. In addition, in 2024, all our AET employees globally attended Generative HSSE Culture training sessions. Our sister ship management company, MISC Marine Services, also conducted it for their staff. We plan to train our other third-party ship managers in future. These sessions equip our people with the mindset and behaviours to raise potential HSSE risks, promote open communication and cultivate a workplace culture where safety is everyone's responsibility. We call these the "Care and Comply" behaviours.

Our "U See, U Act" programme actively encourages employees to identify and report unsafe conditions, unsafe acts, near misses and accidents. This helps us to identify potential hazards and enhances our situational awareness so that we can take remedial actions.

Also in 2024, AET completed the DuPont Sustainable Solutions (DSS) Safety Culture Assessment, an evaluation to identify systemic gaps and actions to improve our HSSE performance. The assessment covered document reviews, data analysis, risk profiling, leader and frontline interviews, safety perception surveys, and site observations, including an onboard vessel review and an evaluation of the AET Offshore facility at Galveston. The findings highlighted strengths in leadership engagement, structured processes, and a solid foundation for risk management while identifying opportunities for further integration of safety culture across all levels. Post-assessment, we are working to integrate the recommendations into our organisation.

#### HSSE CULTURE LADDER



To encourage safety reporting, we provide opportunities for employees to speak up through safety discussions called Safety Huddles and Safety Moments conducted at worksites and during operational meetings. In addition, we encourage junior employees to share Safety Moments during our townhall meetings and management sessions with senior leaders. Held regularly across our offices worldwide at all organisational levels, these sessions allow our teams to share quick insights on lessons learned, near misses, incidents, changes in processes, new safety equipment and more. Taken together these brief but impactful moments regularly embed a Generative HSSE mindset into our employees so that safety is internalised as a core behaviour.

#### Proactively Focussing on Security and Crisis Management

We ensure robust protective measures are in place whenever our vessels are sailing through high-risk areas. These include implementing hardening plans such as installing barbed wires around the ship, deploying high-pressure water jet systems, and maintaining CCTV surveillance at key entrance points on board. When required, we also employ armed security personnel or engage Security Escort Vessels (SEVs) to accompany our ships through hostile waters. These measures are in place to ensure our crew can operate with confidence and peace of mind. We conduct detailed risk assessments for every voyage into sensitive or high-risk areas, ensuring risks are minimised and mitigation measures are tailored and effective. In addition, we continuously monitor key areas of concern such as the Gulf of Guinea, the Black Sea, the Red Sea, the Persian Gulf and the Indian Ocean.

AET maintains a comprehensive Crisis Management Plan (CMP), conducting regular drills and training exercises to enhance its response capabilities across global operations. In July 2024, we held a familiarisation session for our crisis management teams focusing on the importance of preparedness and effective strategic response in crisis situations. Conducted by a third-party consultant, the workshop enhanced the understanding and capability of the management team and bolstered their confidence in their ability to manage a crisis.

We also conducted an integrated crisis management simulation with our parent company, MISC Berhad, to assess our preparedness and response to a major incident involving one of our vessels in the Strait of Malacca. Senior executives from both organisations attended the event to track performance and plan for future potential incidents.

We embed crisis preparedness at all levels, for example in Rio de Janeiro in 2024, we conducted oil spill response training for all staff. This immersive three-day training provided in-depth insights into the complexities of an oil spill response, covering environmental impacts, recovery processes, and exposure to specialised equipment. One of the highlights was a live simulation of an oil spill recovery operation, where participants could see theory transformed into practice.

#### **Promoting Holistic Well-Being**

Working at AET should not only feel safe but also drive personal growth and mental and physical well-being. To achieve these objectives AET offers a broad range of programmes for its employees. We provide trained mental health first aiders and an annual health screening to support the well-being of our employees. Meanwhile our Employee Assistance Programme supports employees by providing confidential face-to-face counselling, stress intervention and a helpline for a range of other well-being issues. In addition, in 2024 we launched the Employees' Children Educational Assistance Programme to support

#### Focus Story: Safety for Future Fuels Training Our Crew to Safely Operate the Vessels of Tomorrow

As one of the leaders driving the decarbonisation of shipping, AET's fleet is undergoing rapid transformation. Currently we operate 11 LNG dual-fuel vessels across multiple classes and two more such vessels will join our fleet in 2027. These vessels are among the lowest GHG-emitting vessels in the tanker market when running on LNG. In addition, we have placed orders for the world's first three ammonia dual-fuel Aframaxes, which will be delivered from 2027.

Future fuels and new technologies could pose safety risks for assets and crews if not managed properly. For example, ammonia is highly toxic, flammable and corrosive and exposure to high concentrations of vapour can cause severe respiratory problems, eye irritation and skin burns. Hence training our crews on how to manage these new risks is a top priority for us.

Through a collaboration agreement between AET, Akademi Laut Malaysia (ALAM), MISC Group's maritime training academy, and WinGD (an engine manufacturer), we continue to drive both the development of ammonia engines and the development of seafarers at all levels. This will support seafarers in the safe operation of vessels equipped with ammonia dual-fuel engines and other emerging maritime technologies.

AET is proud to be a key participant in the Maritime Energy Training Facility (METF), a strategic initiative the education of our employees' children. Finally, to further engage our employees in 2024, we organised workshops on yoga, microgreen vegetable growing, financial planning and more to help our people relax as well as improve their lives.

We do not report on holistic employee well-being directly. However, we are encouraged by the increase in our staff engagement scores in the PETRONAS Organisational Culture Survey (POCS) which has increased by seven points between 2022 and 2024. See the "Talent Excellence" chapter for more information.

led by the Maritime and Port Authority of Singapore (MPA). The METF aims to establish Singapore as a global centre of excellence for future fuels training, ensuring that maritime professionals are trained to safely handle alternative fuels such as methanol and ammonia.

While we do not yet operate ammonia-fuelled vessels, our commitment to innovation and sustainability led us to sign the Letter of Intent (LOI) with the MPA, positioning us at the forefront of industry-wide decarbonisation efforts.

Through our METF partnership, AET is actively involved in:

- developing industry-leading training programmes for safe ammonia and methanol fuel operations
- collaborating with leading engine manufacturers and regulatory bodies to shape the future of maritime energy transition
- providing our seafarers and shore teams with specialised training to ensure readiness for the adoption of alternative fuels

This collaboration builds on our existing initiatives with engine manufacturers and technical specialists, ensuring that we are well-prepared for the safe and efficient deployment of next-generation vessel technologies. Our partnership with METF underscores our commitment to safety, innovation and sustainability, reinforcing our position as a leader in maritime decarbonisation.

## Talent Excellence

SOCIAL





Our people drive innovation, operational excellence and growth. By fostering a dynamic and inclusive workplace we ensure the future success of AET's business and the maritime industry. support the success of our business

AET is committed to be an inclusive employer of diverse talent. It seeks to foster a culture where all can thrive and contribute to their full potential. We are dedicated to fostering a sustainable talent pipeline to

and the wider maritime industry.



- Focusing on organisational effectiveness
- Building a strong talent pipeline
- Nurturing an AET culture and behaviours
- Supporting maritime industry talent excellence



#### Our Commitments and Performance

OUR COMMITMENT	OUR PERFORMANCE IN 2024	COMMITMENT STATUS
Achieve a top quartile employee engagement score versus an industry benchmark by 2030 as measured by the PETRONAS Organisational Culture Survey (POCS) for shore-based staff	73% (on track)	Commitment in progress
Achieve a 80% retention rate for shore-based staff (Managers and above)	92%	Meeting commitment
Achieve a successor ratio (successors to critical positions) of more than or equal to 2:1 for shore-based staff	3:1	Meeting commitment
Our Contribution to the UNSDGs		

#### **Our Approach**

We recognise that our people are our most valuable asset; over the last 30 years, they have played a crucial role in driving our business forward and making AET the company it is today.

Our employees are made up of our shore-based employees and the seafarers who work on our vessels. Seafarers operating on our tankers are employed through our appointed ship management companies. These include both third-party ship managers with seafarers employed by them and our MISC Group sister company, MISC Marine Services, where we employ their seafarers directly. The ship managers are responsible for crew scheduling, training, development and welfare. AET works with them to ensure health and safety standards are met. With MISC Marine we have put in place additional programmes including: building psychological safety, fostering conscious risk awareness, upskilling for future fuel technologies, behavioural risk management and advanced health monitoring.

AET also directly employs seafarers in its ship-to-ship lightering service, AET Offshore, in the US Gulf. At year-end 2024 it employed 184 shore-based staff and 2,719 seafarers.

For our shore-based staff we ensure talent excellence through our organisational effectiveness programmes, by building a strong talent pipeline and by nurturing an AET culture and behaviours. To ensure that our teams remain driven and engaged at work, we conduct an annual employee engagement survey. The PETRONAS Organisational Culture Survey (POCS) measures how happy and satisfied our employees are working at AET and whether they feel that they are a part of a larger purpose. It also shows what matters to our people, what motivates them and how we can improve our workplace culture. In 2024, there was a significant jump in the employee participation rate for POCS to 93%, this is 6% more than the 87% who participated in 2023. This demonstrates a shift towards a more engaged workforce; one that is actively contributing to shaping the future of AET.

More importantly, we saw progress in the engagement level among our employees. In 2024, our engagement score increased by two points to 73. This is in line with the positive trend in engagement score between 2022 and 2024, where our score has improved by seven points. These results reflect work over many years to create an environment where employees feel valued, inspired and connected to a larger purpose.

#### Focussing on Organisational Effectiveness

Strong leadership, a fit-for-purpose organisational structure and targeted training programmes are essential for us to execute on our strategy and respond to industry trends.

In 2024, we reviewed and refined our organisational structure to enhance agility, strategic alignment and collaboration. This resulted in adjusted reporting lines and the consolidation of key enabling functions (HR, IT and Strategy) to provide stronger business support.

Our leaders play a vital role in shaping AET's direction, driving strategy and ensuring sustainable growth and success. In July 2024, our extended leadership team got together from across our global offices for a team building and strategy workshop in Malacca, Malaysia. This workshop reinforced the leaders' understanding of the AET Energy Transition Strategy and ensured that all leaders are aligned with the critical success factors required to execute the strategy. Our leaders also received refresher training on the importance of inclusive leadership to foster a productive and collaborative environment. The organisation also provided its leaders with an opportunity to discuss challenges and provide feedback post the AET reorganisation.

To prepare our workforce for the future, we have launched divisional upskilling initiatives. These help teams identify and develop critical skillsets, including digitalisation, data analytics and artificial intelligence. AET's HR team facilitates expert-led training tailored to these needs,

**Our Business** 

Our Financial Performance

Sustainability at AET

Supporting Information

ensuring our people stay ahead in an increasingly technology-driven industry. Complementary to this, we actively identify high-potential employees for international assignments, broadening their global perspective and strengthening cross-cultural collaboration. These experiences build leadership capabilities and reinforce our commitment to developing a globally agile workforce.

At a global level, our Talent Development Committee (TDC) ensures that our people strategy remains forwardlooking and aligned with business needs. By overseeing talent development, succession planning, and career advancement, the committee plays a crucial role in nurturing high-performing teams and future leaders. Through these initiatives, we are equipping our workforce with the skills, leadership and global exposure needed to drive AET's success today and into the future.

We also have a structured performance management process to ensure that employees set relevant goals and are appraised fairly based on merit. Employees are required to discuss with their line managers at the start of the year and set measurable performance goals aligned to the division's and wider organisation's objectives. Apart from the mid-year and year-end performance reviews, line managers are also encouraged to have informal check-ins with their employees to review their progress and address any potential gaps. Employees are then appraised based on both their individual performance and performance of their division. In 2025, we also introduced upwards feedback, allowing employees to provide feedback to their respective line managers. This increases the range of input for personal development for people managers.

> Training logged in 2024 by our onshore employees 4,237 hours

In 2024, we undertook an office facilities review for our headquarters to promote organisational effectiveness and employee well-being. Following the review, we moved our headquarters in Singapore to a new and modern office environment. We have also started the refurbishment of our office in Galveston, US, to promote collaboration and interaction between complementary teams. For both projects AET actively engaged employees for their input on their desired design, ergonomics and facilities at their local work locations.

#### **Building a Strong Talent Pipeline**

As we continue to grow and our strategy evolves, we continue to invest substantially in talent development, education and diversity. This ensures AET remains a dynamic and future-ready organisation, one that is prepared to meet the evolving demands of the maritime industry.

Our talent pipeline starts at the very earliest stage with our internship programme. This provides young talent with hands-on experience in a global setting, exposing them to diverse cultures and industry challenges. These experiences help shape future leaders with the skills and adaptability needed in the maritime sector.

In 2024, we sponsored 12 new maritime-related scholarships: four under the AET-MaritimeONE partnership and eight under the Texas A&M Foundation. Beyond maritime internships we also support youth education programmes. In Brazil, one of our global locations, we supported 10 local students with scholarships as part of the Dream Work Learn programme which enhances general employability. See the "Community Investment" chapter for more details.

To further strengthen our employee value proposition, we launched the Employees' Children Education Assistance Programme in April 2024. This initiative provides eligible employees with a one-time financial grant of up to US\$2,000 to support their children's higher education in any field of study. The programme reflects our belief that education is a cornerstone of success and is also our contribution to nurturing the next generation of future leaders.

In addition, we offered all senior women at AET the opportunity to join the Women's International Shipping & Trading Association (WISTA), which is an international networking organisation that supports women at the management level in the maritime, trading and logistics sectors. It focusses on promoting gender diversity, offering leadership training and organising networking events to empower women and drive positive change. Being a WISTA member will facilitate the professional development of our senior female employees.

#### Nurturing an AET Culture and Behaviours

We strive to create a culture where our people feel valued, psychologically safe and that they truly belong in the organisation; this supports the behaviours that we aim to embed in AET.

In line with our aims, we have introduced a range of programmes to create a diverse, equitable and inclusive workplace at AET. Following the launch of the global Diversity, Inclusion and Belonging (DIB) programme in 2023 the ambassadors attended various workshops in 2024 to strengthen their understanding and knowledge of DIB and to learn how to expand their sphere of influence. The ambassadors identified activities to enhance DIB awareness among staff such as conducting harassment engagement sessions and sponsoring external DIB industry events. We believe that inclusion promotes diversity of thought, engages our people, drives innovation and effective decision-making.

To promote psychological safety, the mindset to speak up and to share views freely, in 2024 we implemented "Ways of Working" training. This was held in-person for all staff and focussed on seven behaviours that staff can integrate into their daily work. Training was followed by peer accountability sessions to embed change. To put this behaviour into practice, as part of the performance management process, we introduced 180-degree feedback for staff to give their managers feedback on a voluntary basis. We were encouraged that 84% provided such feedback in 2024.

Feeling psychologically safe is also a supporting behaviour for the Generative Health, Safety, Security and Environment (HSSE) culture campaign across AET. Here we aim to change behaviour so that people can openly communicate on safety issues and embed a culture where safety is everyone's priority. We call these the "Care and Comply" behaviours. See the "Health and Safety" chapter for more details.

Recognising the importance of work-life balance, we offer Flexible Working Arrangements (FWA) as another way to create a supportive culture. Options range from working from home, core workdays and part-time work to contingent work arrangements allowing for flexibility in working hours. This well-received programme gives our people the ability to choose work arrangements that suit their unique needs, while allowing us to keep teams and office locations connected. We also provide professional counselling support to employees who might be dealing with issues that adversely impact their health, well-being and work performance. See the "Health and Safety" chapter for more details.

Other employee benefits offered include dedicated rooms in our Singapore, Houston, Rio de Janeiro and London offices for our nursing mothers and for Muslim colleagues to perform their prayers. Also family care leave days are offered to employees to care for their family members who are ill and need assistance. Parental leave days are also provided to support both primary and secondary caregivers. For our employees in our headquarters in Singapore, we offer 16 weeks and two weeks of paid parental leave to primary and secondary caregivers respectively.

### Supporting Maritime Industry Talent Excellence

We also see our role in talent excellence beyond AET. In December 2024, AET joined a growing community of maritime leaders dedicated to advancing diversity, equity, and inclusion in the maritime industry. As a signatory of the All Aboard Alliance, AET will participate in the effort to identify and address industry-wide diversity challenges and develop impactful strategies to address these challenges.

Aligned to this commitment we aim to increase the proportion of women in seafarer roles. According to the most recent IMO WISTA survey in 2021, female participation was 2% globally<sup>(1)</sup>. Currently, the AET female seafarer

#### Focus Story: Building a 30-Year Career at AET

The success of our focus on talent excellence and our ambition to provide careers that are fulfilling is perhaps best demonstrated by Capt. Rugneswaran Vaithilingam. A manager in our Chartering team and a recent recipient of an AET Long Service Award. He has worked for the company for 30 years.

As a youth he originally wanted to train as an accountant but his interest in a seafaring career was piqued by a job advertisement describing the extensive and fully sponsored training programme that came with the job of a seafarer. He was also eager to experience a career path that is different from the ordinary.

He joined Neptune Orient Lines (the business line he was a part of was spun out as AET) as a deck cadet and worked on cargo ships and then tankers. He was travelling to destinations all over the world, but it wasn't all plain sailing. He recalls voyages where he was caught in rough storms and also said "spending long periods away from your loved ones can be tough so you need to be mentally resilient with a strong heart but the bonding experience with crew and opportunity to travel is unparalleled."

After becoming a captain, he wanted to work onshore and the company facilitated this by offering him a role as a training superintendent. His experience at sea helped with working in a multinational company like AET. "You are working and living with people of many different backgrounds, so you grow

(1) IMO WISTA Women in Maritime Report

Supporting Information

population percentage is aligned to this figure, see the "Our Global Operations" chapter.

Putting our words into action we have been working with our sister company and ship manager MISC Marine Services to increase the proportion of women serving on board our vessels. We have an ongoing taskforce that is examining the measures that we can take; for example designing on board facilities for women and implementing personal protective equipment (PPE) clothing specifically designed for women. We believe there is still a long way to go in promoting shipping as a career to women and in accommodating their needs, but we are encouraged by the progress of our initiatives to date.



Capt. Rugneswaran receiving his long service award in 2024 from AET's former President and CEO Zahid Osman

to understand and adapt to the communication and working styles of different cultures." The company also supported the transition with grant support for a masters degree programme in Maritime Studies at Nanyang Technological University (NTU) in Singapore.

Since first coming ashore, he has rotated through roles as a Training Superintendent, Marine Superintendent, followed by stints in Commercial Operations and now the Chartering function. He says the ability to move horizontally as well as vertically within the company to take on new challenges is a key reason he has chosen to stay at AET. He has also spent time in multiple global offices within AET, including an assignment to Houston, US, and he believes that "the company really listens to and cares about its employees."

When asked what advice he has for the next generation who aspire to careers in the maritime industry he says: "A positive attitude combined with a clear focus on what you want to do will take you far!"

# **Community Investment**

SOCIAL

### Why It Matters

we interact with.



Investment in communities can significantly improve quality of life and environmental outcomes. Our investment efforts support our position as a sustainable partner of choice for our customers, our employee value proposition and our standing in the communities

We aim to improve environmental

and social conditions in our target communities, with a particular focus on improving educational outcomes for students.



- Creating opportunities for young people through education
- Investing in local communities where we operate and in the global seafaring community
- Promoting employee volunteering

#### Our Commitments and Performance

OUR COMMITMENT	OUR PERFORMANCE IN 2024	COMMITMENT STATU
Award a minimum of 100 scholarships by 2030 starting from 2020	22 scholarships were awarded in 2024, bringing the total to 53 since 2020 (on track)	Commitment in progress

**Our Contribution** to the UNSDGs



#### Our Approach to Community Investment

Throughout our over 30 years in operation, we remain committed to uplifting lives, protecting the environment and enhancing the well-being of people in communities around the world. We do this in three ways. Firstly, in line with our belief that education is a powerful enabler that can transform lives, we prioritise sponsoring education to help young people realise their dreams, both within and outside the maritime industry. Secondly, we focus on social and humanitarian aid and environmental projects in the communities where we operate, as well as projects that benefit the global seafaring community. Lastly, we encourage our employees to give their time, effort and expertise to support deserving causes that they are passionate about.

#### **Creating Opportunities for** Young People Through Education

In 2024, we ran several educational initiatives. To open doors for young people in Brazil, we joined hands with non-profit organisation Dream Learn Work (DLW) to

launch an educational support programme in Rio de Janeiro that funds promising young adults for vocational training. We began in 2023 by sponsoring seven students aged between 20 and 25 for courses offered by esteemed educational institutions. In 2024, we supported another 10 students. This training will help them enter a variety of industry-related fields. DLW will also curate work-related activities for the students to ensure that they gain practical experience and valuable skills.

Meanwhile, we continue developing young talents in the maritime industry by offering maritime-related scholarships in the locations where we operate. This allows recipients to pursue their passion for maritime studies and help them build successful careers in the industry.

In Galveston, where our AET Offshore Ship-To-Ship (STS) lightering business is based, we sponsored eight undergraduates majoring in Maritime Transportation and Marine Engineering at Texas A&M University at Galveston, which hosts a specialised maritime academy.

#### Focus Story: AET and Singapore Maritime Foundation Sign Memorandum of Understanding (MoU) to Strengthen Maritime Talent

In 2024, we signed an MoU with the Singapore Maritime Foundation (SMF). Under the agreement, AET will sponsor four scholarships and two internships per year from 2025 to 2027, as a continuation of its support for the AET-MaritimeONE partnership. The scholarships and internships will be managed by SMF, with both parties jointly selecting the candidates.

This collaboration is part of SMF's MaritimeONE suite of programmes, which includes a scholarship programme that connects scholars to industry mentors and an internship programme that offers tertiary students meaningful exposure to the maritime sector.

This brings the total number of scholars we have sponsored at this institution to 24. We also funded the upgrade of a Tanker Simulator Lab at the university to enable students to practise their skills on a range of different tanker scenarios before going to sea. This is expected to benefit approximately 128 students annually. In total, we awarded 22 new scholarships in 2024: four available under the AET-MaritimeONE partnership, eight at Texas A&M University at Galveston and 10 with DLW.

### **Investing in Local Communities** Where We Operate and in the Global Seafaring Community

As a global organisation across Asia, Europe, Latin America and the United States, we undertake meaningful projects and initiatives that make a difference to the unique challenges and events in these regions.

We acted swiftly when Hurricane Beryl struck the US Gulf Coast in July 2024 and left millions of households in southeast Texas without power for over a week. Nineteen volunteers from our Houston and Galveston offices packed over 1,800 kilogrammes of fresh produce at Target Hunger's warehouse for distribution to affected families. We also donated non-perishable food, hygiene products and two laptops to aid Target Hunger's future relief efforts. In all, AET provided approximately

Supporting Information

**MOU Signing** AET and Si

(Left) Hor Weng Yew, Chairman of SMF and (Right) Zahid Osman, AET's former President and CEO, at the MoU signing ceremony on 6 December 2024.

18,000 meals. In addition, as part of our coordinated response to this disaster, we donated money to Sinclair Elementary School to fund classroom supplies, furniture and teaching equipment as part of their rebuilding efforts.

In Galveston, we donated money to fund ecosystem protection efforts within the Chocolate Bay Preserve, with the objective of carbon sequestration and habitat protection. These efforts support our community investment environmental goals.

We also provided help to the Brazilian state of Rio Grande do Sul, where unprecedented flooding affected over 2.3 million people in April 2024. Our team in Rio de Janeiro donated food baskets and hygiene and cleaning items to the Brazilian army, which was delivering emergency supplies to the local community.

As part of the global community of seafarers, AET also supports initiatives that look after the well-being of seafarers. Since 2007, we have been supporting the Houston International Seafarers Center (HISC) annual gala dinner. Proceeds from the event go towards providing humanitarian services to seafarers who visit Houston on commercial seagoing vessels, including no-cost transportation for seafarers from their ships to the centre and local areas.

In April, we were proud to sponsor the SMF City Cycle. Four of our colleagues and an AET-MaritimeONE scholar whom we are sponsoring participated in the 20-kilometre recreational cycling event. The US\$542,000 raised through the event will be used to expand the reach of MaritimeONE scholarships and bursaries, thereby enriching the pool of maritime-trained individuals and shape the industry's future.

In July, at the Akademi Laut Malaysia (ALAM), MISC Group's maritime training academy, we planted 50 trees with the help of ALAM cadets and students from two local primary schools, Sekolah Kebangsaan Kampong Tengah and Sekolah Kebangsaan Kuala Linggi in Malacca.

In December, we participated in the HISC Christmas Shoebox programme and raised funds to donate 48 shoeboxes of essential items, which were distributed at the Port of Houston to bring holiday cheer to seafarers.

#### **Promoting Employee Volunteering**

We encourage our employees to direct their time, resources and skills towards building vibrant and healthy communities. We view volunteering as part of our employee value proposition. In 2024, our employees were offered the opportunity to participate in 16 events across the globe. They embraced the opportunity and contributed 1,292 volunteer hours.

One of the projects was SolarBuddy LIVE's "Hour of Power". Despite rising electricity access, more than 1.2 billion people worldwide still live in energy poverty, according to a 2024 United Nations Development Programme report<sup>(1)</sup>. Employees in all our offices assembled 200 solar-powered lights in September 2024 for communities without reliable electricity. This effort will bring sustainable lighting to homes in these communities, reduce reliance on light sources powered by fossil fuels and extend activity hours after dark.



AET colleagues packing supplies for United Way of Greater Houston in Texas, US

Environmental protection is an important goal for AET. To mark International Coastal Cleanup Day, our teams across the globe carried out a series of beach clean-ups in Brighton, Galveston, Rio de Janeiro and Singapore. In all, the teams collected 99 kilogrammes of trash including disposable plastics and styrofoam packaging. For the clean-ups in Rio de Janeiro and Singapore, we partnered with Dream Learn Work and VOX @ Singapore Children's Society respectively, which gave our employees the opportunity to engage with young people during the events.

In August, AET supported the SMF's Plant A Tree programme at Coney Island Park. Together with industry partners and MaritimeONE scholars, we helped plant 80 trees, contributing to the restoration of the park and to the OneMillionTrees movement under the Singapore Green Plan 2030.

In September, our colleagues in London participated in the 10-kilometre "Walk for Humanity", raising £1,843 for the British Red Cross. The donation was later matched by AET and went towards supporting people affected by disasters and emergencies around the world. In the same month, our Singapore team took part in the Singapore Children's Society's annual "Walk for Our Children" event to raise awareness about children's mental health.

We encourage our employees to direct their time, resources and skills towards building vibrant and healthy communities.

In November 2024, 13 of our US colleagues supported families in need by volunteering with United Way of Greater Houston at the BakerRipley House. They sorted and bagged fresh produce and essential food items for distribution to 147 families facing food insecurity. This experience brought our team closer and was a powerful reminder of how small, collective efforts can have a big impact. In addition to volunteering, we also donated money directly to United Way of Greater Houston to support their ongoing efforts.

In December, AET sponsored new gym equipment and gave the gym at VOX @ Children's Society a major makeover. Six Singapore-based employees rolled up their sleeves and transformed the space by installing new equipment, replacing the old, and cleaning up the place to make it welcoming for all. They also refreshed the billiard table with new felt.

Inspired by our employees' passion and compassion, we launched the Matched Giving Programme in March 2025. Under the programme, AET will match dollar-for-dollar eligible donations made by employees contributing towards a charitable cause.

#### SUSTAINABILITY PILLAR

#### GOVERNANCE

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

## Why It Matters



Principled values, governance and business ethics are fundamental to support our long-term financial growth and business value. Poor governance may compromise stakeholder confidence, hinder business growth, and heighten risks to people, the environment, local communities and our licence to operate.

#### We are committed to conducting our business to the highest standards of integrity and corporate governance. We have a zero-tolerance policy on bribery, corruption and human rights violations, whether committed by our employees or any individual

### Our Commitments and Performance OUR COMMITMENT **OUR PERFORMANCE IN 2024** Zero major breaches of relevant Zero laws and regulations<sup>(2)</sup> Zero human rights breaches Zero Zero major cybersecurity incidents<sup>(3)</sup> 7ero 100% Environmental, Social and Governance (ESG) self-assessment conducted for 100% our shortlisted critical suppliers





<sup>(2)</sup> Breaches are considered major if they exceed the pre-defined thresholds for the following risk impact categories: Financial, Media, Stakeholder Reactions and Trust Damage (3) Cybersecurity incidents are considered major if they exceed the pre-defined thresholds for the following risk impact categories: Asset, Data, Environment,

People and Reputation

- or organisation acting on our behalf.

#### How We Are Realising **Our Ambition**

- Embedding a culture of strong corporate governance, business ethics and conduct
- Enhancing our cybersecurity framework to safeguard our operations
- Driving sustainable practices together with our suppliers

#### COMMITMENT STATUS





Meeting commitment



Meeting commitment

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Sustainabi at AET

Supporting

### ARSC Chairman's Message



Despite 2024 being one of the most challenging and volatile years for the maritime industry, AET delivered its strongest financial performance in three decades. This achievement reflects our priority on financial and operational performance. This is combined with

a proactive approach to risk management, a strategy for sustainable growth, and a commitment to strong governance — all cornerstones of AET's resilience.

Throughout the year, the Audit, Risk and Sustainability Committee (ARSC) enhanced oversight by integrating geopolitical and emerging risks into AET's Enterprise Risk Management (ERM) framework to safeguard business interests and enhance the company's resiliency, maintain operational efficiency and capitalise on market opportunities.

Ongoing geopolitical tensions, supply chain disruptions and energy market shifts — driven by the conflict in Ukraine, sanctions on Russian crude, instability in the Middle East and challenges in the Red Sea — have underscored the necessity of a well-structured risk management strategy. These events have reshaped global trade flows, extended voyage distances, increased operational costs and heightened security risks. They underlined the need for a robust framework capable of navigating such complexities. AET actively monitors these developments, engages with stakeholders and leverages data-driven insights to anticipate challenges and seize opportunities.

Financial resilience continues to be a cornerstone of AET's strategy. AET's secured income model, anchored in long-term contracts, has been pivotal in providing stability amidst market fluctuations, while disciplined capital allocation continues to drive strategic investments, ensuring financial flexibility and sustained growth. Our niche spot trading when balanced with our secured income business model enhances profitability, whilst assuaging market swings in pricing and demands.

Our investments in future-ready technologies continue to drive fleet sustainability and mitigate climate-related financial risks. To realise our net-zero 2050 targets, we have made innovative technology a key part of our decarbonisation strategy. In 2024, we ordered three of the world's first dual-fuel ammonia Aframaxes. Set for delivery from 2027, the ammonia-fuelled Aframaxes position AET as an industry pioneer for zero-carbon fuels. This new fuel option means that AET will serve as a new test platform for significant future fleet adoption. It will do this by working alongside regulators and various marine stakeholders to develop industry first practices and procedures aimed at crew safety and efficient operations. Additionally, our partnership with Fleetzero to develop a long-range plugin hybrid-electric vessel underscores our commitment to innovation. This technology has the potential to reduce emissions by up to 82% for our LSV fleet in the US Gulf, significantly advancing our decarbonisation efforts<sup>(1)</sup>.

To further integrate sustainability into our strategic decision-making, we have embedded climate considerations into our risk management framework. One key initiative is the incorporation of an internal carbon price, which enables strategic capital allocation while allowing us to proactively manage climate risks now.

Such an approach ensures that our investment decisions align with both financial stability and our long-term sustainability goals. With these initiatives, we are making strong progress toward our 2030 target of reducing greenhouse gas emissions intensity by 40% and achieving net-zero emissions by 2050<sup>[2]</sup>.

Beyond environmental sustainability, AET remains committed to fostering an inclusive and resilient workforce. In 2024, the company joined the All Aboard Alliance, an organisation that promotes inclusion within the maritime industry. Meanwhile our collaboration with the Maritime Energy Training Facility to develop specialised training for future fuels and technologies reflects our proactive approach to workforce development.

Operational Health, Safety, Security and Environment (HSSE) continues to be of paramount importance to AET. At AET, the management reinforces HSSE awareness through regular ship visits, quarterly walkabouts by the Executive Leadership Team, and continuous performance tracking. Every incident, no matter how minor, is treated with utmost seriousness, fostering a strong HSSE culture that prioritises the well-being of our employees and the security of our operations.

With digital threats continually evolving, cybersecurity remains a critical priority. AET has strengthened its cybersecurity framework with advanced threat detection systems, incident response protocols and regular security assessments, combined with an independent third- party assessment. By fostering a culture of cyber awareness and investing in cutting-edge technology, the company safeguards digital assets, ensuring operational resilience and business continuity. Despite 2024 being one of the most volatile years for the maritime industry, AET delivered its strongest financial performance in three decades. This achievement reflects a proactive approach to risk management, a strategy for sustainable growth and a commitment to strong governance—all cornerstones of AET's resilience.

A strong governance framework is fundamental to upholding ethical business practices and maintaining the highest compliance standards. The ARSC, supported by AET's Legal and Integrity team, ensures adherence to key regulations such as the Foreign Corrupt Practices Act (FCPA), reaffirming AET's commitment to transparency and ethical conduct. We have robust internal systems, including the Anti-Bribery Management System, that undergo external validation through independent audits. In September 2024, a comprehensive Human Rights Policy has been implemented across all our operations, ensuring fair and inclusive practices, while regular audits, employee training and participation in initiatives such as the United Nations Global Compact further bolster a culture of responsible practices.

The ARSC will maintain its focus on governance, strategic alignment and accountability, reinforcing AET's mission to create long-term value while upholding the highest environmental and ethical standards. On behalf of my Board colleagues on the ARSC, I extend my deepest appreciation to our stakeholders, management and employees for their dedication to AET's continued success and perseverance in pursuit of "The Best is Yet to Be!".

Sincerely,

#### **Colin Low**

Chairman Audit, Risk and Sustainability Committee

# Our Business

Supporting Information

#### Our Approach Shipowners face a r

Shipowners face a range of sustainability-related governance risks, including cyber-attacks and violations of business ethics and human rights by their employees and business partners. Strong corporate governance including rigorous policies, processes, controls and reporting help mitigate these risks.

We have identified three primary initiatives to address these risks.

- embedding a culture of strong corporate governance, business ethics and conduct;
- enhancing our cybersecurity framework to safeguard our operations; and
- driving sustainable practices together with our suppliers

Other enterprise risks are discussed in the "Our Strategy" section of this report, while specific climate risks and related measures are covered in the "Climate-Related Financial Disclosures" chapter.

### Embedding a Culture of Strong Corporate Governance, Business Ethics and Conduct

We have established a clear governance structure and framework to ensure that we conduct business ethically and to the highest standards. The Board and the ARSC provide oversight on the overall values, governance and business ethics of the company. In 2024, we combined our Legal and Compliance teams into a new division called "Legal and Integrity". This was done to better align goals around a strong governance, ethics and integrity culture.

All directors, employees and third parties performing work or services for or on behalf of the organisation are required to comply with the AET Code of Conduct and Business Ethics (CoBE). This has been developed to embed strong corporate governance across the organisation. The AET CoBE is further supported by our Compliance Management Framework and Anti-Bribery Management System (ABMS), which provides the internal controls that uphold high standards of compliance.

In addition to the AET CoBE, we also have the AET Limits of Authority (LOA) which is a key document that defines the boundaries of decision-making powers granted to individuals or groups within the organisation. By clearly defining the authority levels and activities for which decisions can be made, the LOA ensures that decision-making is delegated appropriately, and employees are accountable for their actions. This reduces the risk of unauthorised decisions or actions that could harm the organisation. Our ABMS is independently audited and certified for our major offices in Houston, London, Rio de Janeiro, Singapore and Stavanger, ensuring we maintained certification to ISO 37001: 2016 in 2024. Examples of processes that are being audited include financial and non-financial controls, gifts and corporate hospitality, conflict of interest and whistleblowing. These audits support the maintenance of discipline and high standards of conduct across our operations.

To reinforce the awareness of good conduct and business ethics, all employees are required to read and acknowledge the AET CoBE and key AET policies annually. We also provide dedicated anti-harassment training. In the US, this is delivered annually and was extended to our employees in London and Rio de Janeiro in 2024, with plans to roll it out to employees in Singapore and Kuala Lumpur in 2025.

All employees are also required to familiarise themselves with the AET Global Anti-harassment and Bullying Policy which is part of employees' annual policy acknowledgement process. Other compliance training conducted in 2024 include anti-bribery and corruption, data protection and sanctions.

We also embed compliance Key Performance Indicators (KPIs) into divisional Balanced Scorecards (BSC) which are used to assess performance versus business objectives over the year. Balanced Scorecard results are factored in determining employees' remuneration. Additionally, our employees' performance appraisal system takes into account the consequences arising from an individual's violation of the AET CoBE.

We recognise the importance of a culture of openness and accountability in preventing incidences of wrongdoing. For that reason, we provide independent and confidential whistleblowing services for all employees, suppliers and members of the public to report any suspected wrongdoing or dangers as soon as possible. This enables us to take the necessary action to address the issue and identify further mitigations required to prevent recurrence. In 2024, no whistleblowing reports were received.

Another element of our enterprise governance that monitors performance is the Enterprise Risk Management (ERM) framework, which provides a structured approach to identifying, assessing, treating and monitoring relevant risks. This ensures informed decision-making that is aligned with organisational objectives. We establish and review our risk register annually which includes risk events such as financial, governance and compliance (including privacy and personal data), and cybersecurity. With regards to data privacy, we monitor compliance with privacy policies as part of our governance and compliance risk events, and conduct an internal audit in this area during our annual first-line assurance process.

#### Focus Story: Human Rights

We remain committed to promoting human rights and preventing modern slavery and human trafficking within our organisation and across our supply chain. We further strengthened this commitment in 2024 by launching the AET Human Rights Policy. The policy establishes a comprehensive framework for safeguarding human rights, clearly outlines our commitments and is aligned with the Human Rights and Labour Principles under the United Nations Global Compact (UNGC).

We followed the launch of this policy by joining the UNGC in January 2025, to signal our commitment to leading international practice.

We apply a risk-based approach to human rights due diligence, conducting Human Rights Risk Assessments (HRRA) to identify and mitigate potential risks of human rights violations. The last HRRA was conducted in 2021 for AET shore staff and it covered labour and working conditions. It was observed that the level of awareness on human rights among employees can be improved. In response, we developed and launched a dedicated human rights training programme. A new HRRA, covering the same scope, is scheduled in 2025 as part of our periodic review. The scope of labour and working conditions for the upcoming assessment includes the following:

- 1. Forced labour
- 2. Child labour and young workers
- 3. Non-discrimination
- 4. Freedom of association
- 5. Workplace/accommodation health and safety
- 6. Conditions of employment

To evaluate potential human rights risks in our supply chain we conducted preliminary risk assessments in 2024 on selected critical suppliers as part of our ESG Self-Assessment Framework. For seafarers onboard our vessels, self-assessments were completed by our ship managers in 2023. These assessments included questions on human rights policies, awareness and grievance mechanisms. There were zero human rights breaches in 2024 and therefore no remedial actions were taken.

#### Enhancing Our Cybersecurity Framework to Safeguard Our Operations

The risk of cybersecurity threats continues to grow, with the potential to disrupt operations and compromise sensitive information, leading to significant financial and reputational damage. AET's information assets and technologies are well protected by a dedicated cybersecurity team led by a Chief Information Security Officer as part of the MISC Group. Cybersecurity is governed by a range of policies and procedures, developed based on recognised standards such as the National Institute of Standards and Technology Cybersecurity Framework and ISO 27001 Information Security, Cybersecurity and Privacy Protection.

We have a Cybersecurity Incident Response Plan, which outlines a clear escalation process for addressing suspicious or actual cybersecurity incidents. In addition to annual third-party audits that include a review of cybersecurity processes, the cybersecurity team also carries out vulnerability assessments and penetration testing to evaluate the resilience of our IT infrastructure and management systems. The last assessment was conducted in 2024.

To raise awareness and educate employees, we share regular cybersecurity tips with our employees and conduct monthly phishing assessments. The 2024 phishing assessment recorded a 100% success rate, with no employees engaging with the phishing emails.



AET staff participating in phishing assessment

Sustainability at AET

# Driving Sustainable Practices Together with Our Suppliers

We have established a set of supply chain management principles to ensure we only work with suppliers that are qualified and aligned with our requirements. All prospective suppliers are screened before onboarding and are required to agree to and comply with relevant contractual terms, including the AET CoBE and AET's requirements on HSSE and human rights.

We take a risk-based approach and subject our suppliers to a third-party due diligence, taking into consideration spend, country corruption risk and supplier business sector. Our Know Your Customer forms cover areas such as anti-bribery and corruption, data protection, modern slavery, human rights and sanctions. To assess the performance of our key suppliers, we evaluate them annually based on the quality of their products and/or services, HSSE performance and compliance to our CoBE.

In 2021, we launched the ESG Self-Assessment Framework as part of our Sustainability Strategy, and developed a five-year roadmap to identify, assess and manage ESG risks within our supply chain. The framework includes a desktop assessment on ESG topics such as sustainability strategy, climate action, HSSE, ethics and integrity, competition law, data privacy and human rights. We shortlisted 10 critical suppliers for review under this programme and have now achieved a 100% completion rate for the self-assessment. Critical suppliers are defined as suppliers who:

- 1. contribute to the top 80% of total supplier spend
- 2. have a high ESG risk rating, based on internal criteria
- have the potential to have a significant negative impact on AET as a company in the event of a supplier violation

Moving forward, we will be reviewing the framework and approach as we refresh our Sustainability Strategy in 2025.

FINANCIAL

# **Financial Growth Plan and Governance Framework**



#### Why It Matters



A strong foundation in financial management and industry expertise backed by targeted innovation enables us to remain resilient through market cycles and to seize emerging opportunities. This underpins our long-term financial performance and reinforces the value we deliver to our customers and our shareholder.

We aim to deliver on the goals of our Energy Transition Strategy by developing robust financial plans, ensuring disciplined financial management, and investing in the capabilities and technologies that will drive future growth.

• Developing robust financial plans

How We Are Realising

- Implementing strong financial
- governance

Our Ambition

Investing in innovation

#### **Our Commitments and Performance**

AET's financial commitments and performance are discussed in the "Financial Performance" chapter.

**Our Contribution** to the UNSDGs



#### **Our Approach**

As a leading tanker owner and operator, we have a fiduciary duty to our shareholder, MISC Berhad, to maintain our financial performance while taking appropriate levels of risk. As an employer across multiple global locations, we have a responsibility to our employees to provide secure employment based on our financial strength while considering prevailing market conditions. Our financial strength also enables us to offer innovative solutions, such as dual-fuel vessels, that directly benefit our customers. Finally, there are many other stakeholder groups that are indirectly supported by our performance including suppliers, industry groups and local communities. To ensure our continued success, we focus on robust financial planning, strong financial governance and strategic investment in innovation.

We recognise the importance of innovation in achieving continued business success over multiple time horizons. As set out in our Energy Transition Strategy, we see this coming from the low-carbon transport of conventional energy sources and New Energy businesses.

#### **Developing Robust Financial Plans**

We develop a comprehensive five-year rolling business and financial growth plan each fiscal year for the long-term financial sustainability of our business. These plans serve as projections for our future operating revenue, business costs and cashflow position. They incorporate the latest research on global macro-economic conditions, our vessel market outlooks, competitors, regulatory changes, technology trends, and climate considerations. These are reviewed at several levels within the organisation before the approval by the Board. To support our financial planning in 2025, we are upgrading the enterprise resource system and associated processes to enhance transparency, alignment and agility within the organisation.

#### **Implementing Strong Financial Governance**

Underpinning our financial planning process is the AET Corporate Financial Policy, which provides guidance and sets the standards for financial governance and decision-making. Our outstanding financial performance in 2024 can be attributed to several pivotal factors, notably our committed and proficient workforce, as well as financial planning supported by the implementation of strategic initiatives. See the "Financial Performance" chapter for more details. To ensure the continued resilience of our business, we prioritise financial prudence, strong cash management and access to various credit facilities. This enables AET to navigate market volatility and seize investment opportunities as they arise.

We recognise the importance of innovation in achieving continued business success over multiple time horizons. As set out in our Energy Transition Strategy in the short to medium term, we see our success coming firstly from the low-carbon transport of conventional energy sources. This is linked to our Resilient Core and Decarbonisation objectives. See the "Our Strategy" section for more details. To support this objective, we have made investments in dual-fuel vessels, innovative energy efficiency measures and provide our vessels to be a testbed for new technology solutions as detailed in the "Towards Decarbonisation" chapter. The second source of our success will come from our expansion into profitable New Energy businesses such as offshore wind, future fuels and carbon value chains. In 2024, our Business Development team pursued opportunities in New Energy value chains, and while they have yet to advance, the groundwork laid has sharpened our focus and improved our positioning for future opportunities. In 2025, we will continue to engage with a range of stakeholders as we pursue opportunities in this space.

AET Legal and Integrity, and Finance colleagues work closely to ensure our finance policies are implemented effectively

Sustainabi at AET



Effective climate risk management is a top priority for AET. 2024 was the planet's hottest year on record, after a record year in 2023<sup>(1)</sup>, and we believe that individual companies have a role to play in slowing the pace of climate change while managing its impacts on their business for the benefit of all stakeholders. In accordance with this stance, we present AET's 2024 Climate-Related Financial Disclosures, our fourth such report since adopting the Taskforce for Climate-related Financial Disclosures (TCFD) framework in 2021.

As a shipowner, AET is exposed to a range of climate risks and opportunities. These include acute physical risks such as extreme weather events that can directly affect our vessels and onshore facilities. We are also exposed to chronic physical risks such as when sea level rise impacts existing port infrastructure, causing delays or changes to vessel operating routes.

There are also a range of transition risks and opportunities for shipowners that stem from changes in customer demand, regulation, society and technology. An example of an opportunity is global carbon pricing which may favour low-emission vessels. A key risk for shipowners transporting conventional energy is the switch to renewables reducing demand for conventional energy transport.

AET's Energy Transition Strategy including net-zero target and climate risk management are interconnected and designed to address these climate risks and opportunities. The Energy Transition Strategy focusses on how we will navigate the long-term opportunities arising from

climate change; for example expanding into New Energy businesses. While climate risk management focusses on identifying, measuring and managing climate-related risks in a range of scenarios.

This report, in line with the TCFD framework, explains how we have set up governance, strategy, risk management and metrics and targets to address the risks and opportunities of climate change. This report serves to help us realise our Energy Transition Strategy and 2050 net-zero goal, to position us at the forefront of sustainable practices in the shipping industry. As the TCFD framework is now integrated into the International Sustainability Standards Board (ISSB) standards we expect to align ourselves with the ISSB standards in future reporting.

#### 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 it is responsible for approving strategy and overseeing the evaluation and integration of climate-related risks and opportunities throughout the organisation. Management forms the second layer, responsible for overseeing strategy, and this is led by the Executive Leadership Team (ELT). Next, we have the key corporate functions which manage specific areas related to climate risk such as Strategy, Sustainability and Decarbonisation. Finally, we have supporting teams which provide support on specific risks and opportunities, called risk owners.

#### **GOVERNANCE STRUCTURE**



#### **Board Governance**

AET's Board assumes a primary role in setting AET's overall sustainability strategy and in endorsing all decisions related to sustainability. It has ultimate oversight of AET's approach to assessing, evaluating and integrating climaterelated risks and opportunities and AET's net-zero target, and decarbonisation plan. The Board then entrusts specific governance duties to the Audit, Risk and Sustainability Committee (ARSC), to aid the Board in fulfilling its obligations and responsibilities. The ARSC functions under a well-defined Terms of Reference (TOR), which includes reviewing AET's sustainability risk profile, sustainability strategy, governance structure, policies, processes, and practices, including climate-related risks and opportunities. To support the ARSC in carrying out its role, the management provides the committee with quarterly risk reports on significant risk events that breach predetermined risk thresholds.

The Board and ARSC take climate-related matters into account in the evaluation and development of strategy, significant action plans, ERM, annual budgets and business plans. They also establish objectives, and supervise implementation and performance, including oversight of major Capital Expenditures (CAPEX), acquisitions and divestitures.

	Q1 2024	Q2 2024	Q3 2024	Q4 2024		
ARSC	Risk Scorecard including sustainability	Risk Scorecard including sustainability	Risk Scorecard including sustainability	Risk Scorecard including sustainability	adership	
	related risks relat • Fleet • Flee decarbonisation decar performance perf	<ul> <li>related risks</li> <li>Fleet decarbonisation performance</li> </ul>	elated risks leet ecarbonisation erformance erformance lated risks • Fleet decarbonisation performance	<ul> <li>related risks</li> <li>Fleet</li> <li>decarbonisation</li> <li>performance</li> </ul>	<ul><li>related risks</li><li>Fleet</li><li>decarbonisation</li><li>performance</li></ul>	Performance
Board	<ul> <li>Fleet decarbonisation performance</li> <li>Future fuels engine readiness</li> <li>Opportunities in New Energy</li> </ul>	Sustainability performance update	• Business strategy plan	<ul> <li>Opportunities in New Energy</li> <li>Sustainability performance update</li> </ul>	at AET	

#### **Climate-Related Training Offered to Board Directors in 2024**

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**Our Business** 

Our Strategy

Supporting Information

#### **CLIMATE-RELATED BOARD & ARSC ITEMS**

Pathways towards Decarbonisation Strategies and Sustainable Practices

- Overview of International Sustainability Standards Board (ISSB) S1 & S2
- Navigating Ammonia Low-Carbon Solutions

#### **Management Governance**

AET President and CEO leads and chairs the ELT and is responsible for implementing the sustainability strategy and the company's climate targets, as well as for identifying and assessing risks (including those that are climate-related). The ELT meets quarterly to discuss key company issues, risk breaches (including breaches related to climate risk), proposed mitigations and other key sustainability topics. At each meeting, the ELT is updated both on the progress against climate and other strategic targets, and on the company's readiness for upcoming regulatory requirements (including climate regulations). In 2024, topics discussed by the ELT included AET's decarbonisation plan to 2030, progress on AET's sustainability performance, internal carbon pricing implementation progress and upcoming sustainabilityrelated regulatory requirements.

#### **Key Corporate Functions**

Supporting the ELT in climate and business strategy development, risk management and performance reporting are several specialised corporate functions including:

- the Strategy function which develops five-year business strategy plans in close collaboration with the Sustainability function to align financial, strategic, operational and sustainability goals
- the Sustainability function which is responsible for developing enterprise sustainability strategy including net-zero strategy, performance improvement programmes and enterprise reporting. It also provides expert input on sustainability topics in business strategy, risk management and reporting.
- the ERM function which has responsibility for identifying, assessing, remediating and reporting all enterprise and major project risks, including climate-related risks
- the Corporate Planning function which owns internal performance reporting including the Balanced Scorecard process featuring KPIs on: business strategy execution, decarbonisation progress and other climate-related topics
- the Decarbonisation function which owns AET's Greenhouse Gas (GHG) emissions footprint, including data collection, execution of fleet GHG reduction plans and internal reporting

#### **Risk Owners**

Risk owners have oversight of risks and opportunities within specific areas of the business. Examples include the Business Development function which looks into trends and opportunities aligned to New Energy businesses and the HR function which evaluates risks

associated with reskilling the workforce to manage the energy transition. They support the ERM function by providing expert input on how to identify and manage risks as well by updating the status of specific risk items for monitoring and mitigation.

#### Strategy

Our governance structure is designed to integrate sustainability across all aspects of our business, including our strategy, business model and financial planning process. We develop strategy over two interdependent timeframes. Firstly, over a five-year timeframe which sets ambitious high-level direction for the organisation, then secondly, through an annual strategic planning cycle. Our risk management process is also aligned and connected to these processes, as outlined later in this chapter.

#### **Five-Year Strategic Planning Cycle**

In our five-year planning cycle, we take a long-term view and incorporate the latest thinking on climate risks and opportunities based on updated climate scenarios, which are detailed later in this chapter. Our overarching business strategy is the AET Energy Transition Strategy, which is supported by and directly linked to our Sustainability Strategy and Tiered Decarbonisation Strategy.

The AET Energy Transition Strategy, outlined in the "Our Strategy" section of this report, is how we position ourselves in relation to the risks and opportunities of climate change. It consists of three pillars:

- 1 **Resilient Core**: Growing our core business while improving asset utilisation and efficiency to reduce risks around regulatory compliance to carbon emissions-specific regulation and customer requirements.
- 2. Profitable New Energy: Expanding into new service offerings in large and fast-growing segments such as offshore wind and other opportunities created directly out of the global response to climate change.
- 3. Decarbonisation: Reducing emissions from our operations, especially in our fleet, through a variety of technical and non-technical measures, in order to position us to take advantage of the demand for low-carbon shipping.

The Tiered Decarbonisation Strategy is focussed on the measures that will enable us to reduce emissions from our fleet of vessels (for details, see the "Towards Decarbonisation" chapter). This makes up 95% of our total emissions. It defines tiers of measures based on their technical and economic feasibility that will be incorporated over the next five years to 2030.

- Tier 1 (Foundational): measures that can be readily implemented in 2025 with well-established performance. These include energy audits, Mewis ducts, and propellor boss cap fins.
- Tier 2 (Advanced): measures that are widely adopted which offer novel approaches that may drive significant emissions reductions. These include: fuel cells and wind-assisted propulsion.
- Tier 3 (Transformational): measures that are still emerging, that focus on technologies such as dual-fuel ammonia engine retrofits.

In adopting a tiered approach, we are directly managing the technology, market and regulatory risks and opportunities that come with changing regulatory and customer dynamics.

Finally, our Sustainability Strategy 2021-2025, due to be refreshed in 2025 for the period 2026-2030, determines the most material sustainability topics for AET, as well as related targets and action plans. See the "Our Sustainability Strategy" chapter for details. It also evaluates the relationships between sustainability topics, for example, between decarbonisation and



our employee value proposition. This allows us to respond to these interrelated risks and opportunities, for example, by updating how we market our employee value proposition based on our leadership in decarbonisation in order to appeal to a range of prospective employee groups.

#### **Annual Planning Cycle**

Supporting the five-year cycle is the annual planning cycle which is focussed on operationalising our strategy. At the beginning of each cycle, we use the latest inputs from climate scenarios to develop an External Environment Analysis which assesses the external market, macro-economic, political and technological trends and analyses how these will affect the market we operate in and the AET business. This deliverable supports the Five-year Business Plan, which is refreshed on an annual basis. The annual planning cycle covers risk and opportunities, strategic priorities and objectives/ targets across AET. Identified risks are managed through our ERM process detailed in "Risk Management" in this chapter. Performance against strategic objectives is evaluated using the AET Balanced Scorecard, which is reviewed by management on a quarterly basis.

#### STRATEGY AND RISK MANAGEMENT PROCESSES

#### **Climate Scenarios**

In considering the potential impacts of climate change on our strategy, operations and financial performance, we 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 (SSPs). These are the different narratives of societal development. They reflect a range of possible future trajectories based on varying assumptions about demographics, economic growth, technological innovation, governance and environmental policies. 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 into space.

In addition to the SSPs, we also considered other key sources, including the Intergovernmental Panel on Climate Change (IPCC), the International Energy Agency (IEA), and the International Renewable Energy Agency (IRENA), to identify three interrelated timeframes for our business.

Climate Scenario Timeframe	Description
<b>Short Term</b> (within 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 and that stem from current and emerging climate legislations and market transition to low-carbon assets.
<b>Medium Term</b> (current year to 2030)	<ul> <li>Any climate-related risks and opportunities that have, or are expected to have, material financial impact on AET's ability to meet the following expectations:</li> <li>Achieving IMO targets, which are to reduce emissions by at least 20%, striving for 30%, by 2030, and at least a 70% reduction while striving for 80%, by 2040 compared to 2008.</li> </ul>
	• With the typical lifespan of a vessel being 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 for AET to achieve AET's net-zero emissions target by 2050.
<b>Long Term</b> (2031-2050)	Any climate-related risks and opportunities that have, or are expected to have, material financial impacts on AET in addressing the energy transition and global movement towards net-zero GHG emissions by 2050.

AET's Projection of Climate Temperature Scenarios Rise from 1881 to 2100 (°C)		Policy Ambition	Scenario Hig	
	Mean	Range		
Low future emissions (<2°C)	1.8	1.3 ~ 2.4	SSP1-2.6	As the world sl path, there is a perceived envi commons slow accelerate the growth shifts t Driven by an ir inequality is re is oriented tow energy intensi significant and It projects a per century, follow aggressive dep and other tech
Moderate future emissions (2°C-3°C)	2.7	2.1 ~ 3.5	SSP2-4.5	The world follo trends do not s and income gr relatively good and national ir achieving sust experience deg and overall the population gro of the century, and challenge environmenta radiative forcir of technologie
High future emissions (3°C-4°C)	3.6	2.8 ~ 4.6	SSP3-7.0	Resurgent nat and regional c or, at most, reg increasingly or Countries focu own regions at in education a development i persist or wors countries and for addressing degradation in that assumes of throughout th effort and a co Based on thes system, includ floods and stor

shifts gradually, but pervasively, towards a more sustainable semphasis on more inclusive development that respects avironmental boundaries. Management of the global owly improves, educational and health investments be demographic transition, and the emphasis on economic s toward a broader emphasis on human well-being. increasing commitment to achieving development goals, reduced both across, and within, countries. Consumption oward low material growth and lower resource and sity. This is a low radiative forcing scenario that assumes a nd sustained reduction in global greenhouse gas emissions. peak in carbon dioxide (CO<sub>2</sub>) emissions before the mid-21<sup>st</sup> owed by a decline to zero levels by the 2070s. It also assumes eployment of renewable energy, carbon capture and storage chnologies that limit greenhouse gas emissions.

llows a path in which social, economic and technological t shift markedly from historical patterns. Development growth proceeds unevenly, with some countries making od progress while others fall short of expectations. Global institutions work toward, but make slow progress in stainable development goals. Environmental systems legradation, although there are some improvements, he intensity of resource and energy use declines. Global prowth is moderate and levels off in the second half ry. Income inequality persists or improves only slowly ges remain in reducing vulnerability to societal and tal changes. This is a stabilisation scenario, which means the sing level stabilises before 2100 by employment of a range ies and strategies for reducing greenhouse gas emissions.

tionalism, concerns about competitiveness and security, conflicts push countries to increasingly focus on domestic gional issues. Policies shift over time to become riented toward national and regional security issues. us on achieving energy and food security goals within their t the expense of broader-based development. Investments nd technological development decline. Economic is slow, consumption is material-intensive, and inequalities en over time. Population growth is low in industrialised high in developing countries. A low international priority environmental concerns leads to strong environmental some regions. This is a high radiative forcing scenario continued growth in greenhouse gas emissions e 21<sup>st</sup> century. It assumes little or no climate mitigation ntinued reliance on fossil fuels for energy production. e assumptions, significant impact on the global climate ing more frequent and severe heatwaves, droughts, ms, is assumed.

#### **Climate Scenarios**

Scenario	Physical	Regulatory	Technology	Market
Low Emissions Scenario (<2°C)	<ul> <li>Sea level rise and higher sea surface temperatures affect coastal communities</li> <li>Increased wind speed and wave power in the Southern Hemisphere</li> </ul>	<ul> <li>Extensive international collaboration</li> <li>Clear policies to support net-zero transition</li> <li>Well-established carbon pricing</li> </ul>	<ul> <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 and utilisation of e-fuels<sup>(1)</sup> in international shipping decarbonisation</li> <li>Innovation and investment in Carbon Capture, Utilisation and Storage (CCUS) technologies to mitigate remaining emissions from hard-to-abate sectors like shipping</li> </ul>	<ul> <li>Accelerated demand for clean energy solutions driven by 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 before 2030.</li> <li>Increased pressure to reduce GHG emissions and adopt more sustainable practices, such as using low-carbon fuels or investing in carbon capture and storage technologies</li> </ul>
Moderate Emissions Scenario (2°C-3°C)	<ul> <li>Infrastructure and communities in lower latitudes will experience notable impacts from physical climate risks</li> <li>Larger winter ocean waves and increased wave heights</li> </ul>	<ul> <li>Well-defined industry-level environmental standards</li> <li>Growing international collaboration</li> <li>Clear policies to support the net-zero transition</li> </ul>	<ul> <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> <li>Shift towards more sustainable consumer behaviour, including a preference for eco-friendly products and services</li> <li>The global demand for oil is likely to plateau at current levels, peak in 2030s then fall marginally to 2050</li> <li>Growing recognition of the economic benefits of climate action will spur investments in clean energy projects, green finance initiatives and sustainable development programmes by governments, businesses and financial institutions. The pace of these actions is sporadic.</li> </ul>
High Emissions Scenario (3°C-4°C)	<ul> <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> <li>Moderate implementation of carbon pricing</li> <li>Large differences across regions and countries in environmental standards and policies</li> <li>Continuing government incentives for the oil and gas sector in some countries</li> </ul>	<ul> <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 defences and disaster preparedness measures, to cope with the worsening impacts of climate change</li> </ul>	<ul> <li>Slower adoption of renewable energy sources</li> <li>Oil demand is likely to continue growing at a low rate</li> <li>Continued investment in upstream oil and gas</li> </ul>

(1) E-fuels are synthetic fuels produced from renewable or decarbonised electricity. They are a drop-in replacement for traditional fuel oils, meaning they can be used in existing internal combustion engines without modifications.

### **Reputation and Social**

- Significant stakeholder pressure to reduce emissions across the value chain
- Increased regulatory requirements for reporting and disclosing performance and targets
- Creation of a new green economy and employment opportunities

- Progress towards improving sustainable and responsible practices will be mixed
- Widespread social awareness about climate change will influence purchasing and consumption decisions
- Shortage of skills in climate change adaptation will lead to many displaced workers

- Some pressure and urgency placed on companies to take climate action
- Inequal spread of job gains and losses between sectors and countries

#### **Identified Physical Climate Risks**

Driving Forces	Key Risks and Impact	Opportunities		Res
Acute	<ul> <li>Medium- to Long-Term</li> <li>Increase in extreme wind, precipitation and heat</li> <li>Elevated operational expenditure due to operational delays or disruptions increasing transit times and fuel consumption and causing vessel damage</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 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> <li>Explore digitalisation to optimise operations and minimise maintenance costs</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> </ul>	•	<ul> <li>All to complete the co</li></ul>
Chronic	Medium- to Long-Term Sea level rise • Risk of damage to shipping hubs and ports where critical infrastructure is affected, most being located only a few metres above sea level			cc re m

#### ponses All of AET's vessels are engineered o withstand extreme weather onditions. To enhance crew reparedness, these vessels eceive real-time weather updates, ncluding maps and satellite imagery, rom the National Oceanic and Atmospheric Administration and juidance from port authorities. Equipped with advanced sensors nd comprehensive weather nonitoring solutions, AET's vessels an predict sea state, wind and other rucial weather conditions, ensuring afe navigation during extreme veather events.

- AET is committed to continually enhancing the specifications of its 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. Operationallevel emergency plans are seamlessly integrated into the CMP, forming a cohesive link to AET's business continuity management and disaster recovery planning, effectively mitigating business risks.

#### **Identified Climate Transition Risks**

Forces	Key Risks and Impact	Opportuni
Regulatory	Short- to Medium-Term Increasing environmental/carbon policies and legislations - Higher capital and operating costs incurred due to the costs arising from compliance with regulations including IMO's EEXI and CII and the EU Emissions Trading System (EU ETS) and FueIEU Maritime - Potential premature write-downs of ship assets or refurbishments to meet specified emissions standards - Reduced competitive advantage for less efficient assets due to regulations or customer requirements - Uneven global adoption of regulations creates complexities for AET's operations, impacting AET's efforts to align with, and contribute to, the global net-zero agenda	<ul> <li>Higher madifferentia for owners low-carbo</li> <li>Increase in demand ficleaner so of energy by govern policies</li> <li>Capitalise opportuni provide lo emission is services to customer</li> <li>Diversificat business p into low- a emission s in alignma global clin targets</li> </ul>

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#### Responses

- Integration of regulatory climate risk and climate-change related disruptions in the risk register with Board-level oversight
- Focus on commercial and operational excellence to maintain a minimum 'C' rating for compliance with CII regulations. In 2024, 84% of our vessels were rated as 'C' and above.
- Installation of Shaft Power Limitation devices on non-compliant vessels resulted in AET achieving 100% compliance with EEXI regulations
- Established an Internal Carbon Price (ICP) since 2023 to be used as an initial sensitivity analysis for new investments. Starting 1 January 2025, the ICP will be used to evaluate final investment decisions.
- Updated contractual agreements with charterers and ship managers to include EU ETS requirements. Also upgraded software systems, established processes and provided training to commercial staff for compliance with EU ETS. We are conducting a similar exercise for FuelEU Maritime.
- The use of biofuels on our Aframaxes to improve vessel performance. We are exploring its use for vessels going into EU ports to achieve compliance with FuelEU Maritime.

to our business strategy

## **Climate-Related Financial Disclosures**

#### **Identified Climate Transition Risks**

Driving Forces	Key Risks and Impact	Opportunities		Responses
Technological	Short- to Medium-Term Development of new technologies for low- carbon solutions • Technology adoption risks where the solutions deployed may not meet business demands and regulations • Reduced demand for existing assets that are still running on older, more carbon-intensive technology	<ul> <li>Secure a market- leading position by actively adopting new low-carbon technologies</li> <li>Increased annual savings from retrofitting existing vessels with energy- efficient technologies to reduce energy consumption</li> <li>Increased funding/ incentives from financial providers for being first movers in developing and adopting new technologies</li> </ul>		<ul> <li>AET is committed to reducing its GHG emissions and has been investing in dual-fuel assets since 2019. Since then, AET's LNG dual- fuel fleet has expanded to 11 vessels, including a contract signed in 2024 for two in charter LNG dual-fuel Aframax newbuilds due for deployment in 2027.</li> <li>AET has developed a Tiered Decarbonisation Strategy that includes progressively renewing its shipping fleet with ammonia dual-fuel vessels by 2030 in alignment with the wider MISC Group's net- zero goal. In 2024, AET signed three Ship Building Contracts (SBC) for the world's first ammonia dual-fuel Aframaxes.</li> <li>Efforts are also underway to explore GHG reduction and abatement technologies. We have conducted a computational fluid dynamics study to identify energy-efficient technologies for our vessels. We are also working with Daphne Technology to deploy an emission monitoring system that will help identify the right methane abatement solution for our LNG dual-fuel vessels.</li> <li>At AET, we formed a Decarbonisation team to comprehensively address carbon emissions across all vessels, ensuring a more effective and impactful reduction strategy</li> <li>AET engages with financial institutions to explore funding opportunities that can be used to support its decarbonisation efforts. In 2024, AET secured a US\$100 million sustainability-linked Islamic Revolving Credit Facility that can be used for this purpose.</li> </ul>
	Short- to Medium-Term Training for the right expertise and skills required to manage new assets • Increased requirements and reskilling and upskilling costs for managing new low- and zero- carbon technologies, data analytics and automation	<ul> <li>Provide training to develop skills required to manage new technology, data analytics, zero- emission fuels, environmental compliance and best practices</li> </ul>	•	<ul> <li>AET collaborated with the Maritime and Port Authority of Singapore under the Maritime Energy Training Facility (METF) to develop specialised training courses for future maritime professionals, focussing on future fuels and technologies</li> <li>AET's HR division has set up divisional upskilling programmes designed to develop skills required to tackle future challenges. In 2024 the new programmes introduced included data analytics and artificial intelligence courses.</li> <li>The AET Talent Development Committee, see the "Talent Excellence" chapter, regularly reviews our talent strategy to address skills and capability gaps in relation</li> </ul>

#### Identified Climate Transition Risks

Driving Forces	Key Risks and Impact	Opportuniti
Market	Medium- to Long-TermShift in market interest towards low-carbon economy and shift in customer expectations• Long-term decline in 	<ul> <li>Expansion diversificat fleet offerir meet custo demand in value chair such as offi wind, carbo alternative</li> <li>Provision o innovative sustainable solutions ir manageme engineerin procureme consultance</li> <li>Provide ne bunkering storage ser offerings re to zero-em fuels</li> </ul>
	<ul> <li>Medium- to Long-Term</li> <li>Changing capital providers trends</li> <li>Increased barriers to financing due to financier commitments to align lending, investment and capital markets activities with net-zero commitments</li> <li>Adjustments in capital flows and a pivot by investors, driven by financial returns in renewable energy compared to fossil fuels, reducing the availability of financing</li> </ul>	<ul> <li>Access to f opportunit with reduct cost of bor- supporting use of low- zero-emiss technology the shift fro conventior business in Energy business</li> </ul>

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#### Responses

- Established the AET Energy Transition Strategy with one of the pillars focussing on identifying non-fossil fuel linked New Energy business in offshore wind and carbon value chains and future fuels
- AET engages with financial institutions to explore funding opportunities that can be used to support its decarbonisation efforts. In 2024, AET secured a US\$100 million sustainability-linked Islamic Revolving Credit Facility that can be used for this purpose

Sustainability at AET

#### **Identified Climate Transition Risks**

Forces	Key Risks and Impact	Opportunities	
Reputational and Social	Short- to Long-Term Being perceived as advanced or laggard in climate change management and response • Pressure to ensure accurate	<ul> <li>Explore partnerships with counterparts in the energy and chemical sectors based on shared commitments to reduce emissions</li> <li>Engage in close collaborations</li> </ul>	
	and timely information on sustainability performance including emissions reduction initiatives, safety measures, and environmental stewardship efforts to maintain stakeholder confidence and demonstrate progress	with suppliers and partners to ensure stringent adherence to environmental standards and initiatives to reduce emissions	
	Short- to Long-Term Talent retention and attraction  • Ensure job security for employees who are directly dependent on the oil and gas sector • Experience loss of talent as professionals may seek out opportunities with companies that are "greener" in nature	<ul> <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>	

Re.	sponses
• F e n t s	Publicly committing to achieve emissions reductions by 2030 and net-zero GHG target by 2050, and ransparently communicating ustainability progress to both nternal and external stakeholders

- Decarbonising our business portfolios, ensuring proactive risk management and adaptation strategies to enhance resilience to climate-related risks so that we are aligned with investor expectations, and to unlock financing for future initiatives
- Proactive collaborations with players across the value chain to showcase a stronger sector-wide commitment and unlock new funding sources
- 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
- Actively navigating the transition risks associated with talent retention and attraction and climate change action within the maritime and energy sectors
- Engaging in strategic partnerships, exemplified by our role as a 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.

#### **Resilience of AET Strategy**

AET's strategic direction is set by the Energy Transition Strategy, explained above. It covers the period 2023 to 2030 and is therefore linked to the short- and mediumterm time horizons we define in our climate scenarios. Beyond 2030, we have committed to achieving net-zero carbon emissions from our business and value chain by 2050. This is linked to the long-term time horizon in our climate scenarios. We have assessed the resilience of our Energy Transition Strategy and net-zero commitment against the low, medium and high climate scenarios outlined above.

#### Low-Carbon Emissions Scenario

Under this scenario we expect that over the short/ medium term that our investments in low-carbon fossil fuel shipping would put us in a very favourable position versus the industry globally as our vessels offer a lower cost of compliance with tighter regulations and meet evolving customer preferences. This would also unlock beneficial financing opportunities and position us positively with external stakeholders and staff. Given our focus on decarbonisation we would also incur additional technology-based costs, for example, in the deployment of carbon capture and storage to maintain our low-emissions trajectory. Over the long term, with peak oil expected before 2030 we would need to transform our fleet away from fossil fuel transport to New Energy value chains, as market, regulation and societal trends penalise fossil fuel transport, starting before 2030. We do not expect significant impacts from chronic or acute physical risks on our strategy, as both chronic and acute risks would be negligible over the short, medium and long terms.

#### Medium-Carbon Emissions Scenario

Under this scenario we expect that over the short/ medium term our investments in low-carbon fossil fuel shipping would put us in a favourable position versus the industry in most regions as our vessels offer a lower cost of compliance with regulations and meet evolving customer preferences, albeit for a subset of customers. Given financial institutions' commitments we should continue to unlock beneficial financing opportunities, and our low-carbon positioning would position us favourably with external stakeholders and **Our Business** 

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### Beyond 2030, we have committed to achieving net-zero carbon emissions from our business and value chain by 2050.

staff. Given our focus on decarbonisation, we would also incur additional technology-based costs, for example, the cost of carbon capture and storage to maintain our low-emissions trajectory. Over the long term, with peak oil expected after 2030 we would need to transform our fleet away from fossil fuel transport to New Energy Value chains, as market, regulatory and societal trends penalise fossil fuel transport, likely in the 2040s. We would expect some disruption to port infrastructure relating to chronic physical risks impacting supply and demand for fossil fuel routes but with adaption measures this is unlikely to impact our strategy or financial sustainability.

#### High-Carbon Emissions Scenario

Under this scenario we expect that over the short/ medium term our investments in low-carbon fossil fuel shipping would put us in a favourable position but only in some regions. We may be disadvantaged in some regions due to the additional costs of low-carbon technologies such as dual-fuel which would make us less competitive versus companies that took no action. However, over the long term with oil demand seeing low growth to 2050 our fossil fuel energy transport business would benefit directly. The success and sustainability of our planned investment in New Energy value chain businesses would depend on demand within the specific verticals and given a slow pace of change we would selectively invest to maintain financial sustainability. We would expect significant disruption to port infrastructure relating to chronic physical risks reshaping supply and demand for fossil fuel transport routes which would have an uncertain impact on demand for specific vessel types. Secondly, our vessel operations would be at risk from extreme weather events which would require investment in preventative measures.

#### **Risk Management**

AET's risk management processes are integral to the ongoing success of AET's business and our resilience against the impacts of climate change. The processes seamlessly incorporate 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 function.

We operate risk management processes across two primary dimensions within AET. Firstly, at an enterprise level we collect and manage the material inherent risks, including physical climate and transition risks to AET. In addition to enterprise risks likely to have a significant impact within the financial year we also specifically track emerging risks. These are risks where the impact or severity of the risk is unclear, but which have been identified as relevant to our business over the short and medium term. The second risk management dimension focusses on capital-intensive investments, where we, as a shipowner, make significant CAPEX investments over long payback periods. The associated risk assessment process for these investments is known as Project Risk Assessment (PRA).

To ensure effective risk management AET adopts a "three lines of defence" model against existing and emerging risks that impact AET's ability to generate value for its stakeholders. In this model, the first and second lines are responsible for executing and monitoring risk management activities and they refer to AET's Enterprise Risk Management function and ARSC respectively. The third line is the MISC Group internal audit function which operates independently to check the effectiveness of the risk management processes and reports directly to the ARSC.



#### AET RISK MANAGEMENT STRUCTURE

Our risk management processes are integral to the ongoing success of AET's business and our resilience against the impacts of climate change.

#### **Enterprise Risk Management (ERM)**

As part of our ERM Framework, the ERM function acts to collect, analyse and mitigate climate-related enterprise risks from our annual strategy setting process and from each function within AET on an ongoing basis. The External Environment Analysis is the primary input in the scoping and management of enterprise risks and opportunities to facilitate strategy and decision-making. Material risks and opportunities are then translated into AET's five-year rolling business plan. A risk or opportunity is deemed material if it has a high probability of occurrence and has a substantial financial impact on AET. AET functions such as HR, Finance, HSSE and associated risk owners are also required to perform an annual bottom-up 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.

AET follows the PETRONAS Resiliency Model. This model takes a comprehensive approach to the overall strategy towards risk management, including implementing best practices to create value within set boundaries, applying risk-based decision making and making risk everyone's responsibility.

### Project Risk Assessment (PRA)

A PRA is systematically conducted before the approval of any new capital-intensive project, such as the commissioning of a new vessel. This assessment identifies potential risks associated with the project, including climate-related risks, allowing the business to implement effective controls and mitigations. AET systematically prioritises these factors by evaluating the potential impact severity of risks and the scale of opportunities. These details are then included in Management and the Board's Final Investment Decision papers.

Given the multi-faceted nature of risk involved in global projects, in 2025 we chose to centralise this process under a new PRA Committee that includes ELT members as well as subject matter experts where required. The process is owned by the ERM function, with support from other divisions. Its role is to:

- 1. review, deliberate over and recommend mitigation actions necessary for the projects under assessment
- 2. deliberate over the risk rating for each Risk Category of the project
- 3. deliberate over the return thresholds based on the PRA

In addition, the ERM function manages the commercial assurance process for all PRA-related projects. This is an independent review of project assumptions to ensure accuracy and robustness and it forms part of our "three lines of defence" model.

During the PRA process for new assets, we assess carbon emissions and apply a shadow Internal Carbon Price (ICP) of US\$68/tonne  $CO_2e$  (2024 price) in a "sensitivity case" financial model that is in addition to our base-case financial model (without ICP). This allows us to factor climate change risks and opportunities into our financial planning and supports the achievement of our emission reduction targets.

With risks and opportunities identified, we then proceed to propose 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
- evaluation of the asset's total GHG emissions and its GHG emissions intensity, with respect to AET's climate commitments

#### **Metrics and Targets**

To assess the risk and opportunities of climate change we use a range of metrics with associated targets that are essential in steering us towards a sustainable and low-carbon future.

The following strategic and operational areas have metrics/targets associated with them:

- Energy Transition Strategy
- Decarbonisation
- Climate-related events in our Enterprise Risk Register
- Internal Carbon Price
- Revenue from low-carbon services
- Climate-related remuneration
- CAPEX and OPEX expenditure on low-carbon or energy reduction initiatives

#### **Delivery of Energy Transition Strategy**

Our Energy Transition Strategy is described in detail in the "Our Strategy" section of this report. It includes the following climate-related metrics and targets under its three pillars.

- 1. "Resilient Core" and 2. "New Energy"
  - a. Achieve a 50% increase in cashflow from operations (from 2022 baseline), with half coming from the New Energy pillar in wind, carbon and waste-to-value value chains
- 3. "Decarbonisation" (see Decarbonisation performance)
  - a. Achieve net-zero by 2050
  - Achieve 40% GHG emissions intensity reduction from our Shipping Operations<sup>(1)</sup> by 2030 from 2008 baseline
  - c. Aspire to a 40% GHG emissions reduction from our Shipping Operations<sup>(1)</sup> by 2030 from 2008 baseline

**AET Energy Transition Strategy Performance** 

#### **Decarbonisation Performance**

#### AET's 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. We report our GHG emissions as a sum of  $CO_2$ emissions and  $CO_2$  equivalent emissions from  $CH_4$  and N<sub>2</sub>O using a common unit of  $CO_2e$ .

- <u>Scope 1</u>: All direct GHG emissions occurring on assets where AET has financial control are included under AET's Scope 1 GHG emissions. We split this into "Shipping Operations" which counts the fuel used aboard our ships and "Non-shipping Operations" which is emissions from onshore fuel consumption such as machinery in our AET Offshore warehouse
- <u>Scope 2</u>: All indirect emissions from energy purchased for consumption on assets where AET has financial control and office energy consumption are accounted for under AET's Scope 2 GHG emissions
- <u>Scope 3</u>: AET reports on all relevant Scope 3 emissions categories. To determine relevance, we conduct a Scope 3 materiality exercise every two years where our business activities are reviewed against GHG Protocol's Scope 3 definitions. Our 2024 financial year reporting on Scope 3 is a change in approach from our reporting in 2023 where we reported "material" Scope 3 categories as defined by our parent MISC Group; these were Categories 3, 8 and 15. For FY2024 AET's relevant Scope 3 categories and our approach to estimation are indicated below. Note that we did not conduct an estimate on Scope 3 Categories 1, 4 and 5 in 2024.

Metric	Unit	2022	2023	2024
Total EBITDA <sup>(2)</sup>	US\$M	497	567	590
Total EBITDA growth versus 2022	%		14%	19%
New Energy EBITDA	US\$M		0	0
Percentage of AET EBITDA increase from New Energy	%		0%	0%

(1) Petroleum and Product only

<sup>(2)</sup> We report EBTIDA as a proxy for CFO to show the progress against the CFO targets of our Energy Transition Strategy

Metric	Description
Category 1 Purchased Good and Services <sup>(3)</sup>	Spend-based method when services we procure with the American Industry Classifica
Category 2 Capital Goods	Average-product method w Life Cycle Assessment (LCA) LCA for a Panamax Bulk Car
Category 3 Fuel- and Energy- Related Activities (Not Included in Scope 1 or 2)	Activity-based method whe vessels and offices and mult factors in CO <sub>2</sub> e as published Zero. For vessels that we ow approach to determine AET
Category 4 Upstream Transportation and Distribution <sup>(3)</sup>	Spend-based method where services we procure with the American Industry Classifica
Category 5 Waste Generated in Operations <sup>(3)</sup>	Average-data method wher emission factors as defined Zero and US Environmental
Category 6 Business Travel	Activity-based estimation is emissions factors. We currer travel only based on data fro
Category 7 Employee Commuting	Distance-based method usi the transportation modes (f travelled. These data are mult factors to estimate the CO <sub>2</sub> e and Net Zero and Ecoinvent based on the number of sur
Category 8 Upstream Leased Assets	Asset-specific method wher and multiply that by the res
Category 15 Investments	We follow the equity share a investments that relate to o

 $^{(3)}$  We did not calculate the emissions for this category in 2024

<sup>(4)</sup> Research Gate

re we multiply the amount we spend on goods and ne relevant emission factors as defined by the North ation System to get the emissions in  $CO_2e$ .

where we multiply newbuild gross tonnage with a a) emission factor determined based on a cradle-to-gate arrier<sup>(4)</sup>.

here we monitor the fuel and electricity usage in our altiply them by the respective Well-to-Tank emission and by the UK Department for Energy Security and Net wn through a joint venture, we follow the equity share T's share of  $CO_2e$  emissions.

ere we multiply the amount we spend on transportation he relevant emission factors as defined by the North cation System to get the emissions in  $CO_2e$ .

ere we multiply the amount of waste disposed with the d by the UK Department for Energy Security and Net al Protection Agency to get the emissions in  $CO_2e$ .

is based on distance travelled multiplied by relevant ently monitor the CO<sub>2</sub> emissions from business air from our travel agents.

sing an employee commuting survey to collect data on (for example, walking, bus travel or by car) and distance ultiplied by the respective transportation mode's emission e emissions using the UK Department for Energy Security int data. We estimate CO<sub>2</sub>e emissions for all employees urvey respondents extrapolated to all employees.

ere we monitor the fuel used on our in chartered vessels espective fuel emission factors as published by the IMO.

approach whereby we report the emissions from our percentage equity ownership in the investment.

#### **Carbon Intensity**

In addition to absolute GHG emissions, we also measure carbon intensity using the Annual Efficiency Ratio (AER) metric which is aligned to the IMO's mandatory scheme on operational CO<sub>2</sub> reduction known as Carbon Intensity Indicator (CII). AER measures a vessel's total CO<sub>2</sub> emissions per unit of transport work (gCO<sub>2</sub> /tonne-nm). Transport work is calculated by multiplying the vessel's deadweight tonnage 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). For that reason, in addition to AER, AET also tracks and reports its vessels' GHG performance in units of CO2e per tonne-nm which includes all relevant GHGs from its operations, that is, carbon dioxide, methane and nitrous oxide.

#### Decarbonisation Targets

Timeframe	Medium-Term Target	Medium-Term Aspiration	Long-Term Target		
Target	40% reduction in GHG emissions intensity (for Shipping Operations <sup>(1)</sup> ) by 2030	40% reduction in GHG emissions (for Shipping Operations) <sup>(1)</sup> by 2030	Net-zero GHG emissions by 2050		
Scope	<ul> <li>Shipping operations that fall w Boundary (Financial Control)</li> <li>Vessels not subjected to the re and 25 of MARPOL Annex VI ar</li> </ul>	vithin AET's GHG Organisational equirements of Regulations 21 re excluded	<ul> <li>AET's value chain:</li> <li>AET's own operations (Scopes 1 and 2)</li> <li>Relevant upstream and downstream operations (Scope 3)</li> </ul>		
Carbon Offsets for Residual Emissions	No	No	Yes		
Target Type	Intensity reduction	Absolute	reduction		
Metric	AERCO2e (gCO2e/tonne- nm)	CO <sub>2</sub> e (gCO <sub>2</sub> e)			
Base Year	2008				
GHG Included	All material GHGs: CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O				

Note: We include an aspiration goal of 40% reduction in GHG emissions. This stretch goal complements our commitment of a 40% intensity reduction.

### **Decarbonisation Performance**

	Unit	2022	2023	2024	
Carbon Intensity (Annual Eff	iciency Ratio (AER))	– Petroleum	n and Produ	ct	
AER	gCO <sub>2</sub> /tonne-nm	3.74*	3.51*	3.24	
AERCO <sub>2</sub> e	gCO <sub>2</sub> e/tonne-nm	3.81*	3.59*	3.33	
Operational Data					
Distance Travelled	nm	2,549,962*	2,518,777*	2,622,209	_
Transport Work	million tonne-nm	419,525*	456,413*	511,950	_
GHG Emissions					
Total <sup>(2)</sup>	tonnes CO2e	2,062,845*	2,077,302*	2,251,701	
					_
Scope 1 Emissions					
Shipping Operations – Petroleum	tonnes CO <sub>2</sub> e	1,555,180*	1,616,373*	1,704,105	
Shipping Operations – Product	tonnes CO <sub>2</sub> e	42,704*	21,848*	94	-
Shipping Operations – Workboat	tonnes CO <sub>2</sub> e	4,655	5,125	6,034	
Non-Shipping Operations	tonnes CO <sub>2</sub> e	78	78	51	
Total (SASB Metric)	tonnes CO2e	1,602,617*	1,643,423*	1,710,285	
Scope 2 Emissions					
Shipping Operations – Workboat	tonnes CO <sub>2</sub> e	_	_	25	
Non-Shipping Operations	tonnes CO <sub>2</sub> e	638	609*	610	
Total	tonnes CO2e	638	609*	635	
Scope 3 Emissions					
Category 2 –	tonnes COre	_	_	121697	
Capital Goods				121,007	-
Category 3 – Fuel- and Energy-Related Activities	tonnes CO <sub>2</sub> e	384,824	392,832	412,369	
Category 6 –				<b>.</b>	-
Business Travel	tonnes CO <sub>2</sub> e	_	_	1,652	_
Category 7 –	tonnes CO <sub>2</sub> e	_	_	302	
Employee Commuting					-
Category 8 –	tonnes CO <sub>2</sub> e	74,766	40,438	2,398	
Category 15 -					-
Investments	tonnes CO <sub>2</sub> e	0	0	0	
Total	tonnes CO <sub>2</sub> e	459,590	433,270	538,418	•
Biogenic Emissions					
	tonnes CO₂e	_	_	2,362	1
	<u> </u>			,	-

Carbon Intensity (Annual Eff	iciency Ratio (AER))	– Petroleum	and Produ	ct
AER	gCO <sub>2</sub> /tonne-nm	3.74*	3.51*	3.24
AERCO <sub>2</sub> e	gCO₂e/tonne-nm	3.81*	3.59*	3.33
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Scope 2 Emissions				
Shipping Operations – Workboat	tonnes CO <sub>2</sub> e	_	-	25
Non-Shipping Operations	tonnes CO <sub>2</sub> e	638	609*	610
Total	tonnes CO <sub>2</sub> e	638	609*	635
Scope 3 Emissions				
Category 2 –	tonnes CO₂e	_	_	121.697
Capital Goods				
Category 3 –	tonnes CO <sub>2</sub> e	384,824	392,832	412,369
Category 6 -				
Business Travel	tonnes CO <sub>2</sub> e	-	-	1,652
Category 7 –	toppos CO o			700
Employee Commuting	lonnes CO2e	_	_	302
Category 8 –	tonnes CO₂e	74,766	40,438	2.398
Upstream Leased Assets	- <u>-</u> <u>-</u> <u>-</u>		.,	_,
Category 15 – Investments	tonnes CO <sub>2</sub> e	0	0	0
Total	tonnes CO-e	459 590	433.270	538418
		-55,550	733,270	550,+10
Biogenic Emissions				
	tannas CO -			2762
	tonnes CO <sub>2</sub> e			2,362

Carbon Intensity (Annual Eff	iciency Ratio (AER))	– Petroleum	and Produ	ct
AER	gCO <sub>2</sub> /tonne-nm	3.74*	3.51*	3.24
AERCO <sub>2</sub> e	gCO₂e/tonne-nm	3.81*	3.59*	3.33
Operational Data				
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Scope 1 Emissions				
Shipping Operations – Petroleum	tonnes CO₂e	1,555,180*	1,616,373*	1,704,105
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Non-Shipping Operations	tonnes CO₂e	78	78	51
Total (SASB Metric)	tonnes CO₂e	1,602,617*	1,643,423*	1,710,285
Scope 2 Emissions				
Shipping Operations – Workboat	tonnes CO <sub>2</sub> e	_	-	25
Non-Shipping Operations	tonnes CO <sub>2</sub> e	638	609*	610
Total	tonnes CO <sub>2</sub> e	638	609*	635
Scope 3 Emissions				
Category 2 –	tonnes CO₂e	_	_	121.697
Capital Goods				
Category 3 –	tonnes CO <sub>2</sub> e	384,824	392,832	412,369
Category 6 -				
Business Travel	tonnes CO <sub>2</sub> e	-	-	1,652
Category 7 –	toppos CO o			700
Employee Commuting	lonnes CO2e	_	_	302
Category 8 –	tonnes CO₂e	74.766	40,438	2.398
Upstream Leased Assets	- <u>-</u> <u>-</u> <u>-</u>		.,	_,
Category 15 – Investments	tonnes CO <sub>2</sub> e	0	0	0
Total	tonnes CO-e	459 590	433.270	538418
		-55,550	733,270	550,+10
Biogenic Emissions				
	tannas CO -			2762
	tonnes CO <sub>2</sub> e			2,362

Carbon Intensity (Annual Eff	iciency Ratio (AER)	– Petroleum	and Produ	ct
AER	gCO <sub>2</sub> /tonne-nm	3.74*	3.51*	3.24
AERCO <sub>2</sub> e	gCO <sub>2</sub> e/tonne-nm	3.81*	3.59*	3.33
Operational Data				
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Total (SASB Metric)	tonnes CO <sub>2</sub> e	1,602,617*	1,643,423*	1,710,285
Scope 2 Emissions				
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Scope 3 Emissions				
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Capital Goods				121,007
Category 3 – Eucl. and Energy Delated Activities	tonnes CO <sub>2</sub> e	384,824	392,832	412,369
Business Travel	tonnes CO <sub>2</sub> e	-	_	1,652
Category 7 –	toppes CO o			200
Employee Commuting		_	_	502
Category 8 –	tonnes CO <sub>2</sub> e	74,766	40,438	2,398
Calegory IS – Investments	tonnes CO <sub>2</sub> e	0	0	0
Total	tonnes CO₂e	459,590	433,270	538,418
	۷.			,
Biogenic Emissions				
	tonnes CO <sub>s</sub> e	_	_	2.362
				2,002

Carbon Intensity (Annual Eff	iciency Ratio (AER))	- Petroleum	n and Produ	ct
AER	gCO₂/tonne-nm	3.74*	3.51*	3.24
AERCO <sub>2</sub> e	gCO₂e/tonne-nm	3.81*	3.59*	3.33
Operational Data				
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Total	tonnes CO <sub>2</sub> e	638	609*	635
Scope 3 Emissions				
Category 2 –	tonnes CO₂e	_	_	121.697
Capital Goods				,,
Category 3 – Eucla and Energy-Delated Activities	tonnes CO <sub>2</sub> e	384,824	392,832	412,369
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Category 7 –	toppos CO o			202
Employee Commuting	connes CO <sub>2</sub> e			302
Category 8 –	tonnes CO₂e	74,766	40,438	2,398
Upstream Leased Assets	۷			•
Category 15 – Investments	tonnes CO <sub>2</sub> e	0	0	0
Total	tonnes CO <sub>2</sub> e	459 590	433 270	538418
		100,000	100,270	550,710
Biogenic Emissions				
	tannes CO a			2702
	tonnes CO <sub>2</sub> e			2,362

<sup>(2)</sup> Includes emissions from Scopes 1, 2, 3 and biogenic

\* Restated the numbers post third-party GHG verification and updates in performance data as part of our ongoing improvement in environmental data inventory and reporting.

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Introduction

**Our Business** 

Our Strategy

Our Leadership

Our Financial Performance

Sustainability

### Throughout 2024, we demonstrated our commitment to integrating the risks and opportunities of climate change into AET's governance, business strategy, risk management, operations and reporting. This ensures we are set up for success, regardless of future climate scenarios.

#### Climate-Related Events in Our Enterprise Risk Register

As detailed above in "Risk Management", we track climate-related risks for the financial year and emerging risks over the medium term in our enterprise risk register.

#### Climate-related transition risks and associated Key Risk Indicators (KRI)

- 1. Energy Transition risk
  - KRI: Cashflow from Operation (CFO) (US\$M) from Profitable New Energy businesses
- 2. Decarbonisation risk inability to meet AET's GHG emissions targets
  - KRI: Shipping Operations Annual Efficiency Ratio (gCO<sub>2</sub>e/tonne-nm)
  - KRI: FuelEU Maritime compliance linked to GHG reduction % relative to 2020 (gCO<sub>2</sub>e/MJ)

#### Emerging risks and KRIs

- Unavailability or delayed development of critical technologies
  - KRI: Availability/Delivery of zero-/lowcarbon engines
- 2. Unavailability of green fuels
  - KRI: Pace of bunker infrastructure developments
  - KRI: Price and adoption rate of green fuels

We do not publicise targets for our KRIs.

#### **Internal Carbon Price**

In 2024, AET established an ICP to anticipate and manage risks and opportunities related to future regulatory and customer developments related to carbon emissions. It is used as a shadow price in evaluating investment decisions, as detailed in the PRA process outlined in this chapter. The ICP level is developed based on mandatory carbon pricing indicators such as the European Union Emissions Trading System (EU ETS) prices and guidance from international organisations such as the World Bank on future carbon pricing necessary to achieve emissions reductions pathways. The ICP level was set at US\$50/tonne of CO<sub>2</sub>e in 2023 and revised to US\$68/tonne of CO<sub>2</sub>e in 2024.

#### **Climate-Related Remuneration**

In 2022 AET introduced climate-related strategic initiatives and annual GHG emissions intensity targets as key performance indicators to AET's Balanced Scorecard (BSC), which also includes financial performance, strategic initiatives, operations, HSSE, and people development areas. The annual variable bonuses of AET President and Supporting Information

CEO and the ELT is determined by AET's performance against the BSC. The sustainability-related performance of senior management is assessed through the BSC as part of the Board's performance appraisal. In 2024, the management of climate-related risks and opportunities accounted for 14% of the BSC. AET President and CEO and the ELT also have a long-term incentive plan, 20% of which is directly linked to AET's sustainability targets.

#### **Revenue From Low-Carbon Services**

Our current business is in conventional energy transportation. One of the aspirations of the Energy Transition Strategy is to double CFO by 2030 with half of the increase coming from New Energy businesses in offshore wind, carbon, waste-to-value and future fuels value chains. In the interim, as we and the global economy transition to a lower carbon state, we recognise the importance of providing low-carbon solutions for conventional energy transport. To track this change, we record the revenue associated with our LNG dual-fuel vessels. These vessels, when running on LNG, emit up to 25% less GHG emissions than conventionally fuelled vessels. See our "Fleet List" chapter for vessel details. In 2024 this figure was US\$137 million. We do not have an associated target for this metric.

#### **Environmental Expenditure**

As part of our plans to achieve our medium- and long-term targets for net-zero emissions we make specific environmental CAPEX and OPEX investments which we track. In 2024, AET deployed OPEX of US\$21 million on projects to improve environmental performance. These included spendings on biofuels, pollution compliance surveys, ISO compliance, Health, Safety and Environment (HSE) audits and environmental monitoring. In addition, we spent a total of US\$1 million on CAPEX that includes the cost for hull coating, ultra-low friction paint and hull cleaning systems to improve energy efficiency. For full details see the "Towards Decarbonisation" chapter in this report. We do not have an associated target for these metrics.

#### **Moving Forward**

Throughout 2024, we demonstrated our commitment to integrating the risks and opportunities of climate change into AET's governance, business strategy, risk management, operations and reporting. This effort ensures we are set up for success regardless of future climate scenarios.

Through this climate disclosure we aim to enhance stakeholder understanding of climate-related impacts on our organisation as well as our impact on the climate. We also seek to foster resilience and contribute to the broader global effort towards realising a sustainable and low-carbon future.

# Stakeholder Engagement

#### **Our Approach**

Customers

**Business** 

Partners &

Suppliers

At AET, we view our customers and other stakeholders as essential partners and key drivers for the continued success of our business. By engaging with a diverse array of stakeholders from across the industry and our value chain, we enrich the organisation by leveraging their knowledge, expertise, technologies and resources. This empowers us to address complex challenges and effectively determine the best way to create value in ways that align with our business objectives and sustainability agenda.

We identify our key stakeholders based on their level of involvement with AET and ability to potentially impact AET's operations and activities. In all our engagements with our stakeholders, we are steered by a stakeholder-inclusive strategy and our Principles of Stakeholder Engagement.



#### OUR STAKEHOLDER GROUPS AND ENGAGEMENT CHANNELS



Our customers expect us to meet our service delivery commitments while developing solutions that support positive sustainability outcomes.

#### Expectations

Our partners and suppliers expect us to meet their requirements for an effective working relationship while supporting positive sustainability outcomes.

## Engagement ChannelsPeriodic customer surveys

- Regular informal dialogue
- Regular reporting and engagement
- Customer-focused events
- Customer visits
- Industry panels/events
- AET Annual Review

#### **Engagement Channels**

- Partner and supplier events
- Regular informal dialogue
- AET Annual Review
- Industry conferences and events



Employees

Financial

Services

Providers

Regulatory

Authorities

Shareholder

Trade

Associations

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#### Expectations

Local communities where we operate and the global seafaring community expect us to protect the environment and contribute to positive societal outcomes.

#### Expectations

Our employees expect us to prothem with a safe, rewarding and fulfilling place to work that is free of discrimination.

#### Expectations

Our financial services providers expect us to meet our obligation and provide them with accurate timely reporting on our financia operating performance.

#### **Expectations**

Regulators expect us to meet th requirements and clearly comm our performance in areas that an relevant to them. Also, they expect to contribute to tackling emergin risks and opportunities that are the industry within their jurisdic

#### Expectations

Our shareholder, MISC Berhad, expects us to progress according our stated business and sustain strategies in alignment with the and that we provide timely and transparent reporting on our pro-

#### Expectations

Trade associations rely on our support to jointly move the industry forward by contributing our expertise and experience to common opportunities and challenges. Supporting Information

ovide d	<ul> <li>Engagement Channels</li> <li>Performance reviews</li> <li>Employee engagement survey (POCS)</li> <li>Regular informal dialogue</li> <li>Townhall meetings</li> <li>Ship visits and office walkabouts</li> <li>Communities of Interest</li> <li>Social events</li> <li>AET Annual Review</li> </ul>
ns e and il and	<ul><li>Engagement Channels</li><li>Regular engagement and reporting</li><li>AET Annual Review</li></ul>
neir nunicate re ect us ing facing ction.	<ul> <li>Engagement Channels</li> <li>Regular dialogue</li> <li>Regulator-led industry groups</li> <li>Formal regulatory reporting</li> <li>AET Annual Review</li> </ul>
g to ability eirs ogress.	<ul> <li>Engagement Channels</li> <li>Regular reporting and engagement</li> <li>AET Annual Review</li> <li>MISC-led events</li> </ul>
upport ward nd	<ul> <li>Engagement Channels</li> <li>Participation in technical committees and events</li> <li>AET Annual Review</li> </ul>

Engagement ChannelsAET community events

• AET Annual Review

Community Investment programmes

(e.g., scholarships, internships)

#### Customers

Our customers expect us to deliver first-rate customer service and to innovate to find solutions that support their journey towards a more sustainable future. To meet these expectations, it is vital to gather feedback on the quality of service we provide and to identify areas for improvement. We engage with customers in several ways: through regular communication at the operational level, specific customer-focused events, periodic customer surveys, the AET Annual Review and our participation on industry groups and regulatory panels.

We celebrated AET's 30<sup>th</sup> anniversary in 2024 by hosting stakeholder receptions in Singapore and Houston, Texas. Both events were attended by AET, MISC's Chairman and the Board of Directors, as well as valued stakeholders from across the globe, including our customers. The two events not only celebrated our milestone, but also served as a platform for us to strengthen our relationship with our customers and for them to provide valuable feedback that will help us support them better.

We regularly attend industry conferences and events, trade association panels and events where we engage with customers, among other stakeholders (see "Business Partners and Suppliers" and "Trade Associations" in this chapter). In doing so, we reaffirm our commitment to listening closely to their needs, thereby fostering stronger partnerships and continuous improvement in the services we provide.

#### **Business Partners and Suppliers**

We engage with our business partners and suppliers regularly to share best practices and learnings to drive operational efficiency and sustainability outcomes. This takes the form of regular informal dialogue, events and the AET Annual Review.

One prime example of best practice sharing in 2024 was the MISC Health, Safety, Security and Environment (HSSE) Partner Summit, where we brought together partners and suppliers from across the value chain for a one-day in-person event. At the time serving as AET President and CEO, Zahid Osman moderated a panel session titled "Influencing HSSE Culture and Behaviour towards a Generative Approach", which featured panellists from Chevron, Dyna-Mac, and the Marine Department Malaysia. The panel emphasised the role of leadership in modelling Generative HSSE behaviour to embed a strong safety culture across their organisations. The panel discussion also highlighted the need for leadership engagement to ensure psychological safety, to maintain open and effective communication, and to prioritise learning from incidents over penalising mistakes.

At the Argus Sustainable Marine Fuels Conference 2024 held in Houston in September, Harold Boyer, our Head of Commercial for Mid-Sized Tankers, was among the invited panellists. He spoke on the ongoing transition toward sustainable marine fuels and reaffirmed AET's



AET's Clobal Director of Business Development and Technology, Robert Sullivan speaking in a panel discussion at the S&P Global Asia Gas Markets Conference in Singapore

commitment to drive positive change in the shipping industry. The event brought together industry leaders to discuss pivotal topics including net-zero goals, infrastructure advancements, and renewable energy solutions. It featured insights from the Maritime and Port Authority of Singapore and other industry leaders covering topics on infrastructure, renewable energy, financing and supply solutions.

In the same month, our Director of HSSE and Decarbonisation, Pallava Shukla, also took to the stage as a panellist at the Shipping and Bunker Conference at the Asia Pacific Petroleum Conference (APPEC) Singapore 2024. He shared AET's outlook on the tanker market, including the headway we are making with our Energy Transition Strategy.

In October 2024, our Global Director of Business Development and Technology, Robert Sullivan, participated in a panel discussion on LNG and the future of maritime transportation at the S&P Global Asia Gas Markets Conference held in Singapore. He emphasised that both LNG and ammonia have important roles in advancing the energy transition in the maritime industry and that collaboration across the value chain is key to this journey.

In February 2025 at the 8<sup>th</sup> Mare Forum Singapore, AET's Global Director of Strategy and Sustainability and Enterprise Risk Management, Smriti Sharma, joined industry leaders to speak about the maritime energy transition. She discussed the outlook for alternative fuels, the realities of new technology adoption and female participation in seafarer careers.

We were one of the sponsors of Singapore Maritime Week 2024, a highly anticipated maritime event that drew global maritime leaders and industry enthusiasts from around the world to discuss key issues, latest trends and opportunities facing the industry. Zahid Osman, who was then serving as President and CEO of AET, and our leadership team attended the opening day and had the opportunity to meet and engage in meaningful conversations with maritime industry peers.

We will continue to share our expertise and experience as we work with our industry partners to realise a sustainable future in shipping.

#### Communities

The communities that we interact with expect us to uphold the law and support their development. We do

this, for example, through community outreach efforts and by limiting any potential negative impacts of our operations. It is important to ensure that we are meeting these expectations through regular engagement.

We focus on two community groups in our stakeholder engagement process. Firstly, the local communities in which we operate, and secondly, the global seafarer community which we are a part of. We engage with these communities through local events and AET's Community Investment programmes. For details see the "Community Investment" chapter.

### Employees

Employee feedback enriches our understanding of the issues important to our people, fosters meaningful connections and helps us work together as one team. We engage employees through several channels including: our performance management process, informally via one-on-one conversations, the PETRONAS Organisational Culture Survey (POCS), townhalls, Community of Interest groups, ship visits and office walkabouts by management and social events such as Family Day.

In 2024, we also ran an employee-led innovation programme, AETInnovates, which crowdsourced ideas to improve a range of outcomes across the organisation including talent development, collaboration, business process, and safety. Eight teams were formed and winning ideas are currently being implemented. This underlines our bottom-up approach to employee engagement on a range of business critical issues.

Our Executive Leadership Team (ELT) firmly believes that employee feedback brings tremendous value to the organisation. To build a strong relationship with employees and foster a sense of community, in 2024 the ELT held a series of in-person focus and engagement sessions across all our offices. AET also hosted two global townhalls to communicate key business updates to all staff and provide employees an opportunity to address any questions or concerns they may have.

The annual POCS survey provides a barometer of overall employee engagement as well as detail on how employees feel about specific topics such as culture. The results are used to identify strengths and areas for improvement in our employee value proposition. See the "Talent Excellence" chapter for details. AET also introduced a global Diversity, Inclusion and Belonging (DIB) Community of Interest (COI) in 2023. The aim of this group is to drive inclusion and belonging across the organisation. For details see the "Talent Excellence" chapter.

#### **Financial Services Providers**

AET utilises a range of financial services, including sustainability-linked financing. As a result, we have regular engagement with our financial services providers to ensure that they are up to date with our relevant sustainability and financial performance indicators. See the "Financial Performance" chapter for more details.

#### **Regulatory Authorities**

We recognise our role in supporting and learning from regulatory authorities to develop standards, frameworks and guidelines for future fuels, future-fuel vessels, maritime security and health and safety, among other topics. To fulfil this role, we engage with regulatory authorities through regular dialogue, public events (see "Business Partners and Suppliers" in this chapter) and regulator-led industry groups.

For example, in July 2024, we participated in the 12th Regional Maritime Security (MARSEC) Practitioner Programme, which brought together participants from countries around the world to exchange professional knowledge and perspectives on maritime security issues. Participants included professionals from navies, coast guards, maritime agencies, and the shipping industry. One of the key topics discussed was the maritime security challenges in the Red Sea and Gulf of Guinea, which have evolved from relatively straightforward piracy issues into more complex threats including blue crimes, terrorism, acts of war and gray zone conflicts.

In September 2024, AET met with the United States Coast Guard Houston-Galveston Sector to discuss the future of the shipping industry. The meeting reaffirmed a shared commitment to sustainability, with both parties exploring potential collaboration in the areas of safety, innovation and training.

In Singapore, we have been working closely with the Maritime and Port Authority of Singapore's (MPA) Maritime Energy Training Facility (METF) since October 2024 to develop specialised training courses revolving around future fuels and technologies for maritime professionals. AET is one of 29 partners collaborating with the MPA to validate and shape METF's training curriculum and delivery of courses on future fuels and technologies. The partnership underscores our commitment to supporting the industry's shift to cleaner, low- or near-zero emissions fuels and to accelerate the industry's decarbonisation.

#### Shareholder

At AET we work continually with and provide regular reporting to our shareholder MISC Berhad to ensure strategic, financial and operational alignment. We also regularly participate in MISC-hosted events on key topics to demonstrate our alignment with MISC to external stakeholders. See "Business Partners and Suppliers" in this chapter for details of our participation in the 2024 MISC HSSE Summit.

#### Trade Associations

Having representation in the right forums is important for effective communication with stakeholders on issues that matter to AET, including decarbonisation, health and safety and security. Our membership in key trade associations allows us to participate in technical committees and events to effectively foster relationships, address concerns, gather feedback and voice our stance on industry issues.

	Trade	Associations	We	Sup	port
--	-------	--------------	----	-----	------

Organisation	Organisation's mission and purpose	Our Contribution
The International Association of Independent Tanker Owners (INTERTANKO)	INTERTANKO promotes the interests of independent tanker owners in international forums and organisations.	AET is a member of the Insurance and Legal Committee and, as part of the MISC Group, a member of the Executiv Committee, Council, Vetting Committee, and the Human Element in Shipping Committee (HEiSC). In HEiSC, we advocate for best practices in the safe operation of tankers and for strict compliance with operational and environmental regulations and practices. We play an active role in INTERTANKO by collaborating with peers, constructively listening to feedback from industry partners, and helping to resolve members' concerns.

Organisation	Organisation's mission and purpose	Ou
Chamber of Shipping of America (CSA)	The chamber represents companies based in the United States that own, operate or charter oceangoing ships engaged in both domestic and international trades and companies that have a commercial interest in the operation of such ships. It envisions an integrated maritime sector with coordination and cooperation between regulators and industry.	Wi crit Wa US Gu of i infe As wie Jor Acl
Singapore Shipping Association (SSA)	This national trade association promotes the interests of its members and enhances the competitiveness of Singapore as an international maritime centre.	As rep ind We ses and and and and and and and af
Industry Taskforce on Offshore Lightering (ITOL)	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) to promote safe, and secure ship-to-ship transfer operations in the Gulf of Mexico.	As and We Oil and cor For ins pre tra

#### Other key associations and bodies we are Involved in:

- Getting to Zero Coalition (via MISC)
- Global Maritime Forum (via MISC)
- Houston International Seafarers Center
- ITOPF
- Lone Star Harbor Safety Committee
- Marine Preservation Association
- National Navigation Safety Advisory Committee
- North American Marine Environment Protection Association
- Offshore Marine Service Association

# Our Business

Supporting Information

#### Contribution

th its presence on the Board, AET has access to tical information and centres of influence such as ashington DC regulators, policymakers, legislators, Customs and Border Protection and the US Coast ard. This allows AET to interact with senior members its customer base who are members of CSA, make ormed decisions and capitalise on opportunities.

a member we participate in the annual industryde CSA Awards Programme which includes the nes F. Devlin Safety Award and the Environmental hievement Award.

a member of SSA, AET is part of a collective voice presenting the interests of the Singapore shipping lustry at local, regional and international levels. e participate in forums and feedback and dialogue ssions that engage with key regulatory agencies d international maritime organisations, promote key tiatives of interest to the Singapore shipping industry d have an impact on the development of regulatory d operational issues.

T also supported SSA as one of the bronze sponsors SSA's 39<sup>th</sup> Anniversary Gala Dinner.

a co-chair of ITOL, we provide inputs on policies d procedures relating to ship-to-ship operations. e also work closely with the US Coast Guard, the Companies International Marine Forum (OCIMF) d others to promote industry self-regulation and ntinuous improvement.

example, in 2024, we hosted more than 90 marine urance professionals, in person and online, for a esentation on ship-to-ship (STS) operations and basket nsfers. Our Head of Lightering, David Boudreaux, led the session in his role as Co-Chair of ITOL.

- San Jacinto College Maritime Advisory Committee
- Singapore Business Federation
- Singapore National Employers Federation
- Society of Maritime Arbitrators, Inc.
- South Texas Waterways Advisory Committee
- Southeast Texas Waterway Advisory Council
- Texas A&M University Marine Engineering Technical Industry Advisory Board
- West Gulf Maritime Association
- Women's International Shipping & Trading Association



# Supporting Information

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Sustainability at AET

### Our Sustainability Reporting Boundaries

The information presented in this report covers all AET's business activities and operations, including material business activities of our joint ventures and associates, for the period of 1 January 2024 until 31 December 2024, 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)

This chapter contains data for the environment, social, governance and financial indicators that are being monitored while the Sustainability Reporting Standards and Disclosures chapter contains disclosures aligned with the GRI and SASB standards.

We engaged with a third party to conduct limited assurance according to International Standard on Assurance Engagements (ISAE) 3000 for the following performance indicators: Scope 1 Greenhouse Gas (GHG) emissions and the biogenic emissions not included in Scope 1 and reported separately; Scope 2 GHG emissions; Lost Time Incident Frequency (LTIF); and Total Recordable Case Frequency (TRCF).

You can refer to the independent assurance statement on pages 143-144.

### Environment

	Unit	2022	2023	2024
Air Emissions				
NO <sub>x</sub> (SASB Metric)	tonnes	29,475*	28,431*	28,054
SO <sub>x</sub> (SASB Metric)	tonnes	6,173*	4,162*	4,813
PM <sub>10</sub> <sup>(1)</sup> (SASB Metric)	tonnes	0.02	0.02	0.01

zone Depleting Substances Consumption				
Shipping Operations	tonnes	0.02	0	0

verage Energy Efficiency Design Index (EEDI) For New Vessels (SASB Metric)				
Conventional DPST	gCO <sub>2</sub> /tonne-nm	2.738	-	-
NG Dual-Fuel VLCC	gCO <sub>2</sub> /tonne-nm	1.960	1.665	1.696

Energy Consumption				
Heavy Fuel Oil (SASB Metric)	tonnes	64,769	72,728*	73,463
ow Sulphur Heavy Fuel Oil	tonnes	288,970*	302,795*	291,710
Jltra-Low Sulphur Heavy Fuel Oil	tonnes	752	4	2,287
Marine Gas Oil	tonnes	64	0	0
ow Sulphur Marine Gas Oil	tonnes	1,786*	3,883*	6,670
Jltra-Low Sulphur Marine Gas Oil	tonnes	132,003*	115,809*	110,766
iquified Natural Gas	tonnes	10,455	14,070*	40,964
Biodiesel <sup>(2)</sup>	tonnes	_	5,329	12,905
Propane	tonnes	_	_	100
Diesel	Litre	22,716	22,716	14,458
Petrol	Litre	6,816	6,816	5,160
Electricity	kWh	994,525	986,707*	1,062,613
Total Energy Consumption (SASB Metric)	GJ	20,472,523*	21,085,275*	21,870,966
Energy Intensity Ratio				
Shipping Operations (Petroleum and Product)	GJ per million	49*	46*	43

Shipping Operations (Petroleum and Product)

transport work

```
<sup>(1)</sup> For non-shipping operations only
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<sup>(2)</sup> From non-food biomass

\* Restated the numbers post third-party GHG verification and updates in performance data as part of our ongoing improvement in environmental data inventory and reporting

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	Unit	2022	2023	2024
Waste				
Non-Shipping Operations				
Non-Hazardous Waste Generated				
Recycled/Reused/Recovered	tonnes	8	22	26
Final Disposal	tonnes	63	36	56
Total	tonnes	71	58	82
Hazardous Waste Generated				
Recycled/Reused/Recovered	tonnes	73	39	2
Final Disposal <sup>(1)</sup>	tonnes	0	0	0
Total	tonnes	73	39	2
Shipping Operations				
Vessel Discharge				
Oil Sludge	m <sup>3</sup>	5,651	5,798	6,016
Operational Effluent Discharge <sup>(2)</sup>	m <sup>3</sup>	14,518	13,907	15,324
Operational Effluent Discharge per Vessel per Month <sup>(2)</sup>	m <sup>3</sup>	21.86	21.04	22.80
Vessel Garbage				
Disposed to Reception Facility	m <sup>3</sup>	2,431	2,542	2,619
Discharged to Sea – Category B	m <sup>3</sup>	282	281	284
Incinerated Onboard	m <sup>3</sup>	397	423	455
Total	m <sup>3</sup>	3,110	3,246	3,358

#### Water

The second secon				
Freshwater Withdrawal				
From Surface Water	m³	8,797	11,116	8,994
From Third-Party Water	m <sup>3</sup>	0	0	0
Total	m³	8,797	11,116	8,994
Water Consumption from Vessels' Fre	shwater Generator			
	m <sup>3</sup>	151,114	148,737	149,364
Fleet Implementing Ballast Water				
Exchange (SASB Metric)	%	5%	0%	0%
Treatment (SASB Metric)	%	95%	100%	100%

Spills				
Spills (SASB Metric)	Number	1	1	2
Aggregate Volume of Spills Released to the Environment (SASB Metric)	m³	0.015	0.015	0.0005

Environmental-Related Non-Complian	ce			
Number of Fines/Penalties	Number	0	0	1
Amount of Fines/Penalties	USD	_	-	500
Environmental Liability Accrued at Year End	USD	_	_	0

ISO 14001 Environmental Management	Systems			
Shipping Operations (Petroleum and Product) Certified to ISO 14001	%	_	-	100%
Return on Environmental Investments				
Capital Investments				
	USD Million	-	6.4	1.1
Operating Expenses				
Transitional Fuel – Biodiesel	USD Million	-	1.1	14.9
Others	USD Million	_	4.6	6.3
Total	USD Million	-	5.7	21.2
Avoided Costs				
	USD Million	-	0	0
Operating Expenses Transitional Fuel – Biodiesel Others Total Avoided Costs	USD Million USD Million USD Million USD Million USD Million		6.4 1.1 4.6 5.7 0	

Avoided CO <sub>2</sub> Emissions				
Use of LNG and Biodiesel	tonnes	-	27,557(3)	42,394

#### Revenue from LNG Dual-Fuel Vessels

USD Million

### **Reporting Assumptions**

Metrics	Assumptions
AER	Measures a vessel's $CO_2$ emission by multiplying the vessel's deady
AERCO <sub>2</sub> e	Measures a vessel's total emission dioxide equivalent per transport the vessel's deadweight with the
Average EEDI for New Vessels	Total EEDI for new vessels divide
Fines/Penalties	A sum of money required to be p offence such as non-compliance
Freshwater Withdrawal	Actual volume of freshwater drav
Hazardous Waste	Sum of all hazardous waste types through reuse, recovery and recy are sent to 3R facilities and exclu- landfill or incineration sites.
Non-Hazardous Waste	Sum of all non-hazardous waste
Operational Effluent Discharge	Bilge water discharged to sea and
Spills	Unplanned or uncontrolled relea or secondary containment, into t
Vessel Garbage	Sum of all garbage categories in as recorded in the vessel's garba

(1) Sent for incineration/landfill

<sup>(2)</sup> Comprises bilge water only

<sup>(3)</sup> Restated to include avoided emissions from LNG

n	150	143	137

ns per transport work (gCO<sub>2</sub>/tonne-nm). Transport work is calculated weight with the distance travelled.

ons of CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O using a common unit termed as carbon t work (gCO<sub>2</sub>e/tonne-nm). Transport work is calculated by multiplying e distance travelled.

ed by total number of new vessels.

paid to the regulatory agency/local authority as a penalty for an e with rules and regulations.

wn into AET facilities from municipal supply, as recorded in water bills.

es generated from AET's shore operations. Hazardous wastes managed ycle (3R) is the sum of all hazardous waste types generated which udes the quantity of hazardous wastes sent to final disposal sites i.e.

e types generated from AET's shore operations.

nd at shore reception facility, as recorded in the vessel's oil record book.

ases of liquid or solid associated with current operations from primary the environment. (i.e., soil and surface water).

n m<sup>3</sup> disposed to reception facilities, discharged to sea and incinerated, age record book.

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### Social – Health and Safety

	Unit	2022	2023	2024
Working Hours				
Employees	Hours	-	-	12,173,026
Contractors	Hours	-	-	98,520
Total	Hours	11,926,265	11,992,502	12,271,546

Fatalities				
Employees	Number	0	1	0
Contractors	Number	0	0	0
Total	Number	0	1	0

Lost Time Injury (LTI)				
Employees	Number	1	2	1
Contractors	Number	1	0	0
Total	Number	2	2	1

Lost Time Injury Frequency (LTIF) (SASB	Metric			
Employees	Per 1 million man-hours	0.09	0.17	0.08
Contractors	Per 1 million man-hours	6.10	0.00	0.00
Total	Per 1 million man-hours	0.17	0.17	0.08

Total Recordable Case (TRC)				
Employees	Number	2	3	1
Contractors	Number	1	0	0
Total	Number	3	3	1

### Total Recordable Case Frequency (TRCF)

Employees	Per 1 million man-hours	0.17	0.26	0.08
Contractors	Per 1 million man-hours	6.10	0.00	0.00
Total	Per 1 million man-hours	0.25	0.25	0.08

	Unit
Total Recordable Occupational Illnes	ss Frequency (1
	Per 1 million man-hours
Fines/Penalties on Non-Compliance	s Concerning t
	Number

He	ealth and Safety Assurances <sup>(1)</sup>	
		Number

### **Reporting Assumptions**

Metrics	Assumptions
Fines/Penalties	A sum of money required to be p offence such as non-compliance fines by municipal bodies issued
LTI	The sum of Fatalities, Permanent Lost Workday Cases (LWC).
LTIF	The rate of total number of LTIs p
TRC	The sum of Fatalities, PTD, PPD, L (MTC).
TRCF	The rate of total number of TRCs
TROIF	The rate of total number of work-
Working Hours	Actual "hours worked" including a time is spent at the worksite or p man-hours accumulation starts w from the vessel.
Work-related	Work-related is described as thos in place. Incidents occurring duri

the Health and Safety impacts Services							
	0	0	0				
	8	15	15				

paid to the regulatory agency/local authority as a penalty for an e with rules and regulations. This shall include traffic summons and d to AET-owned vehicles.

: Total Disabilities (PTD), Permanent Partial Disabilities (PPD) and

per one million man-hours worked.

LWC, Restricted Workday Cases (RWC) and Medical Treatment Cases

per one million man-hours worked.

-related illnesses per one million man-hours worked.

overtime and training but excluding off-duty hours (although the premise), leave, sickness and other absences. For shipping operations, when the employee signs on and ends when the employees sign off

se activities for which management controls are, or should have been, ring such activities are reportable and will be included in the statistics.

### Social – Talent Excellence

	Unit	2022		2023		2024	
Employees							
	Number	180		172		184	
By Gender							
Female	Number (%)	83	46.11%	75	43.60%	81	44.02%
Male	Number (%)	97	53.89%	97	56.40%	103	55.98%
By Age Group							
30 and below	Number (%)	31	17.22%	28	16.28%	23	12.50%
31 – 50 years old	Number (%)	116	64.44%*	106	61.63%	114	61.96%
Over 50 years old	Number (%)	33	18.33%	38	22.09%	47	25.54%
By Countries of Operations							
Malaysia	Number (%)	4	2.22%	4	2.33%	3	1.63%
Singapore	Number (%)	90	50.00%	79	45.93%*	93	50.54%
Europe	Number (%)	20	11.11%	20	11.63%	17	9.24%
North & South America	Number (%)	66	36.67%	69	40.12%	71	38.59%
By Employment Position							
Senior Management							
Female	Number (%)	5	31.25%	6	33.33%	7	36.84%
Male	Number (%)	11	68.75%	12	66.67%	12	63.16%
Total	Number (%)	16	8.89%	18	10.47%	19	10.33%
Middle Management							
Female	Number (%)	4	22.22%	5	26.32%	6	25.00%
Male	Number (%)	14	77.78%	14	73.68%	18	75.00%
Total	Number (%)	18	10.00%	19	11.05%	24	13.04%
Junior Management							
Female	Number (%)	15	31.25%	13	30.23%	13	28.26%
Male	Number (%)	33	68.75%	30	69.77%	33	71.74%
Total	Number (%)	48	26.67%	43	25.00%	46	25.00%
Executive							
Female	Number (%)	45	57.69%	39	53.42%	41	54.67%
Male	Number (%)	33	42.31%	34	46.58%	34	45.33%
Total	Number (%)	78	43.33%	73	42.44%*	75	40.76%
Non-Executive							
Female	Number (%)	14	70.00%	12	63.16%	14	70.00%
Male	Number (%)	6	30.00%	7	36.84%	6	30.00%
Total	Number (%)	20	11.11%	19	11.05%	20	10.87%

	Unit	2022		2023		2024	
By Management Position in	Revenue Generat	ing Functio	n				
Female	Number (%)	1	3.13%	1	3.03%	2	5.26%
Male	Number (%)	31	96.88%*	32	96.97%	36	94.74%
Total	Number	32		33		38	
By Science, Technology, Eng	ineering and Mat	hematics (S	TEM) Relate	d Function			
Female	Number (%)	33	55.00%	27	52.94%	29	50.00%
Male	Number (%)	27	45.00%	24	47.06%	29	50.00%
Total	Number	60		51		58	
By Nationality							
American	Number (%)	50	27.78%	51	29.65%	53	28.80%
Singaporean	Number (%)	48	26.67%	43	25.00%	49	26.63%
Malaysian	Number (%)	31	17.22%	27	15.70%	32	17.39%
British	Number (%)	9	5.00%	12	6.98%	12	6.52%
Brazilian	Number (%)	8	4.44%	10	5.81%	11	5.98%
Indian	Number (%)	9	5.00%	10	5.81%	10	5.43%
Others	Number (%)	25	13.89%	19	11.05%	17	9.24%
By Employment Type							
Permanent	Number (%)	152	84.44%	144	83.72%	165	89.67%
Contract and Third-Party	Number (%)	28	15.56%	28	16.28%	19	10.33%
By Employees with Disability	y						
Female	Number (%)	1	100.00%	1	50.00%	1	100.00%
Male	Number (%)	0	0.00%	1	50.00%	0	0.00%
Total	Number	1		2		1	

Note that percentages may not add up to 100% due to rounding \* Restated for data accuracy Sustainability at AET

	Unit	2022		2023		2024	
New Hires							
	Number	47		35		38	
By Gender							
Female	Number (%)	27	57.45%	16	45.71%	20	52.63%
Male	Number (%)	20	42.55%	19	54.29%	18	47.37%
By Age Group							
30 and below	Number (%)	17	36.17%	11	31.43%	11	28.95%
31 – 50 years old	Number (%)	27	57.45%	21	60.00%	22	57.89%
Over 50 years old	Number (%)	3	6.38%	3	8.57%	5	13.16%
By Countries of Operations							
Malaysia	Number (%)	0	0.00%	0	0.00%	0	0.00%
Singapore	Number (%)	26	55.32%	12	34.29%	21	55.26%
Europe	Number (%)	5	10.64%	4	11.43%	4	10.53%
North & South America	Number (%)	16	34.04%	19	54.29%*	13	34.21%
By Employment Position							
Senior Management	Number (%)	-	-	3	8.57%	0	0.00%
Middle Management	Number (%)	_	_	2	5.71%	5	13.16%
Junior Management	Number (%)	-	-	6	17.14%	11	28.95%
Executive and Below	Number (%)	-	-	24	68.57%	22	57.89%
By Nationality							
American	Number (%)	10	21.28%*	15	42.86%	8	21.05%
Bangladeshi	Number (%)	0	0.00%	0	0.00%	1	2.63%
Belgian	Number (%)	0	0.00%	1	2.86%	0	0.00%
Brazilian	Number (%)	1	2.13%*	3	8.57%	4	10.53%
British	Number (%)	3	6.38%*	4	11.43%	2	5.26%
Burmese	Number (%)	0	0.00%	0	0.00%	1	2.63%
Canadian	Number (%)	1	2.13%*	0	0.00%	0	0.00%
Chinese	Number (%)	0	0.00%	0	0.00%	1	2.63%
Dutch	Number (%)	1	2.13%*	0	0.00%	0	0.00%
Greek	Number (%)	1	2.13%*	0	0.00%	1	2.63%
Indian	Number (%)	0	0.00%	1	2.86%	0	0.00%
Indonesian	Number (%)	1	2.13%*	0	0.00%	0	0.00%
Italian	Number (%)	0	0.00%	0	0.00%	1	2.63%
Malaysian	Number (%)	8	17.02%*	2	5.71%	6	15.79%
Mexican	Number (%)	1	2.13%*	0	0.00%	0	0.00%
Norwegian	Number (%)	1	2.13%*	0	0.00%	0	0.00%
Filipino	Number (%)	1	2.13%*	0	0.00%	1	2.63%
Singaporean	Number (%)	16	34.04%*	9	25.71%	12	31.58%
Swedish	Number (%)	1	2.13%*	0	0.00%	0	0.00%
Ukranian	Number (%)	1	2.13%*	0	0.00%	0	0.00%

	Unit	2022		2023		2024	
Average Hiring Cost							
	USD	-		19,631		16,972	
Open Positions Filled by In	nternal Candidates						
	%	63%		79%		42%	
Internal Mobility							
Female	Number (%)	11	34.38%	3	13.04%	11	39.29%
Male	Number (%)	21	65.63%*	20	86.96%	17	60.71%
Total	Number	32		23		28	
Turnover							
	Number	58		28		26	
By Gender							
Female	Number (%)	28	48.28%	17	60.71%	15	57.69%
Male	Number (%)	30	51.72%	11	39.29%	11	42.31%
By Age Group							
30 and below	Number (%)	5	8.62%	6	21.43%	7	26.92%
31 – 50 years old	Number (%)	46	79.31%	18	64.29%*	14	53.85%
Over 50 years old	Number (%)	7	12.07%	4	14.29%	5	19.23%
By Countries of Operations	S						
Malaysia	Number (%)	0	0.00%	0	0.00%	0	0.00%
Singapore	Number (%)	29	50.00%	13	46.43%	8	30.77%
Europe	Number (%)	7	12.07%	3	10.71%	7	26.92%
North & South America	Number (%)	22	37.93%	12	42.86%	11	42.31%
By Employment Position							
Senior Management	Number (%)	-	-	0	0.00%	0	0.00%
Middle Management	Number (%)	-	-	3	10.71%	2	7.69%
Junior Management	Number (%)	-	_	6	21.43%	6	23.08%
Executive and Below	Number (%)	-	-	19	67.86%	18	69.23%
Voluntary Turnover							
	Number	51		25		22	
Training							
Total Training Hours	Hours	-		3,817		4,237	
Average Training Hours							
	Hours	25		20		24	
By Employment Position							
Executive and Above							
Female	Hours	-		22		23	
Male	Hours	_		21		25	
Total	Hours	25		21		25	

17

11

20

14

Total	Hours	25
Non-Executive		
Female	Hours	-
Male	Hours	-

Note that percentages may not add up to 100% due to rounding \* Restated for data accuracy Introduction

Our Business

Our Strategy

Our Leadership

Our Financial Performance

Sustainability at AET

	Unit	2022	2023	2024
Total	Hours	22	15	18
Training Days				
Female	Days	-	204	237
Male	Days	-	273	292
Total	Days	387	477	530
Employees Trained				
Female	%	67%	90%	86%
Male	%	79%	78%	83%
Total	%	81%	79%	85%
Training Hours By Employme	ent Position			
Senior Management	Hours	-	330	494
Middle Management	Hours	-	1,117	486
Junior Management	Hours	-	520	978
Executive and Below	Hours	-	1,850	2,279
Amount Invested in Training	I			
Average Amount Invested per Employee	USD	1,730	1,810	2,782
Total	USD Million	0.3	0.3	0.5

Performance Appraisal							
Female	%	46.11%	43.60%	44.02%			
Male	%	53.89%	56.40%	55.98%			
Total	%	100.00%	100.00%	100.00%			

Parental Leave							
Employees Taking Parental Leave							
Female	Number (%)	3	75.00%	3	60.00%	0	0.00%
Male	Number (%)	1	25.00%	2	40.00%	1	100.00%
Total	Number	4		5		1	
Employees Returned After P	arental Leave Ended						
Female	Number (%)	3	75.00%	3	60.00%	0	0.00%
Male	Number (%)	1	25.00%	2	40.00%	1	100.00%
Total	Number	4		5		1	
Employees Returned After P	arental Leave Ended and	Still E	mployed 12 Mont	hs Aft	er Return to Wor	k	
Female	Number (%)	0	0.00%	3	60.00%	0	0.00%
Male	Number (%)	0	0.00%	2	40.00%	1	100.00%
Total	Number	0		5		1	

Employee Engagement (POCS)					
Response Rate	%	77%	87%	93%	
Engagement Score	Number	66*	71*	73	

Unit	2022		2023		2024	
/ Collective Barga	aining Agre	ements				
Number (%)	0	0.00%	0	0.00%	0	0.00%
Number (%)	0	0.00%	0	0.00%	0	0.00%
Number (%)	0	0.00%	0	0.00%	0	0.00%
Number (%)	0	0.00%	0	0.00%	0	0.00%
Number (%)	9	100.00%	10	100.00%	11	100.00%
Number (%)	9	5.00%	10	5.81%	11	5.98%
	Unit Collective Barga Number (%) Number (%) Number (%) Number (%) Number (%)	Unit2022Collective Bargaining AgreeNumber (%)Number (%)Number (%)Number (%)Number (%)Number (%)Number (%)Number (%)9	Unit         2022           Collective Bargaining Agreements           Number (%)         0         0.00%           Number (%)         9         100.00%           Number (%)         9         5.00%	Unit         2022         2023           Collective Bargaining Agreements            Number (%)         0         0.00%         0           Number (%)         9         100.00%         10           Number (%)         9         5.00%         10	Unit         2022         2023           Collective Bargaining Agreements <t< td=""><td>Unit         2022         2023         2024           Collective Bargaining Agreements</td></t<>	Unit         2022         2023         2024           Collective Bargaining Agreements

Gender Pay Indicators						
Average Base Salary						
Management						
Female	USD	-	124,442	122,141		
Male	USD	-	138,945	149,065		
Non-Management						
Female	USD	-	54,638	62,520		
Male	USD	_	66,449	71,841		
Average Base Salary and C	ash Incentives					
Management						
Female	USD	_	162,252	182,202		
Male	USD	_	180,544	219,923		
Employees Basic Salary by	Gender (Male:Female)					
	Ratio	1.2:1	1.4:1	1.4:1		

### **Reporting Assumptions**

Metrics	Assumptions
Average Hiring Cost	The average hiring cost includes i interviews, agency fees, advertisir
Average Training Hours	Total training hours divided by th
Engagement Score	Based on active employees partic measures how happy our employ they are a part of something with indication of how satisfied they a
Junior Management	Refers to Managers unless stated
Middle Management	Refers to Senior Managers unless
Senior Management	Refers to General Managers and a
Management Position in Revenue Generating Functions	Refers to management roles in d services. It excludes support func have P&L responsibility.
Performance Appraisal	All eligible employees will underg be given performance rating base
STEM-Related Function	Refers to roles that use their know their daily responsibilities.
Total Employees	Regular shore-based employees Permanent and contract employe

\* Restated for data accuracy

 $^{(1)}$  The average training hours for 2022 was obtained by dividing the total training hours by the total number of employees.

internal and external recruiting cost such as recruiter salaries, ing, job fairs, travel and relocation costs.

he unique number of employees who received training<sup>(1)</sup>.

cipating in AET's employee engagement survey, that is, POCS which yees are when working at AET and whether our employees feel that n a larger purpose. The overall POCS engagement score is also an re at their job.

l otherwise.

stated otherwise.

above unless stated otherwise.

lepartments such as sales, or that contribute directly to the output of ctions such as HR, IT and Legal. May also be referred to as roles that

go formal performance evaluation during year-end review and will ed on the performance rating scale.

wledge of Science, Technology, Engineering and Mathematics in

excluding those on unpaid leave as of 31 December 2024. ees and third parties are included in the scope.

### 2024 Employee Development Programmes

Name	Description	Business Benefits	Number of Participants
Fostering the Way of Working	Develops employees' self-awareness, emotional intelligence, relationship building skills, confidence to speak up and take accountability.	An engaged and motivated workforce is the foundation for business success boosting work productivity and efficiency. Having the courage to speak up promotes innovation and ideation to meet our business goals. Our employee engagement score and divisional performance against the Balanced Scorecard (BSC) indicates success in this area.	184 (100% of employees)
Divisional Upskilling	Division-specific technical training to enhance employees' functional competencies and help them keep up with new and emerging technology/ market demands. Examples include critical thinking, decarbonisation and Lean Six Sigma.	These technical trainings are targeted at specific divisions and aim to enhance work literacy which is critical for improving work performance and achieving divisional goals. How well divisions perform against their BSC can be indicative of our success in this area.	184 (100% of employees)
Leaders Development Series – for Singapore	Hones employees' leadership styles and builds their confidence to become effective leaders in driving performance, team engagement and psychological safety.	Effective leaders play a critical role in setting a clear vision and direction, creating a sense of purpose and bringing together the diverse workforce to work as one team to deliver business objectives. Our employee engagement score and divisional performance against the BSC indicates success in this area.	20
Executive Development Series – for Rio de Janeiro	Develops effective work discipline to deliver results through simplification and collaboration and builds psychological safety with the "7 Habits of highly effective people" practices.	Having a disciplined workforce that is aligned with business objectives is important as we strive to achieve the goals we have set within a timeframe. How well our employees perform against their own Key Performance Indicators (KPIs) indicates success in this area.	18

### Governance

	Unit	2022	2023	2024
Anti-Bribery and Corruption				
ABMS Assurances <sup>(1)</sup>	Number	3	3	3
Operations Assessed for Corruption-Related Risks	%	100%	100%	100%
Confirmed Incidents of Corruption and Actions Taken	Number	0	0	0
Confirmed Incidents of Money Laundering	Number	-	0	0
Monetary Losses as a Result of Legal Proceedings Associated with Bribery or Corruption (SASB Metric)	Number	0	0	0
Whistleblowing				
Cases Received	Number	0	2	0
Cases Ongoing	Number	0	0	0
Cases Investigated	Number	0	2	0
Cases Closed	Number	0	2	0
Competition Protocols and Other Critical Laws				
Legal Actions for Anti-Competitive Behaviour, Anti-Trust, Monopoly Practices and Other Critical Laws	Number	0	0	0
Personal Data and Information				
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
Public Policy Positions/Political Contributions				
Contribution to Politically-Related Agenda	Number	0	0	0
Expenditure on Lobbying Activities	Number	0	0	0
Third-Party Due Diligence Conducted				
	Number	171	134	108
Conflicts of Interest Breaches				
	Number	_	0	0

ses Investigated	
ses Closed	

### Major Cybersecurity Breaches

Number	0	0	0

	Unit	2022	2023	2024
Code of Conduct and Business Ethics				
Coverage				
Employees	%	100%	100%	100%
Contractors/Suppliers/Service Providers	%	100%	100%	100%
Subsidiaries	%	100%	100%	100%
Written/Digital Acknowledgement by Employees				
	%	100%	100%	100%
Training Provided to Employees				
	%	100%	100%	100%

Human Rights				
Human Rights Risk Assessments Conducted	Number	0	0	0
Incidents of Harassment and Discrimination	Number	0	1	0

Supplier Screening				
Number of Tier-1 suppliers	Number	-	-	678
Number of significant suppliers in Tier-1 screened	Number	-	-	5*
% of total spend on significant suppliers in Tier-1 screened	%	-	-	12%*
Number of significant suppliers in non-Tier-1 screened	Number	-	-	N/A
Number of significant suppliers (Tier-1 and non Tier-1) screened	Number	_	_	5*

### Supplier Assessment

Number of suppliers assessed via desk assessments/ on-site assessments	Number	-	-	30
% of significant suppliers assessed	%	_	-	60%
Number of suppliers assessed with substantial actual/ potential negative impacts	Number	-	-	0
% of suppliers with substantial actual/potential negative impacts with agreed corrective action/improvement plan	%	-	_	0%
Number of suppliers with substantial actual/ potential negative impacts that were terminated	Number	_	_	N/A

Contributions to Trade Associations				
	USD	_	75,241	70,369

# Sustainability Reporting **Standards and Disclosures**

### SASB Content Index (Maritime Transportation)

Торіс	Metric	Unit of Measure	Location of Disclosures/Value	Our Busir
	Gross global Scope 1 emissions	Metric tonnes (t) CO <sub>2</sub> -e	Climate-Related Financial Disclosures – Decarbonisation Performance	less
Greenhouse Gas Emissions	Discussion of long- and short-term strategy or plan to manage Scope I emissions, emissions reduction targets, and an analysis of performance against those targets	N/A	Towards Decarbonisation	Our St
	<ol> <li>(1) Total energy consumed,</li> <li>(2) Percentage heavy fuel oil, and</li> <li>(3) Percentage renewable</li> </ol>	(1) Gigajoules (GJ) (2) Percentage (%) (3) Percentage (%)	Performance Data – Environment	rategy
	Average Energy Efficiency Design Index (EEDI) for new ships	Grammes of CO <sub>2</sub> per ton-nautical mile	Performance Data – Environment	
Air Quality	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)	Performance Data – Environment	Our Leader
	Shipping duration in marine protected areas or areas of protected conservation status	Number of travel days	21.70	ship
Ecological Impacts	Percentage of fleet implementing ballast water (1) Exchange and (2) Treatment	Percentage (%)	Performance Data – Environment	٥g
	<ul><li>(1) Number and</li><li>(2) Aggregate volume of spills and releases</li><li>to the environment</li></ul>	(1) Number (2) Cubic meters (m³)	Performance Data – Environment	ur Financ erforman
Workforce Health & Safety	Lost time incident rate	Rate	Performance Data – Social – Health & Safety	ce ial
Business Ethics	Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Number	14	Sus
	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Presentation currency	Performance Data – Governance	stainab at AET
	<ol> <li>Number of marine casualties,</li> <li>Percentage classified as very serious</li> </ol>	(1) Number (2) Percentage (%)	1 0%	llity
Accident & Safety Management	Number of (1) Conditions of Class or (2) Recommendations	(1) Number (2) Number	5 7	
	Number of port state control (1) Deficiencies and (2) Detentions	(1) Number (2) Number	10 0	Supportin nformatic
				ΞQ
Activity Metric -	- Petroleum and Product	Unit of Measure	Value	
Number of shipboa	rd employees	Number	2,608	
Total distance trave	lled by vessels	Nautical miles (nm)	2,622,209	
Operating days		Days	20,092	
Deadweight tonnag	ge	Thousand deadweight tonnes	9,536	
Number of vessels in total shipping fleet		Number	56	
Number of vessel p	ort calls	Number	3,544	

\* Restated for data accuracy.

## Sustainability Reporting Standards and Disclosures

### **GRI** Content Index

AET has reported the information cited in this GRI content index for the period 1 January 2024 to 31 December 2024 with reference to the GRI standards.

GRI Standards and Disclosure Requirements	Location of the Disclosures	Page No.
GRI 1: Foundation 2021		
GRI 2: General Disclosures 2021		
Disclosure 2-1 Organizational details	Our Business	• 16-23
Disclosure 2-2 Entities included in the organization's sustainability reporting	Our Sustainability Reporting	• 124
Disclosure 2-3 Reporting period, frequency and contact point	Boundaries	
Disclosure 2-4 Restatements of information	<ul><li>Decarbonisation Performance</li><li>Performance Data</li></ul>	<ul><li>113</li><li>125-138</li></ul>
Disclosure 2-5 External assurance	Independent Assurance     Statement	• 143-144
Disclosure 2-6 Activities, value chain and other business relationships	Our Business	• 16-23
Disclosure 2-7 Employees	Performance Data –	• 130-131
Disclosure 2-8 Workers who are not employees	Social – Talent Excellence	
Disclosure 2-9 Governance structure and composition		
Disclosure 2-11 Chair of the highest governance body	Board of Directors	• 44-47
Disclosure 2-12 Role of the highest governance body in overseeing the management	Sustainability Governance	• 60
of impacts	Climate-Related Financial     Disclosures – Governance	• 94-96
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	• 46
Disclosure 2-22 Statement on sustainable development strategy	Chairman's Message	• 6-7
Disclosure 2-23 Policy commitments	Governance Sustainability Pillar	• 87-91
Disclosure 2-24 Embedding policy commitments		
	Performance Data –	10.0
Disclosure 2-27 Compliance with laws and regulations	<ul> <li>Environment</li> <li>Social – Health and Safety</li> </ul>	<ul> <li>126</li> <li>129</li> </ul>
	Governance	• 137
Disclosure 2-28 Membership associations		
Disclosure 2-29 Approach to stakeholder engagement	<ul> <li>Stakeholder Engagement</li> </ul>	• 116-121
Disclosure 2-30 Collective bargaining agreements	<ul> <li>Focus Story: Human Rights</li> <li>Performance Data – Social – Talent Excellence</li> </ul>	• 90 • 135
GRI 3: Material Topics 2021		
Disclosure 3-1 Process to determine material topics		
Disclosure 3-2 List of material topics	Sustainability Materiality	• 61
Disclosure 3-3 Management of material topics	Sustainability Pillars	• 63-121
GRI 201: Economic Performance 2016		
Disclosure 201-1 Direct economic value generated and distributed	Financial Performance	• 52-57
Disclosure 201-2 Financial implications and other risks and opportunities due to	Identified Physical Climate Risks	• 102-106
climate change	and Climate Transition Risks	
GRI 203: Indirect Economic Impacts 2016		
Disclosure 203-2 Significant indirect economic impacts	Our Fleet and Services	• 20-21

GRI 205:	Anti-Corru	uption 2016
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			0
GRI Standards and Disclosure Requirements	Location of the Disclosures	Page No.	our Busin
GRI 205: Anti-Corruption 2016			ess
Disclosure 205-1 Operations assessed for risks related to corruption			
Disclosure 205-2 Communication and training about anti-corruption policies and procedures	<ul> <li>Governance Sustainability Pillar</li> <li>Performance Data –</li> </ul>	<ul><li>87-91</li><li>137-138</li></ul>	
Disclosure 205-3 Confirmed incidents of corruption and actions taken	Governance		ę
GRI 206: Anti-Competitive Behavior 2016			ır St
Disclosure 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	<ul> <li>Performance Data – Governance</li> </ul>	• 137	rategy
GRI 302: Energy 2016			
Disclosure 302-1 Energy consumption within the organization			
Disclosure 302-2 Energy consumption outside of the organization	- Towards Docarbonisation		0
Disclosure 302-3 Energy intensity	<ul> <li>Performance Data –</li> </ul>	<ul><li>83-89</li><li>125</li></ul>	유
Disclosure 302-4 Reduction of energy consumption	Environment		.ead
Disclosure 302-5 Reductions in energy requirements of products and services			lers
GRI 303: Water and Effluents 2018			qic
Disclosure 303-1 Interactions with water as a shared resource	Reducing Waste Impact from     Shinning Operations	• 71	
Disclosure 303-3 Water withdrawal	<ul> <li>Regulatory Compliance and</li> </ul>	• 74	
Disclosure 303-4 Water discharge	Ship-Level Environmental		berf
Disclosure 303-5 Water consumption	Management  Performance Data – Environment	• 126	Fina
GRI 305: Emissions 2016		- 120	ncia
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	Towards Decarbonisation	• 63-69	
Disclosure 305-4 GHG emissions intensity	Decarbonisation Performance	• 113	Sus
Disclosure 305-5 Reduction of GHG emissions	Performance Data –     Environment	• 125	at ∧
Disclosure 305-6 Emissions of ozone-depleting substances	Liwioiment		nabii NET
Disclosure 305-7 NO <sub>x</sub> , SO <sub>x</sub> , and other significant air emissions			lity
GRI 306: Waste 2020			
Disclosure 306-1 Waste generation and significant waste-related impacts			
Disclosure 306-2 Management of significant waste-related impacts	Dromoting a Circular Economy	. 70 72	
Disclosure 306-3 Waste generated	<ul> <li>Performance Data –</li> </ul>	• 126	nfor
Disclosure 306-4 Waste diverted from disposal	Environment		ma
Disclosure 306-5 Waste directed to disposal			tion
GRI 308: Supplier Environmental Assessment 2016			
Disclosure 308-2 Negative environmental impacts in the supply chain and actions taken	<ul> <li>Driving Sustainable Practices Together with Our Suppliers</li> </ul>	• 91	
GRI 401: Employment 2016			
Disclosure 401-1 New employee hires and employee turnover		02	
Disclosure 401-2 Benefits provided to full-time employees that are not provided	<ul> <li>Nurturing an AET culture and behaviours</li> </ul>	• 82	
to temporary or part-time employees	Performance Data –	• 132-134	
Disclosure 401-3 Parental leave	Social – Talent Excellence		

			0
GRI Standards and Disclosure Requirements	Location of the Disclosures	Page No.	ur Busin
GRI 205: Anti-Corruption 2016			less
Disclosure 205-1 Operations assessed for risks related to corruption Disclosure 205-2 Communication and training about anti-corruption policies and procedures Disclosure 205-3 Confirmed incidents of corruption and actions taken	<ul> <li>Governance Sustainability Pillar</li> <li>Performance Data – Governance</li> </ul>	• 87-91 • 137-138	Q
GRI 206: Anti-Competitive Behavior 2016			ur St
Disclosure 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Performance Data –     Governance	• 137	rategy
GRI 302: Energy 2016			
Disclosure 302-1 Energy consumption within the organization Disclosure 302-2 Energy consumption outside of the organization Disclosure 302-3 Energy intensity 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>	<ul> <li>Towards Decarbonisation</li> <li>Performance Data – Environment</li> </ul>	• 63-69 • 125	Our Leadership
Disclosure 303-1 Interactions with water as a shared resource	Reducing Waste Impact from	• 71	
Disclosure 303-3 Water withdrawal Disclosure 303-4 Water discharge Disclosure 303-5 Water consumption	<ul> <li>Shipping Operations</li> <li>Regulatory Compliance and Ship-Level Environmental Management</li> <li>Performance Data – Environment</li> </ul>	• 74 • 126	Our Financ Performan
GRI 305: Emissions 2016			Ce ial
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 Disclosure 305-4 GHG emissions intensity Disclosure 305-5 Reduction of GHG emissions Disclosure 305-6 Emissions of ozone-depleting substances Disclosure 305-7 NO <sub>x</sub> , SO <sub>x</sub> , and other significant air emissions	<ul> <li>Towards Decarbonisation</li> <li>Decarbonisation Performance</li> <li>Performance Data – Environment</li> </ul>	• 63-69 • 113 • 125	Sustainability at AET
GRI 306: Waste 2020			
Disclosure 306-1 Waste generation and significant waste-related impacts Disclosure 306-2 Management of significant waste-related impacts Disclosure 306-3 Waste generated Disclosure 306-4 Waste diverted from disposal Disclosure 306-5 Waste directed to disposal	<ul> <li>Promoting a Circular Economy</li> <li>Performance Data – Environment</li> </ul>	• 70-72 • 126	Supporting Information
GRI 308: Supplier Environmental Assessment 2016			
Disclosure 308-2 Negative environmental impacts in the supply chain and actions taken	Driving Sustainable Practices     Together with Our Suppliers	• 91	
GRI 401: Employment 2016			
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 Disclosure 401-3 Parental leave	<ul> <li>Nurturing an AET culture and behaviours</li> <li>Performance Data – Social – Talent Excellence</li> </ul>	<ul><li>82</li><li>132-134</li></ul>	

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GRI 403: Occupational Health and Safety 2018				
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	Health and Safety	• 75-79		
Disclosure 403-6 Promotion of worker health	<ul> <li>Performance Data –</li> <li>Social – Health and Safety</li> </ul>	• 128-129		
Disclosure 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Social Treatment Survey			
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 404: Training and Education 2016				
Disclosure 404-1 Average hours of training per year per employee				
Disclosure 404-2 Programs for upgrading employee skills and transition assistance programs	<ul><li>Talent Excellence</li><li>Performance Data –</li></ul>	<ul><li>80-83</li><li>133-134, 136</li></ul>		
Disclosure 404-3 Percentage of employees receiving regular performance and career development reviews	Social – Talent Excellence			
GRI 405: Diversity and Equal Opportunity 2016				
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Disclosure 406-1 Incidents of discrimination and corrective actions taken	<ul> <li>Performance Data – Governance</li> </ul>	• 138		
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GRI 409: Forced or Compulsory Labor 2016				
Disclosure 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Focus Story: Human Rights	• 90		
GRI 413: Local Communities 2016				
Disclosure 413-1 Operations with local community engagement, impact assessments, and development programs	Community Investment	• 84-86		
GRI 414: Supplier Social Assessment 2016				
Disclosure 414-2 Negative social impacts in the supply chain and actions taken	Driving Sustainable Practices Together with Our Suppliers	• 91		
GRI 415: Public Policy 2016				
Disclosure 415-1 Political contributions	Performance Data – Governance	• 137		
GRI 418: Customer Privacy 2016				
Disclosure 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Performance Data –     Governance	• 137		

## Independent Assurance Statement



Independent Verification and Limited Assurance Report of American Bureau of Shipping to AET Tankers

We were engaged by AET Tankers ("the Company") to assure selected environmental and social metrics ("the Metrics") disclosed in the Company's Sustainability Report 2024 ("the Report") relating to the year ended 31 December 2024 in the form of a limited assurance conclusion about the proper preparation of the Metrics, in all material respects, in accordance with the Company's own methodology for sustainability report development ("the Methodology").

This independent limited assurance report is issued solely to the Company in accordance with the terms of our engagement. Our work has been undertaken so that we might provide limited assurance to the Company on those matters that we have been engaged to consider in this report only and for no other purpose. To the fullest extent permitted by law, we do not accept or assume any responsibility to anyone other than the Company for our work, for this independent limited assurance report, or for the conclusions we have reached.

#### Responsibilities of the directors of the company

The directors of the Company are responsible for the proper preparation of the Report, and the Metrics, information and statements contained therein, in accordance with the Methodology.

It is the directors' responsibility to develop, operate and maintain internal systems and processes relevant to the proper preparation of a Report that is free from material misstatement, whether due to fraud or error.

### Responsibilities of American Bureau of Shipping

Our responsibility is to independently express a limited assurance conclusion to the Company, based on the procedures performed and evidence obtained, as to the proper preparation of the Report, in all material respects, in accordance with the Methodology. We conducted our work over the course of several months in early 2025, in accordance with the International Standard on Assurance Engagements 3000: Assurance Engagements other than Audits or Reviews of Historical Financial Information ("Standard"), issued by the International Auditing and Assurance Standards Board. The Standard requires that we obtain sufficient and appropriate evidence related to the Metrics that is free of material misstatement on which to base our conclusion.

#### Scope of work

The limited assurance engagement for the Company involves planning and performing procedures to obtain sufficient appropriate evidence for a meaningful level of assurance over the Metrics stated below:

- · Scope 1 GHG Emissions and the Biogenic emissions not included in scope 1 and
  - reported separately
  - Scope 2 GHG Emissions
  - Lost Time Incident Frequency (LTIF)
  - Total Recordable Case Frequency (TRCF)

The procedures selected depend on our judgment, on our understanding of the Report and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise.

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Independent Assurance Statement

### Independent Assurance Statement



Independent Assurance Statement

The procedures performed included:

- Investigating, observing, inspecting, and reporting on the processes and documents reviewed, and agreeing or reconciling with the underlying records to check errors or omissions in data analysis, consistency, and reasoning of reporting.
- Reviewing the Metrics disclosed in the Company's Sustainability Report for 2024.
- Inquiries to the Company's management and personnel involved in the sustainability report's preparation process, the internal control system governing this process, and selected disclosures in the sustainability report.
- Data collection, including limited substantive testing, on a selective basis of Company's owned fleet (excluding vessels chartered by the Company) to verify the Metrics stated in the report. Calculations were re-checked for limited data sets to verify the data accuracy.

The procedures performed in a limited assurance engagement vary in nature and timing and are not as extensive as a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

#### Inherent limitations

In providing our limited assurance conclusion, we relied on the information and documents provided to us by the Company. To the best of our knowledge, there are no circumstances which would render such information or documents unreliable. Because of such reliance, there may be errors or irregularities which may not have been detected.

Limited assurance engagements are based on selective testing of the information being examined and it is possible that fraud, error or non-compliance may occur and not be detected. An assurance engagement is not designed to detect all instances of non-adherence to the GRI Standards reporting framework, as the assurance engagement is not performed continuously throughout the year and the procedures performed are on a test basis. The conclusion expressed in this report must be read in conjunction with the inherent limitations stated in this assurance statement.

#### Conclusion

Based on the procedures performed and evidence obtained, and subject to the key assumptions and inherent limitations set out above, nothing has come to our attention that causes us to believe that the Metrics presented in the Report for the year ended 31 December 2024 have not been properly prepared, in any material respects, in accordance with the Methodology.

### American Bureau of Shipping

7 Science Park Drive, #09-21/32 Geneo Singapore 119316 sustainability@eagle.org

21 March 2025

# Fleet List

No.	Vessel	Туре	Yard	Year Built	DWT	Flag
1	Eagle Kuching	Aframax	Tsuneishi Shipbuilding Co. Ltd., Japan	2009	107,481	Malaysia
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	Malaysia
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	113,458	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
19	Proteus Ingrid* (LNG Dual-Fuel)	Aframax	Guangzhou Shipyard International Ltd, China	2023	109,999	Singapore
20	Proteus Sinead* (LNG Dual-Fuel)	Aframax	Guangzhou Shipyard International Ltd, China	2022	109,999	Singapore
21	Blue Moon	Aframax	Sumitomo Heavy Industries Marine & Engineering Co. Ltd., China	2011	104,623	Marshall Islands
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	Samsung Heavy Industries Co. Ltd., Korea	2018	157,512	Malta
6	Eagle San Jose	Suezmax	Samsung Heavy Industries Co. Ltd., Korea	2018	157,512	Malta

## Fleet List

No.	Vessel	Туре	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
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

No.	Vessel	Туре	Yard	Year Built	DWT	Flag
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 Shipyards, USA	1975	1,023	Uruguay
2	Didi K	LSV	Guangzhou Hangtong Shipbuilding & Shipping Co., Ltd., China	2008	1,371	Uruguay
3	AET Innovator	LSV	Leevac Industries, LLC., USA	2011	1,475	USA
4	AET Excellence	LSV	Leevac Industries, LLC., USA	2012	1,475	USA
5	AET Partnership	LSV	Leevac Industries, LLC., USA	2012	1,475	USA
6	AET Responsibility	LSV	Leevac Industries, LLC., USA	2012	1,475	USA
7	Amy Chouest	LSV	North American Shipbuilding, USA	1993	2,919	Brazil
8	Olivia	LSV	Candies Shipbuilding LLC., USA	2008	1,227	Brazil

Note: AET has five newbuilds to be delivered from 2027. They consist of three owned ammonia dual-fuel Aframax newbuilds and two signed in-chartered newbuild contracts for LNG dual-fuel Aframaxes.

Supporting Information

# Abbreviations

ABMS	Anti-Bribery Management System	EU ETS	The EU Emissions Trading System	MOU	Memorandum of Understanding
AER	Annual Efficiency Ratio	FWA	Flexible Work Arrangements	MPA	Maritime and Port Authority
AERCO <sub>2</sub> e	Annual Efficiency Ratio	GDP	Gross Domestic Product	MST	Mid Sized Tapker
		GHG	Greenhouse Gas	MST	
AI	Artificial Intelligence	GRI	Global Reporting Initiative	N	Nitrogen
APS	Announced Pledges Scenario	H <sub>2</sub>	Hydrogen	NH <sub>3</sub>	Ammonia
ARSC	Audit, Risk and Sustainability Committee	HEiSC	Human Element in Shipping Committee	nm	Nautical Miles
BSC	Balanced Scorecard	HR	Human Resource	NO <sub>x</sub>	Nitrogen Oxides
BMP	Best Management Practices	HSE	Health, Safety and Environment	NZE	Net-Zero Emissions by 2050 Scenario
CAPEX	Capital Expenditure	HSSE	Health, Safety, Security and Environment	N <sub>2</sub> O	Nitrous Oxide
CCS	Carbon Capture and Storage	ICP	Internal Carbon Price	NPAT	Net Profit After Tax
CFD	Computational Fluid Dynamics	ІНМ	Inventory of Hazardous Materials	OPEC+	Organization of the Petroleum Exporting Countries Plus
CFO	Cashflow from Operations	IMO	International Maritime Organization	OPEX	Operational Expenditure
CH₄ CII	Methane Carbon Intensity Indicator	INTERTANKO	International Association of Independent Tanker Owners	POCS	PETRONAS Organisational Culture Survey
CO2	Carbon Dioxide	IDCC	Intergovernmental Panel on	PRA	Project Risk Assessment
CoBE	Code of Conduct and Business Ethics	IFCC	Climate Change	PTICI	PETCO Trading Labuan Company Ltd
СРР	Clean Petroleum Product	ITOL	Industry Taskforce on Offshore Lightering	DCE	Povolving Credit Eacility
CSA	Chamber of Shipping of America	ISO	International Organization for	RCF	
CCUS	Carbon Capture Utilisation and Storage		standardization	SASB	Sustainability Accounting Standards Board
DPST	Dynamic Positioning Shuttle Tanker	KRI	Key Risk Indicators	SBC	Shipbuilding Contract
DSIC	Dalian Shiphuilding Industry Co. Ltd	LR2	Long-Range 2 Tanker	SCS	Singapore Children's Society
DUC	Danan Shipbunding muustry Co., Eta	LNG	Liquefied Natural Gas	SeMS	Security Management System
DWI		LSV	Lightering Support Vessel	ShaDoli	Shaft Dower Limitation
DLW	Dream Learn Work	LTI	Lost Time Injury	CUI	
DI&B	Diversity, Inclusion and Belonging	LTIF	Lost Time Injury Frequency	511	Samsung Heavy industries
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortisation	m³	Cubic Metres	SO <sub>x</sub>	Sulphur Oxides
FEDI	Energy Efficiency Design Index	M2S2	Mandatory Minimum Security Standards	SSA	Singapore Shipping Association
		MACN	Maritime Anti-Corruption Network	SSP	Shared Socioeconomic Pathways
	Energy Enciency Existing Ship Index	MARISX	Maritime Information Sharing Exercise	STEM	Science, Technology, Engineering and Mathematics
ERM	Enterprise Risk Management		International Convention for the	STEDS	Stated Delicies Scaparia
ESG	Environmental, Social and Governance	MARPOL	Prevention of Pollution from Ships	SIEPS	SLALEU PUILLES SLENANU
EU	European Union	MCV	Modular Capture Vessel		

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STS	Ship-to-Ship
TCFD	Task Force on Climate-related Financial Disclosures
ТСР	Time Charter Party
TRCF	Total Recordable Case Frequency
ULEV	Ultra-low Emissions Vessel
UNSDG	United Nations Sustainable Development Goal
VLCC	Very Large Crude Carrier
VOC	Volatile Organic Compound
WinGD	Winterthur Gas & Diesel
WISTA	Women's International Shipping and Trading Association
WTT	Well-to-Tank
wtw	Well-to-Wake
Y-o-Y	Year-on-Year
ZEV	Zero-Emissions Vessel

Supporting Information

# **Global Office Directory**

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aet-tankers.com

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### **AET Commercial Business and Operations**



#### General Disclaimer

The material in this annual publication contains certain forward-looking statements concerning the financial condition, strategy, results of operations and business of AET and its objectives with respect to those items. These forward-looking statements involve risks and uncertainties. Actual results may materially differ from those discussed in the forward-looking statements due to a variety of factors, including trends in economic conditions and markets in which the company operates, as well as fluctuations in foreign currency exchange rates. Unless otherwise specified in this annual publication the material herein relates to the year 2024 and up to 30 April 2025. The material contained in this annual publication is copyright© of AET and MISC unless stated otherwise and all rights are reserved.

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