

DRIVING SUSTAINABLE GROWTH

ANNUAL REPORT 2022



BUMIARMADA

Registration No: 199501041194
(370398-X)



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SUSTAINABILITY STATEMENT



ABOUT THIS STATEMENT

Sustainability at Bumi Armada is driven by our ambition to achieve net zero carbon emissions by 2050. We are committed to ensure that sustainable business practices exist in everything that we do, and we are guided by the ESG (Environmental, Social, and Governance) aspects taking into consideration of business opportunities and risks. As an international offshore facility and service provider, we are responsible for reducing our carbon footprint, protecting the safety of our employees and business partners, creating positive social impacts on the communities where we operate, and delivering sustainable values to our shareholders. Our shared values of Safe, United, Responsible, and Excellent (“S.U.R.E”) drive our sustainability strategy which applies to the way we do our business, together with the principles outlined in our Code of Business Conduct and Ethics.

SCOPE AND BOUNDARY

The information contained in this report includes Bumi Armada’s sustainability performance for the fiscal year from 1 January 2022 to 31 December 2022.

The scope of the report covers sustainability performance and initiatives across the entire Group comprising our headquarters in Kuala Lumpur, Malaysia, with operations in 12 countries spreading across three continents including Asia, Africa, and Europe.

REPORTING FRAMEWORK

We are proud to announce that this report is prepared with reference to the updated Global Reporting Initiative (GRI) Standards 2021 and fully aligned with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

FEEDBACK

We welcome feedback on this report at sustainability@bumiarmada.com.

SUSTAINABILITY STATEMENT

OUR COMMITMENT TO SUSTAINABILITY

At Bumi Armada, we have established our ESG framework as our foundation. The framework is built based on our ESG core principles which are the drivers for operationalisation. The guiding principles are aligned with the relevant United Nations Sustainable Development Goals 2030.

ENVIRONMENT

(Minimising Operational Impacts)

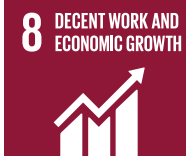
- To build quality assets (vessels and floating production facilities) that meet international environmental standards and provide environmentally and socially responsible operations.
- To minimize our ecological footprint on the environment, including the prevention of pollution, sustainable resource use and the conservation of energy and resources.



SOCIAL

(Safeguarding Our Stakeholders)

- To participate in the social and economic upliftment of the people and communities in the areas where we operate in.
- To provide a safe and equitable working environment for our people that is conducive to their professional development and to enhance employer-employee relationships, in line with our core values.



GOVERNANCE

(Corporate Accountability)

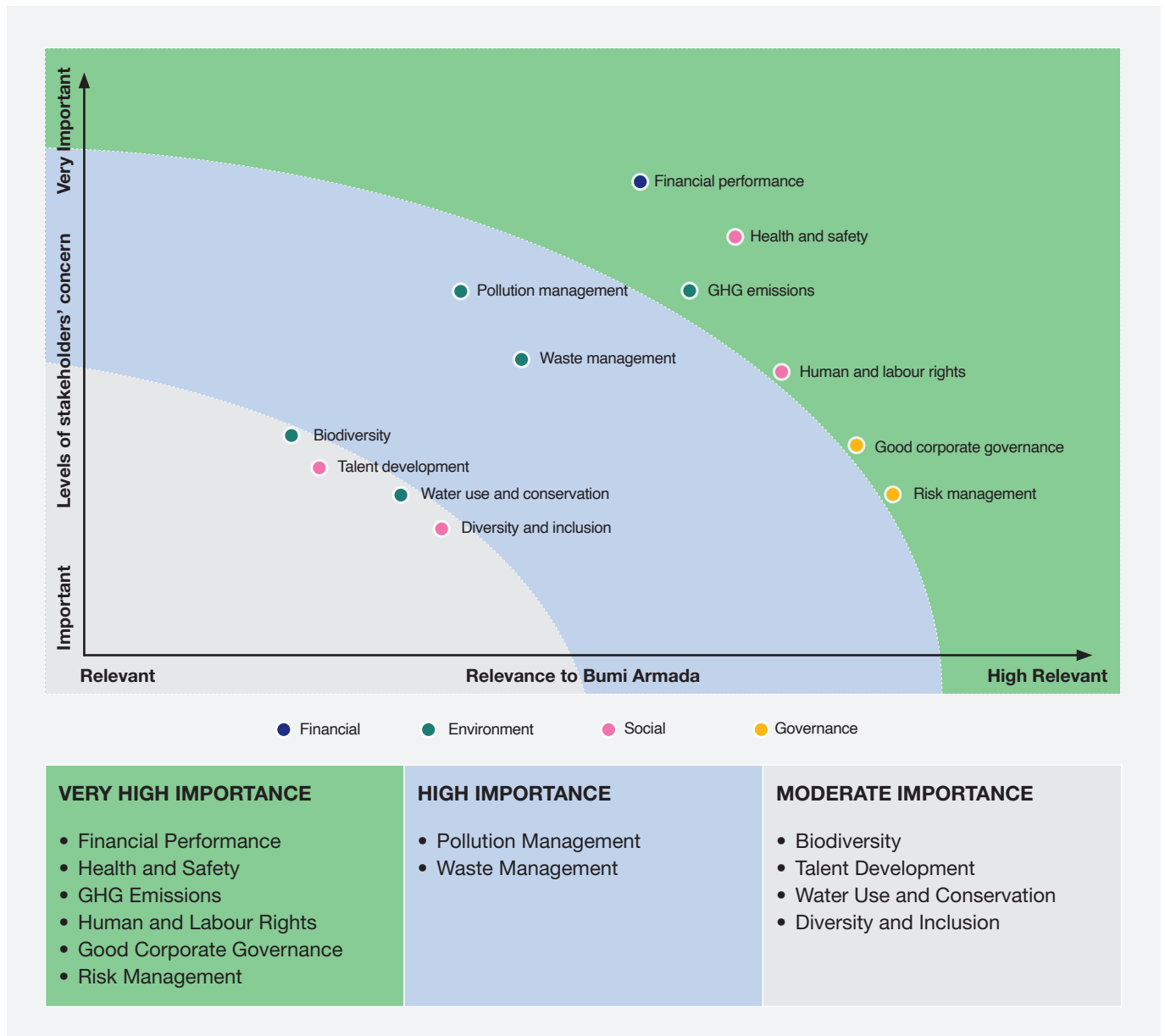
- To conduct and manage our business operations in a responsible manner with safety, reliability, good corporate governance, and transparency as overriding principles.
- To work towards engaging and building trust with stakeholders through two-way dialogues, understanding expectations, communicating our Company's goals, and where possible, collaborating for mutual benefit.



SUSTAINABILITY STATEMENT

SUSTAINABILITY MATERIAL AREAS

Bumi Armada has identified our ESG material matters in our business through a materiality assessment process. Identifying our material sustainability matters is an important step towards recognising the ESG elements that are embedded in our value chain. By obtaining feedback from our internal stakeholders and benchmarking our performance against industry peers, we have shortlisted 12 material matters and categorised them into three groups based on their levels of importance.



SUSTAINABILITY STATEMENT

ESG metrics and targets were set based on prioritisation of the material matters as follows:

ESG AREAS	UN SDG	DESCRIPTIONS	METRICS
Environment		Water Scarcity/Water Use and Conservations	Water Consumption for Vessel
		Responsible Consumption and Production	- Energy Consumption for Vessel - Electricity Consumption for Offices - Bunker Fuel Consumption
		- Biodiversity - Carbon/Greenhouse Gas (GHG) Emissions - Toxic Emissions	- Disclosure of Engagement on efforts to reduce Loss of Biodiversity - GHG Emissions (Scope 1, 2 & 3) - Air Pollutants Emissions
		- Effluent/Produced Water Discharge - Waste Management	- Average Oil Concentration in Produced Water Discharge - Produced Water Discharge - Total oil discharged - Hazardous Waste Disposal
Social		Public Health and Safety	Social Agenda for Community Development
		- Ensuring Health and Demographic Risk - Occupational Health and Safety	- Percentage of Employee Insured - Lost Time Injury Rate (LTIR) - Total Reportable Injury Rate (TRIR)
		Diversity, Equity and Inclusion	Onshore Female Staff Percentage
		Compensation and Benefits	Voluntary Attrition Rates
		- Human Rights - Labour Rights Management	- Training Hours per Employees - Onshore Local Staff Percentage
Governance		- Anti-Bribery and Corruption - Business Ethics - Corporate Governance - Emergency Preparedness - Risk Management	- No. of Whistleblowing Cases - No. of Internal Audit Reports, Findings and Unclosed Issues - Emergency Exercises - Risk Assessment Review

SUSTAINABILITY STATEMENT

OUR SUSTAINABILITY PERFORMANCE

At Bumi Armada, we have established our performance management system to identify material ESG indicators (based on the GRI framework), set up a monitoring process and continuously improve our ESG performance sustainably. These indicators were identified based on a materiality assessment conducted. Strategic initiatives were identified and ESG targets were set for operationalisation.

OUR RESPONSE TO CLIMATE CHANGE AND SAFEGUARDING THE ENVIRONMENT

To achieve our net zero ambition, Bumi Armada is collaborating with our clients to engineer solutions that maximises the sustainable value of their assets while reducing the environmental impact of their operations.

AMBITION	ACTIVITY	ACHIEVEMENT	CUSTODIAN	PROGRESS
INNOVATION	Embedding climate change risks and sustainable design of our vessels.	Conduct climate-related risk assessment for all FPSO and FSU vessels.	HSE	
		Commit to disclosure to Carbon Disclosure Project (CDP) database.		
	Collaborating with clients in providing cleaner and more reliable energy solutions through the adoption of green technology.	Evaluate design options for GHG emissions reduction and preparation of GHG emissions report for Cameia CLOA/VE phase for Total Energies.	Technology, Engineering & Project	
	Apply emergent green technologies on new projects where applicable and practicable.	Collaborating to explore the potential for exporting LCO from Grain CCGT Power Plant, UK via ship into the FCSIU for injection into a depleted gas reservoir.	Technology, Engineering & Project	
	Continue to fund progress engineering studies and pursue business developments for: Zero GHG emissions FPSO and FLNG vessels. Post-combustion carbon capture and storage facilities.	Conduct pre-FEED study for the offshore production of Blue Ammonia.	Technology, Engineering & Project	
		Investigate electric driven liquefaction trains for FLNG.		
OPERATION	Innovate, collaborate, and drive efficiencies to reduce GHG emissions.	Extend scope of emissions monitoring to include air pollutants.	HSE/OPS	
		Extend GHG emissions scope from fuel consumption with the inclusion of flaring across the fleet.		
	Accurately measure emissions, prioritising and incentivising GHG reductions.	Pilot Emission.AI solution in Armada Kraken to improve emissions monitoring leading to opportunities in the reduction of emission loadings.	HSE/OPS	
	Engaging our employees on climate change issues and the actions they can take to help reduce GHG emissions.	Inclusion of climate change as part of BAB annual Environment Campaign.	HSE/OPS	
		Conduct ESG training for employees.		
	Ensure GHG emissions management plan are prioritised across the business.	Conduct quarterly review as part of HSSE management review.	HSE/OPS	
		Conduct annual Integrated Management System (IMS) audit on Environment Management System (EMS).		

Legend



In progress



Completed/On track



In planning

SUSTAINABILITY STATEMENT

AMBITION	ACTIVITY	ACHIEVEMENT	CUSTODIAN	PROGRESS
VALUE CHAIN	Prioritise minimum lifecycle carbon footprint throughout our supply chain.	Supply Chain plans to implement an evaluation of ESG guidelines/criteria/statistics of suppliers and subcontractors while conducting supplier Pre-Qualification/Evaluation by Q2 2023.	Supply Chain	
	Collaborate with our clients and contractors to help reduce GHG from their operations.	Continue with monthly reporting of GHG emissions to clients to ensure emission is within allowable permits.	HSE/OPS	
	Prioritise the development of offshore carbon sequestration business.	This is being done through engagement with Societe Generale.	Technology, Engineering & Project	
	Expand our LNG re-gas business to drive cleaner energy alternatives.	Continue to identify new low-carbon fuel growth demand. Invitation to present at FSRU 2023 on the topic of 'Examining the Technology, Strategy, and Innovation that Drives Successful FSRU Conversions'.	Technology, Engineering & Project	
COMPLIANCE & TRANSPARENCY	Ensuring compliance with all applicable environmental laws and regulations.	Continue to conduct an annual management review of environmental laws and regulations across the fleet.	HSE	
		Continue to conduct an annual evaluation of compliance with regulatory requirements and marine legal requirements across the fleet.		
	Reporting regularly to our shareholders on our progress in sustainability and stewardship of our business.	Strategic Sustainability matters are presented by the Vice President of Sustainability and External Relations to the Board for approval.	Sustainability & External Relations	
	Develop strategic partnerships with clients and business partners.	Supply Chain is in the process of Implementing a plan for evaluating ESG guidelines/statistics of all the new suppliers and subcontractors. Upon evaluating such subcontractor statistics, it plans to present to the management the potential opportunities for long-term collaboration with contractors that commit to COP26 criteria.	Supply Chain/ OPS	

Legend



In progress



Completed/On track



In planning

GREENHOUSE GAS EMISSIONS

Greenhouse gas (GHG) emissions have severely impacted the environment, especially the oil and gas industry which has contributed, directly and indirectly, to 42% of the total global GHG production¹. Being mindful of such impacts, Bumi Armada strives to reduce our carbon footprint and aims to achieve a greener environment. As part of our short-term goals, Bumi Armada will continue to leverage on IOGP baseline as our GHG reduction target in the next 5 years (2021-2026). In 2022, we set a target for our FPSO/FSU carbon intensity of 119 tonnes CO₂e/thousand tonnes production (IOGP baseline) and we achieved 115 tonnes CO₂e/thousand tonnes production which is 2.5% lower than in 2021. However, in terms of absolute GHG emissions, there was an increment of 2.2% for the Scope 1 emission in 2022. This is due to an increase in fuel consumption resulting from higher production rates and new projects in the Subsea Construction business.

Note:

¹ McKinsey - <https://www.mckinsey.com/industries/oil-and-gas/our-insights/the-future-is-now-how-oil-and-gas-companies-can-decarbonize>

SUSTAINABILITY STATEMENT

“GHG emissions intensity reduction of 2.5% from in 2022”



Greenhouse Gas (GHG) Reduction

Bumi Armada is committed to climate-positive progress to achieve Net Carbon Emissions by 2050. The Group continues to monitor and report our CO₂ emissions for opportunities to reduce GHG emissions to As Low as Reasonably Practicable (“ALARP”). In 2022, the Group has successfully achieved a 2.5% reduction in GHG emissions intensity through improved operational efficiency and enhanced flare management across the fleet.

The Group monitors and reports its CO₂ emissions across all its operating vessels (100%) for opportunities to reduce emissions to ALARP. As part of improvement measures on CO₂ emission monitoring, the Group has extended its emission monitoring in 2022 to include the Scope 3 emission on business air travel and inclusion of flaring into Scope 1 emission.

In FY 2022, energy consumption, and bunker fuel consumption increased by 0.8% and 1.3% respectively from FY 2021 while the amount of FPSO energy consumption per unit hydrocarbon is reduced by 0.7% from the previous year.

BUNKER FUEL CONSUMPTION
(Million litres)ELECTRICITY CONSUMPTION
(MWh)FPSO ENERGY CONSUMPTION
PER UNIT HYDROCARBON
(GJ per tonne production)

In FY 2022, the Group improved our monitoring by including the CO₂ emission from the FPSO vessels flaring activities into the Scope 1 emission, on top of fuel consumption. The absolute Scope 1 CO₂ emission has increased by 2.5% compared to FY 2021. In terms of CO₂ emission intensity, the Group has managed to reduce GHG emissions intensity by 2.5% compared to FY 2021 and continues to meet our target based on the IOGP baseline of 119 tonnes CO₂ per thousand tonnes production.

The absolute Scope 2 CO₂ emission remained constant while methane emission decreased by 13.6% compared to FY 2021². In addition, the Group has started to monitor the Scope 3 emission for the business air travel category in FY 2022. The total CO₂ emission for this category was 675 tonnes CO₂-e. The data obtained in FY 2022 will serve as the baseline for setting our reduction target in the future.

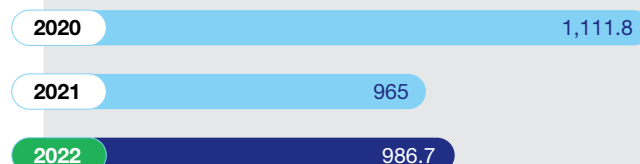
“Methane emission reduction of 13.6% in 2022”

Note:

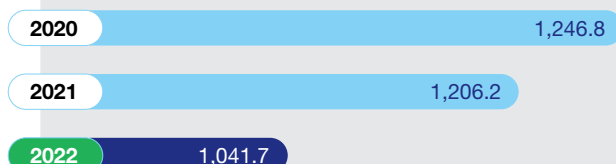
- ² • Scope 1 ('000 tonnes CO₂ equivalent) is based on consumption of bunker fuel, fuel gas, crude oil and flaring from FPSO. The Group has included the CO₂ emission from flaring into the Scope 1 emission resulting in higher emission value compared to 2021 report.
- Scope 2 ('000 tonnes CO₂ equivalent) is based on electricity consumption from offices in Astrakhan, Indonesia, Malaysia, Singapore and UK. In 2022, there was electricity increment in the KL office due to hybrid work arrangement practices compared to full working from home in 2021.
- In 2022, Scope 1 GHG, Bunker Fuel Consumption and Water Consumption data reported represent 100% coverage from our operating assets. We recorded Zero cases of spills released to sea by our FPSO fleet. Our FPSO fleet contributed to 94% of GHG Scope 1, 92% of Bunker Fuel and 90% of water consumed.
- Bunker Fuel data recorded in 2022 was higher compared to 2021 due to higher production rate in our FPSO fleet.
- Environmental performance indicators set for different type of assets were calculated based on specific operational indicators i.e. running hours, man hours and hydrocarbon production. These data were used for internal monitoring.
- On non-hazardous waste, the Group has added data for Armada Kraken FPSO which was previously not included in FY 2021 report.
- The Group improves its Environment disclosure to include data on flaring into Scope 1 emission, Scope 3 emission on business air travel category and other environmental data i.e. total oil discharge and volume of produced water discharge.

SUSTAINABILITY STATEMENT

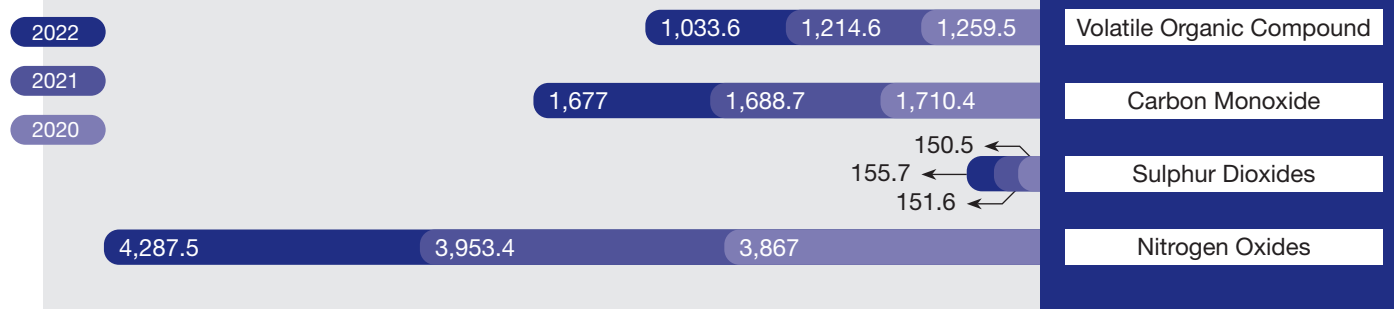
The Group has committed to further improving energy management across the fleet as part of the effort to reduce our GHG. We have completed our gap assessment on ISO 50001 Energy Management System standard and are currently working to improve our internal management system. This has been kicked off with awareness training among key employees in May 2022. Currently, we are working on closing the gaps before the certification by external parties.

SCOPE 1 GHG EMISSIONS
 ('000 tonnes CO₂-e)

FPSO/FSU CO₂ EMISSION INTENSITY
 (tonnes CO₂-e per thousand tonnes production)

SCOPE 2 GHG EMISSIONS
 ('000 tonnes CO₂-e)

METHANE
 (CH₄)

SCOPE 3 GHG EMISSIONS - AIR BUSINESS TRAVEL
 ('000 tonnes CO₂-e)


Nitrogen oxides account for the highest emission in FY 2022 compared to the other air pollutants and project an increasing trend year-on-year. Carbon monoxide is the second highest pollutant, followed by volatile organic compounds and sulphur dioxide respectively.

AIR POLLUTANT EMISSIONS LOADING (Tonnes)


SUSTAINABILITY STATEMENT

ENVIRONMENTAL MANAGEMENT

As an operator in the offshore energy sector across three continents globally, environmental stewardship is at the core of our business. We ensure strict compliance with the requirements of the International Marine Organisation (“IMO”) on marine pollution and the local governing bodies in the countries where we operate. Our objective is to prevent and minimise the environmental impacts from ships both from normal and abnormal operations. The key areas include the reduction of GHG emissions across our operations.

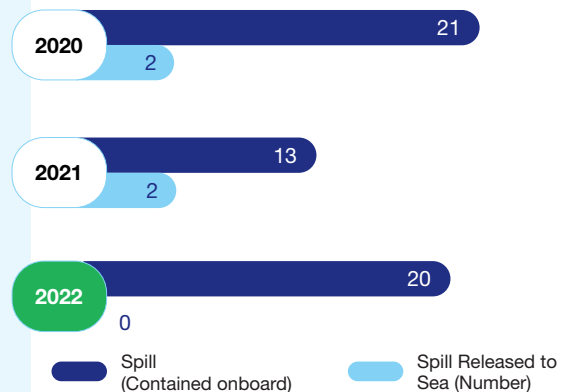
In recognition of our environmental performance, we have achieved the ISO 14001:2015 Environmental Management System certification, which covers all our operating FPSO, FSU, OSV, and Subsea Construction vessels (100%). The system we developed ensures that the identified environmental impacts are mitigated and monitored with periodical audits carried out to identify any areas of non-compliance.

SPILL MANAGEMENT

In 2022, we recorded Zero incidents of spills released to the surrounding marine waters by our FPSO fleet. In addition, no fines or penalties concerning spills, or any other form of environmental pollution were recorded in 2022. We continue to drive a positive reporting culture among our offshore crew members to proactively mitigate the risks of escalation in our spill management program. To achieve our goal of Zero Spills to the sea, we continuously explore opportunities for improvement and lessons learnt in spill prevention.

No spills to the sea in 2022

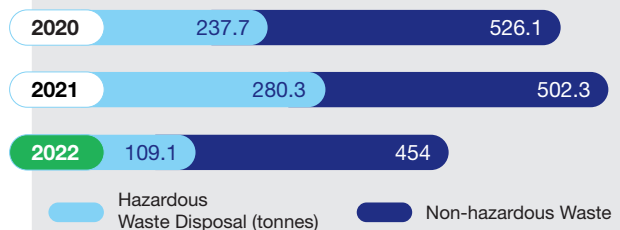
SPILL INCIDENTS



WASTE MANAGEMENT

Proper waste management is essential in reducing negative impacts on the environment. We categorised our waste into hazardous and non-hazardous. All our vessels have a garbage management plan in place to ensure waste that was produced is managed in a responsible manner and compliant with the requirements under MARPOL. In FY 2022, there was a reduction in the total waste generated and the Group is committed to continuously improve our waste management system across the fleet.

HAZARDOUS AND NON-HAZARDOUS WASTE DISPOSAL (Tonnes)



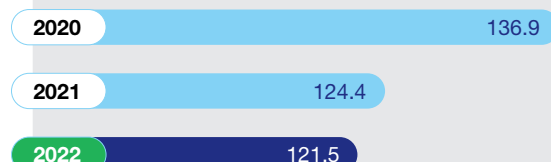
WATER AND EFFLUENTS

Water is mainly used as potable water and utility for operational processes in our vessels. Where possible, we have tried to minimise our water consumption. In FY 2022, we saw a 2.3% increase in water consumption on our vessels from FY 2021 due to increase in the production of hydrocarbon.

The effluent from our FPSO operation consists of produced water discharge. The produced water is treated before being released into the environment. In FY 2022, the total produced water discharge to the sea from our vessels has increased 7.4% compared to FY 2021, however, the oil discharged with produced water has shown a reduction of 2.3%; 121.5 tonnes compared to 124.4 tonnes in FY 2021. The average oil concentration in produced water discharge recorded by our FPSO vessels was 19.3 mg/L which is above our KPI target of 17.1 mg/L.

WATER CONSUMPTION-VESSELS (thousand m³)

TOTAL OIL DISCHARGED (tonnes)



SUSTAINABILITY STATEMENT

PRODUCED WATER DISCHARGE TO SEA
(thousand m³)**FPSO AVERAGE CONCENTRATION OF OIL IN PRODUCED WATER DISCHARGE** (mg/L)

BIODIVERSITY

Being in the oil and gas industry, we acknowledge that we have a role to play in conserving and preserving the natural habitat and we strive to bring meaningful contributions to biodiversity, especially in the locations we operate in. In this undertaking, we have adopted UN SDG 14 – Life Below Water, to demonstrate our resolve in protecting marine life while also furthering our efforts to minimise risks and consequences to aquatic habitats from our operations. Bumi Armada's potential impact on biodiversity is included in the oilfield operator's environmental impact assessments and monitoring programs, which are subject to local regulatory approvals.

Bumi Armada cooperates with its clients to comply with their environmental management and monitoring plans. During the development phase, environmental impact assessments and supporting studies are performed by the client to identify and validate the potential impacts of the development on the environment. These assessments and studies define the environmental design performance criteria of the asset. Bumi Armada ensures these performance criteria are incorporated into the design of the vessel through its standard engineering practices and Best Available Techniques ("BAT") economically achievable.



Bumi Armada's commitments to sustainable business practices include protecting the biodiversity of marine life where we operate. In Malaysia, we strive for the improvement of the marine ecosystem through a 3-year commitment (2023 to 2025) with the Department of Fisheries Malaysia to the conservation and management of sea turtles, at the Turtle Conservation and Information Centre, in Cherating, Pahang. The Group has collaborated with ECONinja (local NGO) to plant 250 mangrove seedlings at the Tanjung Piai National Park, Johor in Malaysia. This is part of Bumi Armada's 5-years commitment to ECONinja in their mangrove forest rehabilitation effort in the region.

In Malta, we contributed to a non-profit environmental NGO, Nature Trust Malta, in partnership with the Malta Ministry for the Environment, Climate Change, and Planning to transform Marsaxlokk, a small, traditional fishing village in the South-eastern Region into Malta's first Wildlife Rehabilitation Centre.

We continue to review our ESG risks for opportunities where we can contribute to protecting the local biodiversity, as well as to strengthen our environment management system across the locations where we operate.



SUSTAINABILITY STATEMENT

SOCIAL AGENDA

EMPLOYEES AND COMMUNITY DEVELOPMENT

AMBITION	ACTIVITY	ACHIEVEMENT	PROGRESS
HEALTH, SAFETY, SECURITY AND ENVIRONMENT	To protect our employees, assets, and the working environment in all locations that are within our management and operational controls.	Certifications: 1. ISO 45001:2018 – International Standard related to Occupational Health and Safety Management System 2. ISO 14001:2015 – International Standard related to Environment Management System 3. ISO 9001:2015 – International Standard related to Quality Management System 4. International Safety Management Code (ISM) 5. International Ship and Port Facility (ISPS) Code 6. Marine Labour Convention, 2006 (MLC 2006)	
EMPLOYEE DEVELOPMENT	To develop a training development plan to achieve professional and personal growth.	2022 recorded 86% increase in the training hours per employee from the previous reporting year.	
DIVERSITY, EQUITY AND INCLUSION	To promote diversity and inclusion and improve employee morale and work efficiency.	Zero-tolerance policy against bullying and discrimination of any form. All employees and potential recruits are afforded the same opportunities regardless of race, ethnicity, gender, sexual orientation, or religion.	
COMMUNITY DEVELOPMENT	To develop Bumi Armada Social Agenda.	Focus on education, health, and the underprivileged.	
HUMAN RIGHTS	To establish human rights guidelines.	Due diligence and Know-Your-Counterparty (“KYC”) to ensure this culture is promoted across the business. Speak Up Policy (Whistleblowing) that ensures a safe environment for employees and other parties to raise their concerns without fear of retaliation. Referenced to the UK Modern Slavery Act 2015 and the Human Rights Commission of Malaysia Act 1999.	

Legend



In progress



Completed/On track



In planning

OCCUPATIONAL HEALTH AND SAFETY

HEALTH, SAFETY AND ENVIRONMENT (“HSE”)

In Bumi Armada, the HSE department is responsible for the functions of health, safety, environment, quality and operations security. Throughout this report, the term HSE refers to the scope of health, safety, environment, quality and operations security.

Bumi Armada, in alignment with the Company’s Health, Safety, Security, and Environment (HSSE) Policy commits to protecting the people, assets, and the environment in all work locations that are within our management and operational controls. The Company recognises the importance of building a proactive culture to reduce HSSE risks to ALARP and prevent escalation of any near misses identified. As Safety is one of our shared core values, the Company continues to drive improvement initiatives that elevate the safety culture across the organisation.

QUALITY MANAGEMENT

With the focus to improve quality assurance and quality control across our operation, Bumi Armada has launched its Quality Management Policy across the organisation. This is part of our commitment to achieving our business objectives efficiently and effectively through the application of quality management principles and systems that are aligned with international standards, to provide performance assurance to our stakeholders. The quality function is imbedded in the HSE department, as part of the Integrated Management System.

SUSTAINABILITY STATEMENT

HSE MANAGEMENT

The Company's HSE Management System is imbedded as part of its Integrated Management System, which incorporates requirements from International Organisation for Standardisation ("ISO") as well as applicable regulations, standards, and guidelines. The Company's HSE department work closely with interdepartmental and in-country focal to ensure its regulatory compliance register is reviewed on an annual basis to drive operational compliance management across the organisation. The following rules & regulations govern design, procurement, fabrication, installation, commissioning, and operations of the Company's FPSO facilities:

- International Association of Lighthouse Authorities ("IALA"), recommendation for the Marking of Offshore Structure, 1984 (as amended 1989 and 1992)
- International Convention on Load Lines 1966, As Amended By IMO Regulations A231 (VII), A319 (IX), A411 (XI), A513 (XIII) and A514 (XIII)
- International Convention for Safety of Life At Sea ("SOLAS") 1974, Consolidated Edition 1997 including 1996 and 1997/8 Amendments
- International Convention for Prevention of Collision at Sea 1972, with amendments 1981
- International Convention for Prevention of Pollution from Ships 1973 and Protocol 1978, and amendments (MARPOL 73/78, Consolidated Edition 1991) and 1992 amendments to Appendix I

- International Convention on Tonnage Measurements of Ships 1969, as amended by IMO Resolution A493 (XII) And A494 (XII)
- International Management Code for the Safe Operation of Ships and for Pollution Prevention (ISM Code), in force from July 2002
- International Safety Management (ISM) Code (2010)
- IMO Resolution A468 (XII), Code of Noise Levels on board Ships
- VDI 2056 Criteria for Assessment of Mechanical Vibrations in Machines
- IMO Resolution A272 effective November 1973/A330 effective 1975, Safe Access to and Working in Large Cargo Tanks and Ballast Spaces
- IMO Regulation A343 (IX), Recommendation on Method of Measuring Noise Levels at Listening Posts
- IMO Regulation A686 (XVII), Codes on Alarms and Indicators
- IMO MODU Code 1989
- ISO Guidelines No. 6954 - 1984 Guidelines for the Overall Evaluation of Vibration in Merchant Ships
- MARPOL Annex I (Oil)
- MARPOL Annex IV (Sewage)
- MARPOL Annex V (Garbage)
- Radio Regulations of International Telecommunications Union 1990

The above list is not considered exhaustive and does not include country specific HSE regulations. Each country operation team is responsible in driving its regulatory compliance and report its compliance status to the Company's HSE department on annual basis.

INTEGRATED MANAGEMENT SYSTEM ("IMS")

In 2022, we continued to strengthen our HSE governance through an Integrated Management System ("IMS") that is defined by the following ISO standards and mandatory International Maritime Codes:

- 1 ISO 45001:2018**
International Standard related to Occupational Health and Safety Management System
- 2 ISO 14001:2015**
International Standard related to Environment Management System
- 3 ISO 9001:2015**
International Standard related to Quality Management System
- 4 International Safety Management (ISM)**
- 5 International Ship and Port Facility (ISPS) Code**
- 6 Marine Labour Convention, 2006 (MLC 2006)**

The ISO certifications, which were renewed for the period 2021 to 2024, reflect our commitment to our clients to ensure all our assets and services are of high quality and on par with industrial practices in the management of the following:

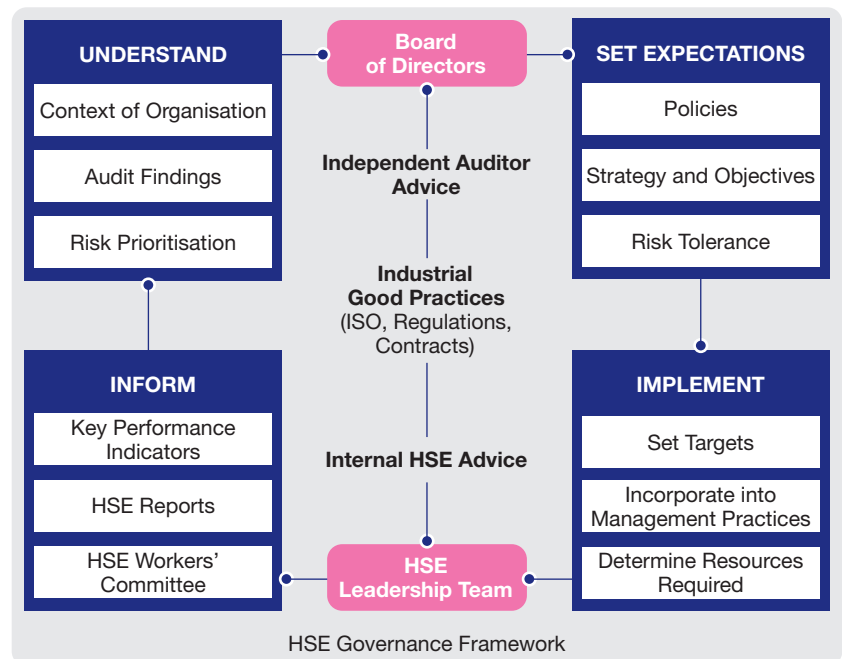
- Engineering/Engineering Design Consultancy
- Procurement
- Construction
- Commissioning
- Operations and Maintenance (O&M)

As part of the certification process, an annual internal and external audit were conducted on the mentioned ISO management systems as part of the assurance/compliance check process to ensure the organisation maintains its industrial standard in HSE, as well as Quality Management system. The management systems apply to all our operating sites (100%) including FPSO & FGS Facilities, Offshore Pipelines & Structures, New Build, Ship Management & Marine Operations, Transportation, and Installation Vessels, as well as Chartering Services. The Company has completed its gap assessment on ISO50001:2018 Energy Management System and currently progressing to fill the gaps, as part of its readiness for certification process.

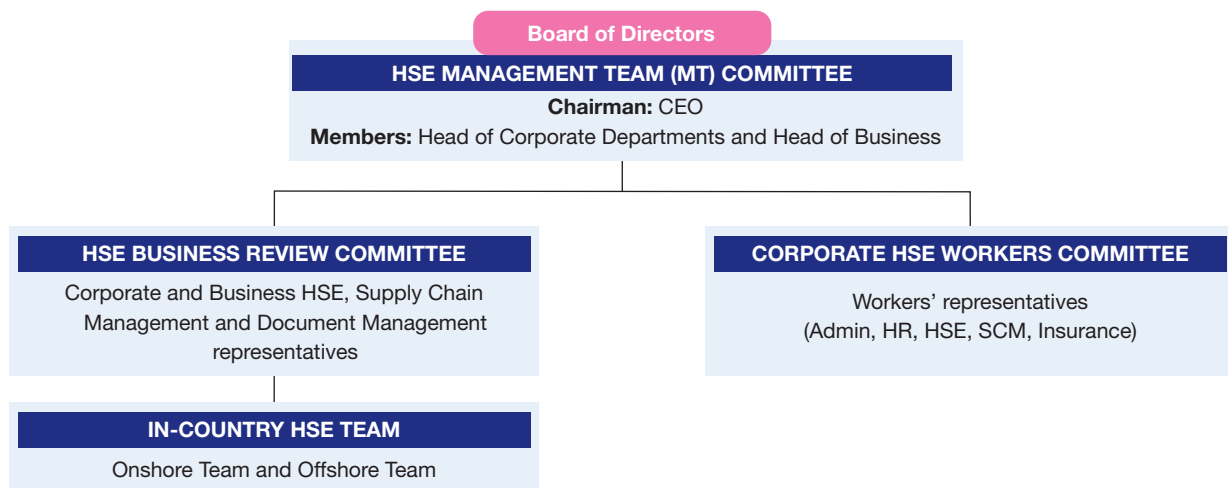
SUSTAINABILITY STATEMENT

HSE GOVERNANCE

Bumi Armada's Board of Directors, led by our Chairman has a holistic oversight on HSE-related matters within the Company, including environment (inclusive of climate and biodiversity) related risks and issues. The Board conducts a quarterly review of the Company's HSE performance and provides strategic direction to the Management Team to address identified risks and issues. The HSE department acts as the governing body that monitors and manages the compliance of the Company against our HSE related policies, standards, procedures, and guidelines, as well as contractual requirements and relevant regulatory requirements. Our HSE governance framework strives to enable both the Management Team and employees to participate and contribute to driving HSE excellence across the organisation.



In 2022, we continued to drive continuous improvements in our governance framework through our established governance team, including workers' participation via our Corporate HSE Workers Committee. The HSE Workers Committee empowers our employees with a platform to raise HSE related matters and opportunities for improvement, which will be brought to the Bumi Armada leadership team for forward actions. The Committee meets quarterly with the participation of both managerial and non-managerial representatives from various departments, including Administrative, Human Resources, HSE, Operation, Supply Chain Management, and Insurance. For our offshore crew, a weekly safety meeting is held to enable the crew members to raise HSE-related concerns, as well as for the HSE team to continuously raise awareness among the crew.



HSE Leadership Team Structure

As the Company continues to strive for continuous improvements, we benchmark our HSE performance against international standards in the industry (i.e., IOGP offshore and IMCA offshore). To ensure we are aligned with the evolution of international standards, we remain an active member of the IMO, International Marine Contractors Association ("IMCA"), and Malaysia Oil & Gas Services Council (MOGSC). Our involvement in these organisations enables the Company to have access to international best practices and industrial lessons learned for ongoing improvement initiatives.

SUSTAINABILITY STATEMENT

HSE RELATED POLICIES

We encourage continuous improvement of our HSE related policies to ensure our Company-wide programs and processes are focused and aligned with any changes in the industry. The policies are adopted across our global operations in collaboration with our Joint-Venture partners and clients to ensure key business objectives are communicated and achieved. These policies include, amongst others:

- Asset Integrity Management Policy
- Corporate Major Accident Prevention Policy ("CMAPP")
- Drug and Alcohol Policy
- Health, Safety, Security and Environment ("HSSE") Policy
- Quality Management Policy
- Stop Work Policy
- Smoking Policy

All such policies are cascaded to all our operating vessels (100%), as well as the respective Environment Management Plan ("EMP") with our commitments on:

- Protecting the environment through risk mitigation to ALARP
- Continuously creating environmental awareness across both onshore and offshore staff
- Implementing an environment management system – ISO 14001:2015
- Using natural resources or energy more efficiently
- Reducing emissions, releases, and waste
- Managing or reducing effluent (i.e., produced water)
- Monitoring the company's environmental issues
- Reporting regularly on environmental issues
- Consulting with our stakeholders on environmental issues

These policies are made available for reference on our public website (www.bumiarmada.com) and reviewed on a yearly basis during the HSSEQ Management Team Committee (MT) meeting.

In line with the Company's HSSEQ Policies, we continue to make improvements that drive and deliver HSSEQ initiatives throughout all levels of the organisation. These Policies and commitments apply to all internal and external stakeholders, including contractors and vendors. We actively encourage both leadership and employee participation to sustain a proactive Safety culture among the employees. This area remains relevant and essential for Bumi Armada, and initiatives throughout the year included:

- Annual HSE Week;
- Health and crew wellbeing awareness campaign;
- Lesson learned sharing (internal and external);
- Lost Time Injury Safety Milestone Achievement Recognitions;
- Monthly HSE Video Sharing Sessions;
- Quarterly HSE Campaign;
- Participation in Client Safety Programme;
- Safety Observation Card ("SOC") Recognition Campaign;

As part of our Safety Culture program, the Company has standardised our Life-Saving Rules with the IOGP standard. The standardisation of the Life-Saving Rules enables us to:

- Better transfer knowledge, experience, and lessons learned,
- Increase individual awareness and ownership of critical safeguards that can prevent fatalities,
- Step towards an industry-wide and recognised set of Life-Saving Rules, and
- Improve clarity and allow consistent use of practices by contractors and operators doing similar work across our global operations

As HSE and Security are inherent risks within the industry, the Company is committed to consistently improving our preventive measures to safeguard our people, assets and the environment across all our operations. The Company continues to thoroughly investigate and learn from incidents to further strengthen our HSE controls. Part of our HSE improvement plan includes:

- Strengthening the adoption of IOGP practices into our HSE Management System for implementation,
- Establish and instil a Safety Culture program across our operations to promote proactive culture in HSE,
- Improve our near-miss reporting process to encourage proactive reporting of HSE-related events and prevent escalations,
- Increase leadership visibilities at the site through our Integrated Assurance Programme, despite travel restrictions during the pandemic, and
- Strengthen our existing Process Safety Management ("PSM") system through integrations with the IOGP standard to improve Operation Excellence.

SUSTAINABILITY STATEMENT

HAZARD IDENTIFICATION, RISK ASSESSMENT, AND INCIDENT INVESTIGATION

The Company strives to identify all work-related hazards and implement the needed mitigation measures to remove the hazard and/or reduce the identified risks to As Low As Reasonably Practicable (ALARP). Hazards are identified and captured in the Hazard Identification, Risk Assessment, and Determining Control (HIRADC) register as well as in the Operation Safety Cases. Control measures are established through collaboration of HSE, Operations, Engineering and Project team to ensure holistic mitigation measures are in place at our worksites.

For our operations, Task Risk Assessment (TRA) is conducted prior to the commencement of operation activities. Where applicable, tasks are governed by our Permit-to-Work (PTW) process to ensure all hazards are mitigated prior to approval for starting work. All identified operational risks are reviewed on quarterly basis, while high risk items will be escalated to Risk Management Committee (RMC) as the governing body to ensure the risks have been mitigated to ensure safe operations across the fleet.

A robust incident investigation process is in place across all the fleet to ensure both onshore and offshore incidents are promptly reported, investigated with the necessary lesson learnt, followed by implementation of action plan to prevent recurrence of the incident. The Company's incident reporting process is established based on requirements from country regulations, client's requirements, industrial standards such as IOGP and ISO certification requirements. The incident investigation process is complimented by thorough root cause analysis using the Kelvin Topset methodology.

To ensure our employees are competent in executing these processes, the Company has established a structured training matrix for all offshore staff, as well as onshore employees whose role requires them to be involved in the incident investigation process. The Company's STOP WORK policy empowers our employees to remove themselves from work situations that they believe could expose them to harm that may result in injury or ill-health.

In 2022, the Company's Loss Time Injury Rate (LTIR) is above IOGP Offshore industrial average. We are committed to learning from these incidents and have improved our preventive measures to safeguard our people. In Africa, Russia & Central Asia regions, our operations maintained zero Lost Time Injury ("LTI") throughout 2022 but we remain diligent in our control measures to ensure our people are safe at work.

	2020	2021	2022
IOGP LTIR	0.22	0.22	-
IOGP Offshore LTIR	0.35	0.40	-
IMCA LTIR	0.31	0.35	-
BAB LTIR	0.00	0.55	0.53

Note: At the time of this report, IMCA and IOGP have yet to release their industrial safety statistic on LTIR for 2022

No fatalities have occurred in the last three years. Despite our efforts, in 2022, the Company reported two (2) LTI cases, related to hand and leg injury respectively. Both incidents happened during maintenance work activities. Fortunately, both crew members have fully recovered and returned to normal work. The Company is committed to learn from these events and further strengthen our control measures to prevent recurrences.

The Company continue to put Safety as our utmost priority. In 2022, the Company has increased HSE related trainings, its awareness program, and intensity of senior management visits to all the vessels.

SUSTAINABILITY STATEMENT

Year	2020	2021	2022
Total Manhours (Millions) – Bumi Armada only ⁽¹⁾	4.38	3.66	3.80
Number of employees trained in HSE standards	1014	1324	1441
HSE Training Manhours	30,147	30,618	33,583
Leading Indicators (per 200,000 manhours)			
Safety Observation Rate	986.23	1,045.43	942.92
Near Miss Reporting Rate ⁽²⁾	4.79	3.94	2.69
Management Visit Ratio	2.15	3.39	3.95
Lagging Indicators (per 1 million manhours)			
Fatal Accident Rate (FAR)	0.00	0.00	0.00
Number of Fatalities (employee)	0	0	0
Number of Fatalities (contractors)	0	0	0
Lost Time Injury Rate (LTIR)	0.00	0.55	0.53
Total Recordable Injury Rate (TRIR)	0.46	1.37	1.58
First Aid Case Rate (FACR)	2.28	4.65	4.21
Process Safety Event (“PSE”) Tier 1	0	0	0
Process Safety Event (“PSE”) Tier 2	2	0	3

⁽¹⁾ The leading and lagging indicators are based on Bumi Armada Manhours only.

⁽²⁾ Lower near miss reporting rate in 2022 as compared to previous years due to intensify verification exercise by HSE Panel Reviewer to encourage correct incident classification reporting.

In 2022, the Company embarked into online incident, non-conformance, audit and assurance management modules to improve the reporting process from onshore and offshore operating sites to the management. We have also successfully planned and implemented an integrated internal audit/assurance management schedule (based on *ISO, **ISM, ***ISPS and ****MLC 2006 requirements) to cover the specific operating sites where HSE team collaborated with the Operations team. New additional HSE KPIs were established and monitored which include GHG Scope 3 and Air Pollutants Emission loading.

*ISO - International Organisation of Standardisation

**ISM - International Safety Management Code

***ISPS - International Ship and Port Facility Security Code

****MLC 2006 – Marine Labour Convention, 2006

The Company trained more than 1000 offshore staff on safety critical and competency-based training last year with above 30,000 HSE related training manhours spent, whilst over 200 of onshore staff have been trained on general health and safety related trainings. This translates to an increase of approximately 10% of HSE related training manhours companywide in 2022 compared to 2021, which is part of Bumi Armada’s continuous commitment on prioritising the importance of HSE knowledge and competency among our staff. For the completed trainings, employees receive an evaluation form to provide voluntary feedback on the training courses. These evaluations and training effectiveness are discussed during the HSE quarterly review meeting with considerations on opportunities for improvement. All classroom and web based HSE trainings are conducted during working hours.

OCCUPATIONAL HEALTH MANAGEMENT

The Company has incorporated its Occupational Health Management into its IMS. The function of Occupational Health Management is under the responsibility of its HSE department supported by the Human Resources (HR) department. To protect the confidentiality of employees’ personal health related information, the Company engaged approved medical facilities at the respective countries where applicable to provide medical services to our employees when needed. In the event that the Company requires to access employee’s personal health information, the Human Resources department acts as the focal to gain consent from employee and is responsible to maintain the confidential information in a secured database that complies with Malaysia’s Personal Data Protection Act (PDPA) 2010.

SUSTAINABILITY STATEMENT

To encourage a healthy workforce, both HSE and HR department collaborates to drive a structured non-occupational medical and health services for the employees, including:

Medical insurance coverage for employees	Monthly HSE Video Sharing
Annual Health Campaign	Weekly Mental Health Tips
Monthly allowance for fitness club membership	Health Talks from medical centres

COVID-19 RESPONSES

In 2022, Bumi Armada continues to maintain its preventive controls on COVID-19 infections based on local requirements and recommendations from World Health Organisation, International SOS, U.S. Centres for Disease Control and Prevention, and local regulations in countries where we operate.

The Company maintains its Global Health Surveillance strategy encompassing all our people and all countries where we operate. Through continuous collaboration between HSE and HR, we have extended our support to our employees' well-being through the inclusion of Mental Health support into our employee medical insurance coverage. In addition, we have strengthened our travel risk management with the inclusion of health advisory support for our business travellers, where needed.

INDUSTRIAL COLLABORATION IN HSE

In Malaysia, Bumi Armada continues to collaborate with MOGSC, an independent organisation that drives professional development and raises the competency of the industrial workforce in the region. Together with MOGSC, we drive the HSE Workgroup to establish an online lesson learnt database for members to share preventive measures across the industry and prevent similar incidents from reoccurring.

Bumi Armada is also an active member of the MOGSC Sustainable Development Workgroup, which aims to support the Oil and Gas services companies in Malaysia to address sustainability, including climate-related risks and issues. Through this workgroup, Bumi Armada participates in its quarterly meeting to discuss with technical experts on nature-based solutions and green technologies that are feasible for organisations to achieve their ESG goals and mitigate climate-related issues.

HSE DIGITALISATION PROCESS

Progressing with the improvement of our management system, the Company has embarked on the digitalisation of its Incident Management and Audit Management processes. This initiative aims to better improve the predictive analysis of HSE and audit data to further reduce operational risks to as low as reasonably practicable.

In Armada Kraken, the Company is piloting a digital solution "Emission.AI" that contextualises operational emissions and leverages engineering first principles, analytics, and artificial intelligence (AI) to identify opportunities to lower CO₂ emissions and improve energy efficiency.

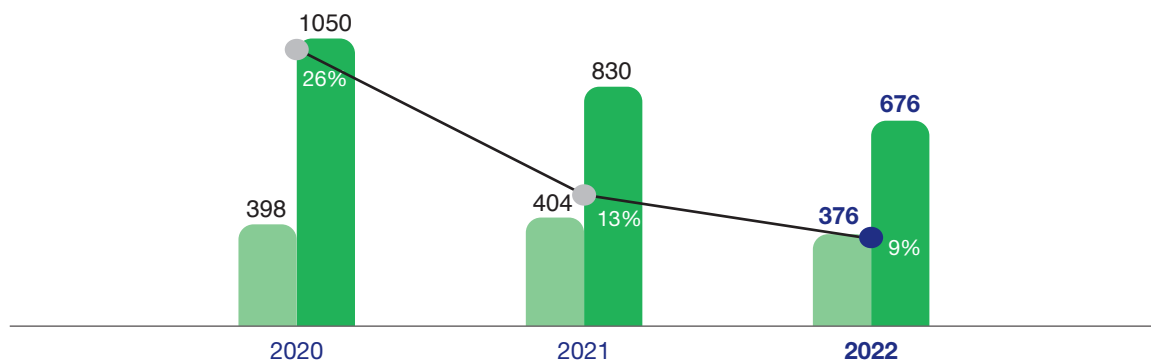
The Company is committed to explore further digitalisation opportunities that can improve its management system to better safeguard the people, assets, and the environment.

We actively participate in the MOGSC Sustainable Development Workgroup to elevate the industrial commitments in the region.

SUSTAINABILITY STATEMENT

LABOUR RIGHTS MANAGEMENT

TOTAL EMPLOYEES (ONSHORE & OFFSHORE) VS VOLUNTARY ATTRITION RATE



Total Employee Numbers - Onshore

Total Employee Numbers - Offshore

Voluntary Attrition Rates



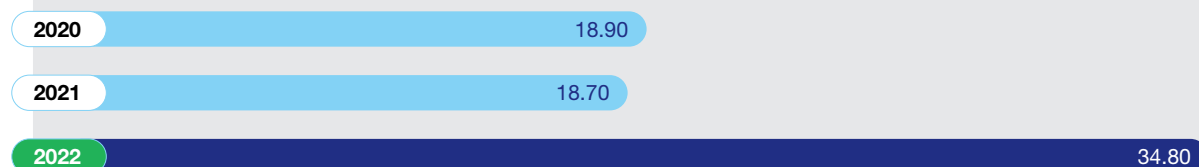
The Company actively focuses on engaging with our people, promoting employee well-being through activities that promotes health and fitness. These initiatives are driven through our “Bumi Life” program represented by employees from various departments, which takes the lead in organising various sports, recreational and fun packed activities for our employees. In addition, the Company also subsidises gym membership to encourage employees to take ownership of working out and inculcating a fitness culture. Health Awareness Talks are being conducted in collaboration with local medical centres to raise awareness on global health issues.



In line with the International Labour Standard for Decent Work, the Company benchmarks its employee remuneration through a robust benchmarking exercise. Our talent is sourced globally based on the fit for the role complying with all Local and International Labour Regulations and Standards. We recognise the capabilities and performance of our employees objectively and our employees are rewarded on a meritocracy basis.

At Bumi Armada, we believe in cultivating and developing our employees through training and development to achieve professional and personal growth. This year, we are proud to report an 86% increase in the training hours per employee from the previous reporting year.

TRAINING HOURS PER EMPLOYEE



SUSTAINABILITY STATEMENT

DIVERSITY, EQUITY, AND INCLUSION

Bumi Armada strongly believes that promoting diversity and inclusion is not only imperative to our sustained business growth but also improves employee morale and work efficiency. We have a zero-tolerance policy against bullying and discrimination of any form. All employees and potential recruits are afforded the same opportunities regardless of race, ethnicity, gender, sexual orientation, or religion.

In 2022, Bumi Armada has no employee with disability.

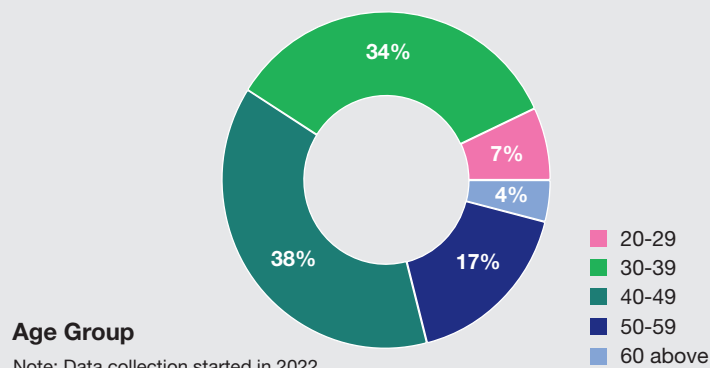
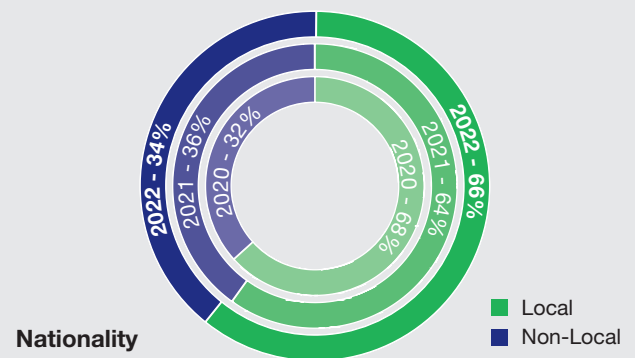
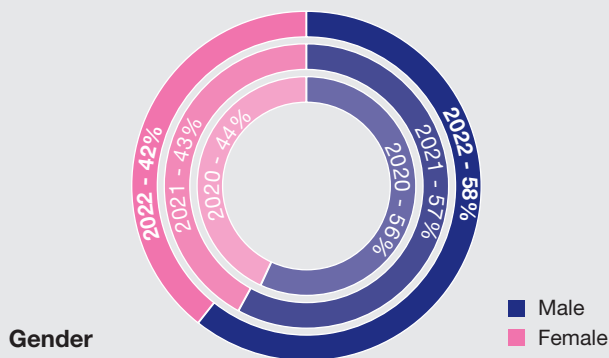


Bumi Armada continues to embrace diversity by building teams of people from diverse backgrounds, nationalities, skills, and experiences across the globe to create sustainable value for the organisation. The Company believes in creating career opportunities for the local talents where it operates and inclusiveness at the workplace where everyone feels valued and heard. The Employee Handbook also highlights the Company's equal opportunities and diversity standards in hiring and working, as well as the expected behaviour of employees towards all other employees regardless of their gender, race, colour, nationality, religion, or any other factor.



The Company's employment policy is governed by various national requirements and regulations, based on the specific location of the role. In Malaysia, employees' rights are covered by the regulations set out under the Malaysian Employment Act, while the Company is guided by the Malaysian Employers' Federation. In other countries where the Company operates, our employees are covered by the local regulations governing employee rights in those jurisdictions.

ONSHORE STAFF DISTRIBUTION (%)



SUSTAINABILITY STATEMENT

COMMUNITY INVESTMENT AND PHILANTHROPY

Bumi Armada strongly believes that promoting diversity and inclusion is not only imperative to our sustained business growth but also improves employee morale and work efficiency. We have a zero-tolerance policy against bullying and discrimination of any form. All employees and potential recruits are afforded the same opportunities regardless of race, ethnicity, gender, sexual orientation, or religion.

**Education**

The Company collaborated with Teach for Malaysia ("TFM") to provide support on IT equipment required to enable remote learning to low-income family members in Malaysia. In Indonesia, our Joint Venture, PT Armada Gema Nusantara (AGN) has collaborated with the local authority to build 3 reading corners for children around the beach, to support the development of education facilities in local communities.

**Health**

In India, the Joint Venture partnership between Shapoorji Pallonji and Bumi Armada Offshore Private Limited supported the AAKAR Charitable Trust, which has been working over the years to provide access to fresh water in the rural hinterlands of India. In 2021- 2022, the Company contributed to the construction of 3 check dams to harvest rainwater in the Alwar district, Rajasthan, and contributed to water purification initiatives in rural India.

**The Underprivileged**

In Malaysia, the Company has made contribution to the Rise Against Hunger ("RAH") and Ecotourism & Conservation Society to provide food aid to the Indigenous Community in Malaysia (i.e., Orang Asli). Our contribution to RAH provided support to the Orang Asli communities as well as the Refugees school children in the country and the extremely poor communities in the country. In the UK, our Bumi Armada United Kingdom entity has contributed and sponsored child in needs collaborated with the NGO 'Be Friend A Child' to provide warm winter clothing to disadvantaged children and young people in the local communities who are affected by poverty, illness, neglect or have additional needs.

HUMAN RIGHTS

Bumi Armada resolves to uphold human rights and integrate them into all aspects of the Company's operations, including cascading forward to our counterparties. Our commitment includes, but is not limited to:

Ensuring people's safety and health

Respecting community structures and freedom of association

Encouraging equal opportunities

Eliminating inequality, harassment, exploitation, and violence

Protecting equality of human rights

The Company prohibits any dealings with parties that indulge in human rights offenses, including:

Human trafficking and exploitation

Slavery, servitude, and forced or compulsory labour

Child labour

We commit to respect and protect against human rights abuse including abuse of:

Women's rights

Freedom of expression

Indigenous peoples' rights

Freedom of religion

In addition to our commitment to Human Rights, Bumi Armada conducts due diligence and KYC to cascade this culture across the value chain. The Company also has a Speak Up Policy (Whistleblowing) that ensures a safe environment for employees and other parties to raise their concerns without fear of retaliation, including matters related to human rights. Bumi Armada's commitment to human rights can be further referenced to the UK Modern Slavery Act 2015 and the Human Rights Commission of Malaysia Act 1999.

SUSTAINABILITY STATEMENT

GOVERNANCE

SUSTAINABILITY GOVERNANCE

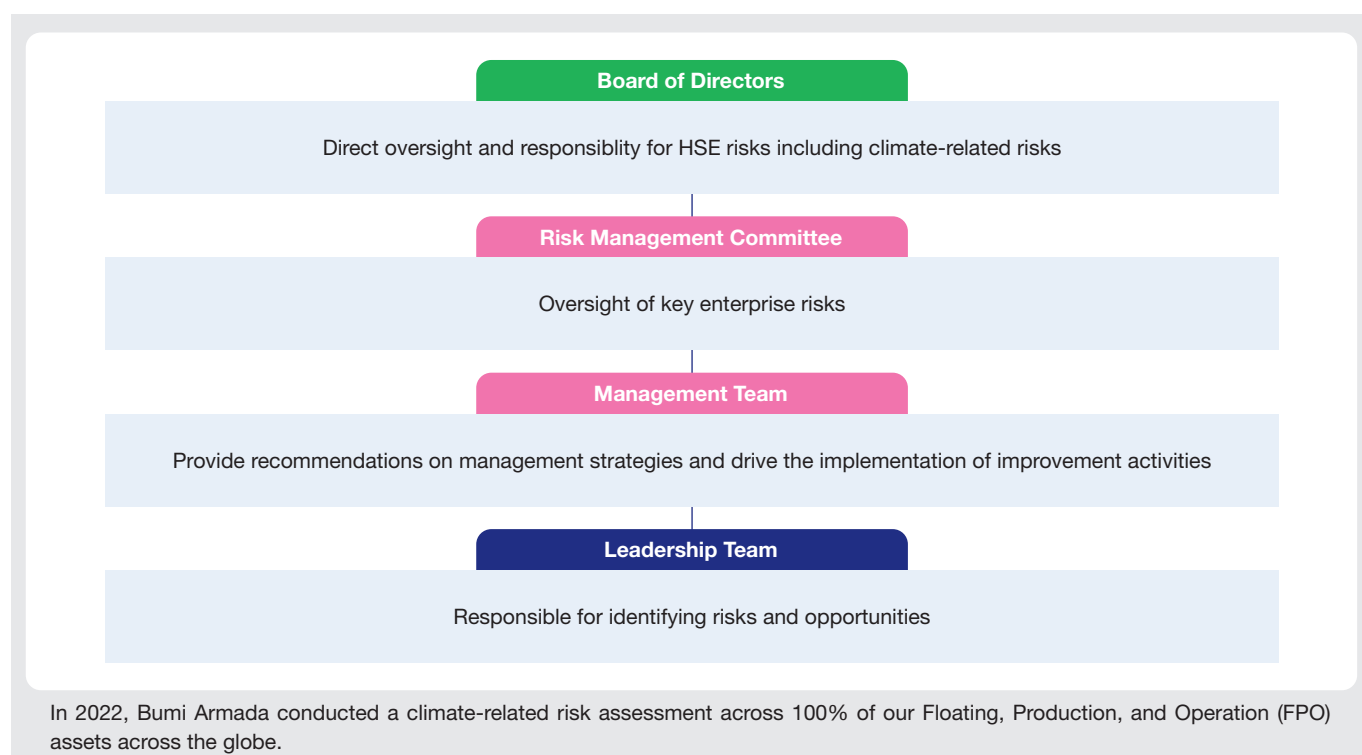
AMBITION	ACTIVITY	ACHIEVEMENT	PROGRESS
Sustainability Structure	To establish a new structure to focus on sustainability.	Successfully established the Sustainability and External Relations Division headed by the Vice President of Sustainability and External Relations.	
Sustainability Governance	To establish proper governance to manage ESG.	Climate Change Risk Management Code of Conduct Whistle Blowing Policy Anti-Bribery and Corruption Policy	

Legend
 In progress
  Completed/On track
  In planning

Bumi Armada has strengthened its sustainability governance with the appointment of its new Board member, Tunku Alizakri bin Raja Muhammad Alias, who brings along his extensive experience in the sustainability field at the Board level. The Chairman, Tunku Ali Redhaudin ibni Tuanku Muhriz, is a sustainability philanthropist. He served as Chairman of WWF Malaysia for 8 years before becoming President of WWF Malaysia. Our ED/CEO, Gary Neal Christenson, is also a sustainability enthusiast who has been involved in ESG for more than 30 years in his career. ESG focused division, the Sustainability and External Relations Division was set up in December 2022 and headed by an industry expert, Sarimah Talib, who has more than 16 years of experience in managing sustainability to spearhead the ESG strategies for the Group.

HSE RISK MANAGEMENT

Bumi Armada's Board of Directors has direct oversight and responsibility for identifying climate-related risks across our business. The directive from our Board is cascaded down to our HSE Management Team Committee, which comprises the Management Team members from across the departments. The Management Team is supported by the RMC, which ensures our climate-related risk management is holistic and aligns with our ERM framework. The HSE Management Team Committee conducts an annual review to ensure our management system continues to remain sufficient in driving governance and mitigating identified risks to ALARP.



SUSTAINABILITY STATEMENT

CLIMATE-RELATED RISK MANAGEMENT

In 2022, Bumi Armada conducted a climate-related risk assessment across 100% of our FPO and Subsea assets across the globe. Our risk assessment approach is in line with the methodology used in the Carbon Disclosure Project (“CDP”). The key climate risk factors that are considered include:

COUNTRY	ASSETS	KEY CLIMATE RISK FACTORS
Angola	Armada Olombendo	- Acute Physical – Coastal flooding - Emerging regulations - Technology
India	- Armada Sterling I - Armada Sterling II	- Acute Physical – Typhoon - Chronic Physical – Changing temperature (air, freshwater, marine water) - Emerging regulation – Mandates on and regulation of existing products and services - Reputation – Increased stakeholders concern or negative feedback - Shift in consumer preferences
Indonesia	Karapan Armada Sterling III (KASIII)	- Acute Physical – Severe weather rainstorm and high wave - Chronic Physical – Sea level rise, heat stress, wind pattern - Emerging regulations - Market – Changing customer behaviour
Malta	Armada LNG Mediterrana (“ALM”)	Increased frequency of severe weather (e.g. vessel has to move off)
Russia	- Armada Installer - Armada Constructor	- Acute Physical – Typhoon, heat wave - Chronic Physical – Changing temperature (air, freshwater, marine water)
United Kingdom	Armada Kraken	- Acute Physical – Severe weather - Policy/Legislation change
Vietnam	Armada TGT-1	Acute Physical – Severe weather - typhoon, coastal flooding

BUSINESS ETHICS

Bumi Armada’s commitment to sustainability starts at the top with the Board of Directors providing comprehensive oversight of the management and governance of the Company including ESG issues. We have established a governance structure and implemented policies and practices that foster a culture of accountability. With a Zero-Tolerance policy towards bribery and corruption, the Board has mandated that every employee is governed by the Anti-Bribery and Corruption Policy (“ABC Policy”). The ABC Policy is supported by several ancillary policies, namely:

- 1 The Code of Business Conduct and Ethics for Employees
- 2 The Code of Business Conduct and Ethics for Directors
- 3 The Gifts and Hospitality Policy
- 4 The Speak-Up (Whistle-blowing) Policy
- 5 Know Your Counterparty (KYC) Procedure
- 6 Other Company policies

SUSTAINABILITY STATEMENT

These policies outline the professional standards of mindset and behaviour expected by all employees within the Company during the execution of their daily business activities. In addition, the ABC Policy covers extensively a range of compliance and business integrity areas, as well as the legal implications concerning illegal payments, gifts, or entertainment. Compulsory training and awareness sessions are assigned to both directors and employees to strengthen their understanding of our ABC Policy with an annual refresher session being conducted and signed off. Directors and employees are also required to submit annual declarations about any potential conflict of interest.

While the ABC Policy covers the Company's expected business behaviours internally, the Company also expects a similar standard of ethics and integrity from our business partners and suppliers, covering all these areas of mindset and behaviour including human rights and relevant labour laws.

CORPORATE GOVERNANCE

Bumi Armada is committed to executing our business with full compliance with applicable laws and regulations as well as any relevant contractual requirements imposed by our customers. To sustain safe and high-performance services to our clients, we consistently strive for continuous improvement while fulfilling the requirements of our ISO certifications. In addition, our offshore operational assets are required to comply with various international standards and regulations which are auditable by recognised certification and classification bodies. These standards are recognised in the industry and set by the following classification societies:

ABS	American Bureau of Shipping
BKI	Biro Klasifikasi Indonesia
BV	Bureau Veritas
DNV.GL	Det Norske Veritas
IRS	Indian Register of Shipping
RMRS	Russian Maritime Register of Shipping
VR	Vietnam Ship Register

Our FPSO assets must comply with the requirements of the International Safety Management and the ISPS Codes as well as the Mobile Offshore Drilling Unit Code for floating production units. In addition, our vessels comply with the International Convention for the Prevention of Pollution from Ships ("MARPOL") especially the requirements stipulated under MARPOL 73/78 including the stringent management of effluent discharges, emissions, and waste management.

TAX TRANSPARENCY

As a socially responsible corporation, Bumi Armada is committed to engaging in good tax governance and conducting our tax affairs in compliance with all applicable tax laws and pays all taxes legally due in all jurisdictions in which we operate.

OUR APPROACH TO TAX

We are committed to observing all applicable laws, rules, and regulations in meeting the Group's tax compliance and reporting responsibilities in all jurisdictions where the business operates and ensuring that appropriate management structures are put in place to meet those obligations.

The Board of Directors of Bumi Armada via the Audit Committee ("AC") and RMC have oversight of the Group's tax governance and tax risk management matters. Our approach to tax is based on the following objectives:

Complying in good faith with all applicable tax laws and regulations in all countries we operate in.

Committed to timely and accurate registration, filing of accurate tax returns by due dates, and payment of tax obligations when legally due.

Applying diligence and care in the management of the processes and procedures by which tax activities are undertaken.

Develop and maintain a good, transparent, and collaborative working relationship with the relevant tax authorities and undertake all dealings based on the concepts of integrity, collaboration, and mutual trust.

SUSTAINABILITY STATEMENT

TAX GOVERNANCE, CONTROL AND RISK MANAGEMENT

Group Tax together with the finance team in each entity and location is responsible for ensuring timely compliance with local tax laws and obligations. In addition, Group Tax works closely with various business units and the relevant stakeholders to undertake tax risk assessments to manage tax risk exposures and ensure that the relevant tax implications are considered in arriving at business decisions.

We manage tax risk in the same manner as any other business risk and apply internal review and control procedures based on materiality, uncertainty, and reputational impact, in accordance with our ERM Framework. The framework for managing tax risks is set out below:

- Roles and responsibilities are well defined with an appropriate level of delegation of authority and accountability in managing tax affairs.
- Various tax checklists and controls have been implemented to manage tax risk proactively and to achieve overall tax compliance.
- Tax risks are identified, evaluated, monitored, and regularly reviewed on a case-by-case basis with diligent professional care and judgement to ensure they remain in line and consistent with the ERM Framework established.
- Professional due care is exercised when adopting any tax technical positions. Where there is uncertainty as to the application or interpretation of tax law, written advice evidencing the facts, risks, and conclusions is taken from external advisers to support and substantiate the internal decision-making process.
- Utilisation of tax incentives that support a genuine business purpose and commercial activity and are aligned with the intended policy objectives of the regulators that introduced the incentives.
- A structured tax training program is conducted by experienced trainers to increase tax awareness and technical skillsets of tax personnel. In addition, the tax function is equipped with access to international tax databases and attends external training regularly to keep abreast with the latest tax developments.

The AC, RMC, and the Board receive regular updates on tax issues and our approach to tax risk management. Material tax issues, if any, will immediately be escalated and reported to senior management or the Board. The Board deliberates on and approves Bumi Armada's financial reporting, including the review of tax matters that are material to the financial statements. The Company discloses details of its tax position in the notes to its audited accounts via its annual filing release to Bursa Securities and in its annual report to shareholders. This reporting methodology is in-line, and in full compliance, with the Company's reporting standards.

APPROACH TO OPEN DIALOGUE OR ENGAGEMENT WITH TAX AUTHORITIES

Bumi Armada is committed to working positively, pro-actively, and transparently with tax authorities to minimise the extent of disputes, to achieve early agreement on disputed issues when they arise, and achieve certainty, wherever possible.

Bumi Armada maintains the highest standard of professional ethics in all our dealings with the tax authorities. We seek and maintain an open and collaborative professional relationship with tax authorities and regulators by:

- responding to their questions and enquiries in a timely manner;
- engaging with respect to emerging legislation either directly or via industry bodies. We will request rulings/confirmation on technical positions, where applicable; and
- resolving issues with the tax authorities amicably in respect of disputed matters.

Where the opportunity arises, we endeavour to participate in tax consultations or open dialogue with the tax authorities or any regulatory bodies that impact our business or industry sustainability to ensure that our views are considered.

CYBER SECURITY RISK MANAGEMENT

In line with Bumi Armada's Cyber Security Risk Management Standard, the Company continues to implement safeguards that protect our IT environment from cyber risks across both onshore and offshore operations. The standard covers the risk management process for both Operational Technology ("OT") and Information Technology ("IT") identified across the Company. We build cyber awareness across the organisation through the IMCA "Cyber Aware at Sea" program, as part of an ongoing capability development program in this space.

SUSTAINABILITY STATEMENT

STAKEHOLDER ENGAGEMENT

At Bumi Armada, we believe in building strong relationships with our stakeholders as it is through collaboration and partnerships that we accelerate sustainability. Effective and frequent engagements with key groups not only address our sustainability issues but provide insight into their expectations of our ESG performance. By maintaining effective and transparent lines of communication with our stakeholders, we aim to improve our performance in a collaborative manner that meets both stakeholders' interests and the Company's vision for sustainable growth.

The table below presents a description of our stakeholders, their areas of interest as well as our methods and frequency of engagement.

STAKEHOLDER GROUP	DESCRIPTION	AREAS OF INTEREST	ENGAGEMENT	EXAMPLES OF ENGAGEMENT
Shareholders & Financial Community	A person, company or institution that owns a certain percentage of Company's equity including lenders and investors	- Company financial performance - Business strategy	Regular	- Direct engagement meetings - Annual General Meeting (AGM) - Conference calls - Quarterly results briefings
Employees	A person employed for wages or salary	- Employee welfare - Career development	Regular	- Employee Inductions - Health, Safety and Environment (HSE) meetings and awareness sessions - Vessels and site visits by Management - Performance appraisals - Quality Management Review - Security Management Review
Regulators & Government Agencies	A public organisation or government agency that is set up to exercise a regulatory function	- Compliance with laws and regulations - Labour practices and health issues	As required	- Certification/Compliance reviews/audits - Formal engagement or dialogues - HSE audits - Regulatory training
Clients & Business Associates	A person or organisation who buys product or services from the company	- Support services - Service quality and safety	Regular	- Conference calls - Operational reviews - Know Your Counterparty (KYC) reviews/updates - New business/pre-qualification discussions
Suppliers & Contractors	A person or organisation from which the products or services are purchased	- Pricing and service - Supplier training	Regular	- Compliance reviews - Know Your Counterparty (KYC) reviews/updates - HSE audits or reviews - Lesson learnt and feedback
Community	A group of people residing in the area where the business is located	- Charity and fundraising events - Employment opportunity	As required	- Community support - CSR activities - Local content reviews/audits - Local partnerships
Media & External Parties	Mass communication platform to disseminate news to external parties	Company's reputation	Regular	- Corporate updates/announcements - Quarterly results announcements

BEYOND 2022

As 2022 is the period where we set the ESG foundation, a brighter future awaits us ahead. Bumi Armada is now set to spearhead ESG advancing to setting our short-term, medium, and long-term targets for our ESG key indicators. Equipped with established sustainability governance, ESG will be at the forefront of our key business strategies that will enable us to explore sustainable opportunities for growth. We will continue to work with our clients and business associates to achieve our net zero ambition by 2050.

SUSTAINABILITY STATEMENT

GRI CONTENT INDEX

GRI Disclosure 2022	Disclosure Title	Page Number	Explanation
General Disclosure			
2-1	Organisational details	3 to 9, 19	-
2-2	Entities included in the organisation's sustainability reporting	3 to 9, 19	-
2-3	Reporting period, frequency and contact point	4, 19	-
2-4	Restatements of information	Not Applicable	No restatement of previous report
2-5	External assurance	4, 31	-
2-6	Activities, value chain, and other business relationships	5 to 7	-
2-7	Employees	36	-
2-8	Workers who are not employees	36	-
2-9	Governance structure and composition	8 to 9, 38, 54	-
2-10	Nomination and selection of the highest governance body	49, 54 to 66	-
2-11	Chair of the highest governance body	54	-
2-12	Role of the highest governance body in overseeing the management of impacts	47 to 64	-
2-13	Delegation of responsibility for managing impacts	47 to 64	-
2-14	Role of the highest governance body in sustainability reporting	38	-
2-15	Conflicts of interest	66	-
2-16	Communication of critical concerns	71 to 73	-
2-17	Collective knowledge of the highest governance body	64	-
2-18	Evaluation of the performance of the highest governance body	65 to 66	-
2-19	Remuneration policies	70, 152 to 153	-
2-20	Process to determine remuneration	70, 152 to 153	-
2-22	Statement on sustainable development strategy	21 to 22	-
2-23	Policy commitments	30, 68 to 70, 75 to 77, 84 to 87	-
2-24	Embedding policy commitments	30, 68 to 70, 75 to 77, 84 to 87	-
2-25	Processes to remediate negative impacts	39 to 41, 71 to 77, 87	-
2-26	Mechanisms for seeking advice and raising concerns	38, 41, 77, 89	-
2-27	Compliance with laws and regulations	28 to 29, 39 to 41, 75	-
2-28	Membership associations	33	-
2-29	Approach to stakeholder engagement	41	-
Specific Disclosure			
201-1	Direct Economic value generated and distributed	127 to 156	-
201-2	Financial implication and other risk and opportunities due to climate change	Not Applicable	The Group implement its control measures based on Environment Management Plan (EMP) that is under site owner's management control

SUSTAINABILITY STATEMENT

GRI Disclosure 2022	Disclosure Title	Page Number	Explanation
Specific Disclosure			
201-3	Defined benefit plan obligations and other retirement plans	109	-
201-4	Financial assistance received from government	Not applicable	No financial assistance received from government
203-1	Infrastructure investments and services supported	Not applicable	No infrastructure investments and services supported
203-2	Significant indirect economic impacts	Not applicable	The Group' nature of business has no significant indirect economic impacts
205-2	Communication and training about anti-corruption policies and procedures	38 to 39	-
205-3	Confirmed incidents of corruption and actions taken	Confidentiality Constraints	-
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	22, 76	-
207-1	Approach to tax	39	-
207-2	Tax governance, control, and risk management	39	-
207-3	Stakeholder engagement and management of concerns related to tax	39 to 41	-
207-4	Country-by-country reporting	Not Applicable	The Group revenue threshold less than EUR 750 million (or an equivalent amount in domestic currency)
301-1	Material used by weight or volume	Information incomplete	The Group is improving its centralised database to incorporate in-country data for disclosure
301-2	Recycled input materials used	Information incomplete	The Group is improving its centralised database to incorporate in-country data for disclosure
301-3	Reclaimed products and their packaging materials	Not applicable	Not applicable to the Group's nature of business
302-1	Energy consumption within the organization	23	-
302-2	Energy consumption outside of the organization	Not applicable	Not applicable to the Group's nature of business
302-3	Energy Intensity	23	-
303-1	Interactions with water as a shared resource	Not applicable	Not applicable to the Group's nature of business
303-2	Management of water discharge related impacts	25 to 26	-
303-3	Water withdrawal	Not applicable	Not applicable to the Group's nature of business
303-4	Water Discharges	25 to 26	-
303-5	Water consumption	25 to 26	-
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not applicable	The Group does not own the operational sites

SUSTAINABILITY STATEMENT

GRI Disclosure 2022	Disclosure Title	Page Number	Explanation
Specific Disclosure			
304-2	Significant impacts of activities, products, and services on biodiversity	26	-
304-3	Habitats protected or restored	Not applicable	Environment Management Plan (EMP) is under the site owner, while the Group implement control measures based on requirements in the EMP
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Not applicable	Environment Management Plan (EMP) is under the site owner, while the Group implement control measures based on requirements in the EMP
305-1	Direct greenhouse gas (GHG) emissions (Scope 1)	22 to 24	-
305-2	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	22 to 24	-
305-3	Other indirect GHG emissions (Scope 3)	22 to 24	-
305-4	GHG emission intensity	22 to 24	-
305-5	Reduction of GHG emissions	22 to 24	-
305-7	Nitrogen oxides (NOx), Sulphur Oxides (SOx), and other significant air emissions	24	-
306-2	Management of significant waste-related impacts	25 to 26	-
306-3	Waste generated	25 to 26	-
306-4	Waste diverted from disposal	Information incomplete	The Group is improving on the waste segregation data across the assets
306-5	Waste directed to disposal	25 to 26	-
308-1	New suppliers that were screened using environmental criteria	22	-
308-2	Negative environmental impacts in the supply chain and actions taken	Information incomplete	The Group's Supply Chain plans to implement an evaluation of ESG guidelines/criteria/statistics of suppliers and subcontractors
401-1	Employee Turnover rate	34	-
403-1	Occupational health and safety management system	27 to 29	-
403-2	Hazard identification, risk assessment, and incident investigation	31	-
403-3	Occupational health services	32 to 33	-
403-4	Worker participation, consultation, and communication on occupational health and safety	29	-
403-5	Worker training on occupational health and safety	32	-
403-6	Promotion of worker health	32 to 33	-
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	27 to 33	-

SUSTAINABILITY STATEMENT

GRI Disclosure 2022	Disclosure Title	Page Number	Explanation
Specific Disclosure			
403-8	Workers covered by an occupational health and safety management system	27 to 33	-
403-9	Occupational Health and Safety	31 to 33	-
403-10	Work-related ill health	32 to 33	-
413-1	Operations with local community engagement, impact assessments, and development programs	Not applicable	The Group does not own the operational sites
413-2	Operations with significant actual and potential negative impacts on local communities	Not applicable	The Group does not own the operational sites
414-1	New suppliers that were screened using social criteria	Information incomplete	The Group's Supply Chain plans to implement an evaluation of ESG guidelines/criteria/statistics of suppliers and subcontractors
414-2	Negative social impacts in the supply chain and actions taken	Information incomplete	The Group's Supply Chain plans to implement an evaluation of ESG guidelines/criteria/statistics of suppliers and subcontractors
415-1	Political contributions	Not applicable	No political contribution