



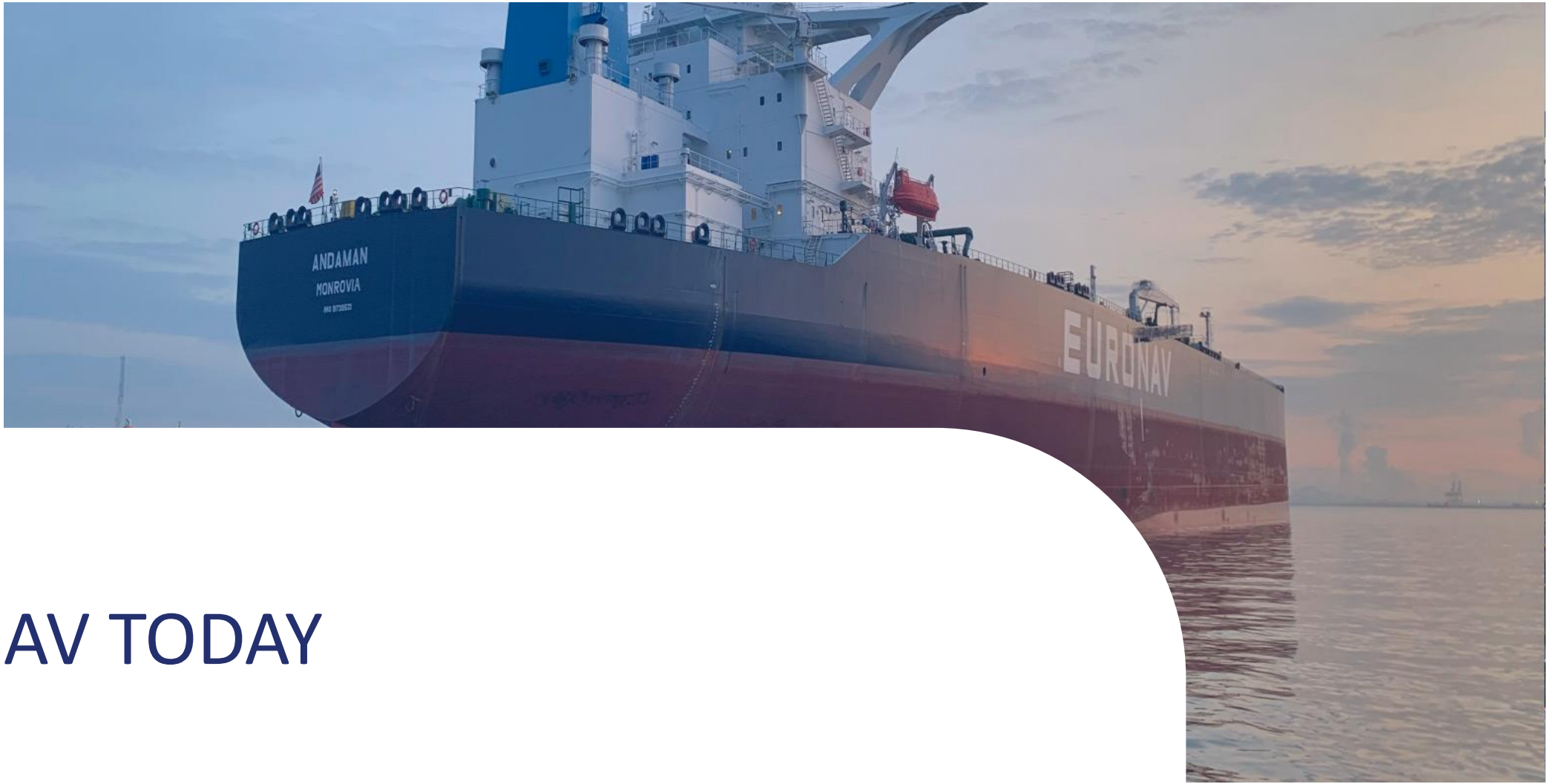
**MARITIME LEADERSHIP**

**CONSOLIDATION & SUSTAINABILITY**

**MARCH 2023**



**EURONAV**



# EURONAV TODAY

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## THE WORLD'S LARGEST PUBLICLY LISTED TANKER PLATFORM

### Euronav at a Glance

- Largest publicly listed independent tanker platform
- Listed on NYSE and Euronext Brussels with a current market cap of ~\$3.4 bn

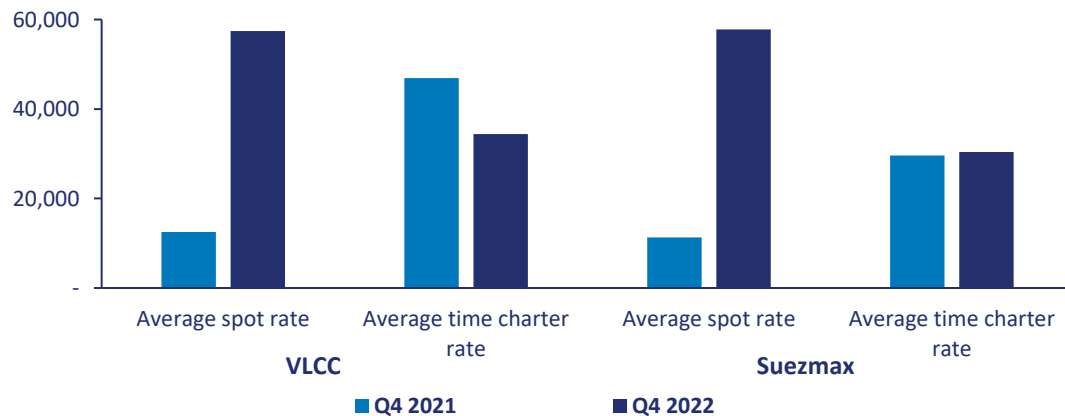


### Our Fleet – 72 Vessels

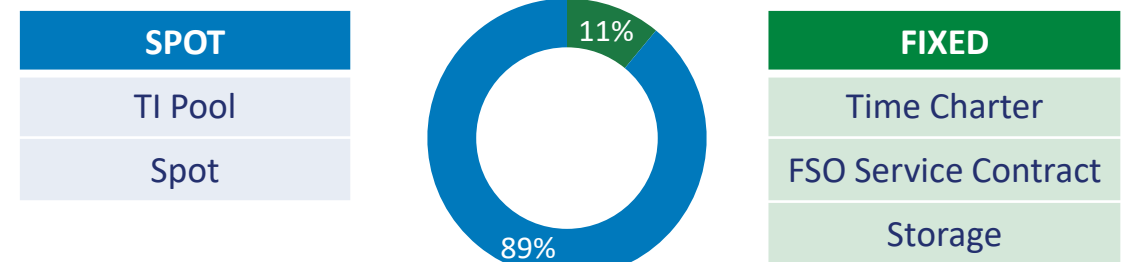
	Type	# of vessels	Avg. age
Trading	VLCC	40	7.6 years
	Suezmax	22	8.5 years
Storage <sup>(1)</sup>	FSO	2	
	ULCC	1	

Ship on water  
 Under construction

### Average Daily Time Charter Equivalent Rates



### 2022 Largely Spot



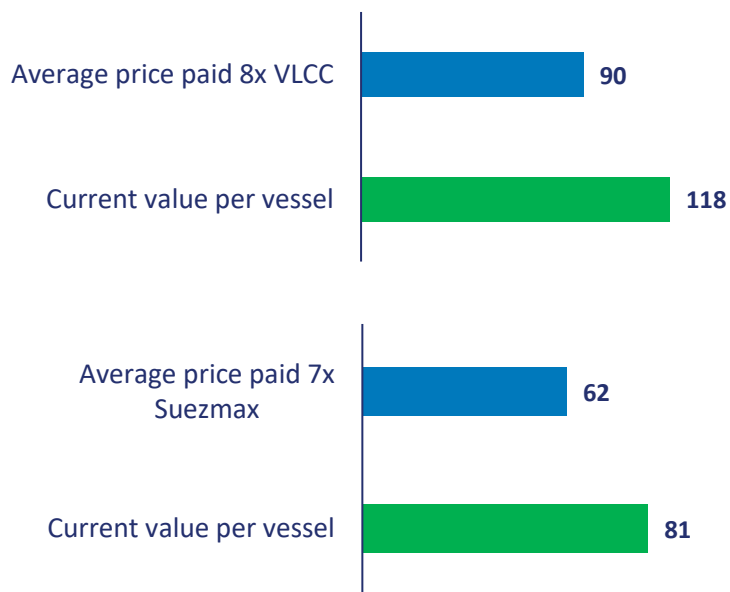
# EURONAV TODAY

EFFECTIVELY REPOSITIONING FOR THE UPCYCLE SINCE 2020 WHILST REDUCING CARBON FOOTPRINT PER SHIP UNIT

Capital recycled

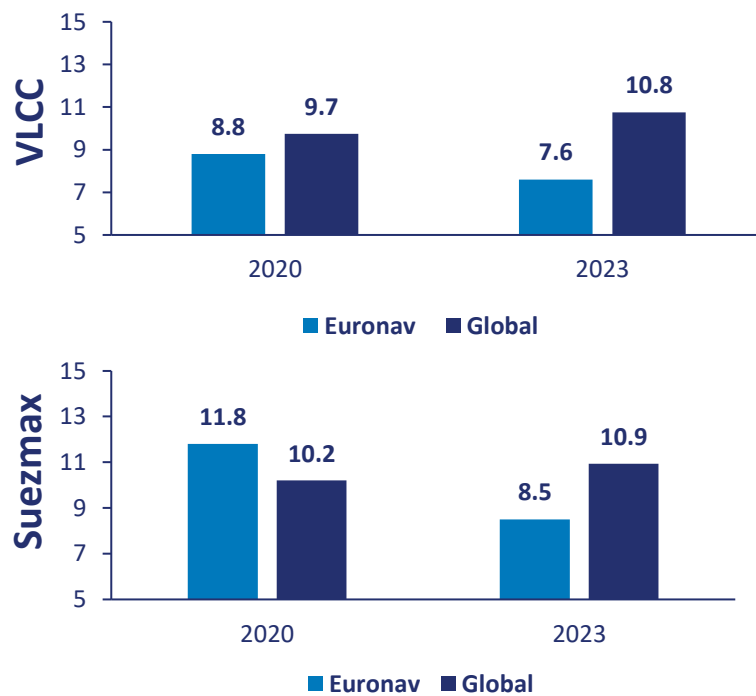
## POSITIONING FOR UPCYCLE

Consistent investment in emission tech  
 Cyclical timing ordering vessels cheaply



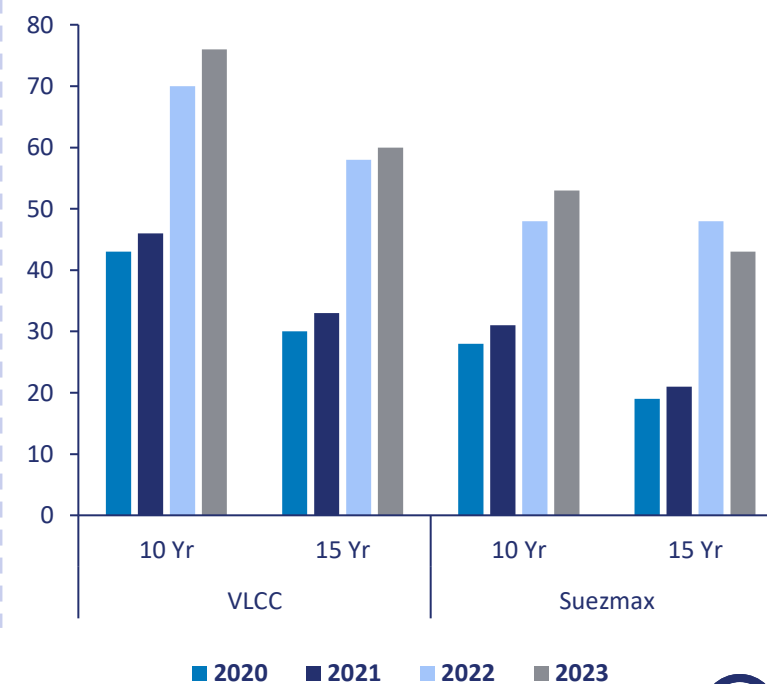
## FLEET REJUVENATION

Euronav fleet age decreases since 2020 as global fleet ages increase



## RECYCLING OLDER TONNAGE

9x VLCC sold since 2020 into rising prices  
 13x Suezmax sold into rising prices





# CONSOLIDATION

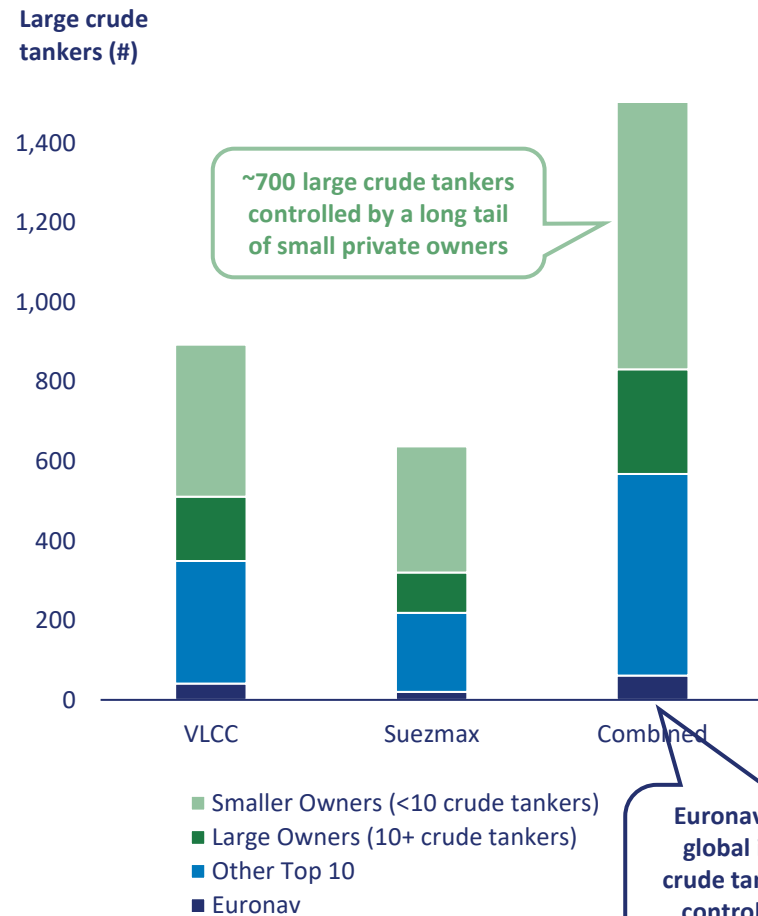
# CONSOLIDATION

## A HIGHLY FRAGMENTED TANKER INDUSTRY PRESENTS OPPORTUNITIES

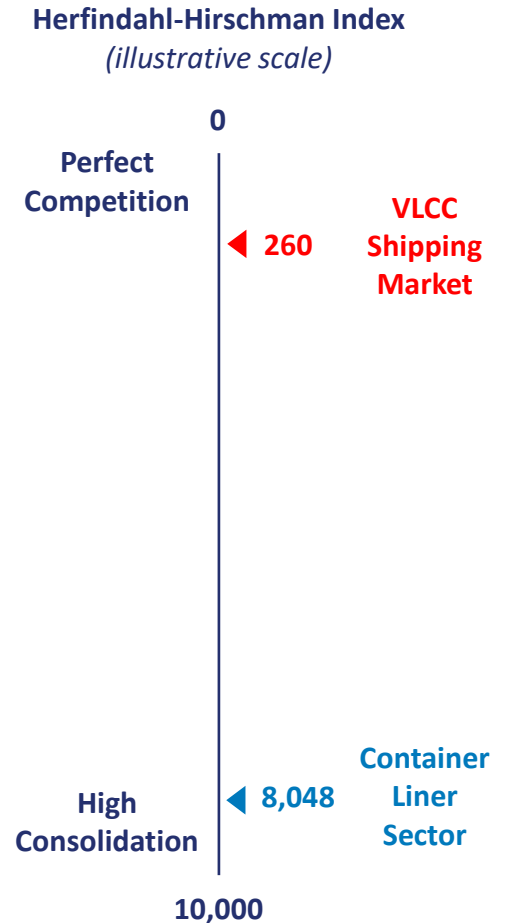
### Few Independent Listed Pure Tanker Players



### The Crude Tanker Sector Remains Highly Fragmented



### A Measure of Industry Fragmentation



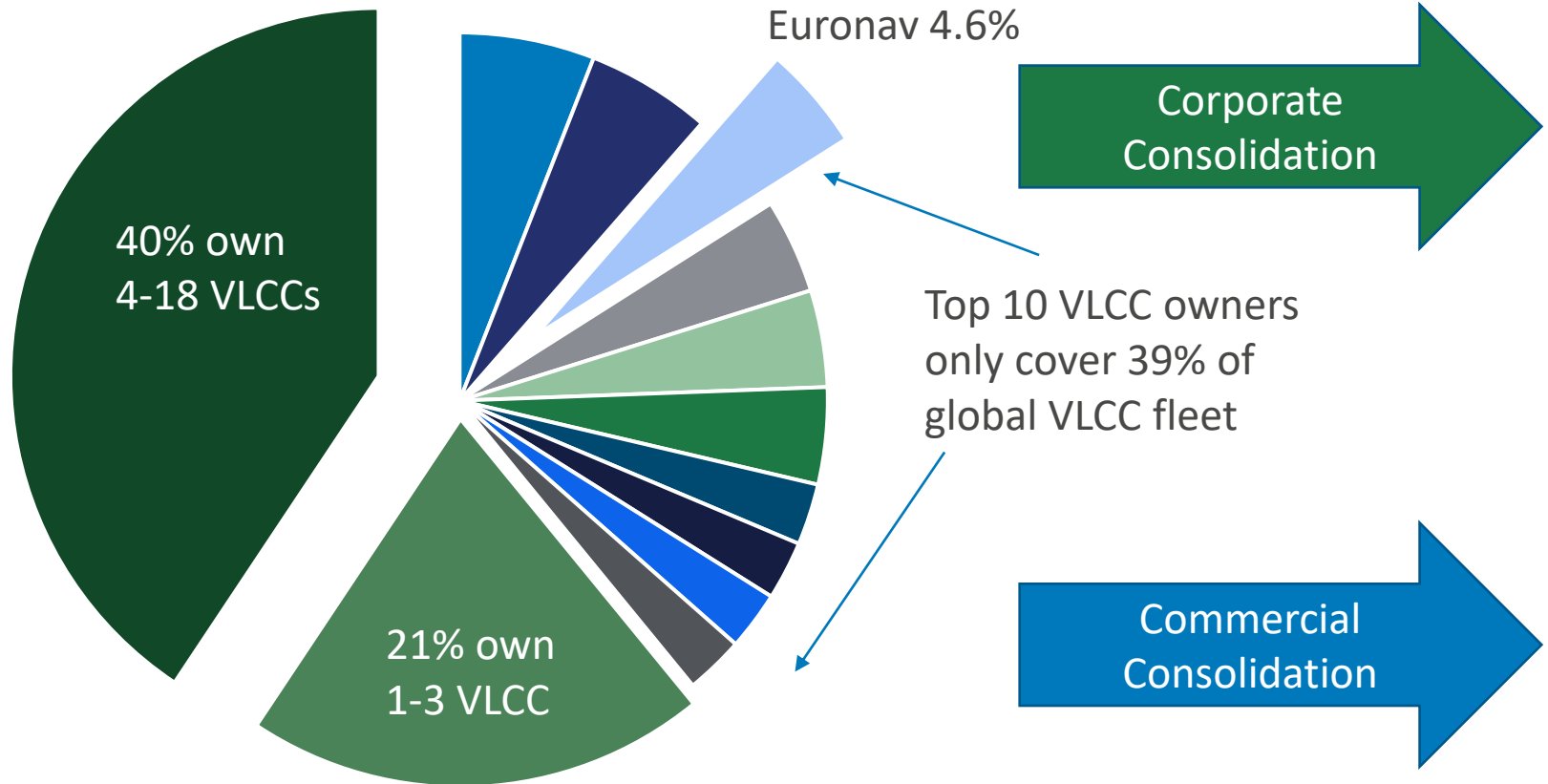
Sources: Clarkson Research

Note: A market with an HHI of <1,500 is considered a competitive marketplace, 1,500-2,500 is moderately concentrated, and 2,500+ is highly concentrated. The HHI is calculated by taking each firm's market share and then squaring that figure as whole number

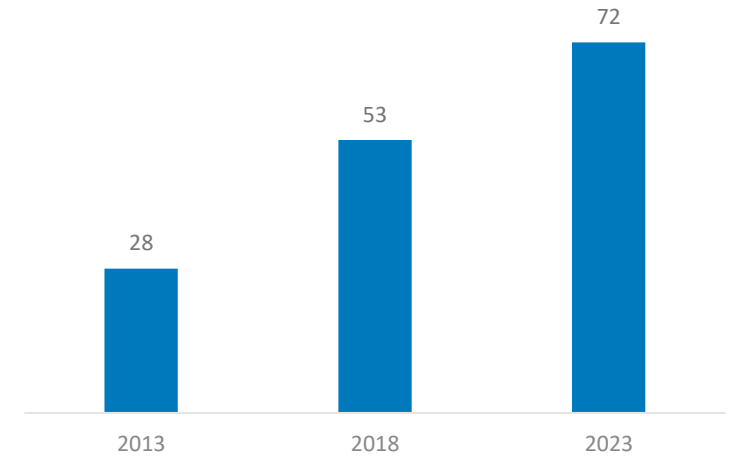


# CONSOLIDATION STRATEGY – DELIVERY WITH SCOPE FOR MORE

## VLCC sector highly fragmented



## Euronav fleet development





# Tankers International

Strength. Integrity. Performance.

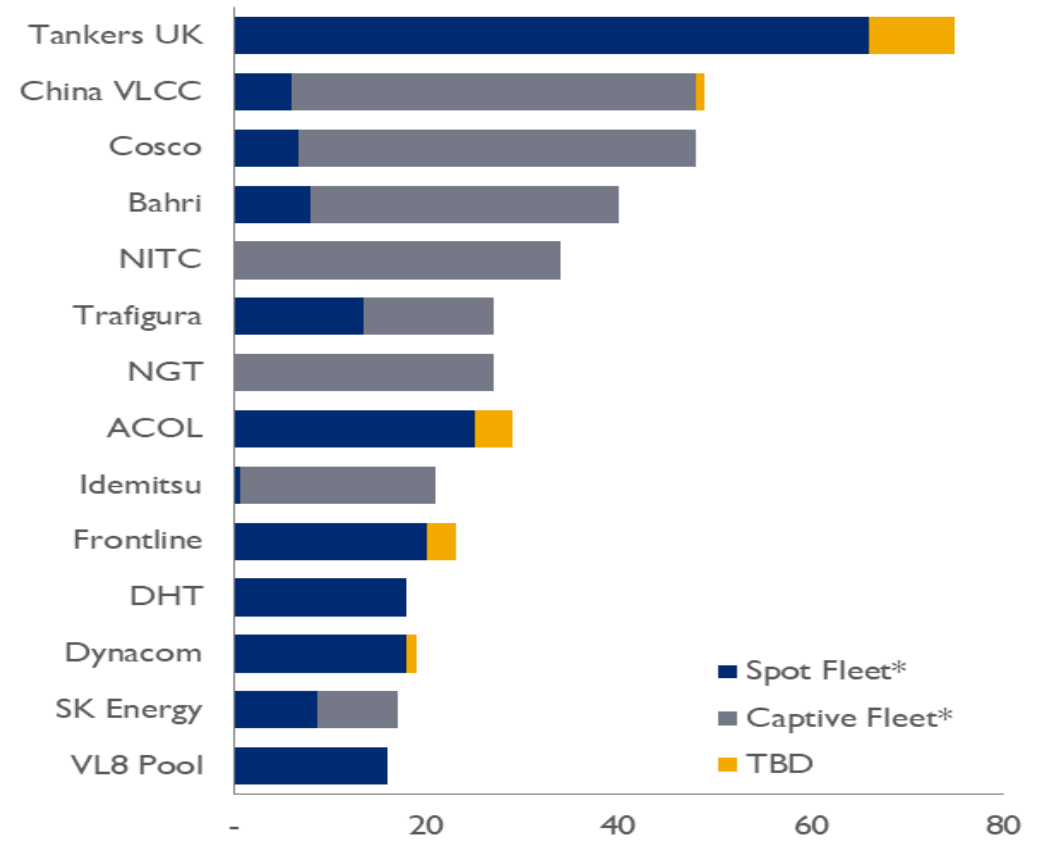




# THE LARGEST MOST FLEXIBLE VLCC FLEET GLOBALLY



**Largest VLCC Operators (Vessel Count)**

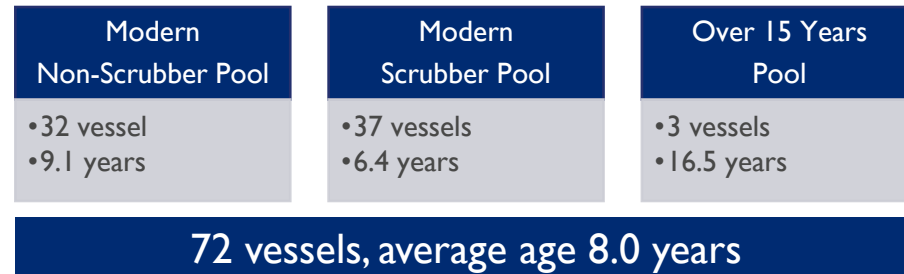
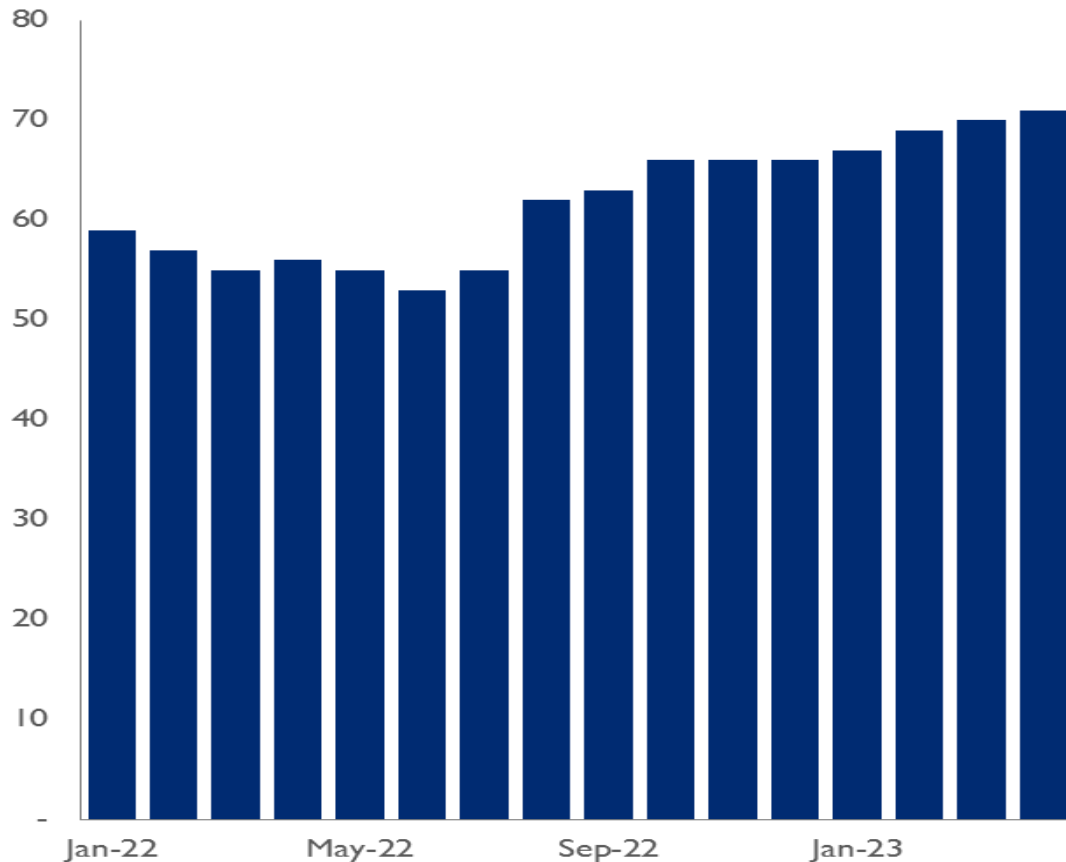


\* based on TI's estimate for fixture patterns



# A POOLING CONCEPT THAT CHANGES WITH THE ENVIRONMENT

TI Fleet Development



Developments in the tanker market with a more diverse VLCC fleet have encouraged Tankers International to create a number of sub-pools. Vessels with different attributes have specific trading patterns and earnings potential and this division ensures fair sharing of earnings and costs between similar vessel types. This division is purely financial and from a commercial perspective all vessels trade as one single Pool.



# DIVERSE POOL PARTICIPATION FROM LEADING TANKER OWNERS

## Pool Participants



*Euronav*



*International Seaways*



*Oak Maritime*



*Nan Fung Shipping*

*Sinokor*



*Mercuria Energy Group*



*American Eagle Tankers*



*ST Shipping*

Our pool welcomes shipowners large and small who want excellent commercial management of their assets.

We act as their outsourced chartering and operations department, focused on using our power and market intelligence to earn the highest financial return.

We maximise cash flow during volatile market conditions and take advantage of market upsides. Earnings are typically distributed to Participants twice per month, depending on market conditions and working capital requirements.

Owned and financially backed by some of the world's leading shipowners, our independent and experienced management team operates the pool with the highest levels of safety, integrity, quality and security.

We benefit from synergies between our Pool Participants and our business model thereby creating greater value for everyone.



# CONSISTENT EURONAV STRATEGY

## CONSOLIDATION: KEY TO CONTINUED VALUE CREATION IN MATURING INDUSTRY

### Euronav's Substantial Consolidation Opportunity



#### THE GLOBAL CRUDE TANKER INDUSTRY REMAINS HIGHLY FRAGMENTED

- The top 10 VLCC/Suezmax owners control c.37% of the global large crude tanker fleet
- ~700 large crude tankers (c.46% of the global fleet) are controlled by small private owners



#### CLIENTS INCREASINGLY REQUIRE SCALE

- Shippers (oil majors, trading houses, refiners) require large scale fleet solutions and well-capitalised counterparties to secure volumes on compliant vessels through-the-cycle
- Scale required to re-balance relationships with powerful clients (e.g. Unipeac comprised 22% of VLCC fixtures in 2022)



#### CHANGING FINANCING LANDSCAPE

- Shipping remains highly capital intensive
- Ship lending shrunk c.58% this last decade. Remaining sector banks favour leading listed companies that can comply with Poseidon Principles<sup>(1)</sup>
- Equity owners more prominent - investors want pure-play industry leaders with scale and sound governance



### Euronav's Unique Value Creative Plan to Capitalise on Promising Underlying Trends

- Investing in growing share in VLCCs and Suezmax
- Manage cash to remain flexible to pursue acquisition of smaller players as they become available

- Already the largest publicly listed player in our markets, and growing, so that we can best serve our largest clients
- Continue to pursue strategies (M&A, pooling, etc.) to enhance our competitiveness and position in the most important market

- Focus on operations to maintain solid cash generation, supporting both the dividend and fuelling needed to invest in the business



# CONSISTENT EURONAV STRATEGY

## CONSOLIDATION: KEY TO CONTINUED VALUE CREATION IN MATURING INDUSTRY

### Euronav's Substantial Consolidation Opportunity

#### DECARBONISATION & REGULATION WILL BE COSTLY & DISRUPTIVE



- Operational complexity of energy transition, which will take time through cycles and require material capital, calls for larger stronger companies to sustain and drive this transition
- Ever mounting regulatory compliance framework and associated costs, requiring large well-capitalised operations
- Large scale owners are the most efficient operators of tankers from an emission perspective

#### MANAGE FUTURE INDUSTRY LIFE CYCLE



- Scale is required to manage what remains a vital industry to the world economy for the foreseeable future
- Industrial logic for mature sectors to consolidate to maximise shareholder returns

#### MATERIAL SYNERGIES



- Revenue synergies through large global fleet footprint, maximise presence in loading areas, and enhanced market intelligence
- Cost synergies: Opex, SG&A, Financing Costs, Capex
- Limited shipyard capacity provides competitive advantage for the largest operators when ordering newbuildings and securing limited slots

### Euronav's Unique Value Creative Plan to Capitalise on Promising Underlying Trends

- Euronav already established key joint-ventures and joint development programmes with shipbuilders (e.g. Hyundai), classification societies and engineering companies on latest technology for decarbonisation, such as dual fuel Methanol and Ammonia
- Flexibility will be key as there will not be a "one size fits all" or category killer, each fuel will have merits

- While the crude oil consumption will peak in 2020s, its decline is likely to be gradual and prolonged
- In such a scenario, the potential for growth will be maximised for Euronav as companies consolidating over time despite long term shrinking markets have seized value creation opportunities in other similar markets (e.g. paper or tobacco)

- While Euronav is already the largest listed independent platform, its potential to grow further is virtually unlimited given fragmented nature of sector
- Euronav intends to capture that scale advantage benefiting from its first mover position










# SUSTAINABILITY

# EURONAV IS THE UNCONTESTED ESG LEADER IN THE TANKER MARKET

Euronav's pioneering sustainability strategy is praised by major ESG rating agencies

		Peers <sup>(1)</sup> average
 <b>SUSTAINALYTICS</b> 0-40+ (Severe Score)	28.3	37.4
Manageable Risk Managed %	49%	31%
 <b>MSCI</b> AAA-CCC	BBB	B <sup>(2)</sup>
 <b>CDP</b> A-F	Climate Change B	Peers Not Ranked
 <b>S&amp;P Global</b> ESG RANK 1-100 (Best Score)	19	10
 <b>Bloomberg</b> ESG Disclosure 1-100 (Best Score)	45	32

**N°1**

**Founding Sponsor**

**Full scope 1, 2 and 3 disclosure** of carbon emissions

Only listed tanker company with a **Sustainability Committee** composed of **Executives and Supervisory Board** members

Pioneer in sustainable financing efforts with a **\$713m sustainability loan**

**Getting to Zero coalition**, to put a commercially viable net-zero emissions ship to sea by 2030

**Poseidon Principles global framework**, to promote responsible ship finance into lending decisions

Source: Sustainalytics, MSCI, CDP and Bloomberg as of April 2022




(1) Peer set includes Teekay Tankers, International Seaways and DHT  
 (2) Only International Seaways has an MSCI ranking





# EURONAV TODAY


## THE ESG LEADER IN THE TANKER MARKET


 **Top ranked by Tier 1 ESG Rating Agencies**


		Peers average <sup>(1)</sup>
 SUSTAINALYTICS <sup>(2)</sup>	28.3	38.3
MSCI 	BBB	BB <sup>(3)</sup>

 **3 consecutive years “B” rating for CDP**  
**Euronav and Maersk only shipping companies in this category**

 MAERSK

 CDP DISCLOSER 2020

 CDP DISCLOSER 2021

 CDP DISCLOSER 2022


 **Founding sponsor of green trade organisation**

 SEA CARGO CHARTER

 POSEIDON PRINCIPLES

 GETTING TO ZERO COALITION

 The Neptune Declaration on Seafarer Wellbeing and Crew Change

 **Pioneer in sustainable financing efforts with a new \$377m sustainability linked loan**

 **54%** of Euronav’s commercial bank financing are facilities with an integrated sustainability component

Source: Sustainalytics, MSCI, CDP, Bloomberg, Public information  
 (1) Peer set includes Frontline, International Seaways and DHT  
 (2) A lower score in the ESG Risk Rating is better than a higher score  
 (3) Only Frontline and International Seaways have an MSCI ranking





# OVER PAST DECADE – TECHNOLOGY HAS DRIVEN MORE ENERGY EFFICIENT AND LOWER EMISSION VESSELS

## ESG



Speed

Daily fuel consumption

Energy Saving Devices

Provision for future dual fuel application

### SUEZMAX 2022



14.5 knots max

40.1 tons/day

Range of features as standard

Yes

### SUEZMAX 2012



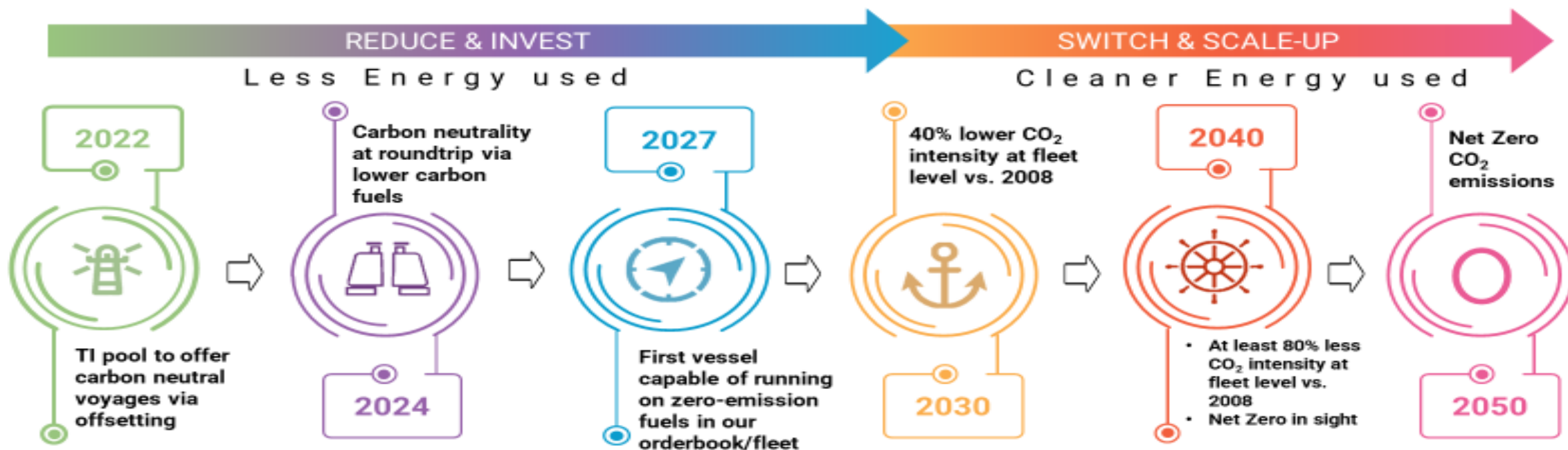
15.9 knots max

66.9 tons/day

None as standard

No

# EURONAV'S PATHWAY TO DECARBONISATION



## Operational milestones

### Carbon neutral outcome at voyage level

TI Pool will build capacity to offer carbon neutral voyages for Pool's VLCC clients by using carbon offset market tools which – partly or fully – neutralize voyage emissions

### First carbon neutral voyage offered to one or more of our clients covering both laden and ballast leg

We will have also tested the most sustainable biofuel available (B100) during passage or at berth

### The first vessel capable of running on zero-emission fuels in our fleet if ordered by or before 2024

We also expect at least 20% reduction of the Annual Efficiency Ratio per VLCC and SMax vs 2019

### By 2030, have commercially viable, zero emission vessels operating in our fleet.

First zero-emission NB delivered depending on market availability – first retrofits to zero emission vessels

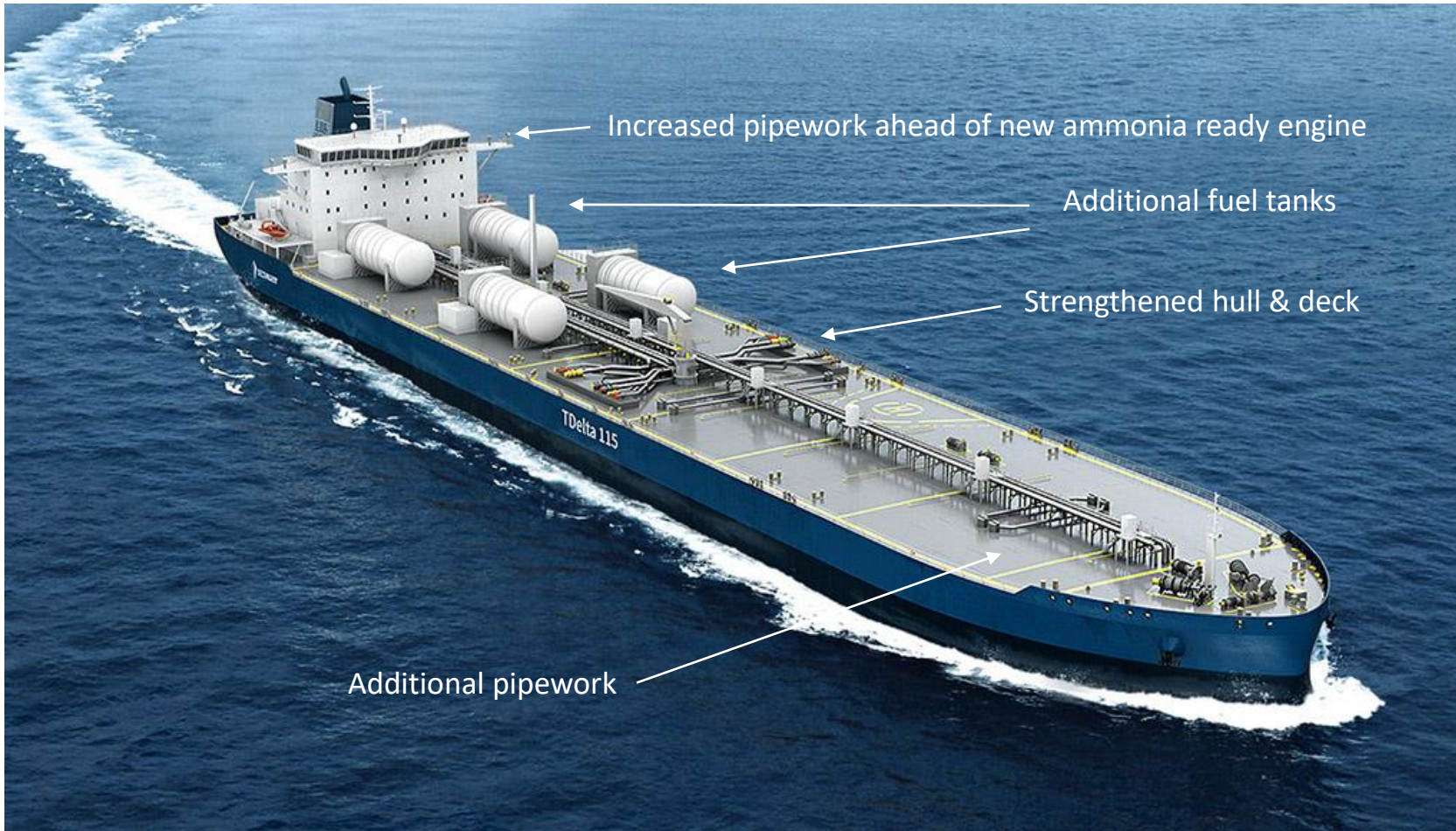
### We aim to 80% lower CO<sub>2</sub> intensity at fleet level vs. 2008

80% of our fleet capable of running on competitively priced zero-emission fuels (e.g. carbon tax in place)

### By 2050, we are committed to net zero CO<sub>2</sub> emissions from spot operations

Sustainability strategy in place to secure carbon neutrality

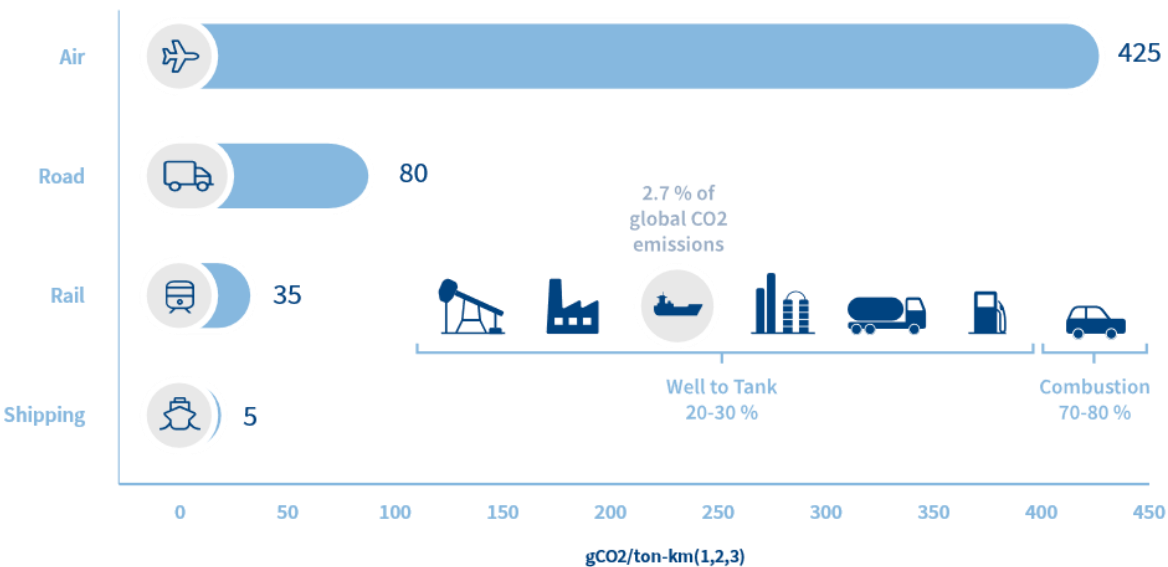
# JOINT DEVELOPMENT PROGRAMME TO DEVELOP DUAL FUEL METHANOL AND AMMONIA VESSELS



# WE NEED MORE SHIPPING ... NOT LESS !

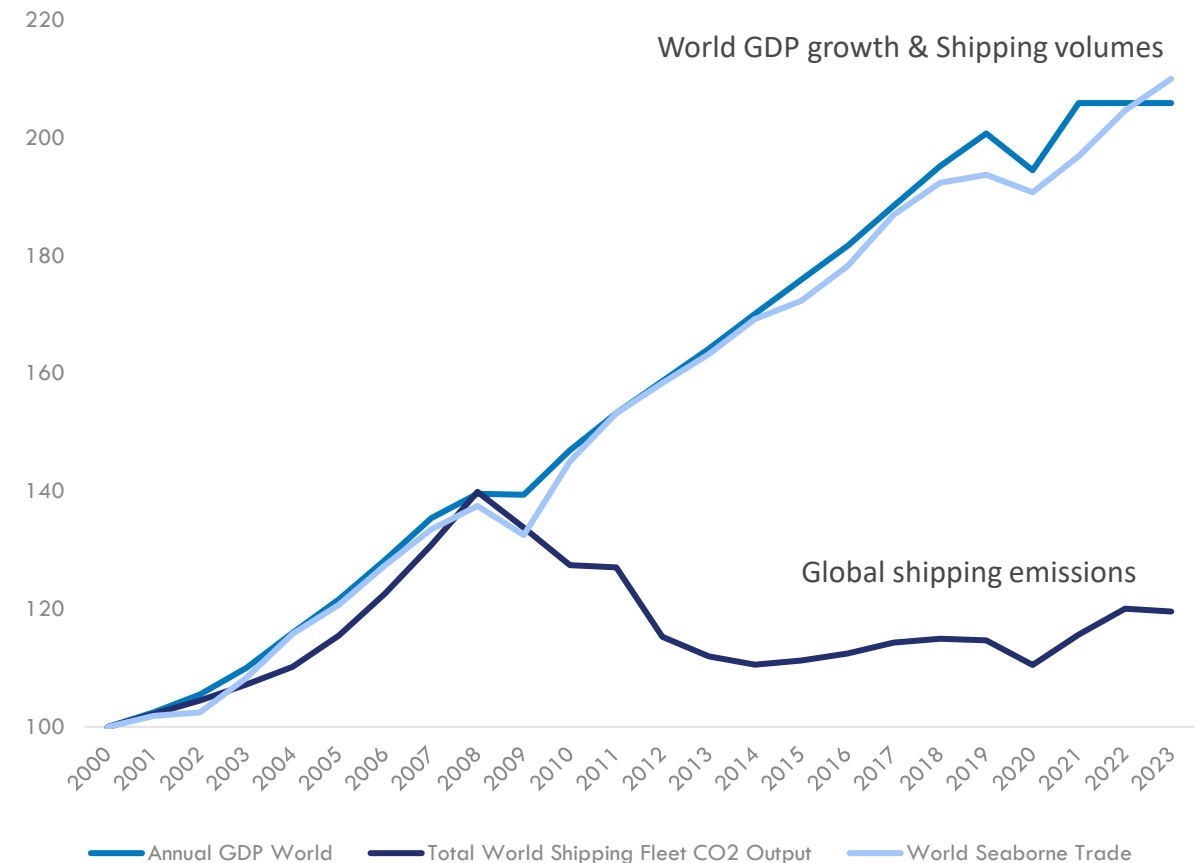
## Shipping – most efficient transportation mean

### Shipping – low relative emissions



Source: IMO GHG study 2009. Notes: 1) Energy-efficient transport is much dependent on the load factor, vehicle efficiency and cargo type; heavier cargo and larger vehicles will improve the cargo/vehicle weight ratio, resulting in better CO<sub>2</sub>/ton-km values; 2) Air = Boeing 747, Road = Truck > 40 ton, Rail = 3-4 hp / short-ton, Shipping = Average of very large container vessel (3 gCO<sub>2</sub>/ton-km), oil tanker (6), bulk carrier (8); 3) Estimations assuming current energy mix

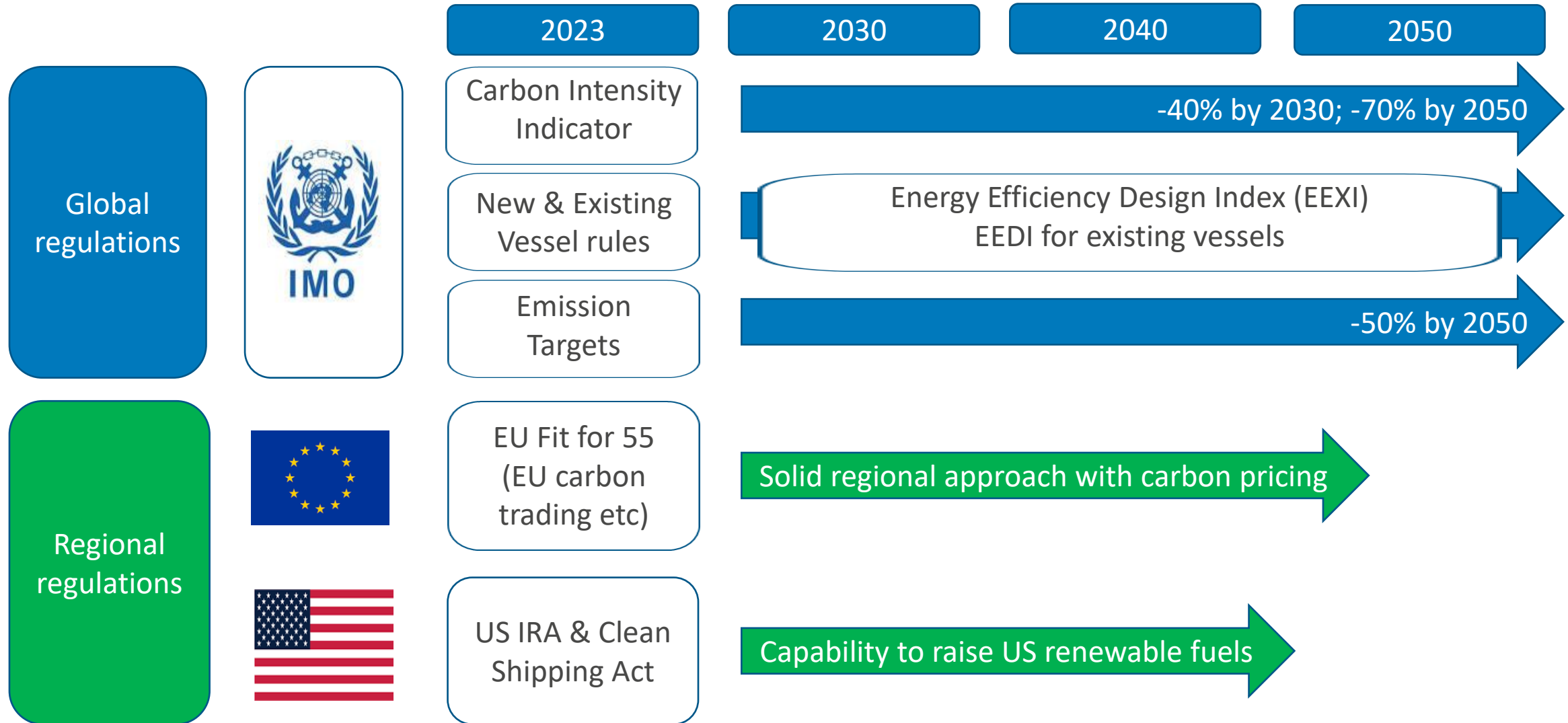
## Shipping – facilitated trade growth but capped emissions



Source: Clarksons



# SHIPPING IS AND WILL REMAIN HIGHLY REGULATED



# THANK YOU

