BW LPG

ENERGY SECURITY with LPG

BW LPG INTEGRATED ANNUAL REPORT 2022

ABOUT THIS REPORT

This year's theme, "Energy Security with LPG", reflects our commitment to conduct business in accordance with the Sustainable Development Goals of the United Nations (UNSDG). It also emphasises BW LPG's aspirations towards a Better World, where we work with an environment and customer focus while ensuring long-term business profitability.

Purpose, scope and period

Through this report, we hold ourselves to transparent reporting standards and share how we conduct sustainable business operations. The scope of this report includes offices which manage our most significant operations, namely those based in Singapore, Norway and Spain. Disclosures relating to vessel information include vessels owned and operated by BW LPG, our subsidiaries (BW LPG India and BW Product Services), including vessels where technical and crewing management is managed by third party service providers.

Use of this report

Our 2022 reporting approach reflects our business strategy and sustainability priorities in the short to long term. Additional details, past disclosures and descriptions of our policies and management systems can be found on our website via the links contained in this report. This report should be read in conjunction with the disclosures ***on our website***.

Publication date

This report is published on 28 February 2023. A copy of this report and supplementary documents can be found ***on our website***.

Feedback

BW LPG welcomes any questions or feedback on this report and can be reached at ***investor.relations@bwlpg.com*** or ***esg@bwlpg.com***.

Glossary

For a list of common terms used in this Report, visit our ***website***.

ENERGY SECURITY WITH LPG

The escalation of geopolitical tensions in 2022 upended global energy markets and altered the priorities of governments and companies. Disruptions to Russian gas, French nuclear plants, and Norwegian hydroelectric power significantly impacted Europe's energy market, with gas prices in some markets rising to ten times the average of the past decade. Germany, which was importing around half of its gas from Russia and more than a third of its oil prior to the Ukraine invasion, was forced to find alternative energy sources, reopening coal-fired power plants, delaying plans to shut down remaining nuclear power plants, and setting up its first Liquefied Natural Gas (LNG) import terminal in under 200 days.

In an uncertain world, the importance of affordable energy became patently clear. This of course has to be balanced with the critical task of tackling climate change. BW LPG does this by delivering cleaner-burning Liquefied Petroleum Gas (LPG), combining profits with purpose.

This report showcases our efforts in 2022 to deliver energy the world needs while acting for the environment. We report on our financial, commercial and Environmental, Social and Governance (ESG) performance, elaborate on new investments and corporate actions, and show how we have created value for all our stakeholders.

VLGC BW Leo crossing the Panama Canal

A world-class fleet

2022 marks the first year all 15 of our LPG-powered Very Large Gas Carriers (VLGCs) are on water delivering Liquefied Petroleum Gas (LPG) with the lowest emissions profile for long-haul voyages. Our LPG-powered vessels ensure we are well-placed for the markets now, where against a backdrop of new and increasingly stringent regulations, we continue to serve customers without the need for speed reductions or equipment upgrades.

Case Study: Powered By LPG ›

Investing along the LPG value chain

In line with our ambition to bring LPG directly to customers and our strategy to diversify our corporate portfolio, we expanded our Product Services team. BW Product Services now has a global outreach and has the capacity to trade over four million tons of physical LPG per year.

Case Study: Product Services ›

Strong financial and commercial performance

We have ample available liquidity of US$463 million and a record low net leverage of 24%. We have industry-leading VLGC charter rates and low operating expenses, divested four pre-2010 built VLGCs at attractive rates, and expanded our presence in India.

Commercial and Financial Performance ›

LPG is a multi-purpose, cleaner-burning energy. Millions of people use LPG and depend on it for a wide variety of application, such as transportation, farming, power generation, cooking, heating and for recreational purposes. LPG is portable and versatile and does not require costly investments in infrastructure and pipelines. It is also highly competitive in price and can be a convenient substitute for natural gas in industrial processes. Because of these features, LPG is a key part of the global energy mix – providing greater energy security and supporting the global transition to cleaner energy.

World's first LPG-powered VLGC, the BW Gemini, taking on her first load of LPG cargo at Enterprise Terminal in Houston, Texas, USA.

HIGHLIGHTS

2022 in numbers

43 VLGCs

~ 1,600 Crew and onshore employees

15 LPG-powered VLGCs

TCE Income - Shipping	US$568M ▲ US$465M in 2021	Lost Time Injury Frequency	0.00 ▼ 0.28 vs 2022
EBITDA	US$408M ▲ US$312M in 2021	Total Recordable Case Frequency	0.16 ▼ 1.42 in 2021
Profit After Tax	US$239M ▲ US$186M in 2021	Diversity	17 Nationalities
Dividend per Share	US$1.28 ▲ US$0.56 in 2021	Commercial Utilisation	98% ▲ 97% in 2021
Return on Equity	16% ▲ 14% in 2021	Spot Exposure	70% ▲ 63% in 2022
Scope 1 GHG Emissions	16% ▼ From 2019 baseline	Spot TCE / Day	US$46,400 ▲ US$32,900 in 2021
Carbon Intensity (AER)	7.2 gCO_2/tonne-nautical mile 7.9 IMO AER Trajectory	TCE / Calendar Day	US$40,600 ▲ US$31,000 in 2021

CO_2 Emissions Saved with LPG Propulsion	27,000 MT
Amount Saved from Using LPG as Fuel	>US$8M With 15 LPG-powered vessels on water
GHG Emissions Reduction	8% ▼ From 2019 baseline, with 15 LPG-powered vessels on water

2022 Financial Statements ›

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BW LPG's history

In 1955, Sir Yue-Kong (Y.K) Pao bought his first vessel, a 27-year-old coal-burning freighter renamed Golden Alpha, and founded World-Wide Shipping. In 2003, World-Wide Shipping acquired Bergesen, Norway's largest shipping company founded in 1935, and in 2005, the business was re-branded as BW. The LPG segment of the BW business was listed in 2013. Today, BW LPG owns and operates the world's largest fleet of Very Large Gas Carriers and continues to deliver growth and value to society and stakeholders.

1935 – Bergersen founded by Sigval Bergesen

1955 – World-Wide Shipping founded by Sir Y.K. Pao

1967 – Entry into the dry bulk market

1969 – Launch of first VLCC World Chief

1970s – Entry into gas market

1979 – Became the largest independent ship owner with >200 vessels

1986 – Listed on the Oslo Stock Exchange

1999 – Acquired N&T Argonaut

2003 – Acquired and delisted Bergesen

2005 – **A common identity with BW**

2006 – Listed BW Offshore; Listed BW Gas; Acquired Yara's gas fleet

2007 – Acquired APL

2008 – Leading owner in LPG, LNG, VLCC, Product Tanker and Offshore segments

2009 – Privatised BW Gas

2012 – Sold APL and acquired Prosafe Production

2013 – **Listed BW LPG**; Acquired Maersk Tankers' VLGC fleet

2014 – Took delivery of one newbuilding from HHI

2015 – Took delivery of five newbuildings from HHI

2016 – Acquired Aurora LPG; Took delivery of four newbuildings from HHI and DSME

2017 – Established BW LPG India; Took delivery of one newbuilding from DSME

2018 – Announced plan to retrofit VLGCs with pioneering LPG propulsion technology

2019 – Launched Product Services Division; Took delivery of one newbuilding from HHI; Divested two LGCs

2020 – World's first LPG-powered VLGC on water; BW LPG India became India's largest VLGC owner and operator

2021 – 12 LPG-powered VLGCs on water; Signed first transition loan revolving credit facility and first sustainability-linked loan; Maas Capital acquired minority stake in BW LPG India; Divested three VLGCs

2022
- **Acquired Vilma Oil's LPG trading operations**
- **All 15 LPG-powered VLGCs on water**
- **Divested four VLGCs**

Our presence

We operate globally, providing 24/7 commercial and operational support to our customers. As part of the BW Group of affiliated companies, we have a presence in 19 countries and access to deep maritime expertise.

BW LPG fleet list

Modern fleet of 43 vessels built at leading shipyards (as at 31 December 2022)

21 BW LPG 100% ownership	9 BW LPG Time charter in	8 BW LPG India 52% ownership	5 Operated

BW LPG

Name	Year Built	Shipyard
BW Mindoro[1]	2017	DSME
BW Malacca[1]	2016	DSME
BW Magellan[1]	2016	DSME
BW Frigg[1]	2016	Hyundai H.I.
BW Freyja[1]	2016	Hyundai H.I.
BW Volans[1]	2016	Hyundai H.I.
BW Brage[1]	2016	Hyundai H.I.
BW Tucana[1]	2016	Hyundai H.I.
BW Var[1]	2016	Hyundai H.I.
BW Njord[1]	2016	Hyundai H.I.
BW Balder[1]	2016	Hyundai H.I.
BW Orion[1]	2015	Hyundai H.I
BW Libra[1]	2015	Hyundai H.I
BW Leo[1]	2015	Hyundai H.I
BW Gemini[1]	2015	Hyundai H.I.
BW Carina	2015	Hyundai H.I.
BW Aries	2014	Hyundai H.I.
BW Odin	2009	Hyundai H.I.
BW Austria	2009	DSME
BW Thor	2008	Hyundai H.I.
BW Princess	2008	Hyundai H.I.

1 Retrofitted with dual-fuel LPG propulsion engines

Time charter in

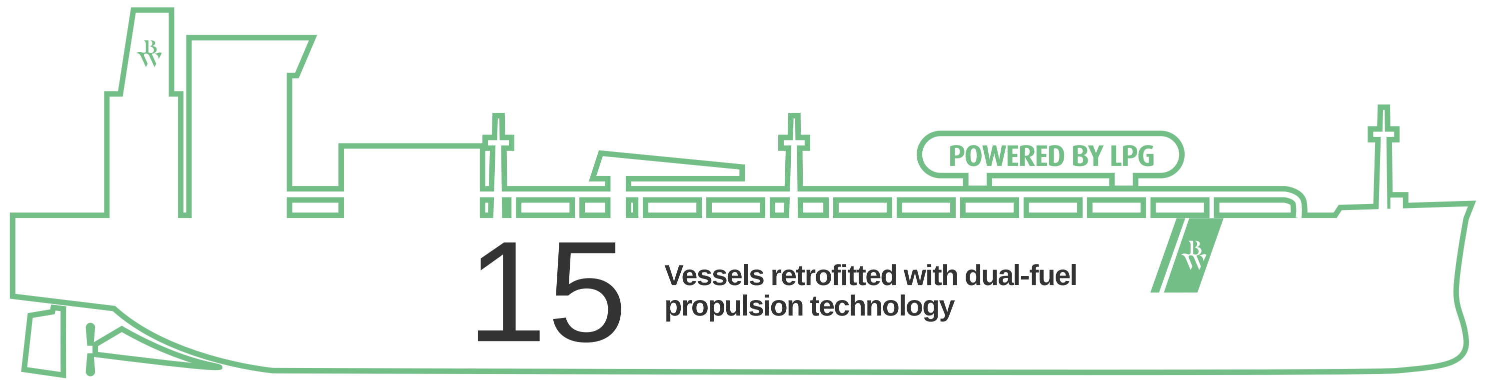
Name	Year Built	Shipyard
BW Yushi	2020	Mitsubishi H.I.
BW Kizoku	2020	Mitsubishi H.I.
Gas Zenith	2017	Mitsubishi H.I.
Oriental King	2017	Hyundai H.I.
Legend Prestige	2017	Mitsubishi H.I.
BW Messina	2017	DSME
BW Kyoto	2010	Mitsubishi H.I.
Berge Nantong	2006	Hyundai H.I.
Berge Ningbo	2006	Hyundai H.I.

BW LPG India

Name	Year Built	Shipyard
BW Pine	2011	Kawasaki S.C.
BW Lord	2008	DMSE
BW Tyr	2008	Hyundai H.I.
BW Loyalty	2008	DMSE
BW Oak	2008	Hyundai H.I.
BW Elm	2007	Hyundai H.I.
BW Birch	2007	Hyundai H.I.
BW Cedar	2007	Hyundai H.I.

Operated

Name	Year Built	Shipyard	Entity
Gas Gabriela	2021	Hyundai H.I.	TC in by BW Product Services
Reference Point	2020	Jiangnan Shipyard	TC in by BW Product Services
Clipper Wilma	2019	Hyundai H.I.	TC in by BW Product Services
Ayame	2010	Mitsubishi H.I.	TC in by BW Product Services
BW Tokyo	2009	Mitsubishi H.I.	TC in by BW LPG



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WE ARE BW LPG

CHAIRMAN AND CEO’S MESSAGE

2022 proved to be a good year for BW LPG, despite continuing pressure from seafarer movements, supply chain issues, and an inflationary cost environment. The LPG sector was highly volatile as swings in the global energy markets affected the price arbitrage across markets. Recession worries hung over the market, but supply of LPG and demand for affordable energy meant that LPG shipping markets remained strong overall. Importantly, we maintained a positive safety record with zero lost time incidents in 2022.

Financial Performance

2022 started strongly and continued its upward momentum with LPG freight rates reaching over US$100,000 per day in Q3 and closing the year at over US$120,000 per day. For the full year, our TCE income was US$568 million, and we delivered a net profit of US$239 million compared to US$186 million in 2021. We have paid dividends for the last 11 quarters and returned a total of US$1.28 per share (US$172 million) in FY 2022 to our shareholders. We now enjoy the lowest net leverage ratio and highest liquidity since listing in 2013.

Corporate Transactions

We completed the sale of BW Niigata in February, BW Trader in March, BW Liberty in May and BW Prince in October, all for further trading with new owners. Over the course of 2022, we expanded the fleet of BW LPG India to eight VLGCs. BW LPG India continues to be India’s largest owner and operator of Indian-flagged VLGCs. With the successful acquisition of Vilma Oil’s LPG trading operations, we added an office in Madrid and welcomed new colleagues to our Product Services Division.

We continued our share buyback program which began in December 2021, and at the close of 2022 held 8.6 million as Treasury shares, or 6.03% of the issued shares. On the back of strong performance, we enhanced our dividend policy to target a quarterly pay-out ratio of 75% of NPAT when net leverage ratio is below 30%.

Environmental, Social and Governance (ESG)

This year, we present our Annual and Sustainability Reports as an Integrated Annual Report, where we combine financial and non-financial performance to showcase our efforts on ESG.

We completed our previously-described project to retrofit 15 of our VLGCs with LPG dual-fuel propulsion technology. 2022 was the first year the entire retrofitted fleet is serving customers with the sector's lowest emissions profile, reducing our carbon emissions by 27,000 MT or 15% compared to using compliant fuel. As the world's largest fleet of lower-emission VLGCs, this represents our conviction that LPG is part of the solution for the transition towards a low-carbon future. We continued to support initiatives to uplift communities in India and Singapore with LPG, and provided scholarships to female cadets studying at the Indian Maritime University as we work to improve gender diversity at sea.

Looking Ahead

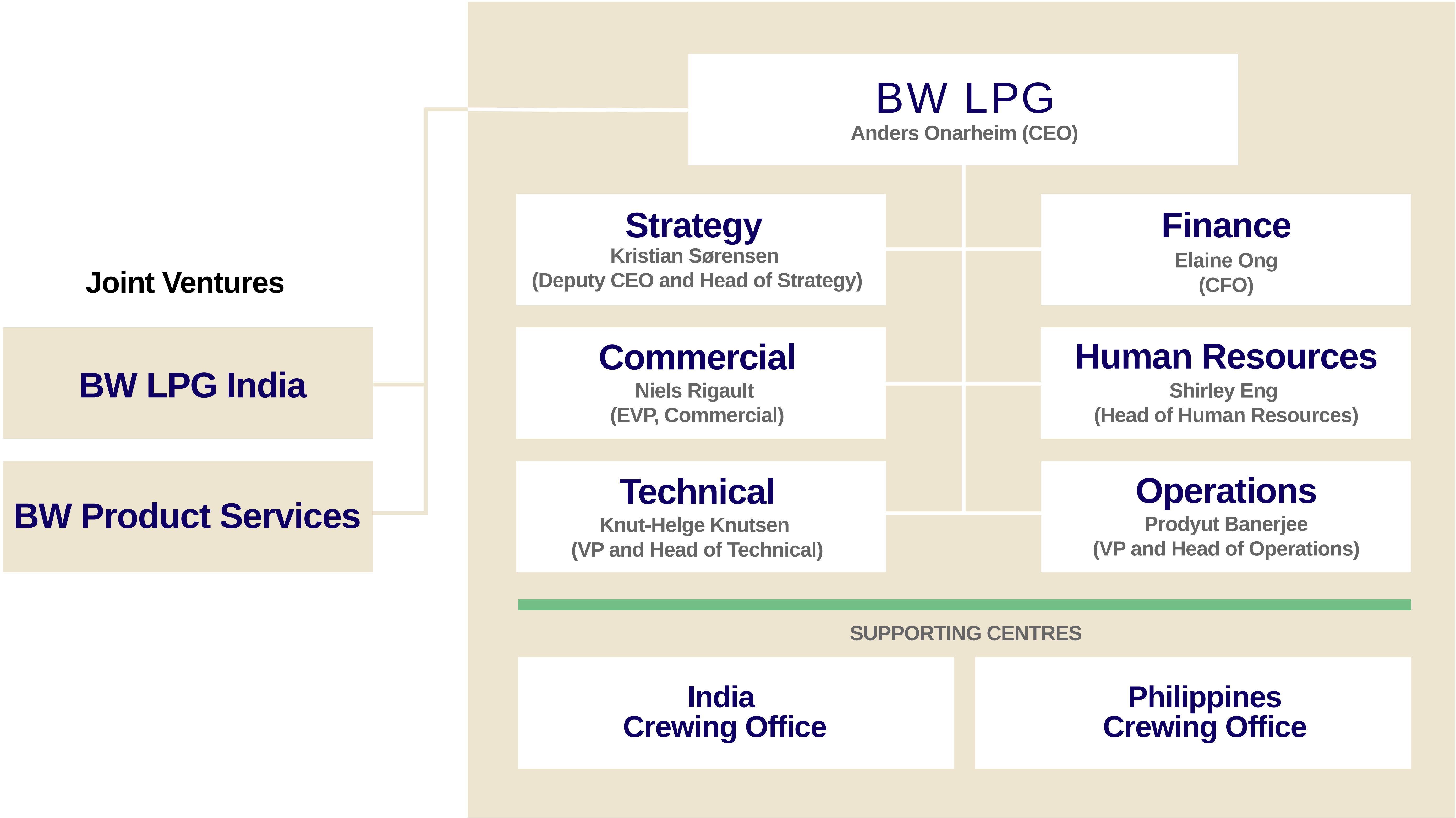
In 2023, we expect charter rates to soften compared to 2022 as a result of an increasing supply of vessels and a less certain demand outlook. However, we see increasing supply of LPG from the US and elsewhere as supportive to continued growth in tonne-miles. We have prepared ourselves for all market conditions - with our strengthened presence in the trading and shipment of LPG, and the hard work of our teams, we are confident in our ability to capture opportunities and create value for our stakeholders.

ORGANISATION STRUCTURE

Our structure supports execution of our strategy, empowers employees to feel a sense of ownership of the business, drives safe and efficient operations and encourages a sharp focus on the environment and customers in all business activities.

BW LPG India >

BW Product Services >



LEADERSHIP

Board of Directors

Andreas Sohmen-Pao (Chairman)

Andrew E. Wolff

Anne Grethe Dalane

Martha Kold Bakkevig

Sonali Chandmal

About our Board of Directors

Andreas Sohmen-Pao
Chairman

Andreas Sohmen-Pao is Chairman of BW Group and listed affiliates BW Offshore, BW LPG, Hafnia, BW Epic Kosan, BW Energy and Cadeler. He is Chairman of the Global Centre for Maritime Decarbonisation, a director of Navigator Holdings and a trustee of the Lloyd's Register Foundation.

Mr Sohmen-Pao was previously Chairman of the Singapore Maritime Foundation and has served as a non-executive director of Hongkong and Shanghai Banking Corporation Ltd, London P&I Club, Singapore Symphonia Company, National Parks Board Singapore, Sport Singapore and the Maritime and Port Authority of Singapore amongst others.

Mr Sohmen-Pao graduated from Oxford University in England with an honours degree in Oriental Studies and holds an MBA from Harvard Business School.

Andrew E. Wolff
Independent Director

Andrew E. Wolff has served on the BW LPG Board since 20 May 2020 as an independent director.

He was most recently Global Co-Head of the Merchant Banking Division ("MBD"), Head of MBD International and Global Co-Head of Private Equity for Goldman Sachs. He was the Co-Chief Investment Officer of the flagship Merchant Banking private equity funds. Mr Wolff was a member of the European Management Committee, Corporate Investment Committee, Infrastructure Investment Committee, and Co-Chairman of the Growth Equity Investment Committee. Mr Wolff joined Goldman Sachs in 1998 in the Principal Investment Area and was named Managing Director in 2005 and Partner in 2006.

He has experience investing across global markets and has served on the boards of companies in the United States, Canada, Argentina, Brazil, Japan, China, Korea, the United Kingdom, France, Norway and Denmark.

Mr Wolff earned a BA in Philosophy from Yale University in 1991 and a JD and MBA from Harvard Law School and Harvard Business School, respectively, in 1998.

Anne Grethe Dalane
Independent Director

Anne Grethe Dalane has served on the BW LPG Board since 21 November 2013 as an independent director.

She has been with Yara since 2003. Prior to this, Ms Dalane has held various senior management positions at Norsk Hydro in the areas of Human Resources, Corporate Strategy and Finance.

Her board experience includes Hafslund, EDB Business Partners, Prosafe, Petroleum Geo Services and Arendal Fossekompani. Ms Dalane is a certified financial analyst and holds an MBA from the Norwegian School of Economics.

About our Board of Directors

Martha Kold Bakkevig
Independent Director

Martha Kold Bakkevig has served on the BW LPG Board since August 2017 as an independent director.

Ms Bakkevig currently serves as the managing partner of MKOLD. Prior to that, she spent 10 years as Chief Executive Officer of DeepWell, an oil service company operating in the North Sea, and two years as Chief Executive Officer of Steinsvik Group. Her term ended in 2019.

Ms Bakkevig has extensive experience in management, strategy and business development, and a broad academic background with a doctor’s degree in both technical and business strategical subjects. She holds a Master’s degree and PhD from the Norwegian University of Science and Technology (NTNU) and a Doctorate in Economics from BI Norwegian Business School. She is also non-executive director of public listed companies Reach Subsea, Hexagon Purus and Edda Wind.

Sonali Chandmal
Independent Director

Sonali Chandmal has served on the BW LPG Board since 20 May 2020 as an independent director.

She is currently a partner at A Lamot Incobel & Co, an advisory firm sourcing, structuring and funding private equity opportunities and funds in Europe, India and America. Ms Chandmal currently serves on the Board of Directors and Renumeration Committee of Ageas SA/ NV, the Board of Directors and Renumeration Committee Chair of Ageas Portugal Grupo and the Board of Directors, Audit and Sustainability Committees of Medicover AB. She is also on the Board of Directors of the Harvard Club of Belgium and Chapter Zero Brussels.

From 1997 to 2017, she worked at Bain & Company, a leading global strategy and management consulting firm, at its offices in San Francisco, London and Brussels. Prior to that, Ms Chandmal worked at Robertson Stephens & Company, an investment bank specialising in high technology IPOs and mergers & acquisitions. Ms Chandmal holds a BA in Economics from the University of California at Berkeley, and a MBA at the Harvard University Graduate School of Business Administration.

Senior Management

Anders Onarheim

Kristian Sørensen

Elaine Ong

Niels Rigault

Prodyut Banerjee

Knut-Helge Knutsen

John Ng

Shirley Eng

About our Senior Management

Anders Onarheim
Chief Executive Officer

Anders Onarheim’s extensive knowledge in management, business development and capital markets was acquired when he was the Managing Director in companies within Carnegie Group for over 16 years, and subsequently as an active investor primarily in the energy space.

Prior to Carnegie, Mr Onarheim served as the Head of Equities of Enskilda Securities Norway from 1994 to 1996. From 1990 to 1994, he served as an Executive Director in the Investment Banking division of Goldman Sachs in the UK. From 1986 to 1990, he was Vice President for institutional sales in Merrill Lynch in the US and the UK. Mr Onarheim has held numerous board memberships within different industries and is currently Chairman of the board of North Energy ASA and Ocean GeoLoop AS, and board member of Reach Subsea ASA. He joined BW LPG as CEO in early 2020 after serving on the Board from November 2013 until May 2020.

He holds a MBA from the Washington University in St. Louis, where he graduated in 1986.

Kristian Sørensen
Deputy Chief Executive Officer and Head of Strategy

Kristian Sørensen has over 20 years of experience in the LPG shipping industry where he has held several commercial and management positions.

He started his career as a shipbroker in Lorentzen & Stemoco in 2002 before joining Inge Steensland AS (today Steem1960) in 2004 as a broker and later Partner and Head of Gas department. From 2010-2013, he was responsible for expanding and heading its Singapore office. In 2016 he became CEO of Norwegian broking house Fearnleys, and also served as Deputy Group CEO for the Astrup Fearnley Group until 2021, when he joined Avance Gas as CEO. Mr Sørensen joined BW LPG as Deputy CEO and Head of Strategy in September 2022.

Mr Sørensen spent two years in the Royal Norwegian Navy as a graduate of the Junior Naval Academy and holds a “Siviløkonom” degree from the Norwegian School of Economics (NHH).

Elaine Ong
Chief Financial Officer

Elaine Ong has close to 30 years of experience in all aspects of Finance. She joined BW Group as Vice President, Finance in 2011 and her last held position with the Group was Senior Vice President, Finance. Before joining BW Group, Ms Ong was the Internal Audit Lead for Kraft Foods Asia Pacific from 2009 to 2011.

Prior to that, Ms Ong was with Teekay Corporation from 1999 to 2009 and held various finance leadership roles both in Canada and in Singapore. Her last position at Teekay was Vice President, Global Financial Projects & Systems and Regional Controller for Asia Pacific. Ms Ong started her post-graduate career with Ernst & Young in Vancouver, Canada from 1993 to 1999 and is a Chartered Accountant with the Institute of Certified Public Accountants of British Columbia, Canada.

She holds a Bachelor of Commerce degree from the University of British Columbia in Canada.

About our Senior Management

Niels Rigault
Executive Vice President (Commercial)

Niels Rigault has 15 years of experience in competitive shipbroking and in all areas of maritime LPG. He is currently Chairman of the Board of BW LPG India, BW LPG’s India subsidiary. Prior to joining BW LPG in 2016, Mr Rigault was Senior Partner and Member of the Project department at Inge Steensland where he was responsible for long-term time charters, newbuildings and second-hand vessel transactions. He joined Inge Steensland as a broker in 2006.

Mr Rigault started his career as a broker at Lorentzen and Stemoco A/S in 2002. He holds a Bachelor’s degree in Business Economics from Vrije Universiteit Brussel /Vesalius College and a degree in Marketing from BI Norwegian Business School.

Prodyut Banerjee
Vice President and Head of Operations

Captain Prodyut Banerjee has more than 18 years of experience in Global Operations in the maritime industry. He has held various leadership positions with BW Group since 2005. Prior to joining BW, he worked with ExxonMobil for over 15 years, serving on vessels at sea and in shore positions in the United Kingdom. He has an MBA from the National University of Singapore.

Knut-Helge Knutsen
Vice President and Head of Technical

Knut-Helge Knutsen has held global leadership positions in the maritime and shipping industry for the past 20 years. Before joining BW in 2013, he was Regional Manager at VPS (Veritas Petroleum Services) for six years, and was with DNV for 11 years where he led various technical departments related to ship building in Norway and South Korea.

Mr Knutsen is a member of Lloyds Nordic Committee and DNV Nordic Safety Committee. He has a Masters degree in Marine Engineering from the Norwegian University of Science and Technology and Global Business Leadership qualifications from the IMD Business School in Switzerland.

About our Senior Management

John Ng
Vice President (Financial Reporting)

John Ng has more than 14 years of experience in accounting and financial reporting. Prior to joining BW LPG in 2018, he worked at PricewaterhouseCoopers LLP for close to 10 years and specialised in audit engagements in the shipping and oil and gas industry where he amassed strong competencies in international accounting standards, internal controls, and compliance requirements of listed companies.

Mr Ng is a member of Institute of Singapore Chartered Accountants, and Chartered Accountants Australia & New Zealand. He has a Bachelor's degree in Accountancy from the Nanyang Technological University of Singapore.

Shirley Eng
Head of Human Resources

Shirley Eng has over 20 years of HR experience in the maritime industry. She started her HR career in BW Group and after six years left to join Teekay where she held a global HR position and was based in Singapore and Vancouver. She subsequently joined BP Maritime Services where she was responsible for seafarers' performance and development. Ms Eng rejoined BW Group in 2012, and moved to BW LPG in 2018.

She is a certified HR professional with the Institute of Human Resource Professionals.

Shirley Eng
Head of Human Resources

We are committed to creating an engaging workplace, on shore and at sea, that is diverse and inclusive, so that employees feel that they belong and can thrive. We foster a collaborative and supportive environment where colleagues can deepen their expertise, while contributing towards the continued success of our company.

VALUE CREATION MODEL: TOWARDS A BETTER WORLD

INPUT (CAPITAL)

Financial

- Funds from operations
- Equity and debt financing
- Ample liquidity

Physical

- **43** vessels of which 15 are LPG-powered
- **8** offices worldwide

Intellectual

- Brand recognition for quality and reliability
- Pioneering LPG propulsion technology
- STS of LPG as bunker and coolant
- Innovation capabilities

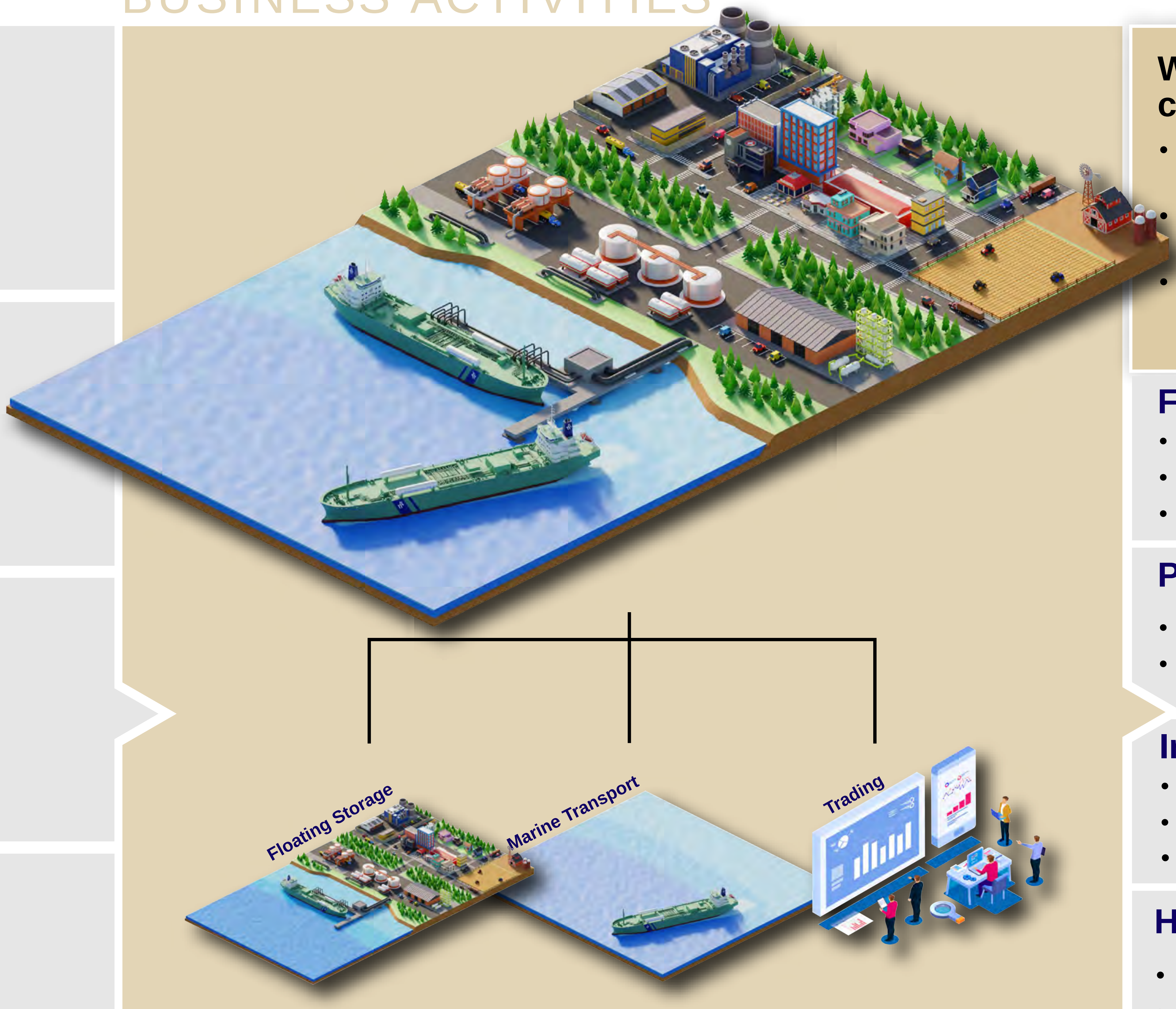
Human

- **~1,600** crew and onshore employees
- Over **80** years of maritime and shipping experience
- Commercial agility
- Skills, values and industry insights

Social and Relationship

- Strategic partnerships and trusted relationships with key stakeholders such as customers, capital lenders, governments and regulatory bodies

BUSINESS ACTIVITIES



VLGCs are built for high-volume long distance transportation of LPG. Our touch points within the value chain include export terminals (linked to upstream pipelines and storage facilities) and import terminals (linked to downstream storage and transportation). These vessels are also used in large-scale maritime storage projects, often acting as floating terminals.

Our capabilities extend to smaller asset classes suitable for short-haul transportation of LPG, as well as trading of LPG.

OUTPUT

With LPG, we uplift communities with cleaner energy. We:

- Power the global economy by supporting other industries such as retail, agriculture and chemicals
- Provide superior shareholder returns with efficient operations and innovative business development opportunities
- Reduce impact from harmful emissions by replacing traditional pollutive fuels such as coal and wood for cooking and heating

Financial

- **12%** Return on Capital Employed (ROCE)
- **16%** Return on Equity
- **22%** Earnings yield

Physical

- **12M MT** cargo carried
- **1M MT** cargo traded

Intellectual

- **15** LPG-powered vessels on water
- **17** STS operations for bunker and coolant
- Expansion of Product Services

Human

- Positive safety record of **LTIF: 0.00 TRCF: 0.16**
- **12%** total employee turnover, down from 15% in 2021

Social and Relationship

- Diversified lending base with **20** bank partners
- New JV partner Maas Capital Shipping

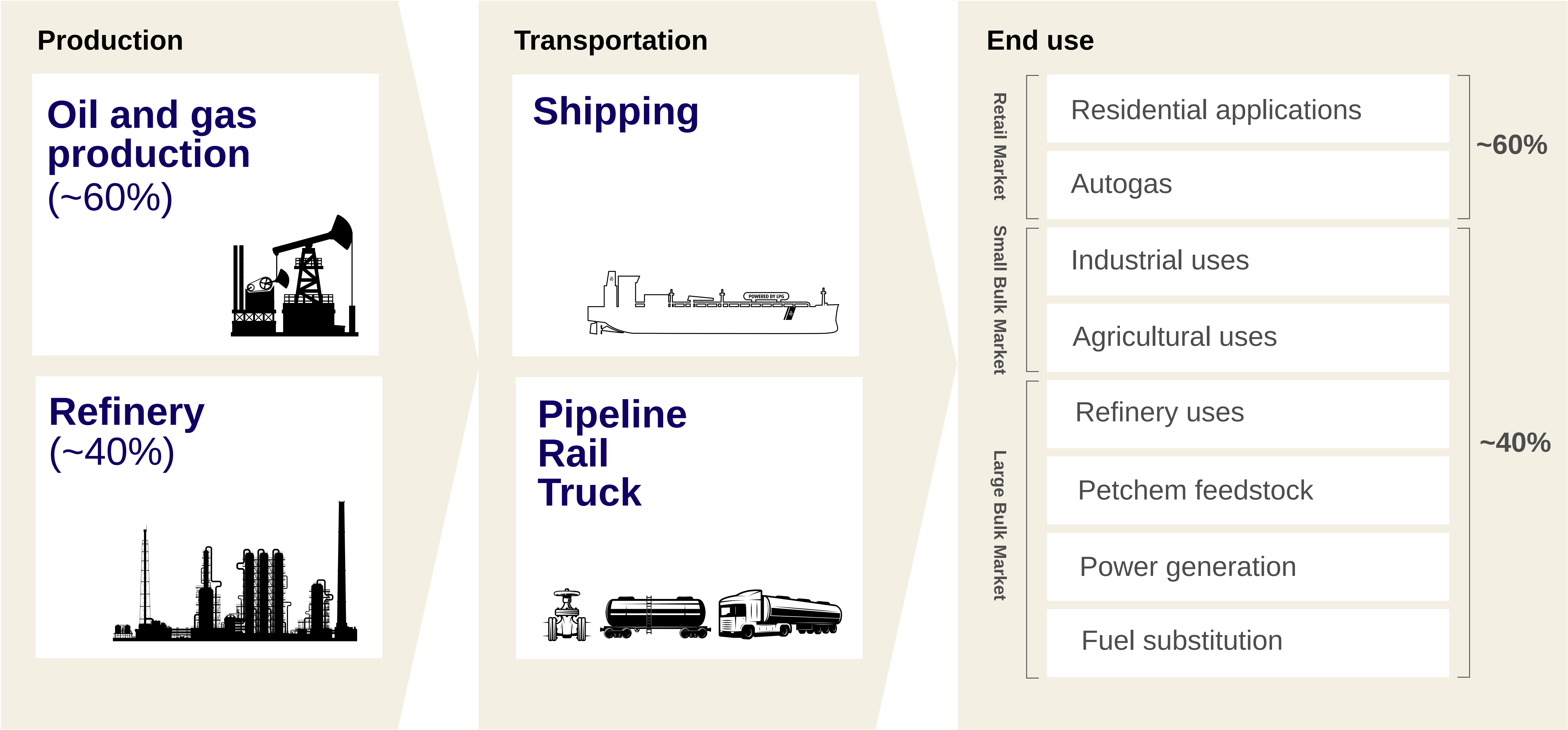
Environment

- **7%** reduction in Total Scope 1 and 2 absolute GHG emissions from 2021
- **27,000 MT** of CO_2 emissions saved from use of LPG as a fuel

Our Operating Context

LPG consists of propane and butane, petroleum gases which are released during the extraction of crude oil and natural gas or during the refining of crude oil. Despite being gaseous at ambient pressure and temperature, propane and butane both liquefy relatively easily under pressure, refrigeration or a combination of the two.

LPG is a relatively clean energy source compared to many other fossil fuels and has numerous applications. The largest consumption of LPG globally is the retail market at about 200 million metric tonnes per annum. Around 60% of the total consumption of LPG is represented by the use of LPG for transport, heating or cooking by end-users such as individuals or businesses. The remaining consumption is absorbed by large bulk applications such as the petrochemical industry or small bulk applications for industrial use.



The LPG value chain (Source: Poten & Partners)

What We Do

We deliver LPG to world markets with a fleet of 43 VLGCs, 15 of which are retrofitted with LPG dual-fuel propulsion technology. From spot voyages and time charters to Contracts of Affreightment (CoAs), our emphasis on safe, flexible, and reliable service has earned the trust of leading oil companies as well as trading and utility companies. Our large pool of experienced shore and sea employees are our pride and competitive advantage.

We offer our operational and commercial expertise, global presence and deep industry networks as part of BW LPG Pool. With our pool partners, we leverage on our expanded scale to reduce costs, command higher earnings, and provide customers with better service and solutions.

BW Product Services, our trading team established in February 2019, provides customers with reliable, integrated LPG delivery services. The team purchases LPG and offers it delivered directly to buyers and receivers. While doing so, they also work with our shipping team to increase fleet utilisation and maximise voyage optimisation.

A laden VLGC crossing a lock at the Panama canal

STRATEGY

What drives us to do what we do? A vision to be Best on Water. A purpose of working towards a Better World. A conviction that LPG is part of the solution for global energy security as we transition towards a zero-carbon future. As a company, our vision and purpose remain steadfast, but our definition of success has expanded. To be successful, we must perform to meet stakeholder needs in the present, and ensure long-term profitability and sustainability of our business. To this end, we are focused on our customers and the environment, as we explore growth opportunities in the energy value chain.

BW Balder and Epic St. Martin moving into position for ship-to-ship transfer operations.

Vision | Best on Water
Mission | Towards a Better World

As we grow and protect our long-term profitability as a business, we will act for the environment, make a positive impact on society, and uphold responsible and transparent business practices.

Ensure environment and customer-focused operational excellence

Strategic Pillar	Initiatives	Sustainability Pillar	Alignment with UN SDGs
Culture of Innovation	• Pioneering LPG propulsion Technology	E	7, 13, 15, 17
	• Ship-to-Ship operations for LPG bunker and coolant	E	
	• Next-generation VLGC research and development	E	
Prudent Stewardship	• Retrofit existing assets	E, G	8, 13
	• Responsible use and protection of the environment	E	14, 15
	• Increase liquidity and reduce debt	G	8, 16
Uplift People and Communities	• Community support and development	S	3, 4, 7, 8, 10
	• Promote gender diversity	S	5, 8, 10
	• Attract, train, and retain talent	S	5, 8, 10
	• Safer Together, Zero Harm	S	3, 8
	• Against Bribery and Corruption	G	16, 17

Explore growth opportunities along the energy value chain

Strategic Pillar	Initiatives	Sustainability Pillar	Alignment with UN SDGs
New Business Opportunities	• Expand BW LPG Pool	G	8, 17
	• Expand BW Product Services	G	8, 17
	• Expand BW LPG India	S, G	7, 8, 17
Smart Corporate Actions	• Sell VLGCs at attractive prices	G	8, 17
	• Hedge debt in a rising interest rate environment	G	8, 17
	• Share buyback program	G	8, 17
	• Improve dividend pay-out policy	G	8, 17

Reference UN SDGs

Ensure environment and customer-focused operational excellence

To ensure environment and customer-focused operational excellence is to deliver LPG safely and reliably to world markets. To this end, we maintain our fleet to high standards to maximise commercial availability, and our network of offices ensures coverage across time zones for customers.

Beyond commercial availability, we continue to upgrade our assets. A culture of innovation and prudent stewardship facilitated the decision to retrofit pioneering propulsion technology onboard 15 vessels. With all LPG-powered vessels on water in 2022, we are accumulating valuable knowledge on new propulsion technology.

> *Delivering an ambitious, multi-year retrofitting program also means valuable experience gained in managing large-scale technical projects.*

Explore growth opportunities along the energy value chain

Given the increasing importance of LPG as an energy source, we are committed to investing further in the LPG value chain. We are exploring new business opportunities, and through smart corporate actions, maximising the value of our current assets. As part of this strategic approach, over the course of the year, we expanded our Product Services team with the acquisition of Vilma Oil's LPG trading operations, sold four of our pre-2010 built VLGCs at attractive prices, and expanded our presence in India through our Indian subsidiary.

> *We leverage on decades of operating experience as we explore new commercial offerings and business opportunities.*

VLGC BW Liberty at Sonker Bulk Liquids Terminal in Egypt

Read our case studies

LPG-powered vessels

Our innovative use of established ship-to-ship transfer (STS) practices for LPG bunker and coolant, pre- and post-drydock, has reduced turnaround time, increased commercial availability, minimised emissions, and allowed us stricter control over product origin compliance.

Read More

Product Services

The idea behind the establishment of the Product Services division was both innovative and simple: to capture market opportunities and diversify business offerings in a way that would improve fleet utilisation and optionality and return greater value to shareholders.

Read More

Cleaner energy in India

We are deepening our presence in India and supporting India's LPG growth story with reliable and efficient supply, as the government continues to make big strides in ensuring its people have access to cleaner burning energy.

Read More

02
PERFORMANCE

CASE STUDY - PRODUCT SERVICES

BW PRODUCT SERVICES

BW Magellan at Marcus Hook Terminal in Philadelphia, USA

> *We are expanding our presence along the LPG value chain and enhancing our ability to serve clients.*

In November 2022, BW LPG acquired the LPG trading operations of Vilma Oil. The acquisition brought onboard a highly experienced team with a strong track record and fulfils our ambition to expand BW LPG's Product Services Division, rebranded to BW Product Services. Established in 2019, the objective was simple: to capture market opportunities and diversify business offerings in a way that would improve fleet utilisation and optionality and return greater value to shareholders, while tapping on our track record in shipping.

For BW LPG – one of the first pure-play LPG shipping companies to venture into product delivery – this move has proved successful. Over the past four years, BW Product Services has grown to become one of the largest lifters of LPG from the US, averaging one million tons per year. It has also met its dual objective of increasing commercial utilisation and boosting time-charter income.

Global coverage Supported by teams in Europe and Asia	**Widen service offerings to customers** Shift focus from US-centric to global coverage
> 4M Physical tonnes of LPG trading capacity annually	**Enhance our core shipping business** Increase agility and insight in a volatile market Increase vessel utilisation and enhance voyage optimisation
+ 5 TC-in VLGCs including 1 newbuild	**Create opportunities for future growth** Strategic opportunities along the LPG value chain

An expanded team geared to growth

BW LPG warmly welcomes 21 new colleagues to BW Product Services – 13 in Spain and eight in Singapore. The expanded team is led by Amalio Hidalgo as CEO of BW Product Services, and it will continue to operate within disciplined capital requirements and defined risk thresholds. The transaction also adds five additional time charter-in VLGCs to our fleet, including one newbuild. The team has increased agility, greater insights into a volatile market, a global focus and the ability to trade over 4M tonnes of LPG annually. The team will also enhance our core shipping business, and create growth opportunities along the LPG value chain.

CONTACT US
Amalio Hidalgo
CEO, BW Product Services

BW Product Services

Email Us

Kristian Sørensen
Deputy Chief Executive Officer
and Head of Strategy

It has been a pleasure working with Amalio and the Vilma team as we collaborated to close the transaction. By expanding BW Product Services we are adding another layer to our business model and increasing the ability to adjust our market exposure. Once we received approval from the regulatory authorities in Spain, we implemented our integration plans and within a month we had the Spain-based team move into a new office in Madrid, and the Singapore-based team move in with us at our current Singapore office. My thanks to all colleagues for living our company values and ensuring our new colleagues are warmly welcomed from day one.

CASE STUDY - SUPPORTING ACCESS TO CLEANER ENERGY IN INDIA

India is the world's second largest importer of LPG, and long-term demand trends together with strong government support for the use of LPG are expected to sustain growing domestic demand. Significant infrastructure investments into new pipelines, port expansions and storage facilities have encouraged high LPG imports. The country's investments in propane dehydrogenation plants also bodes well for potential LPG import demand for the petrochemical sector.

> 400
Crew

8
Very Large Gas Carriers

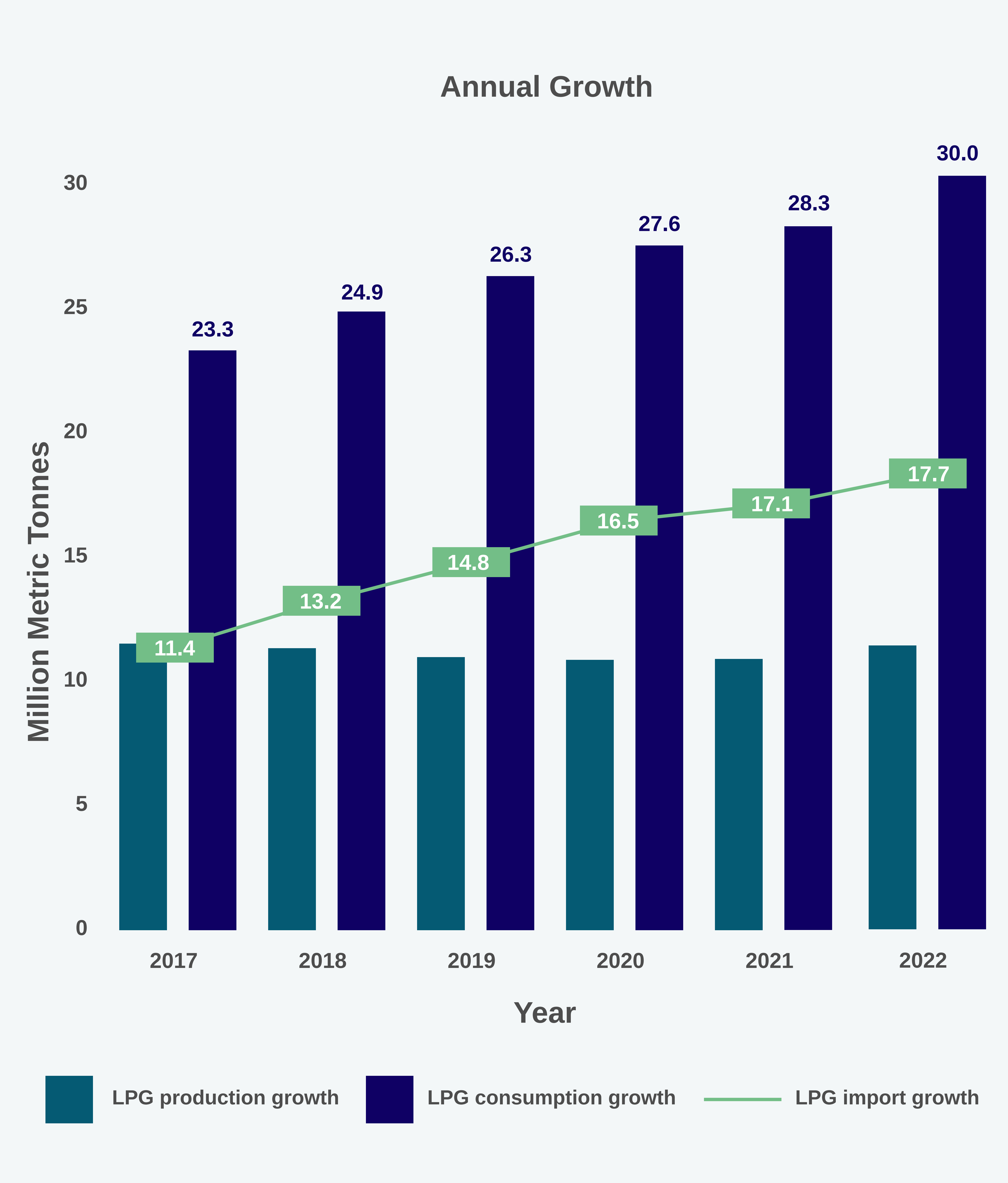
 # 1
Best TMSA rating in India

6
Years since establishment

One of eight VLGCs in the BW LPG India fleet

Since our establishment six years ago, BW LPG has grown to become India's largest owner and operator of VLGCs. Our fleet is Indian-flagged and Indian-operated to facilitate business transactions in alignment with the Atmanirbhar Bharat scheme (translated as domestic self-reliance). We added ~400,000 MT to Indian shipping with our fleet which carries approximately 20% of LPG imports into India, and commands approximately 30% share of the time-charter market. Vessels in BW LPG India are maintained to the highest standards and can trade internationally.

As demand for LPG in India grows without a corresponding increase in domestic LPG production, BW LPG India is well placed to support the supply of LPG into India with our fleet of Indian-flagged vessels.



Contents

India continues to lead the way in ensuring that no one is left behind in the clean energy transition. Under the Pradhan Mantri Ujjwala Yojana scheme (translated as “Prime Minister’s Lightning Scheme”), millions of Indians have been connected to the LPG grid. Driven by environmental and health concerns, the scheme aims to make clean cooking fuels, such as LPG, available to rural and low-income households which use traditional pollutive fuels such as firewood, coal, and processed cow manure. The second phase of the scheme, called Ujjwala 2.0, was launched by Prime Minister Narendra Modi in August 2021 to provide an additional 10 million LPG connections, along with a free first refill and stove. According to the Indian Petroleum Ministry, the government gave over 8 million free cooking gas connection points in 2021 and 2022.

Youths at ProtoVillage harvesting crops grown with sustainably sourced water.

Niels Rigault
Executive Vice President (Commercial)

BW LPG India is committed to growing its presence in India. The team is supporting meaningful climate action - bringing cleaner burning LPG to over 1.4 billion people. LPG is helping to improve quality of life, especially when it is used in place of traditional, pollutive fuels. We are supporting the supply of LPG into India, with our fleet of Indian-flagged VLGCs which are staffed by well-trained local seafarers.

CONTACT US
Iver Baatvik
Head of Investor Relations and Corporate Development

BW LPG India

Email Us

CASE STUDY - POWERED BY LPG

2022 was the first year all 15 LPG-powered vessels were on water. Apart from environmental, operational and economic benefits, these vessels provide on-the-job training opportunities for crew to advance their understanding of the latest propulsion technologies. As seafarers sail onboard our retrofitted fleet, engineers are developing deep expertise in pioneering technology, and offering innovative and practical solutions to operational challenges. Our deck officers also learn how to manage the operational and navigational aspects of vessels powered by LPG.

Keeping Score

How is the fleet doing? In short, they have done well from an emissions and cost reduction perspective, and the retrofitting experience has also inspired an innovative approach in the management of LPG coolant (a small quantity of LPG needed to cool cargo tanks before loading) for drydockings of VLGCs powered by compliant fuels.

We have been systematically scaling up our intake of LPG as fuel, to maximise emissions reduction, and maximise earnings by reducing the cost of fuel. In 2022, our 15 LPG-powered vessels bunkered approximately 46,000 metric tons of LPG as fuel, saving over US$8 million in fuel costs. We also reduced carbon emissions by approximately 27,000 MT by using LPG as fuel. This translated to an approximate 15% reduction in CO_2 emissions.

We also saw a 99% reduction in SOx emissions, 10% reduction in NOx emissions and 90% reduction in PM10 emissions. Our LPG deck tanks complement existing fuel oil bunker capacities and provide us with full fuel and cargo flexibility during operations. We also established LPG bunker fuel contracts with new and existing partners in major loading ports.

An innovative approach to managing drydocking operations

As we enjoy meaningful returns on investment on the environmental, economic and operational fronts, the retrofitting process also highlighted how experience and innovative thinking can support smart operations. To overcome the challenge of securing terminal schedules for discharging and loading of LPG cargo, fuel and coolant, the Operations team decided to use an established process of ship-to-ship transfer (STS) of LPG cargo, for the STS of LPG as fuel and coolant – a world first.

This initiative to deploy a dedicated vessel to collect, store and re-supply LPG has become standard practice for the management of coolant during drydocking of our vessels powered by compliant fuels. Since our first STS operations in May 2021, we have realised multiple benefits from this practice. By having a time-chartered vessel in international waters, we are not restricted by quarantine considerations onshore.

In addition, we potentially save on off-hire time as we do not have to sail to a terminal for loading, nor face challenges related to coolant availability. With less uncertainties in project management, we can provide customers with firmer commitments for their time-chartered vessels to be back in service with a faster turnaround time. Further, as we store and reuse LPG coolant, we can ensure compliance with relevant regulations related to product origin, save on costs to replace coolant, and reduce emissions to the environment.

A strong foundation for the future

As a company, owning and operating these vessels grounds our decarbonising efforts, and ensures we provide stakeholders with an ambitious but practical decarbonisation roadmap towards a zero-carbon future. As we navigate our way forward, our LPG-powered vessels ensure we are well-placed for the markets now, where against a background of new and increasingly stringent regulations, we continue to serve customers without the need for speed reductions or equipment upgrades.

Pioneering Technology 15 LPG-powererd VLGCs	~ 27,000 MT of CO_2 emissions saved	> $8M In savings from using LPG as fuel
Ambitious Project Completed On time and within budget	~ 46,000 MT of LPG used as fuel	~ 15 % Reduction in CO_2 emissions

Environmental, economic and operational benefits from LPG Propulsion
As at 31 December 2022

Innovative Approach Ship-to-ship transfer (STS) of LPG as coolant	~ 20,400 MT of CO_2 emissions saved	~ 5 Days saved per vessel from STS of coolant
Collaborative Arrangement Chartered vessel from BW Epic Kosan	~ $2.5M Saved with STS operations	17 STS operations since May 2021

From conducting STS operations for 15 LPG-propulsion retrofits and 6 drydockings
As at 31 December 2022

CONTACT US
Knut-Helge Knutsen
Vice President
and Head of Technical

BW LPG Fleet >

Email Us >

Anne Chevalier
General Manager, Fleet Operations

Ever since BW Gemini was retrofitted in October 2020, it has been an incredible journey operating and following our 15 dual-fuel vessels sailing around the world. These ships are not only green on the outside - they are also green inside. Running on clean fuel gives everyone on board and on shore a truly unique sense of accomplishment and pride in doing the right thing. We believe in the future of LPG propulsion and live this truth every day. BW LPG has made an ambitious move to retrofit these ships with pioneering technology and we can't wait to add more of these into our fleet!

Captain Prakesh Shekhar Hegde
Captain of BW Brage

I was part of the Conversion team for BW Brage at Yiu Lian dockyards in China. I witnessed the tremendous amount of planning and hard work put in during the retrofitting process. Like all new technology, we faced our share of teething issues. But we were able to overcome them with full support from all quarters, and with 15 LPG-powered VLGCs on water, the entire team are now comfortable with managing pioneering technology on such a scale. As Captain, I am privileged to be in command of an LPG powered VLGC. There are no changes to a retrofitted vessel in terms of manoeuvrability or operational characteristics. There is no loss of performance or efficiency either. Two thumbs up!

COMMERCIAL PERFORMANCE

The market

LPG-powered BW Leo crossing the Panama Canal

Over the course of 2022, WTI increased by 7%, natural gas more than doubled in price and European naphtha declined by 15%. In comparison, LPG prices declined by 37%, making it more competitively priced for both industrial and retail uses.

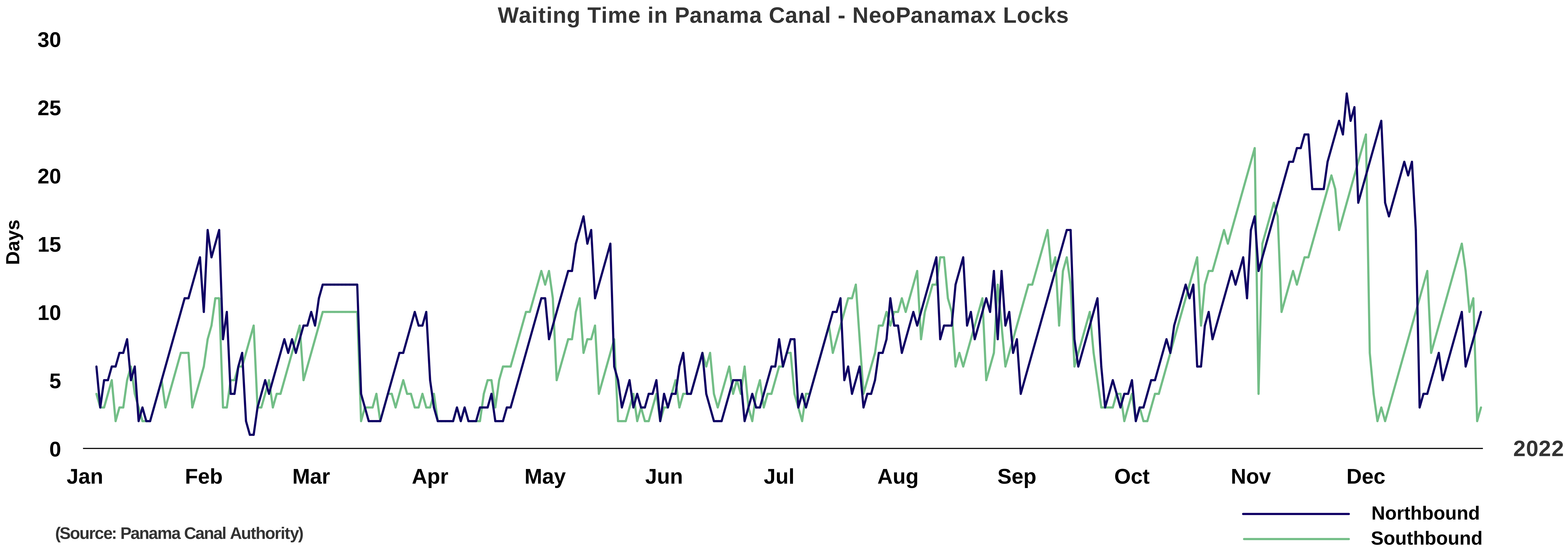
Almost 60% of the world's LPG demand goes into retail, which grew strongly in 2022, supported by progressive governments in emerging economies who see the benefits from a clean and affordable source of energy. There was also strong demand from the petrochemical segment. For example, during the third quarter, seaborne LPG imports into Northwest Europe from the US rose by 177% due to generally favourable propane-naphtha spreads. Countries such as China and Vietnam are also ramping up their propane dehydrogenation (PDH) and cracking projects, adding significant incremental demand for LPG.

In Q2, activities in the two main LPG export hubs continued to increase, with the US leading the way with record LPG export numbers. In Q3, US exports held steady while exports from the Middle East grew 23% compared to the same quarter in 2021. Despite lockdown measures, LPG imports into China increased year over year in Q3, while India's imports dropped slightly during the same period but picked up again in Q4. European imports from the US continued to grow, up by 143% in Q3 as compared to the same period in 2021.

As is often the case in commodity shipping, spot rates were volatile throughout the year. This was especially evident towards the end of 2022, where spot rates reached well above US$100,000/day on some days. BW LPG was well-positioned to take advantage of the sudden tightening in the spot market, with 75% spot exposure in the fourth quarter. We recognise that extraordinarily high spot rates are temporary, and have taken steps to optimise our fleet exposure during firm market conditions.

2022 In four charts

01 Panama Canal waiting times were higher in 2022, especially during the fourth quarter



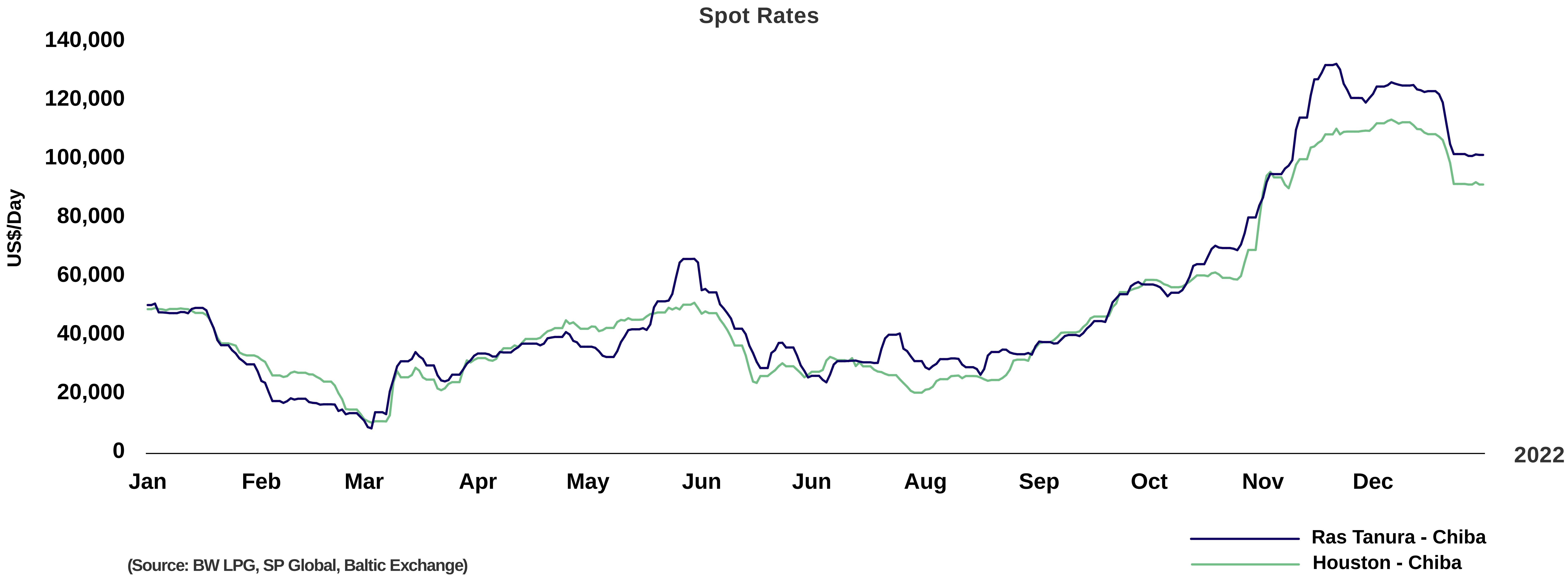
(Source: Panama Canal Authority)

Shipping inefficiencies continued to impact the VLGC fleet’s ability to trade efficiently in 2022. While dry-docking and general waiting time reduced the number of effective trading days, long waiting times to transit the Panama Canal had a major impact on fleet efficiency, especially during the fourth quarter.

In 2023, we expect trading inefficiencies to continue. In addition to waiting time at the Panama Canal, new regulations could also have an impact on VLGC annual shipping capacity.

2022 In four charts

02 Volatile spot rates throughout 2022, exacerbated by geopolitical uncertainties



(Source: BW LPG, SP Global, Baltic Exchange)

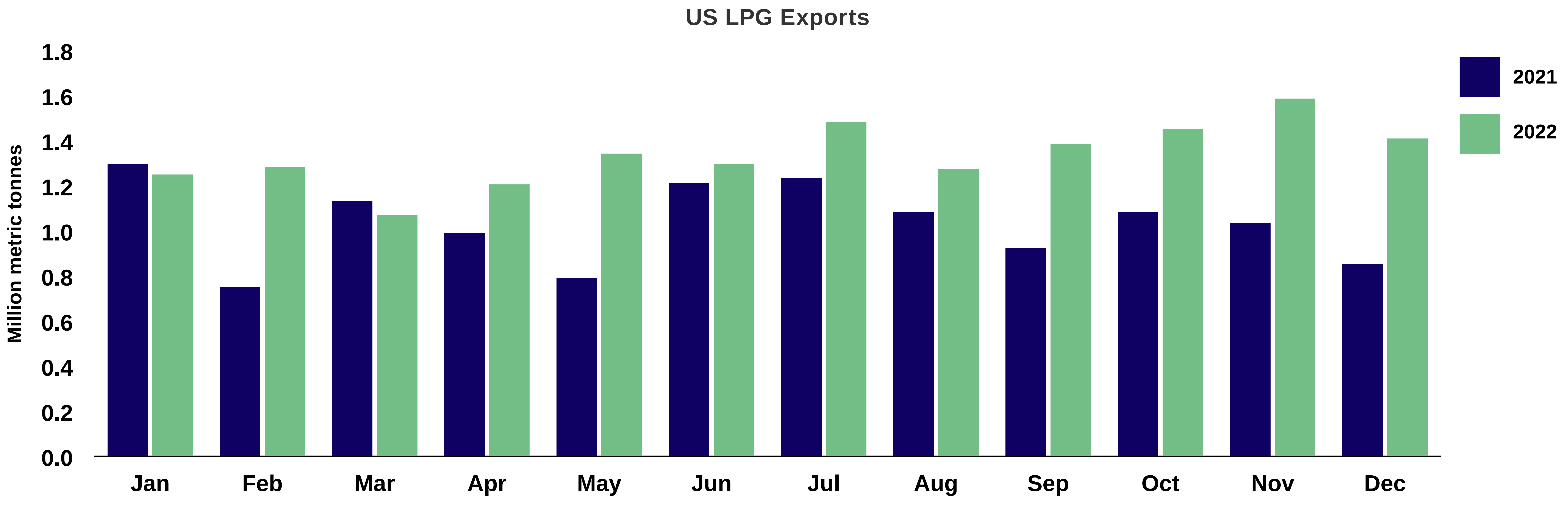
VLGC spot rates fluctuated throughout 2022. The first quarter began with rates of about US$50,000/day but declined towards the quarter-end. Following the invasion of Ukraine, both US export volumes and spot rates strengthened.

The second quarter averaged US$41,250/day for the Ras Tanura to Chiba trade lane, peaking at US$65,000/day in late May. Average spot rates fell back to an average of US$36,500/day for the third quarter, albeit with improving rates towards the end of the quarter.

Several factors coincided to shape the VLGC rate environment in the last quarter. Strong export volumes out of the US, combined with long wating times to transit the Panama Canal contributed to the tightening of supply and demand balance for VLGCs. This ultimately resulted in record high rates peaking at US$130,000/day and staying above US$100,000/day for most of the fourth quarter.

2022 In four charts

03 US LPG exports grew in 2022, and are expected to continue in 2023



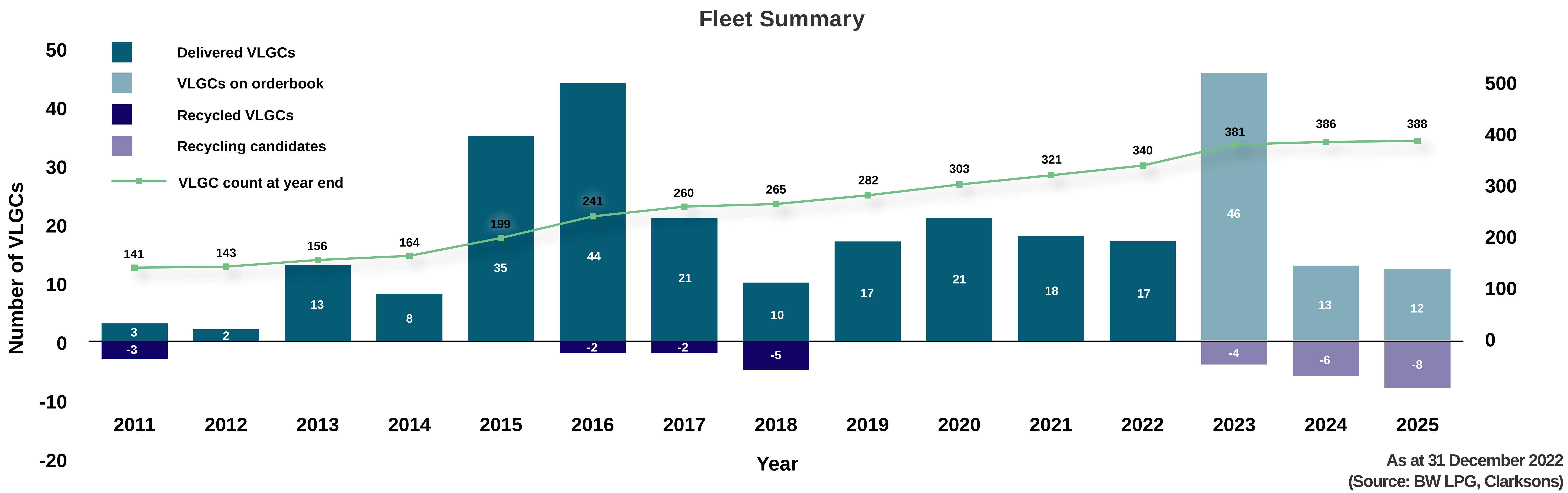
(Source: US Energy Information Association)

US propane exports grew 4.6% in 2022 versus 2021. This was largely due to Europe gravitating away from Russian natural gas sources, which stimulated US production and exports of LNG. This in turn also elevated LPG output and shipments. A relatively mild hurricane season in the US in 2022 also meant that export disruptions were low.

According to the EIA, growth in US LPG exports is expected to continue into 2023 at 15% year over year.

2022 In four charts

04 Global fleet growth is expected to be offset by market factors and new regulations



As at 31 December 2022
(Source: BW LPG, Clarksons)

The global VLGC fleet continued to grow in 2022. 17 vessels were delivered while no ships were recycled.

In 2023, a record 46 VLGCs are scheduled to be delivered. All vessels on order are LPG dual-fuel, similar to BW LPG's 15 retrofitted VLGCs. While an influx of new vessels usually exerts downward pressure on market balance and freight rates, the increase in tonnage will likely be partly offset by export growth, fleet inefficiencies and new regulations.

ENERGY SECURITY with LPG
BW LPG INTEGRATED ANNUAL REPORT 2022

FINANCIAL PERFORMANCE

	2022 US$ Million	2021 US$ Million
Financial Results		
Time charter equivalent income - Shipping	568	466
Gross Profit / (loss) - Product Services	(0.1)	(3.4)
EBITDA	408	312
Net Profit	239	186
Balance Sheet		
Vessel net book value	1,484	1,792
Total assets	2,541	2,364
Total cash and cash equivalents	236	133
Total borrowings and lease liabilities	721	875
Shareholders' equity	1,559	1,386
Cash Flows		
Operating	501	307
Investing	112	76
Financing	(522)	(310)
Free cash flow	654	330
Available liquidity (including undrawn facility)	463	453
Share Performance	**US$**	**US$**
Earnings per share	1.68	1.33
Net asset value per share	10.92	10.15
Dividends per share	1.28	0.56
Per Day Costs		
Vessel calendar days[1]	14,505	15,658
OPEX per day[2]	8,400	8,000
NPAT breakeven per day[3]	22,800	21,700
Ratios	**%**	**%**
Earnings Yield	22	23
Return on Equity	16	14
Return on Capital Employed	12	10
Net Leverage Ratio	24	35

Highest available liquidity **to-date**
US$ 463M

Lowest net leverage ratio **since listing**
24 %

Total dividends declared **since listing**
US$ 970M

Net Profit Breakeven per day
US$ 22,800

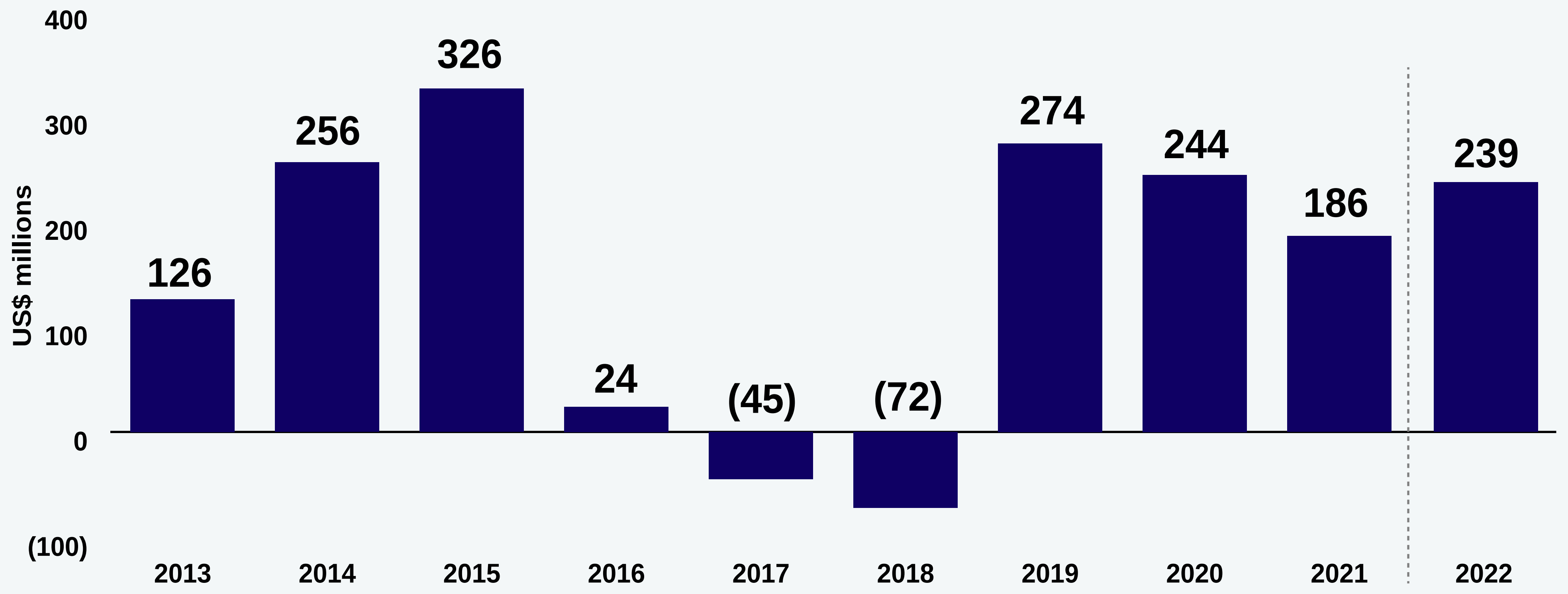
1 Includes Finance leased vessel

2 Only for owned and bareboat-in vessels

3 Adjusted for impairment charge/write-back of impairment charge on vessels, negative goodwill, and gain on derecognition of right-of-use assets

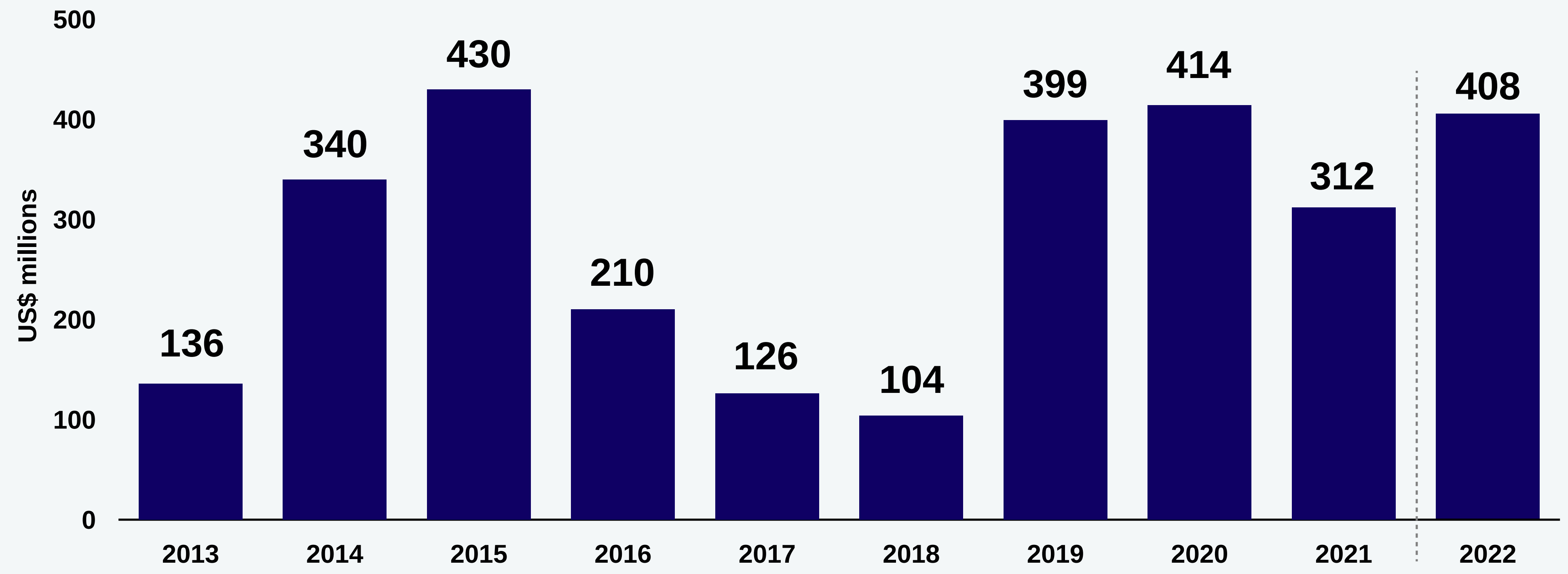
Net Profit After Tax

Ready for all market conditions with another year of profitability and growth.



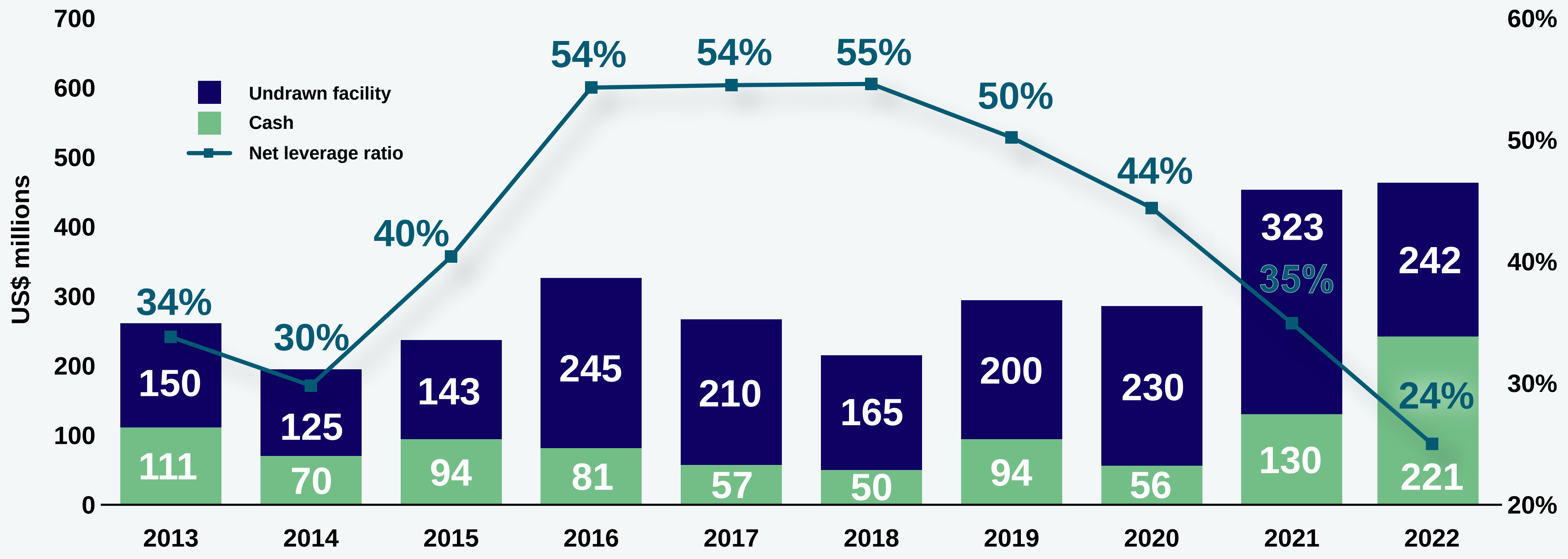
EBITDA

Continued strong EBITDA.



Available Liquidity and Net Leverage Ratio

Highest liquidity and lowest net leverage ratio since listing.



SHARE PERFORMANCE

Market Capitalisation and Turnover

BW LPG is listed on the Oslo stock exchange under the ticker code BW LPG. As at 31 December 2022, there were 141.9 million shares issued and 133.3 million shares outstanding with 8.6 million shares held in treasury. At the end of 2022, BW LPG's market capitalisation stood at US$1.1 billion; up from US$807 million at the end of 2021. During 2022, an average of 360,000 BW LPG shares were traded daily, equivalent to 0.4% of outstanding shares.

Shares - at a glance

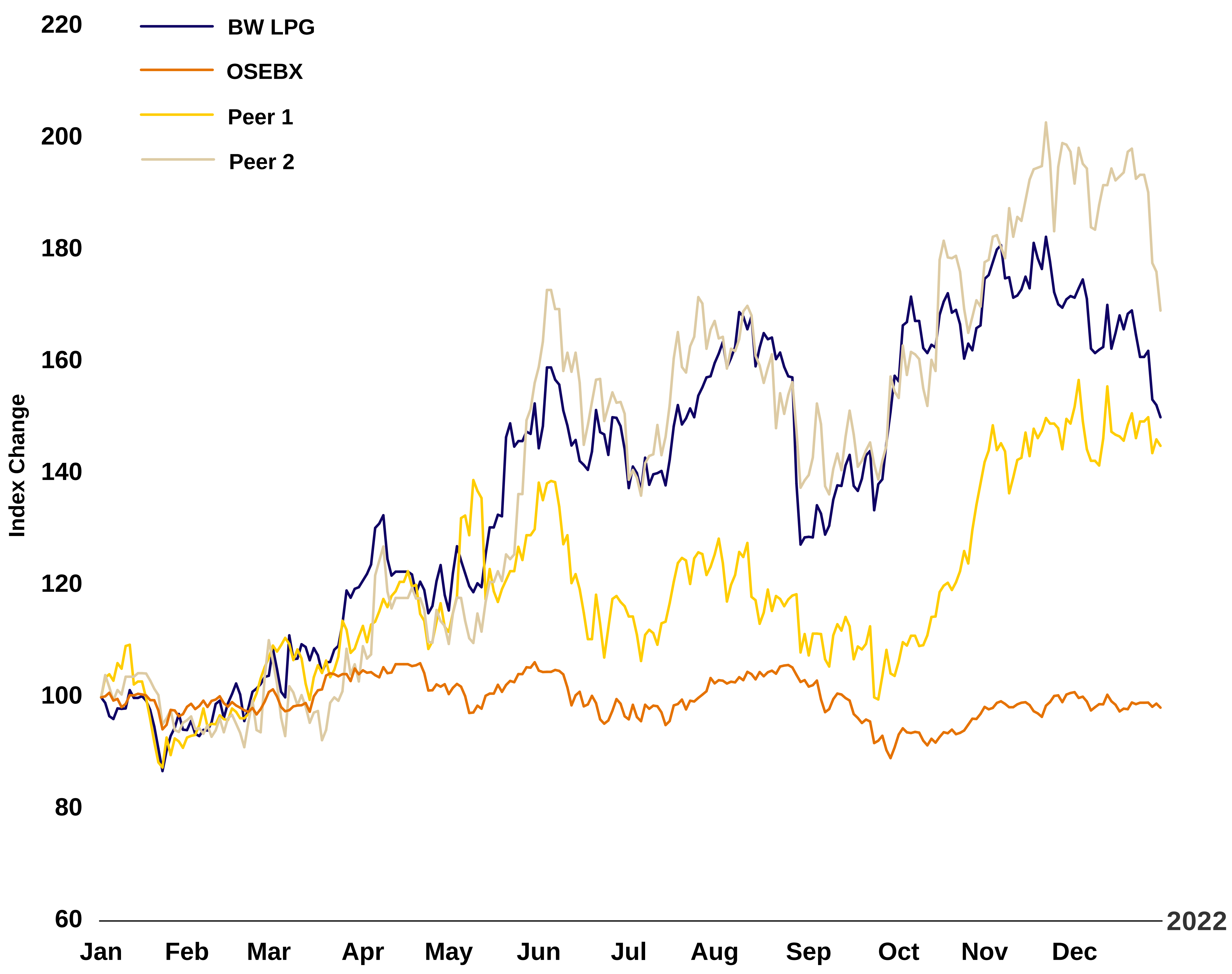
As at 31 December 2022

Shares Issued	Shares Outstanding	Shares in Treasury
141.9 Million	133.3 Million	8.6 Million
Market Capitalisation	**Shares traded daily in 2022**	**Average value of traded shares per day**
1.1B US$	360K Shares	2.6M US$

Elaine Ong
Chief Financial Officer

Behind every successful year is a team of hard-working colleagues working diligently to keep propellers turning – this means ensuring that crew and employees are looked after, that all our financial and business transactions are conducted with the highest standards of integrity, and that we focus on the environment and our customers in all that we do. I look forward to supporting each of them as they steer us towards being "Best on Water".

Share price development vs peers and OSEBX (Indexed)



As at 31 December 2022

Buy-back program

BW LPG continued its share buy-back program in 2022. Initiated in December 2021, the program aims to purchase up to 10 million common shares for a maximum of US$50 million. As at 31 December 2022, we purchased 5.9 million shares at an average price of NOK 56 (US$5.99) per share, amounting to NOK 329 million (US$35 million).

Share price performance

High inflation and rising interest rates had a material impact on global equity markets in 2022. While some markets were less exposed than others, numerous exchanges showed percentage declines in the double digits. The Oslo Stock Exchange Benchmark index (OSEBX) ended relatively flat however, supported by elevated energy demand.

BW LPG's share price performed significantly better compared to OSEBX for much of 2022. Some of the contributing factors were found in the underlying LPG shipping market, where seaborne trade volumes grew. The global VLGC fleet was also subject to inefficiencies such as longer-than-normal Panama Canal waiting times which limited effective vessel supply in the market and consequently brought about higher spot rates. Compared to listed peers, BW LPG's share outperformed Peer 1 and the OSEBX, but lagged the price development of Peer 2.

Dividend policy

BW LPG aims for a payout ratio of 50% of Net Profits After Tax (NPAT), on an annual basis, adjusted for extraordinary items, after taking into consideration appropriate levels on leverage, capital expenditure plans and financing requirements, financial flexibility, anticipated cashflows. When net leverage is below 30%, the policy targets a payout of 75% of NPAT on an annual basis.

Dividend payment history

Since BW LPG's initial public offering in 2013, we have returned approximately US$970 million to shareholders in total dividends. This equates to US$7.14 per share, and an accumulated payout ratio of 63% of the total earnings per share (EPS) since our IPO of US$11.33 per share. Accumulated EPS excludes all vessel impairment / write-backs to date.

Dividend information

Dividend per share in USD is converted from NOK using the exchange rate on the payment date.

Period	(Impairment)/ Writeback (US$ '000)	Earnings (US$ '000)	No of shares ('000)	EPS (US$)	EPS (adjusted) (US$)	Dividend per share (US$)	Payout ratio (%)	Share price at end of period (US$)	Annualised dividend yield (%)
2022	1,470	227,396	133,381	1.68	1.67	1.28	77	7.89	16
2021	31,901	184,821	138,951	1.33	1.10	0.56	51	5.74	10
2020	8,200	243,854	138,682	1.76	1.70	0.84	49	6.86	12
2019	37,995	273,840	138,983	1.97	1.70	0.85	50	8.41	10
2018	(33,500)	(71,400)	139,697	(0.51)	(0.27)	-	0	2.98	0
2017	(4,552)	(42,688)	141,777	(0.30)	(0.27)	-	0	4.71	0
2016	(144,147)	24,279	136,577	0.18	1.23	0.09	7	4.20	2
2015	-	323,967	133,071	2.43	2.43	1.46	60	8.30	18
2014	-	254,570	136,064	1.87	1.87	1.91	102	7.05	27
2013	56,347	124,739	136,276	0.92	0.50	0.15	30	9.51	3

Top 20 shareholders

BW LPG's largest shareholder is BW Group who holds 40.02% of shares issued.

No.	No. of Shares	% of Shares Issued	Name
1	56,807,126	40.02%	BW Group Limited
2	10,128,573	7.14%	Folketrygdfondet
3	8,557,623	6.03%	BW LPG Ltd*
4	4,339,461	3.06%	Ameriprise Financial Inc
5	3,541,208	2.49%	Alfred Berg Kapitalforvaltning AB
6	3,535,737	2.49%	Dimensional Fund Advisors LP
7	2,064,711	1.45%	Vanguard Group Inc/The
8	1,761,666	1.24%	Mirae Asset Global Investments Co
9	1,701,519	1.20%	Credit Agricole Group
10	1,635,530	1.15%	DNB ASA
11	1,419,284	1.00%	Storebrand ASA
12	1,376,676	0.97%	BlackRock Inc
13	1,349,693	0.95%	KLP Kapitalforvaltning AS
14	1,491,836	1.05%	JPMorgan Chase & Co
15	1,207,277	0.85%	Prudential Financial Inc
16	1,075,705	0.76%	CQS Asset Management Ltd
17	990,190	0.70%	Stavern Helse og Forvaltning AS
18	873,305	0.62%	Danske Bank A/S
19	548,016	0.39%	American Century Cos Inc
20	430,418	0.30%	Eika Kapitalforvaltning AS/ Norway

*** Shares held in Treasury**

As at 31 December 2022
(Source: Bloomberg)

Analyst coverage

No.	Company	Analyst	Email
1	ABG Sundal Collier	Petter Hagen	petter.haugen@abgsc.no
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4	Cleaves Securities	Peter Michael E. Christensen	pmc@cleaves.no
5	DNB Markets	Jørgen Lian	jorgen.lian@dnb.no
6	Fearnleys Securities AS	Øsytein Vaagen	o.vaagen@fearnleys.com
7	Kepler Cheuvreux	Anders Redigh Karlsen	arkarlsen@keplercheuvreux.com
8	Pareto Securities	Eirik Haavaldsen	eirik.haavaldsen@paretosec.com
9	Skandinaviska Enskilda Banken (SEB)	Frederik Ness	frederik.ness@seb.no
10	UBS	Brian Reynolds	brian.reynolds@ubs.com

Glenn Lodden
Head of Research

2022 was in many ways a year of 'improvise, adapt and overcome'. While we worked through the tail-end implications caused by Covid, new challenges emerged both from geopolitical changes and preparing for a new regulatory environment. At the same time, behind these external elements, many team also worked tire-lessly to continue developing the company. BW LPG India was strengthened, and we acquired and onboarded Vilma Oil's LPG trading operations. I'm proud to say that in a world where simply responding to change is a full-time job, we were able to advance our position in LPG shipping.

03

SUSTAINABILITY

COMBINING PROFITS WITH PURPOSE

As we run our ships well and conduct business effectively to ensure long-term profitability, we generate good returns that we use to invest in our people, technology, and community initiatives. In an uncertain world, we help ensure energy security for all, including those from developing countries. This dual approach is reflected in our ***Strategy*** as we work to achieve environment and customer focused operational excellence.

Vision | Best on Water
Mission | Towards a Better World

Ensure environment and customer-focused operational excellence

Strategic Pillar	Sustainability Pillar
Culture of Innovation	Environment (7, 13, 15, 17)
Prudent Stewardship	Environment and Governance (8, 13, 14, 15, 16)
Uplift People and Communities	Social and Governance (3, 4, 5, 7, 8, 10, 16, 17)

Explore growth opportunities along the energy value chain

Strategic Pillar	Sustainability Pillar
New Business Opportunities	Social and Governance (7, 8, 17)
Smart Corporate Actions	Governance (8, 17)

MATERIALITY ASSESSMENT

Sustainability is about working with a long-term perspective in mind - collaborating with stakeholders to mitigate operational impacts on the environment and contributing to the communities we serve. To this end, we remain focused on the material topics that matter most to us in support of the UN Sustainability Development Goals (UN SDGs).

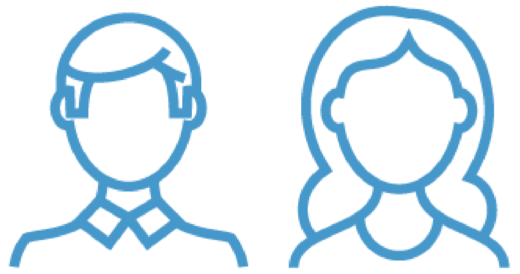
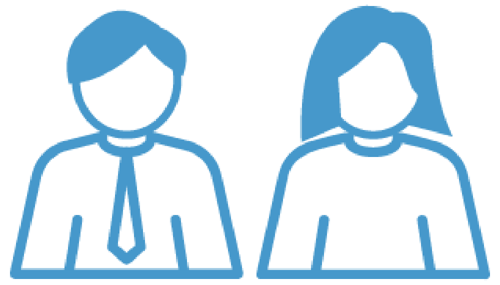
By triangulating different data sources in our ***materiality assessment***, we mapped a materiality matrix and identified eight material topics. The material topics were identified based on industry analysis, stakeholder influence and impact on BW LPG.

Our Material Topics			Significance to BW LPG	What we want to achieve	Alignment with UN SDGs	Stakeholders Impacted
Environment	01	***Emissions and Energy***	The world needs a rapid transition to lower-carbon energy to meet the goals of the International Maritime Organisation (IMO) and the Paris Agreement.	Reduce direct and indirect GHG emissions from our operations, and support the global shift to cleaner energy.	7 Affordable and clean energy; 13 Climate action; 17 Partnerships for the goals	Crew, Employees, Customers, Suppliers, Lenders, Government and Regulators
Environment	02	***Biodiversity and Waste Management***	Respect the environment in which we operate, and the communities who depend on this environment for resources and livelihood.	Ensure Zero Harm to people and the environment. This includes no net loss to biodiversity when undertaking new projects in sensitive areas.	14 Life below water; 15 Life on land	Crew, Employees, Customers, Suppliers, Lenders, Government and Regulators

	Our Material Topics		Significance to BW LPG	What we want to achieve	Alignment with UN SDGs	Stakeholders Impacted
Social	03	***Health and Safety***	Creating a safe and healthy workplace with Zero Harm as our top priority.	Protect the health and safety of crew, employees and contractors. Prevent incidents through training, careful planning, identifying potential hazards and managing risks.	3 Good health and well-being; 8 Decent work and economic growth	Crew; Employees; Customers; Suppliers; Government and Regulators
Social	04	***Our People***	Our people is key to our success. To stay ahead of competition and be Best on Water, we need a motivated, competent, and diverse team.	Create a workplace that is inclusive, diverse and free from prejudice. Prohibit violations and act on human and labour rights issues. Enforce a culture of continuous learning and retain a skilled workforce.	5 Gender equality; 8 Decent work and economic growth; 10 Reduced inequalities	Crew; Employees; Suppliers
Social	05	***Community Engagement***	As we grow roots in the communities where we have a presence, we attract the best talent, build a strong company culture, provide meaningful work to employees, and advance our reputation.	Our engagements are prioritised in areas where we can demonstrate leadership and where our knowledge and resources can make a meaningful and lasting difference for communities.	3 Good health and well-being; 4 Quality education; 7 Affordable and clean energy	Crew; Employees
Governance	06	***Transparency and Governance***	Be accountable to stakeholders and insist on transparency, consistency, and high standards of integrity in all business activities.	Commit to BW LPG's code of conduct by running our business in an honest and open manner, and insisting on the same requirements from all business partners and vendors.	16 Peace, justice and strong institutions; 17 Partnerships for the goals	Crew; Customers; Investors; Lenders; Government and Regulators
Governance	07	***Anti-Bribery and Anti-Corruption***	As a global business, we can experience bribery and corrupt practices. We expect all employees, crew and business partners to uphold the highest standards of integrity, especially when operating in high-risk areas.	Our policy on bribery and corruption is communicated to business partners, and training is provided to crew and employees. We play an active role in industry initiatives to eradicate bribery and corrupt practices.	16 Peace, justice and strong institutions; 17 Partnerships for the goals	Crew; Employees; Suppliers; Customers
Governance	08	***Operational Excellence and Effective Management***	We protect our reputation as a responsible business partner with high standards of quality, and integrate risk management into our business operations.	Ensure internal controls are adhered to, and pay close attention to risk management to raise the standard of our services and supply chain.	8 Decent work and economic growth; 17 Partnerships for the goals	Crew; Employees; Suppliers; Customers; Investors; Lenders

Stakeholder engagement 2022

We engage our talent, assets, capital, and time to make decisions for the long term using ESG yardsticks to remain competitive, leverage opportunities, and support solutions for social and environmental challenges. We strive to maintain our status as our stakeholders' preferred option while boosting our brand and encouraging a sense of belonging within the company.

Stakeholders	Key Expectations	What We Did
 Crew	• Occupational safety • Career development and training • Fair compensation • Supportive, diverse and inclusive culture • Work-life balance	• Held bi-annual Senior Officers Conferences to encourage dialogue and provide updates • Provided LPG propulsion engine training for crew on board dual-fuelled LPG vessels • Continued engagement on BW@work (an internal communications platform) for workplace-related guidelines, initiatives and learnings
 Employees	• Occupational safety • Career development and training • Fair compensation • Supportive, diverse and inclusive culture • Work-life balance	• Leveraged LinkedIn Learning to provide flexible training and upskilling opportunities • Enhanced annual employee pulse survey to collect more nuanced feedback • Sponsored multiple employee engagement activities to promote team bonding and encourage work-life balance • Launched "Our Whole Self" program, a diversity, inclusion and belonging (DI&B) program alongside BW Group
 Customers	• Operational excellence • Competitive rates • Flexible and good customer service • Integrated service offering • Low carbon footprint	• 24-hour customer service through our multi-region chartering and trading desks • In-person meetings on fleet developments, performance and service offerings • Diversified our business offerings with the expansion of BW Product Services and BW LPG India • Completed conversion of 15 VLGCs with LPG propulsion engines to improve environmental efficiency of vessels

Stakeholders	Key Expectations	What We Did
Suppliers	• Sustainable supply chain • Prompt payment • Equal opportunities and clear communication of deliverables	• Conducted ESG assessment on all active suppliers in collaboration with Sustainalytics • Audited suppliers for compliance with BW LPG's Code of Ethics and Business Conduct • Commitment to pay suppliers within contractually agreed period • Continued dialogue and meetings with existing and new suppliers
Investors	• Return on investments • Transparent and clear strategy • Compliance with regulations • Abreast of industry trends with sound risk assessments • Alignment of shareholders' interest with management	• Held in-person dialogue with current and potential investors and regularly participated in investor conferences • Provided timely updates through quarterly earnings presentations with live Q&A sessions • Increased transparency of disclosures in external reports • Participated in the Carbon Disclosure Project (CDP)
Lenders	• Timely and reliable reporting • Compliance with loan covenants • Material ESG initiatives to support sustainability strategy	• Held regular dialogues with lenders in-person and online meetings • Held annual bankers meeting with live Q&A session to share business updates • Provide timely updates and clear communication of strategic and ESG initiatives
Government and Regulators	• Safe and reliable shipping • Collaborate and innovate • Abide by regulatory requirements • Develop superior management policies	• Actively participated in industry events to raise awareness and share knowledge • Increased collaboration with BW Group Affiliates and industry peers • Updated internal policies to reflect changing regulations and expectations

ENVIRONMENT

We want to reduce our impact on the environment as we deliver cleaner-burning energy that can help the world transition towards a zero-carbon future.

Emissions and energy

Beyond LPG Propulsion

We optimise operations every day to ensure we minimise emissions and maximise earnings. As we do so, we gain valuable experience on the use of gas as fuel, refine our decarbonisation roadmap and remain ready to seize opportunities that come from the global clean energy transition.

Biodiversity and waste management

Waste Not, Want Not

To reduce our impact on the environment, we continue to install or upgrade ballast water treatment systems onboard, minimise food waste and plastics use, and work collaboratively with regulatory bodies.

BW Libra at Singapore Fairway

Emissions and energy

Alignment with UN SDGs

7 Affordable and clean energy; 13 Climate action; 17 Partnerships for the goals

Stakeholders Impacted

Crew; Employees; Customers; Suppliers; Lenders; Government and Regulators

2022 Milestones

- Completed our ambitious ***LPG retrofitting project*** ahead of schedule and within budget, serving customers with the largest fleet of 15 LPG-powered VLGCs.
- Use of LPG as bunker fuel tripled in 2022 compared to 2021. This translates into >US$8 million in fuel savings and ~27,000 tonnes reduction in CO_2 emissions.
- Completed and verified our Ship Energy Efficiency Management Plan (SEEMP III) plans for all vessels. Shaft Power Limitation System (ShaPoLi) has been ordered for vessels requiring main engine power reduction to attain Energy Efficiency Existing Ship Index (EEXI) compliance.
- There were no significant fines or non-monetary sanctions imposed for non-compliance in 2022.

Continued Efforts

Industry Collaboration

- Signatory to the ***Getting to Zero Coalition.***
- ***Industry engagement meetings*** to raise awareness on the use of LPG in the short to mid-term as an alternative fuel in the transition to green energy.
- Research and development on our “Next Generation VLGC and organisation”. This includes reviewing developments in alternative fuels such as ammonia and considering alternative technologies such as carbon capture onboard.

Practices and Measures

- ***Automation*** – Use of technology - SmartShips for automation in monitoring, reporting and verification.
- ***Key Mitigation Measures*** – Use of LPG as bunker fuel, and energy efficient practices such as weather routing and voyage optimisation to close the emissions gap between performance and targeted emissions reduction.
- ***Monitoring and audits*** – Dashboard enhancements to support emissions tracking and weekly meetings keep us on track for verification by class societies.
- ***Training*** – Crew and employees familiarise and adapt to new systems and requirements for LGIP engine maintenance.

Challenges

- Operating dual-fuelled propulsion engines require specialised skills that can be technically challenging. As mitigation, we provide training to all crew to maximise use and reduce downtime.
- Bad weather and security conditions continue to impede vessel operations. Through SmartShips, vessel rerouting and continuous monitoring are key responses.

Next Steps

- Obtain EEXI Technical file approval.
- Optimise voyage fuel consumption in collaboration with customers for utilisation of LPG as a fuel in accordance with our Carbon Intensity Indicator (CII) compliance strategy.
- Monitor emissions and other related regulatory requirements.
- Progress on our decarbonisation roadmap to deliver on our reduction targets.

Risk

More stringent international regulations meant to combat emission levels can impact the types of fuel used and lead to early retirement of assets. In the long run, unchecked emissions can contribute to extreme weather events which can disrupt operations.

Commitment

Improve energy efficiency and reduce GHG and non-GHG emissions from our operations in a safe and cost-efficient manner.

- ***IMO GHG reduction targets***
- ***BW LPG CII Targets***

Value

We deliver clean energy safely, sustainably and efficiently to our customers while acting for the climate.

TARGETS
Emissions and Energy

Standards, Policies & References

- ***Environmental Policy***
- ***Environmental Management System (ISO 14001)***
- ***Energy Management System***
- ***IMO Strategy on Reduction of GHG Emissions from Ships***
- ***IMO MARPOL Conventions (Annex VI)***
- ***International Management Code for the Safe Operation of Ships and Pollution Prevention (ISM Code)***

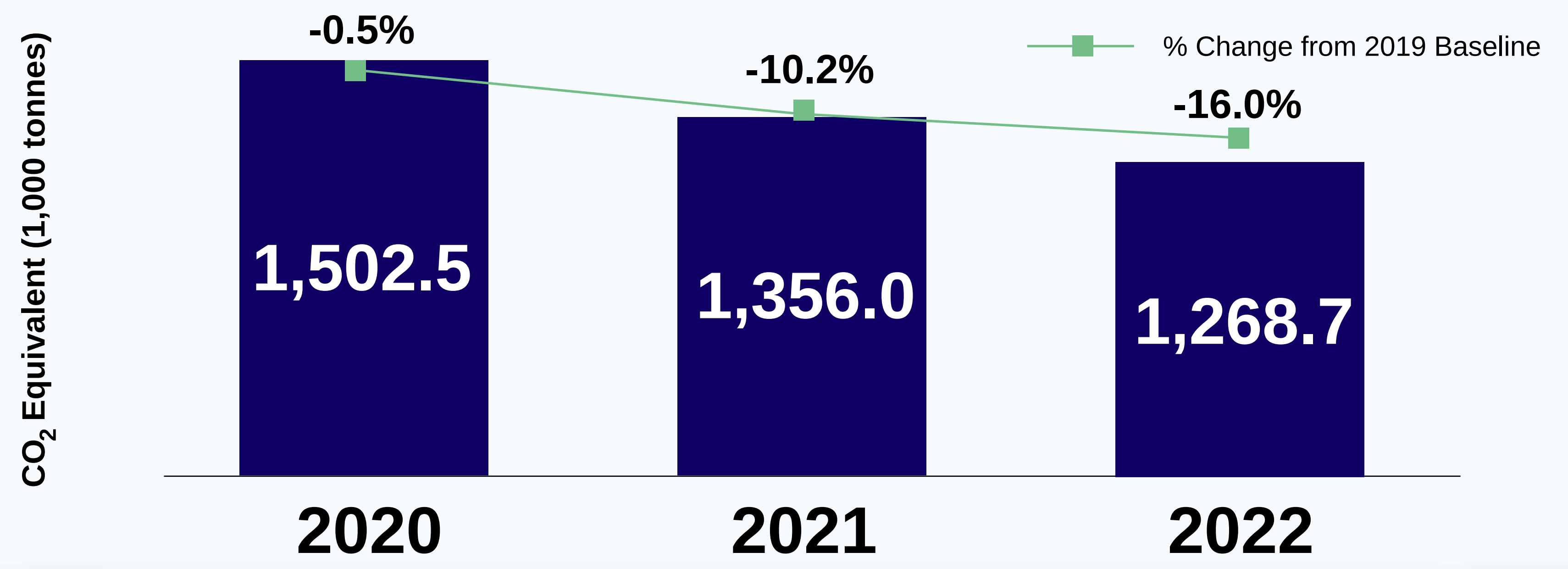
Emissions and energy

Alignment with UN SDGs

Stakeholders Impacted

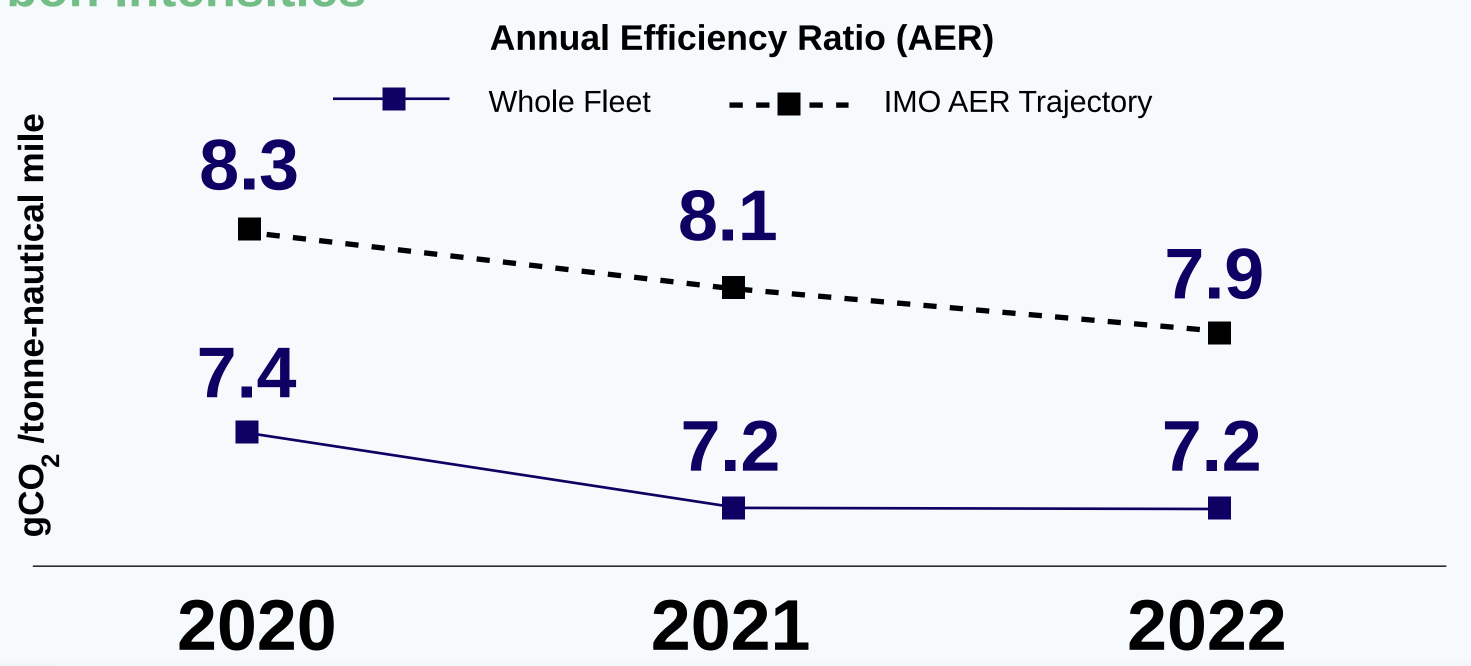
Crew | Employees | Customers | Suppliers | Lenders | Government and Regulators

Scope 1 Greenhouse Gas (GHG) Emissions



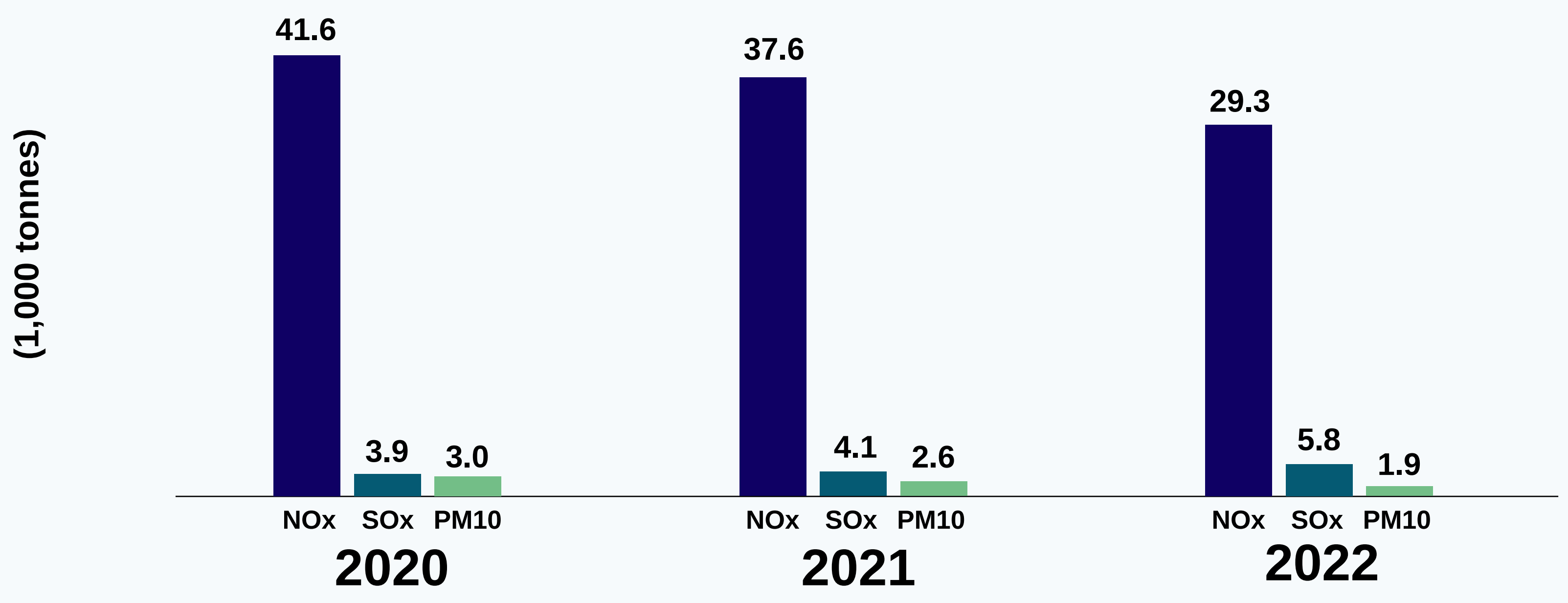
Reduction in emissions despite an increase in fleet size

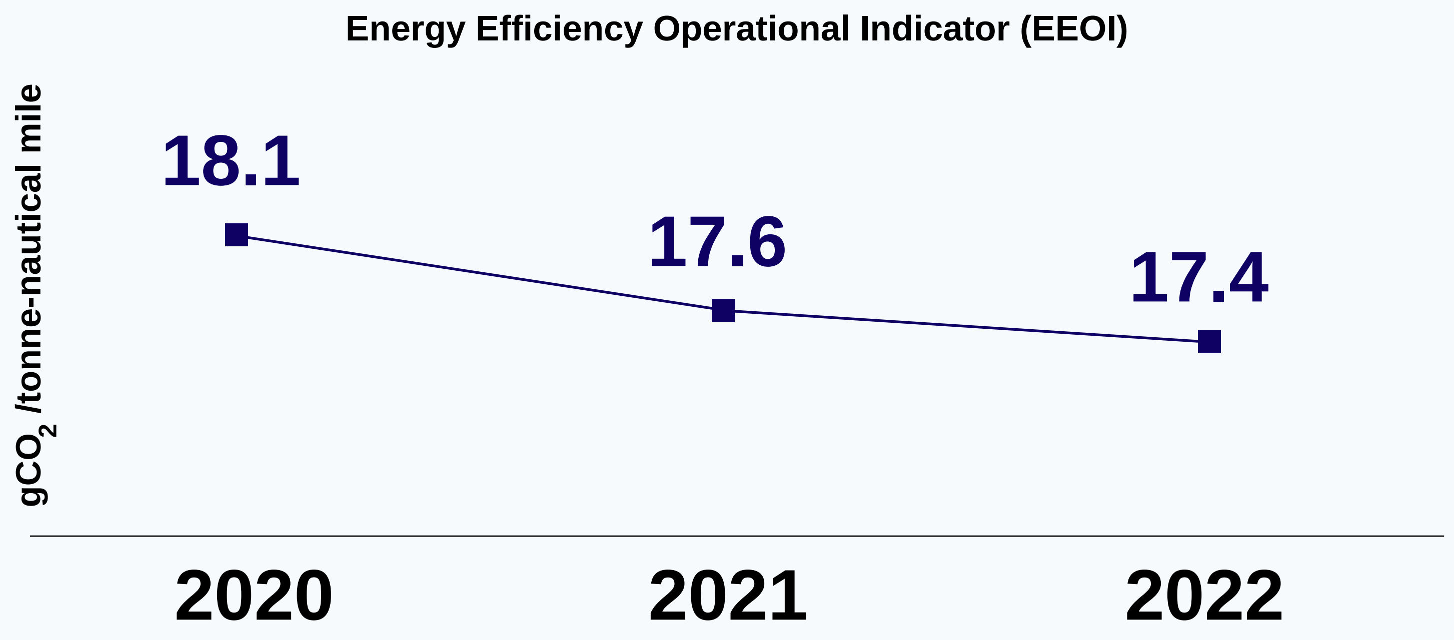
Carbon Intensities



Overall fleet-wide AER continues to outperform industry benchmark; and continued improvement in EEOI

Other Emissions





Fleet Size	42* 2020	41 2021	43 2022

* Does not include BW LPG India vessels

Full list of emissions and energy performance metrics ›

Biodiversity and waste management

Alignment with UN SDGs

14 LIFE BELOW WATER | 15 LIFE ON LAND

Stakeholders Impacted

Crew | Employees | Customers | Suppliers | Lenders | Government and Regulators

2022 Milestones

- 90% of our fleet (including third-party managed vessels) have upgraded/installed ballast water treatment systems onboard with nine vessels completed in 2022.
- Continued with campaigns to minimise food waste and reduce use of plastics onboard. An in-house campaign, organised in collaboration with suppliers, to encourage return of plastics packaging saw a 66% increase in amount of plastics returned versus prior year.
- In 2022, there were zero vessels recycled and zero oil spills.

Continued Efforts

Digitalisation

- An ***onshore central system*** is maintained which records inventory, incidents and corrective actions employed to address non-conformities and potential hazards.

Practices and Measures

- **Operations and Requirements** – All crew are made aware of safe navigation, waste, effluents and asset recycling/disposal requirements in accordance with adopted international standards and company policies.
- **Risk Assessment** – Superintendents supervise weekly preparation of planned maintenance and adhoc technical projects. This ensures smooth execution and that preventive measures are in place.
- **Inspections** – Class Societies inspect vessels to assess equipment integrity, identify deficiencies and maintain ***operating certificates***, with frequency of inspections being dependent on the vessel's age.

Challenges

- Accidental releases of waste into the environment due to human error or unforeseen technical issues impede our efforts. Monitoring procedures are assessed annually to better anticipate potential risk areas and facilitate learnings. These are then communicated to all stakeholders involved.

Next Steps

- Complete ballast water treatment upgrades on internally managed vessels and ensure all third party-managed vessels have treatment systems installed.
- Enhance internal systems and identify areas for improvement to facilitate tracking and monitoring of emissions-related KPIs.
- Continue to raise awareness amongst crew, and provide training on biodiversity and waste management.

Risk

Mismanagement and non-compliance with policies and processes related to hazardous spills, effluents, ballast water operations, waste and ship recycling can jeopardise the safety of crew and pollute the environment. This may result in penalties including restricted operating capacity in international waters.

Commitment

Uphold responsible fleet operations by insisting on 100% compliance with all relevant international regulations and policies that aim to minimise the impact of our operations on marine biodiversity.

Value

We provide a safe workplace for our crew as we maximise fleet availability for our customers, protect the environment and work collaboratively with flag and port states.

Standards, Policies & References

- *Environmental Policy*
- *Ballast Water Management Policy*
- *Ship Recycling Policy (ISO 30000)*
- *Waste Management Policy*
- *IMO MARPOL Conventions (Annex I,II, V and VI)*
- *International Management Code for the Safe Operation of Ships and Pollution Prevention (ISM Code)*
- *Hong Kong International Convention for Safe and Environmentally Sound Recycling of Ships*
- *Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal*
- *EU Ship Recycling Regulation (EU SRR)*
- *The Federal Water Pollution Control Act of 1948*

TARGETS
Biodiversity and Waste Management

Biodiversity and waste management

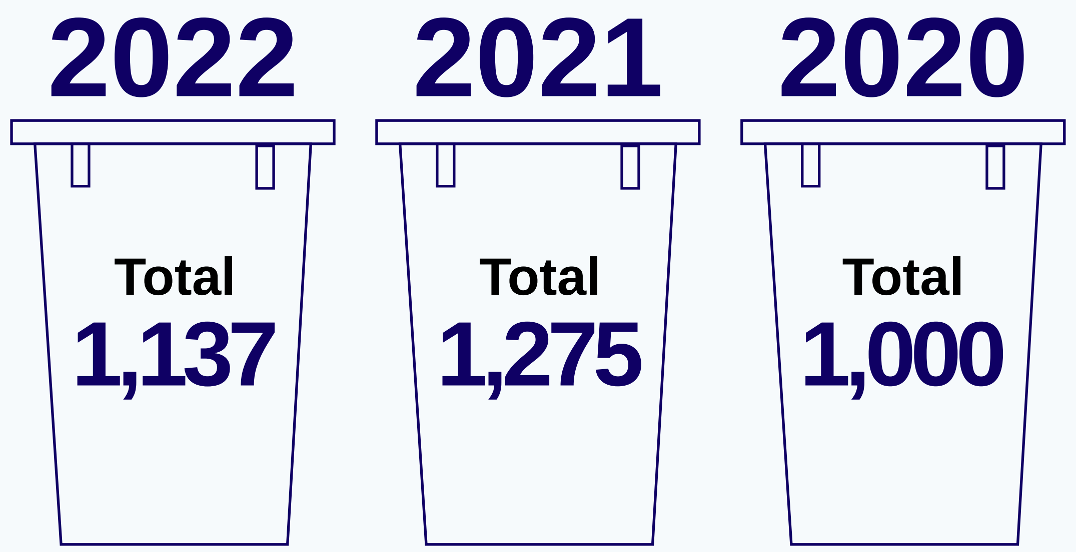
Alignment with UN SDGs

Stakeholders Impacted

Crew Employees Customers Suppliers Lenders Government and Regulators

We are reaping the rewards from our waste reduction campaign which started in 2021

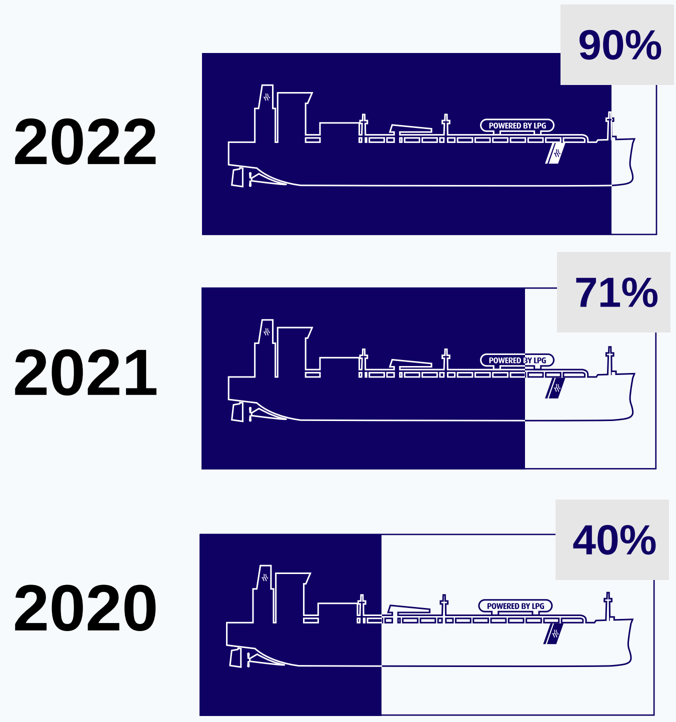
Waste Landed Ashore (m^3)



100% Compliance with MARPOL

We are making steady progress with our implementation of ballast water treatment upgrades onboard all vessels

Ballast Water Management



Percentage of fleet having implemented Ballast Water Treatment[2]

0 Vessels Recycled

2022, 2021, 2020

0 Oil Spills

2022, 2021, 2020

100% of fleet implemented Ballast Water Exchange[1]

Full list of biodiversity and waste management performance metrics >

1 Vessels exchanging their ballast water in open seas, away from coastal areas.
2 Vessels with treatment systems on board to eliminate invasive species in ballast water.

SOCIAL

We have Zero Harm as a priority in all that we do, because nothing else matters if we do not bring our team members home safe.

Health and safety

Zero Harm

We work hard to protect the health and safety of crew, employees and contractors. We believe that all incidents are preventable, and encourage a culture of continuous training and sharing of best practices.

Our people

Teamwork for Success

Our crew and employees allow us to offer industry-leading services and innovative solutions for our customers. We foster a company culture that is welcoming and respectful of the various backgrounds and skills that make up our workforce and supply chain.

Community engagement

Energy to Uplift Society

As we ensure the long-term profitability of our company, we can better support the needs of the communities we serve. By backing projects that have enduring environmental and social impact, we uplift communities as we provide meaningful work for employees.

Third Engineer Angelica Cuyno

Health and safety

Alignment with UN SDGs

3 GOOD HEALTH AND WELL-BEING
8 DECENT WORK AND ECONOMIC GROWTH

Stakeholders Impacted

Crew | Employees | Customers | Suppliers | Government and Regulators

2022 Milestones

- Improvement in our safety performance in 2022, recording a 12 month average Lost Time Injury Frequency (LTIF) of 0.00 and Total Recordable Case Frequency (TRCF) of 0.16, beating our target of 0.50 and 1.5 respectively.
- Enhanced physical observations, training and drills with onboard trainers and third party crisis response agencies.
- Organised a first-aid course for shore staff, equipping them with life-saving skills and knowledge.
- Communicated an updated pocket safety guide learnings and survey results to all crew and contractors. We highlighted common operations and ***High Severity Low Frequency (HiLo)*** incidents including hazards, and shared best practices and reminders on ***BW@Work*** and at Senior Officers Conferences.
- Included additional health and safety requirements under contractors' ***terms and conditions***.

Continued Efforts

Zero Harm is Non-Negotiable

- Based upon three strategic pillars, our ***Zero Harm campaign*** lays out key initiatives to guide our focus on safety awareness and hazard management.

Practices and Measures

- ***Training*** – All crew and subcontractors must successfully complete a safety training program before boarding. Shore based employees go through basic modules including safety, health, environment and quality management.
- ***Incident Management*** – Our "Stop Work" requirements, Crisis Management Plan and Emergency Response procedure guide shore staff and crew on how to handle incidents while drills reinforce our learning and stress-test our procedures.
- **Monitoring** – Safety statistics and observations are recorded and shared on a monthly fleet-wide basis to ensure focus and accountability from all staff.

Challenges

- Accidents due to nonconformance with standard operating procedures and protocols continue to pose a serious threat to health and safety. Although our incident statistics continue to outperform industry standards, we remain attentive and take prompt remedial action where necessary.

Next Steps

- Conduct gap analyses against industry health and safety standards, and initiate action plans to address identified gaps.
- Identify and collect data related to drills conducted onboard and onshore to share learnings and enhance training outcomes.

Risk

Incidents can disrupt normal operations and have vast, irreversible consequences on human life and the environment.

Commitment

Zero Harm in all operations while preserving the environment by investing in training, and putting in place robust mitigation measures and emergency response systems in accordance with internationally recognised standards.

Value

We protect crew, employee and third party stakeholders, ensure wellness of mind and body, and prevent damage to vessels and property, reducing climate impact as we transport energy and commodities the world needs.

Standards, Policies & References

- *Contractor Safety Policy*
- *International Convention for the Safety of Life at Sea (SOLAS) 1974*
- *ISO 45001 – Occupational Health and Safety*
- *International Management Code for the Safe Operation of Ships and Pollution Prevention (ISM Code)*
- *Neptune Declaration on Seafarer Wellbeing and Crew Change*
- *OCIMF Marine Injury Reporting Guidelines*
- *Safety Equipment Certificate (SEC)*
- *ISM Safety Management Certificate (SMC)*

TARGETS
Health and Safety ›

Health and safety

Alignment with UN SDGs

3 GOOD HEALTH AND WELL-BEING
8 DECENT WORK AND ECONOMIC GROWTH

Stakeholders Impacted

Crew
Employees
Customers
Suppliers
Government and Regulators

We maintained industry leading safety statistics, a testament of the effectiveness of our Zero Harm safety campaign

LTIF (Lost Time Injury Frequency) 0.00
0.28 in 2021

TRCF (Total Recordable Case Frequency) 0.16
1.42 in 2021

Fatalities (Employee, crew and subcontractors) 0
2022, 2021, 2020

Accident and Safety Management	2020	2021	2022
Number of marine casualties	2	2	0
Number of Conditions of Class or Recommendation	1	5	2
Number of port state control deficiencies	0.24	0.12	0.04

Port State Detentions 0
2022, 2021, 2020

Full list of health and safety performance metrics >

Our people

Alignment with UN SDGs

5 GENDER EQUALITY · 8 DECENT WORK AND ECONOMIC GROWTH · 10 REDUCED INEQUALITIES

Stakeholders Impacted

Crew · Employees · Suppliers

2022 Milestones

- **Diversity, inclusion and belonging (DI&B) initiative** - ***Our Whole Self***, a series of open discussions and guidance sessions were organised to explore different perspectives and broaden employees' thinking on DI&B, mental health and wellbeing.
- **Training** - ***LinkedIn Learning*** was introduced in response to feedback from our annual Employee Pulse Survey. It encourages continuous, flexible and self-directed e-learning. Courses include workplace productivity, diversity and inclusion, and leadership skills.
- **Well-being** - In collaboration with ***Marine Catering Training Consultancy (MCTC)***, a cooking contest was organised for all BW LPG managed vessels, around the use of nutritious staples. The initiative encouraged healthy eating onboard and emphasised the importance of our ***'CARE' values***.

Continued Efforts

Developing Understanding

- Year round awareness communication and ***employee engagements*** including International Women's Day, Mental Health Awareness Month and Anti-Harassment to foster a respectful and safe working environment.
- Our annual Employee Pulse Survey achieved 95% satisfactory result, a 5% increase vs 2021. We continue to encourage all employees to provide feedback to make BW LPG a conducive workplace for all.

Workshops and Training

- Workshops, "Lunch and Learns", and roundtables are some ways we encourage employees to collaborate, share best practices, align cross-department initiatives and build awareness on specific company initiatives. They are held regularly and involve relevant employees.
- Our biannual Senior Officers Conferences for seafarers are effective channels to gather feedback and share initiatives. Topics discussed include Zero Harm, bribery and corruption, procurement, technical and operations updates and upcoming changes in international standards and regulations.

Challenges

- We acknowledge the need for individualised training and development programs as we look for ways to upskill employee competencies and skill sets.
- Employees with specialised technical skills sets are in high demand. A holistic employee program is required to attract and retain talent.

Next Steps

- Conduct workshops for onshore employees to enhance professional skills.
- Conduct training for seafarers on general topics of concern
- Develop new talent through our industry exposure programs to encourage careers in the maritime sector.
- Address areas of improvement identified in the annual Employee Pulse Survey

Risk

A negative work culture and environment can result in high employee turnover and low engagement. This can impact our ability to retain qualified personnel who are required to operate specialised equipment and technology, eventually limiting our capacity to advance competition and return value to shareholders.

Commitment

Fostering a company culture that is welcoming and respectful of the various backgrounds and skills that make up our workforce and supply chain.

Value

Our large pool of long serving and experienced crew and employees allows us to offer industry-leading services and innovative solutions for our customers.

Standards, Policies & References

- *Labour and Human Rights Policy*
- *Seafarers' Labour and Human Rights Policy*
- *Diversity, Inclusion, Non-Discrimination and Anti-Harassment Policy*
- *Seafarers' Anti-Harassment and Anti-Bullying Policy*
- *Maritime Labour Convention (MLC) 2006*
- *Neptune Declaration on Seafarer Wellbeing*
- *International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW) 1978*
- *Norwegian Public Companies Act*

TARGETS
Our People >

Our people

Alignment with UN SDGs

5 Gender Equality · 8 Decent Work and Economic Growth · 10 Reduced Inequalities

Stakeholders Impacted

Crew · Employees · Suppliers

Our people is key to our success. We are creating a workplace that is inclusive, diverse and free from prejudice. We are also encouraging a culture of continuous learning to retain a skilled workforce.

Crew

2022

Total **1,595**

Male **1,580**

Female **15**

0 Cases of discrimination and harassment

Training

Average Training Hours

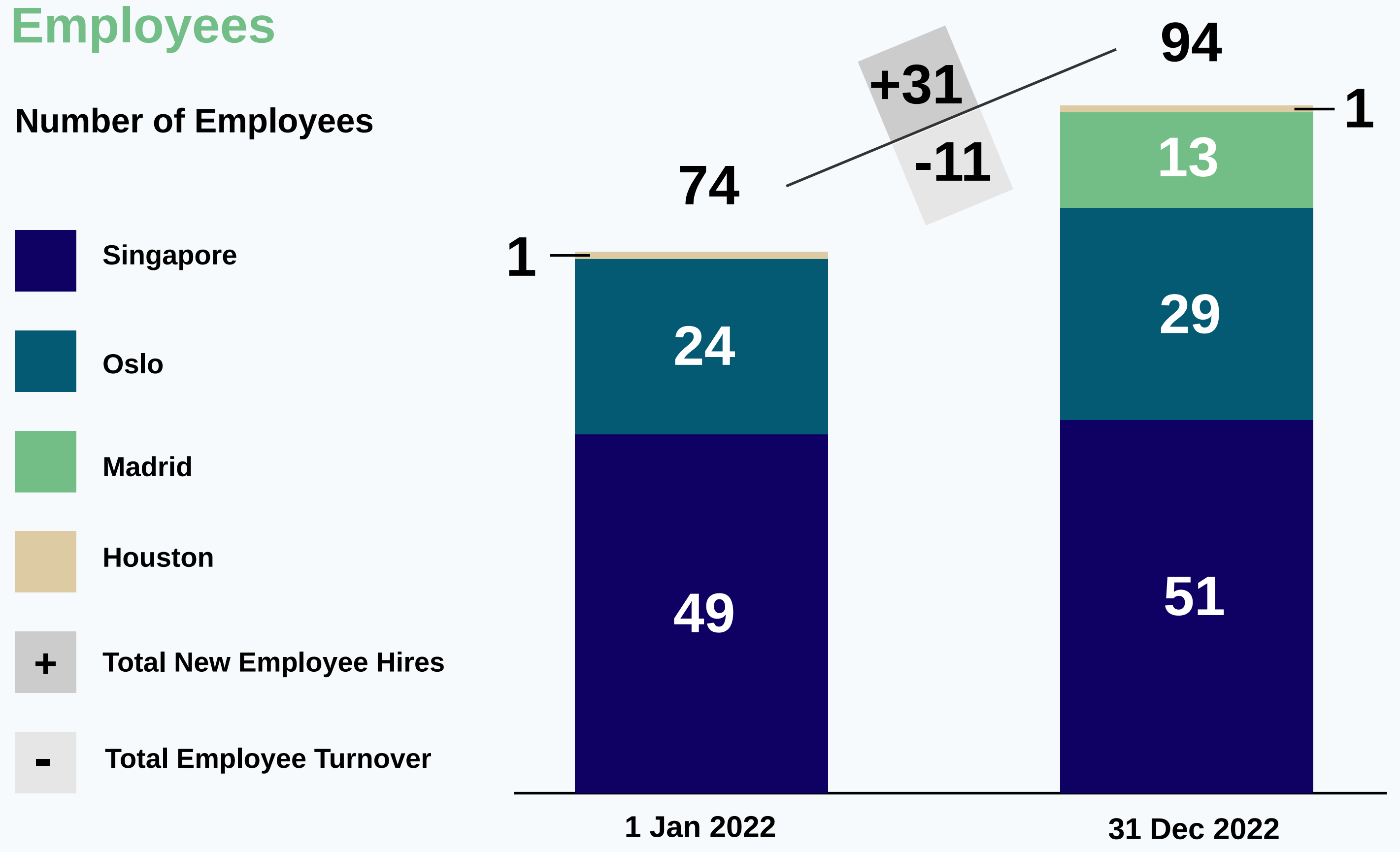
Crew **8.7 hours**

Employees **10.6 hours**

Training includes diversity and inclusion, business ethics, cybersecurity, health and safety, and upskilling modules

Employees

Number of Employees



Shore Employee Diversity

40% Female

60% Male

17 Nationalities Represented

Full list of our people performance metrics >

Our people

Alignment with UN SDGs

5 GENDER EQUALITY
8 DECENT WORK AND ECONOMIC GROWTH
10 REDUCED INEQUALITIES

Stakeholders Impacted

Crew
Employees
Suppliers

Employee Pulse Survey 2022

The survey is conducted through a third-party platform (Willis Towers Watson) where anonymity and confidentiality of the respondent is guaranteed. Employees who have been with the Company on or before 1 May 2022 were invited to participate in the survey.

Employees provided feedback and expressed opinions related to the company's working environment and support provided to them. The survey addresses a variety of topics including but not limited to flexible work arrangements, diversity and inclusion, learning opportunities and engagements. Senior management evaluates the survey results to assess the adequacy of current practices and formulate action plans for identified areas of improvement. Results are shared with employees to ensure accountability and develop a common understanding among the wider organisation to make working at BW LPG more meaningful.

Joy Du
Manager Corporate Development

I am part of the Corporate Development team and we help steer the growth of the company. I am empowered to challenge the status quo and think creatively. We all have a stake in our continued success as a company, and we take responsibility for shaping the future of BW LPG. There is so much I can learn, and I am excited by the growth opportunities and changes.

Community engagement

Alignment with UN SDGs

Stakeholders Impacted

Crew

Employees

2022 Milestones

- **Provided access to education and improved gender diversity in shipping** - We made significant progress to ***raise education standards and encourage greater female representation*** in shipping. This year, we provided scholarships to 9 female cadets from financially challenged backgrounds.
- **Increased rural resilience with systemic solutions** - We extended our collaboration with ***Protovillage*** for another year and supported infrastructural projects including an irrigation system upgrade, electricity grid, and water purification system and distribution network.
- **Uplifted communities with cleaner burning energy** - Our LPG cylinder sponsorship program, now into its third year, has been well received by communities and grassroots leaders. Anecdotal feedback received suggests that the program had made a difference for the financially challenged families. Together with BW Epic Kosan, we sponsored ~2,000 low-income households in 2022.
- **Supported the less fortunate** - We donated relief efforts in war-torn countries and those in need of Covid-19 vaccination support.

Continued Efforts

Long-term Community Programs

- We aim to support projects that have lasting environmental and social impact. Initiatives are carefully assessed to ensure that the support we provide is meaningful, and can leave a positive, enduring impact on communities.

Monitoring and Evaluation

- Employees contribute, execute and monitor initiatives in collaboration with community leaders. Feedback is sought for impact assessment and progress reports are regularly reviewed.
- We maintain an internal system to keep track of the use of funds and ensure accountability of stakeholders involved so as to meet project timelines and commitments.

Challenges

- Identifying community initiatives can often be serendipitous. It can also be challenging to conduct accurate preliminary impact assessments without deep local knowledge. To maximise chances of successful partnerships for positive community impact, we support initiatives that are recommended by trusted members of our network, and work closely with leaders on-the-ground.

Next Steps

- Continue engagement with organisations in communities in which we operate.
- Identify new initiatives to broaden our reach to communities in need and further our corporate social responsibility agenda.

Risk

Our business operations may have direct and indirect negative impact in the areas we operate, which could result in resentment and reduced support from communities in these areas.

Commitment

To use our expertise in energy transportation, and resources from business success to uplift communities.

Value

By supporting projects that have enduring environmental and social impact, we uplift communities as we build a strong company culture and provide meaningful work for employees.

TARGETS
Community Engagement

Community engagement

Alignment with UN SDGs

Stakeholders Impacted

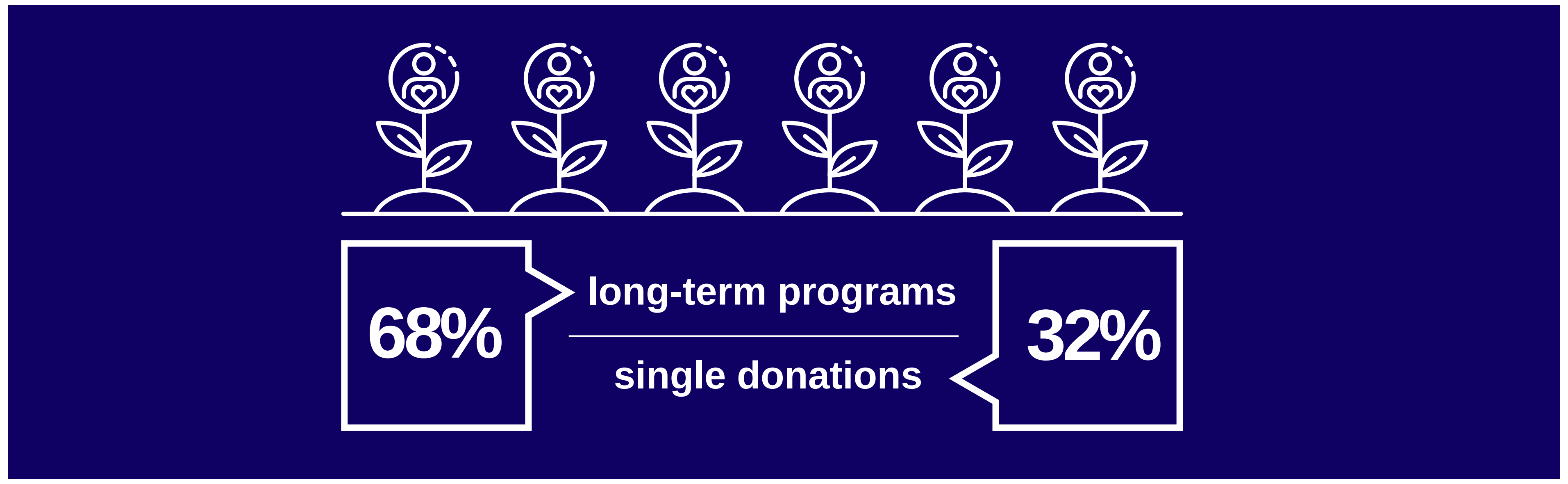
Crew

Employees

2022 Community Programs

Smiling ladies at ProtoVillage

Location	Projects	Since	Impact in 2022
Singapore	LPG Cylinder	2020	~2,000 low-income households in Singapore
India	ProtoVillage	2021	~50 villages in Anthra Pradesh
	Female Cadet Scholarship	2021	9 female cadets
Around the World	Donations/Disaster Relief	-	Impacted seafarers and war-torn countries



Full list of our community engagement metrics >

GOVERNANCE

We strive to achieve superior financial results while adopting high standards of integrity and safety.

Transparency and governance

Open and Above-board

We conduct business in an ethical and transparent way in accordance with our values and code of conduct. Robust internal controls help assure external stakeholders that we are a well-run company.

Anti-Bribery and Anti-Corruption

Do Not Ask. We Will Not Give

We have zero tolerance towards bribery and corruption and we expect all employees and crew to conduct themselves with the highest standard of integrity.

Operational excellence and effective management

Smart Shipping

It's the big and little things that we do to ensure we are set up to maximise returns. We pursue initiatives that support our core shipping business and ensure long-term profitability – from acquisitions to enhanced IT infrastructures and improving ESG in our supply chain.


BW Frigg, photo contributed by Able-bodied Seaman (AB) Kamalpreet Singh

Transparency and governance

Alignment with UN SDGs

16 PEACE, JUSTICE AND STRONG INSTITUTIONS
17 PARTNERSHIPS FOR THE GOALS

Stakeholders Impacted

Crew | Customers | Investors | Lenders | Government and Regulators

Continued Efforts

- **Board of Directors** – The composition of the Board represents a broad cross-section of our shareholders, which ensures that they can meet the Group's need for expertise, capacity, diversity and independence. The Board carries out an annual review of the Group's most important areas of exposure to risk and its internal control arrangements.
- **Business Evaluation** - The Group's objectives, strategies and risk profiles are evaluated at least annually. Governance documents are reviewed at least annually by the Board and management to ensure continued relevance and accuracy.
- **External Assurance** – Appointed auditors conduct audit in accordance with the laws and auditing standards in the respective countries of operation. Accounting policies are assessed and auditors identify any material misstatements in the consolidated financial statements while evaluating overall financial statement presentations and disclosures.
- **Fair and Transparent** – All shareholders will be treated equally, unless there is just cause for differential treatment. We respect international anti-trust laws and engage in business practices that are fair and transparent. The Group was not involved in any legal proceedings associated with anti-competition practices and had zero reported cases of misconduct in 2022.
- ***Whistle-Blowing*** – Crew and colleagues do not have to worry about reprisals when flagging concerns and reporting observations of misconduct on our whistle-blowing channel, a 24/7 international hotline.
- ***Open Communication*** – Feedback, complaints and grievances from crew, employees, suppliers, contractors and other third-party stakeholders are welcome. We maintain a contact form on our website for external parties. Internally, employees and crew can raise any issues to their department heads and the Head of Human Resources (HR), where involvement of Senior Management is at the discretion of HR to ensure a transparent and fair resolution.

Reported cases of misconduct 0

Political Contributions $0

2022, 2021, 2020

Standards, Policies & References

- *Guidelines for the Audit Committee*
- *Guidelines for the Remuneration Committee*
- *Investor Relations and Shareholder Engagement Policy*
- *Shareholder Democracy Policy*
- *Insider Trading Policy*
- *Conflict of Interest Policy*
- *Whistleblowing Policy*
- *Responsible Tax Policy*
- *Corporate Governance Report*

Risk

Increased risk of legal exposure and damage to reputation due to fraud or employee misconduct can grow as the workforce expands and business activities become more complex.

Commitment

To uphold high standards of governance practices and maintain open channels of communication. To conduct annual reviews of relevant legislation, guidelines, best practices and risk management.

Value

Our business practices adhere to a robust system of rules and practices which allows us to operate more efficiently, improve access to capital, mitigate risk and safeguard stakeholders interests.

TARGETS
Transparency and Governance

Corporate governance structure

External Frameworks

- ***Norwegian Code of Practice for Corporate Governance***
- ***Norwegian Securities Trading Act***
- ***Norwegian Stock Exchange Regulations***
- ***Continued obligations for Companies listed on the Oslo Stock Exchange***
- Laws and regulations in the various countries in which we operate

Independent Checks and Balances

External Audit

- Participates in the Audit Committee's review and discussion of the annual accounts and quarterly interim accounts
- Reviews key aspects of the audit, any material changes in the Group's annual and quarterly accounts and issues of special interest.

Annual General Meeting

- Shareholders have the opportunity to vote on matters of the company, including on candidates nominated for election to the Board and Committees (if applicable)
- Routines to ensure that an independent person is available to chair the General Meeting or a particular agenda with regards to any matters related to the Chairman

Nomination Committee

- Responsible for proposing candidates for election to the Board and the Nomination Committee in accordance with adopted ***guidelines***
- Proposes remuneration to be paid to members of these bodies, in consultation with relevant shareholders. This includes proposals for appointment of candidates

Internal Frameworks

- ***Bye-laws of BW LPG Limited***
- ***Code of Ethics and Business Conduct***
- Enterprise Risk Management
- Quality Management System
- ***Company Policies and Guidelines***
- Authorisation Matrix

Internal Governance

Board of Directors

Audit Committee

Remuneration Committee

Internal Audit

The Board and the Audit Committee will review the Group's internal control procedures quarterly through internal audit.

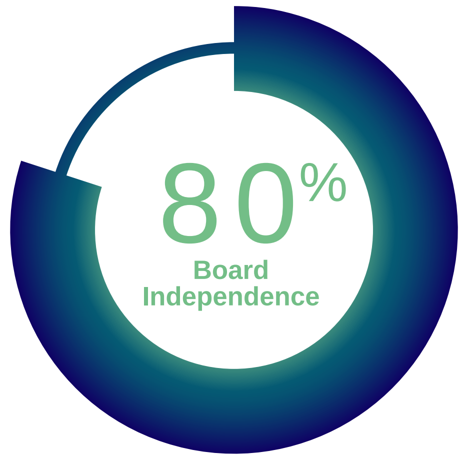
Senior Management

Gaps identified during audits are assessed, and improvement efforts are communicated to Senior Management for execution.

Corporate governance

Board of Directors

Director	Independent	Gender	Age	Tenure	Board Meeting Attendance	Audit Committee	Remuneration Committee
Andreas Sohmen-Pao (Chairman)	No	Male	51	9.0	4 of 4		Chair
Anne Grethe Dalane	Yes	Female	62	9.0	4 of 4	Chair	
Martha Kold Bakkevig	Yes	Female	60	4.5	4 of 4		Member
Andrew E. Wolff	Yes	Male	53	2.5	4 of 4		
Sonali Chandmal	Yes	Female	54	2.5	4 of 4	Member	

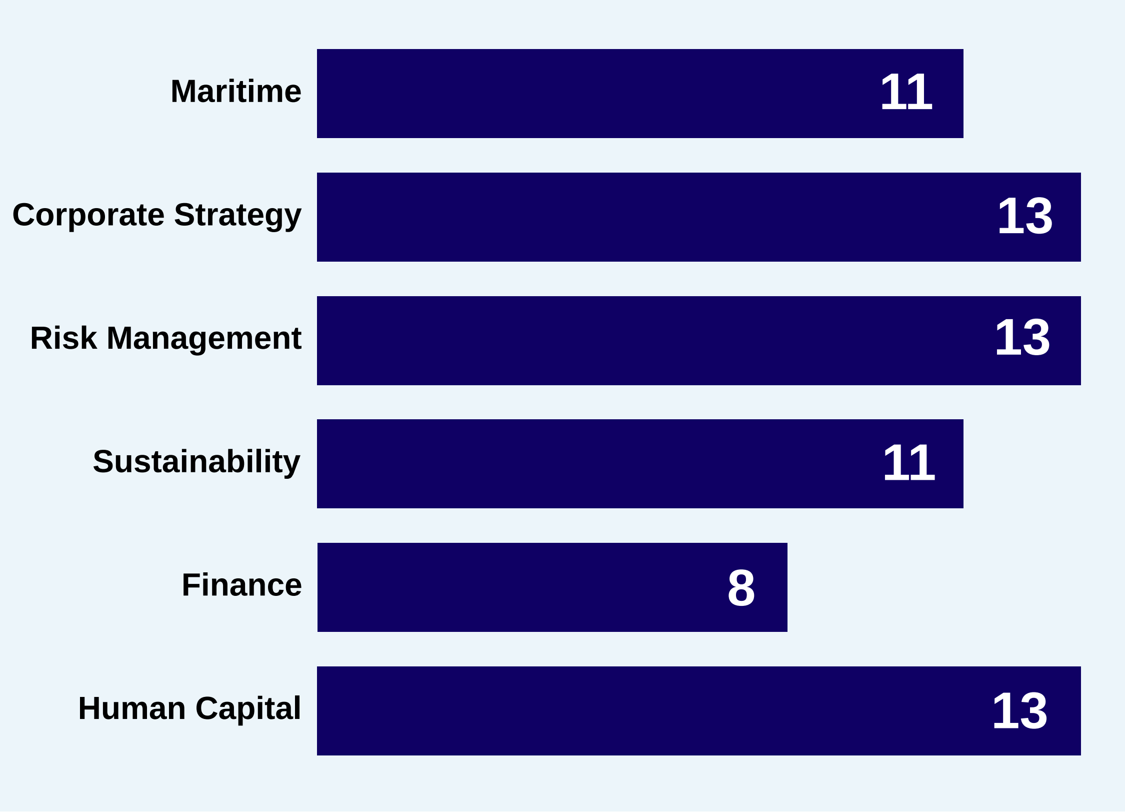


Senior Management

Executive Management Team

Name	Position	Gender
Anders Onarheim	Chief Executive Officer	Male
Kristian Sørensen	Deputy Chief Executive Officer, Head of Strategy	Male
Elaine Ong	Chief Financial Officer	Female
Niels Rigault	Executive Vice President, Commercial	Male
Prodyut Banerjee	Vice President and Head of Operations	Male
Knut-Helge Knutsen	Vice President and Head of Technical	Male
John Ng	Vice President, Financial Reporting	Male
Shirley Eng	Head of Human Resources	Female

Skills and Experience



Number of Directors and Senior Management with mentioned skills and experience

Executive remuneration

Company performance targets, which includes sustainability objectives, are assessed and integrated into the variable remuneration of all employees including Senior Management. The inclusion of sustainability targets reflects our commitment to uphold ESG-centric business practices to collectively achieve our ESG goals.

Standards, Policies & References

- *Guidelines for the Remuneration Committee*
- *BW LPG Guidelines on Executive Remuneration*

Targets	KPIs	Rationale
Financial Performance	TCE (US$/day) G&A Return on Capital Employed (ROCE)	Part of our strategy to secure long-term value for our stakeholders involves making significant upfront investments to maximise returns on our current assets and enable greater savings. Achieving this requires strong cashflow supported by our commercial strategy and financing structures.
Fleet Performance	Vessel Opex Speed and Consumption LTIF and TRCF	We strive for operational excellence and an energy efficient fleet as we transition to the use of cleaner energy and prepare for our next-generation VLGCs. Compliance with long-term trends in emissions regulations must also make business sense as we optimise our vessel performance safely and cost-efficiently.
Sustainability	ESG Performance	We hold ourselves accountable to sustainable business operations. ESG priorities are an integral part of our business strategy, so that as we advance our position in the LPG value chain, we will act for the climate, make a positive impact on society, and uphold responsible and transparent business practices.

Note: Table is an indicative guideline, KPIs may differ at an individual level and are subjected to changes.

US$'000	2020	2021	2022
CEO Remuneration			
Fixed Amount[1]	752	702	742
Variable performance-related[2]	NA[4]	698	553
Long-term Incentive Component (LTIP)[3]	50	241	579
Total	**802**	**1,641**	**1,874**
% to total employee remuneration	7%	9%	11%
Executive Management Remuneration (excluding CEO)			
Fixed Amount[1]	1,145	1,238	1,304
Variable performance-related[2]	530	668	585
Long-term Incentive Component (LTIP)[3]	131	275	467
Total	**1,806**	**2,181**	**2,356**
% to total employee remuneration	16%	12%	13%
Total employee remuneration	**11,631**	**18,017**	**17,647**

1 Salary and other allowances paid during the year
2 Cash bonus paid during the year for performance related to previous year
3 Cost of the share options to the company; 2022 LTIP amounts excludes Pontus Berg who has left the company
4 Not applicable due to change of CEO at end 2019

Risk management

An annual process

The ISO 31000, COSO ERM Framework and Task Force on Climate-related Financial Disclosures (TCFD) Framework serve as the foundation for our Enterprise Risk Management (ERM).

Our risk management process involves the use of a risk register. We consider all material risks and evaluate them for impact and probability. This register also helps with risk assessment, risk monitoring, and efforts to reduce risks.

We continuously assess our risk framework, policies, and procedures to ensure that we have appropriate and effective risk management and mitigation efforts in place to support our corporate strategy.

01 Identification Risks are identified in the course of business operations and added into our risk universe

	Strategic and External	Regulatory and Compliance	Commercial and Operational	Financial
Scope	Risks associated with global markets and economy, geopolitical stability, climate, decarbonisation, cyber and data security.	Risks associated with i) ethical behaviour of employees and third parties; ii) security of sensitive information; and iii) laws and regulations, including climate-related regulations, sanctions and anti-bribery laws.	Risks related to events occurring during planning and execution of business operations. This includes but is not limited to cargo and asset loss or damage, counterparties default, crew injury, or environmental damage.	Risks relating to volatility of financial markets, including increase in interest rates, financial stress, counterparty risks and tax exposure.
Management	Addressed by business strategies and managed through company's annual strategy review.	Regular monitoring and mandatory awareness training, compliance reviews, legal due diligence, and internal audits.	Control measures are incorporated in operations and insurance planning, with ongoing monitoring during execution.	Hedge exposures with financial instruments such as forex forward contracts, freight derivatives, interest rate swaps and bunker swaps.
Responsibility	Board of Directors reviews assessment of risks to ensure that the intended and actual business direction are reflected in corporate strategic planning.	The Audit Committee receives compliance and internal audit reports on a quarterly basis.	Incidents and near misses are reviewed by relevant business units to ensure that root causes are comprehensively analysed. Suitable corrective actions are planned and implemented.	Senior Management actively manages risks with guidance and input from the Board of Directors.

02 Assessment Risks are assessed to understand probability of occurrences and impact to business

03 Recording Risks are documented, prioritised and assigned to impacted departments

04 Mitigation Mitigation plans are prepared, translated into strategic priorities and implemented

05 Monitoring Risks are monitored in the course of business and operations

06 Reporting Quarterly review and reporting to Board of Directors on effectiveness of risk strategies

Risk management

Risk Management is embedded in our business operations and processes within the company.

Each year, inputs are provided by every department on the critical risks and challenges faced at an enterprise level. This is then deliberated and reviewed by Senior Management and the Board of Directors.

An Enterprise Risk Management review was conducted in 2H 2022 to identify possible significant impact to our business and operations, including earnings, financial positions, and our capacity to generate and deliver value to our shareholders.

Objectives of Risk Management

- **Aligning strategy and performance with Vision, Mission and Values**
- **Increasing the likelihood of achieving business objectives**
- **Improving the identification of opportunities and threats**
- **Ensuring continued compliance with relevant legal and regulatory requirements and international norms**
- **Enhancing governance**
- **Protecting and advancing stakeholder confidence and trust**

Risk management

Top risks identified as having a potential to substantively influence our business and operations.

Enterprise Risk Management (ERM) Risks 2022

	Risk Area	Mitigating Strategy
Geopolitical / Market Risk	Geopolitical tensions in China and Europe increase the risk of sanctions and trade flow disruptions with possible spill over into ship financing. Reduction in import/export volumes and oversupply of VLGC fleet could impact freight rates and asset prices.	We carefully watch freight rates and the state of the market and subscribe to quality market research data to evaluate exposure and enhance our commercial strategy. We engage in collaborative discussions with market analysts, and leverage on Product Services to sharpen our market foresight and remain nimble to seize market opportunities.
Human Capital	We require qualified personnel who possess specialised competencies as shipping technologies evolve. Failure to do so could impact vessel operations and limit our capacity to advance against competition and return value to our stakeholders.	To attract and retain talent, we provide competitive remuneration. To build competencies and ensure a talent pipeline, we provide training support and team coaching opportunities, and where possible, cross functional exposure.
Financial	Increased trading volumes from an expanded Product Services will lead to higher risk exposure and volatility in earnings. Increased hedging and LPG cargo trading exposures can lead to undesired losses if approved mandates and controls are not adhered to.	We segregate Shipping and Trading performance and reporting, keeping investors and analysts updated on key drivers of each segment. We ensure risk limits for Product Services are sufficiently robust to mitigate risk exposure, and have clear segregation of duties between trading and risk management.
Macro-economic / Inflation	Increasing costs of raw materials, supplies and fuel due to inflationary pressures, logistics imbalance, breakdown in global supply chains and the ongoing energy crisis can apply upward pressure on operating expenses and the cost of doing business.	We employ more efficient procurement practices such as advanced bulk purchasing and optimising freight charges when delivering to vessels. With our LPG-powered vessels, we have dual fuel flexibility so we can lock in bunker spread savings from using LPG as bunker through hedging.
Decarbonisation	Incoming regulations governing emissions have an impact on the types of fuel that can be used to power our ships. Carbon taxes and vessel speed reduction are some business impacts arising from the industry's need to comply with increasingly stringent emissions reduction regulations.	We employ voyage optimisation initiatives and explore fuel-efficient fixtures. We continue to track and evaluate advancements in new technology and emissions reduction initiatives that will support our decarbonisation goal and reduce exposure to related risks.

Risk management

The Task Force on Climate-Related Financial Disclosures (TCFD) guides our understanding on risks and opportunities that may arise from climate change. Decarbonisation trends in the near term present risks and opportunities to expand and evolve business offerings along the energy value chain.

Climate-Related Risks 2022

Transitional	Risk Description	Our Response
Policy and Legal	Shipping will be impacted by the implementation of climate market-based measures. The industry will be subject to emissions restrictions and stricter reporting guidelines. With new fuels and early asset retirement, OPEX and CAPEX may rise.	Cost exposure can be minimised by being involved in the carbon market and the employment of public-sector incentives. The early adoption of new fuel and/or vessel technology can have first-mover advantage.
Technology	To protect our market leader position, we must optimise assets and performance. Outdated assets may be abruptly decommissioned or replaced, and we may incur higher capital expenses to update IT infrastructure.	Evaluate decarbonisation pathways to ensure that we make the best long-term plans and strategic investments
Market	As the world transitions to cleaner-burning energy, the LPG supply chain and demand may change. Low vessel utilisation reduces freight rates and time charter earnings. Overall operating costs and voyage costs may increase as a result of off-hire maintenance and a smaller operating base.	Product Services supports our core shipping business by increasing vessel utilisation and enhancing voyage optimisation.
Repulation	Stakeholders are increasingly concerned about the LPG industry's long-term financial viability because of its association with pollutive fossil fuels. Non-compliance with new regulations can result in penalties and erode the trust stakeholders have in us.	Monitor regulatory developments, increase the efficiency of our fleet, conduct routine maintenance, and research into next generation low-carbon vessel technology to remain relevant.
Operational	Safety can be a major concern when it comes to new technology and alternative fuels. Vessel operations may be interrupted by uncertain and/or changing regulations and the lack of required infrastructure. Suppliers may face service interruptions as a result of supply chain challenges.	Communicate closely with regulators and suppliers, enhance our hazard risk assessments, and undertake more rigorous crew training. To build resilient supply chains, we diversify and enhance our third-party risk assessment and audit key operational processes.
Financing	The financial sector, in particular banks and capital lenders, may choose to stop financing shipping, oil and gas projects. Along with the possibility of downward asset repricing, we might observe increased exposure to liquidity risk.	Ongoing discussions with our lenders and investors and diversify our sources of funding.

View our supplementary risk assessment document >

Risk management

The Task Force on Climate-Related Financial Disclosures (TCFD) guides our understanding on risks and opportunities that may arise from climate change. Extreme weather conditions resulting in direct impacts on asset and indirect impacts on global supply chain and resources present risks and opportunities to enhance current processes and evaluate opportunities within the business.

Climate-Related Risks 2022

Physical	Risk Description	Our Response
Acute	Extreme weather events can increase voyage durations, put lives and property in danger, and accelerate weather-related degeneration and damage to vessels. Measures to ensure the safety of crew, cargo and vessels may result in unforeseen delivery delays and increased costs of repair and operations. Any loss of cargo may lead to financial obligations and higher insurance rates. Ships' lifespans may also decrease.	We employ available technologies such as SmartShip and weather-routing to identity risk regions, analyse and forecast extreme weather conditions, and actively chart optimal voyage routes.
Chronic	Long-term shifts in climate patterns may impact operational excellence and risk management measures. We may see higher port fees due to increased maintenance requirements caused by a rise in sea level and chronic heat waves.	We work with suppliers to track and analyse risks in order to preserve supply chain resilience. To avail of maximum coverage in the event of extreme weather incidents, we work with P&I Clubs to secure insurance cover that is climate adapted.

View our supplementary risk assessment document >

Internal checks and balances

Risk Management

To understand both current and emerging risks, our risk strategy and assessment provide guidance to all employees and business partners on how to identify red flags and operational hazards.

Internal Audits

Internal audits supplement BW LPG's rigorous and transparent reporting. The Internal Audit team is independent of Senior Management and reports directly to the Audit Committee. The Audit Committee follows up on internal controls concerns raised during the Company's quarterly financial reporting reviews.

Authorisation Manual

Our authorisation manual forms the backbone of how we operate as it specifies functional and financial approval thresholds and responsibilities on transactions.

Ensuring the flawless operations of our Very Large Gas Carriers. Photo contributed by Chief Engineer Jeffrey Costales.

Anti-Bribery and Anti-Corruption (ABAC)

Alignment with UN SDGs

16 PEACE, JUSTICE AND STRONG INSTITUTIONS
17 PARTNERSHIPS FOR THE GOALS

Stakeholders Impacted

Crew | Employees | Suppliers | Customers

2022 Milestones

- ***ABAC Survey*** - Conducted our biennial anonymous ABAC survey on crew to assess our crew's knowledge on ABAC best practices. Results from the survey enables us to formulate better policies and initiatives to improve how we support seafarers.
- ***ABAC Survey Results*** - Across our internally managed vessels, 100% of seafarers responded that they were aware of our expectations on ABAC. 6% of respondents had received facilitation requests in the six months prior to the survey, a decrease from 29% in 2020.
- ***Enhanced ABAC Policy*** - ABAC Policy was enhanced to help crew identify additional red flags.
- **Raising Awareness** - Implemented a full communication campaign to send a strong signal on our stand against bribery and corruption. Internally, a CEO letter was sent to all crew and employees to remind all on the importance of saying no to bribery and corruption. A new ABAC poster was also issued for prominent display onboard vessels and in offices. Externally, a video with these messages was posted on social media and on our website.

Continued Efforts

Network and Collaboration

- Continued our membership in the ***Maritime Anti-Corruption Network (MACN)*** and participation in a quarterly roundtable with other BW affiliates for sharing of best practices and learnings from incidents.

Practices and Measures

- **Compliance and Approval** – Annual requirement for all employees to disclose any interested party transactions and acknowledgment of understanding of the company's stand against bribery and corruption.
- **Training and Reporting** – Crew pre-joining familiarisation briefing and ABAC training is provided to all crew. Third-party managed vessels are briefed on our policies and are also made aware of available channels to report incidents.

Challenges

- We continue to face requests for facilitation payments. We mitigate this by providing adequate training to crew and employees.

Next Steps

- Monitor corruption incident statistics and raise the alert when we conduct business in higher risk regions.
- Enhance training for identified gaps to ensure employees and crew are updated with the latest requirements and processes.

Risk

Acceding to bribery and corruption undermines the rule of law and can result in regulatory consequences, damaged reputation and financial loss.

Commitment

Zero tolerance for bribery and corruption. We stand by our crew as they say no to any demand for facilitation payments, and participate in collective action to lend our voice in the fight against bribery and corruption.

Value

By stamping out bribery and corruption in the industry, we support a level playing field for all companies. Together, we can deliver energy the world needs safely, efficiently and economically without distortion to cost of doing business.

Standards, Policies & References

- *UK Bribery Act*
- *Whistleblowing Policy and Management System*
- *Anti-Bribery and Anti-Corruption Policy*
- *Conflict of Interest Policy*
- *Supplier Code of Conduct*
- *Procurement Code of Conduct and Ethics*
- *Supplier Terms and Condition*

TARGETS
Anti-Bribery and Anti-Corruption

Anti-Bribery and Anti-Corruption (ABAC)

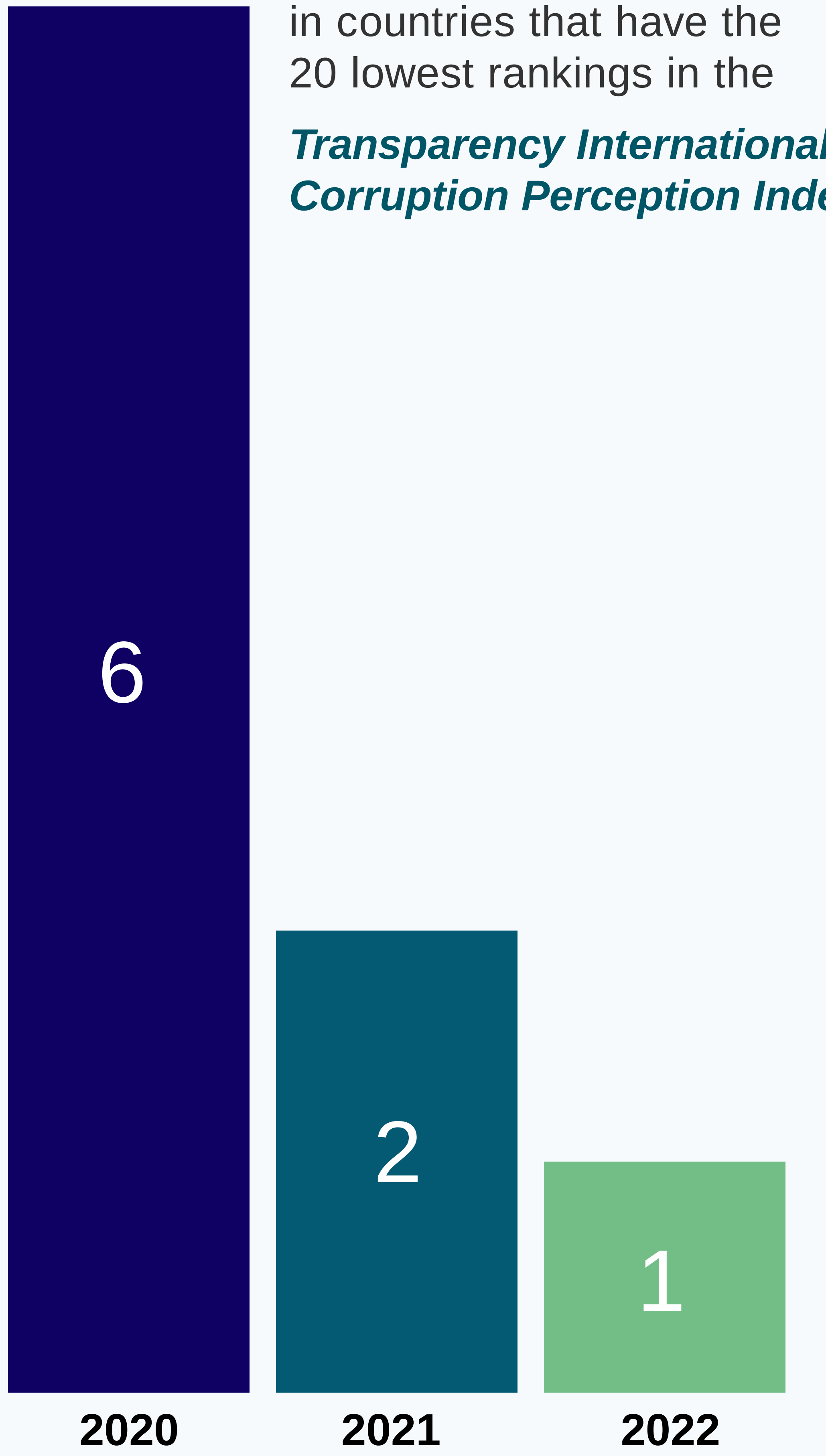
Alignment with UN SDGs

16 Peace, Justice and Strong Institutions
17 Partnerships for the Goals

Stakeholders Impacted

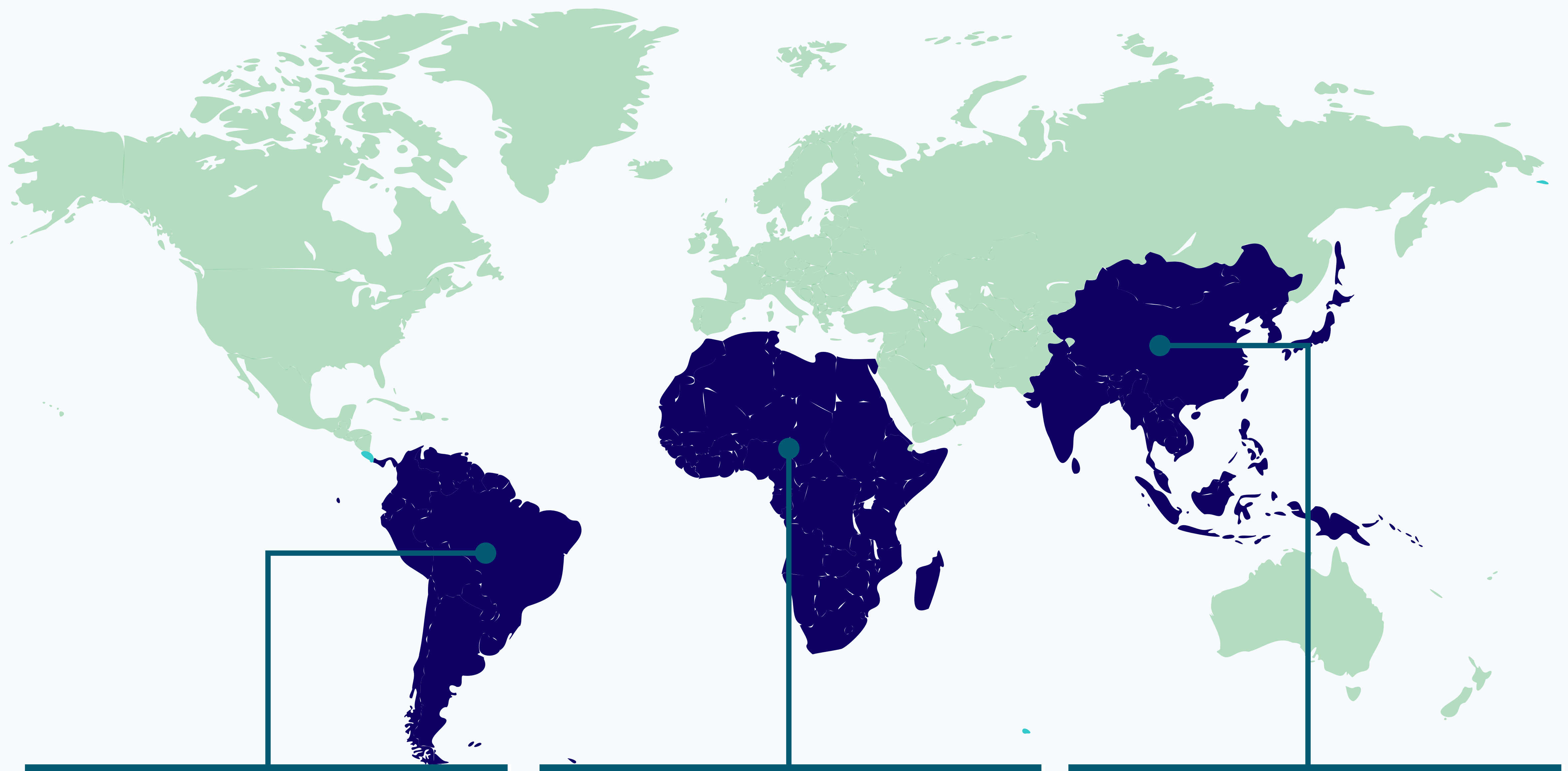
Crew · Employees · Suppliers · Customers

Number of Port Calls



in countries that have the 20 lowest rankings in the ***Transparency International Corruption Perception Index***

2022 Anti-Corruption Risks and Incidents



South America		Africa		Asia	
Port calls	73	Port calls	55	Port calls	275

$0
Monetary losses
(due to legal proceedings associated with bribery or corruption)

100%
Port Calls assessed for corruption related risks

Full List of Anti-Bribery and Anti-Corruption performance metrics >

Operational excellence and effective management

Alignment with UN SDGs

8 DECENT WORK AND ECONOMIC GROWTH
17 PARTNERSHIPS FOR THE GOALS

Stakeholders Impacted

Crew | Employees | Suppliers | Customers | Investors | Lenders

2022 Milestones

- **Supporting our core business and expanding our service offerings** – The acquisition of Vilma Oil's LPG Trading Operations to expand Product Services business capitalises on opportunities in the LPG value chain, adds another layer to our business model and increases our ability to adjust our market exposure.
- **Improving ESG in our Supply Chain** - We partnered with ***Sustainalytics Supply Chain Solutions*** to assess the ESG risks of our suppliers. We evaluated >200 active suppliers to review gaps in their current ESG policies and practices. 50 suppliers underwent a supplier performance audit where suggested improvements were communicated. Critical suppliers were audited through a third party provider.
- **Enhancing IT Security** – An IT security review was conducted and updated IT strategy approved by the Board. The review revealed that we have adequate cyber security knowledge but highlighted gaps in internal stakeholders' requirements and current IT capabilities. Measures are implemented to build a competent in-house IT team to address identified gaps.

Continued Efforts

- **Efficient Operations -** Reducing dry docking and general waiting times where operationally feasible in 2022 amidst longer transit waiting times through the Panama Canal.
- **Supply Chain Collaborations** – Continued collaboration with BW Group Affiliates in our Procurement Working Group, and membership in IMPA, to implement a common procurement standard and leverage on our combined scale to reduce costs.
- **IT Security** – Our IT guidelines are regularly reinforced with users in order to protect our IT systems and computers from cybersecurity breaches onshore and at sea. Ongoing reviews are conducted to improve our IT Security Management in compliance with the International Safety Management (ISM) Code.
- **Quality Management System (QMS)** - Our QMS is aligned with ISO 9001:2008 requirements and is regularly updated. The QMS contains our procedures and management frameworks that guide the execution of dependable and high-quality operations.

Challenges

- Supply networks are becoming more complicated and intertwined. Audits and verification involve substantial resources, and we continue to look into more efficient and scalable ways to request and gather data on our suppliers' ESG policies.
- To ensure that IT expenditures yield the most value, extensive IT training is needed to minimise human error.

Next Steps

- Enhance cost savings, risk mitigation and performance management through a central supplier management tool and inventory system.
- Expand the IT team to reduce response inefficiencies and build capabilities to support increased system requirements and systems integration.

Risk

Uncertain market conditions can affect the commercial viability of business. Supply chain inefficiencies may cause operational delays while poor IT management exposes the company to cyber threats.

Commitment

Make strategic investments, ensure a responsible supply chain and invest in IT to maximise efficiency in our operations.

Value

Strong core operations and management enable us to take advantage of business opportunities to generate value for our shareholders, customers, and society at large.

Standards, Policies & References

- *Procurement Policy*
- *Supplier Code of Conduct*
- *Procurement Code of Conduct and Ethics*
- *Supplier Terms and Conditions*
- *Personal Data Protection and Privacy Policy*
- *Information Security Management System*
- *ISO 9001 - Quality Management System*
- *Committee of Sponsoring Organisation (COSO) Internal Control Guidance on Enterprise Risk Mangement*

TARGETS
Operational Excellence and Effective Management

Operational excellence and effective management

Alignment with UN SDGs

8 DECENT WORK AND ECONOMIC GROWTH
17 PARTNERSHIPS FOR THE GOALS

Stakeholders Impacted

Crew, Employees, Suppliers, Customers, Investors, Lenders

Supply Chain Spending

100%

of new suppliers engaged in 2022 made a signed commitment to BW LPG procurement policy

	Number of vendors	Spending
01 Europe	125	77%
02 Far East Asia	56	12%
03 North America	30	3%
04 Others	74	8%
Total	285	100%

Full list of operational excellence and effective management performance metrics ›

CORPORATE GOVERNANCE REPORT

Comply or explain overview with reference to the *Norwegian Code of Corporate Governance*

	Section of the Code	Deviations
1	*Implementation and reporting on corporate governance*	None
2	*Business*	The Company's objectives are wider and more extensive.
3	*Equity and dividends*	The Company's issuance and purchase of its own shares are neither limited to a specific purpose nor to a specified period.
4	*Equal treatment of shareholders*	None
5	*Shares and Negotiability*	The Company may decline to register the transfer of any share if the transfer results in the Company being deemed a "Controlled Foreign Company" in Norway.
6	*General meetings*	The Company's Bye-Laws stipulate that the Chairman of the Board may also act as the Chair of the General Meetings.
7	*Nomination committee*	None
8	*Board of Directors: composition and independence*	None
9	*The work of the board of directors*	One of the two members of the Remuneration Committee is not independent of the Company's largest shareholder.
10	*Risk management and internal control*	None
11	*Remuneration of the Board of Directors*	None
12	*Remuneration of the executive personnel*	Performance-related remuneration to Executive Personnel are not subject to an absolute limit.
13	*Information and communications*	None
14	*Take-overs*	None
15	*Auditor*	None

1 Implementing and reporting on corporate governance

BW LPG Limited (“BW LPG” or the “Company”) is a Bermuda limited liability company listed on the Oslo Børs (the Oslo Stock Exchange).

BW LPG is primarily governed by the Bermuda Companies Act, its Memorandum of Association and its Bye-laws. In addition, the Company is required to comply with certain aspects of the Norwegian Securities Trading Act, the Norwegian Accounting Act and the continuing obligations for companies listed on the Oslo Stock Exchange.

This Report provides an overall overview of the Company’s Corporate Governance practices with specific reference to the Norwegian Code of Practice for Corporate Governance (the “Code”) dated 14 October 2021 issued by the Norwegian Corporate Governance Board. Each individual point of the Code is reviewed and if the Company deviates from the Code, explanations have been provided. The Code is available at www.nues.no.

The Board of Directors (the “Board”) believes that the best interests of the Company and its shareholders are best served by the adoption of business policies and practices which are legal, compliant, ethical, and open in relation to all dealings with customers, potential customers and other third parties. These policies are designed to be fair and in accordance with leading market practices on stakeholder relationships and are also sensitive to reasonable expectations of public interest.

The Company’s Corporate Governance policy takes into account the Code and as such, includes self-regulatory corporate governance practices. The Company has developed its internal policies and practices, where appropriate, to meet requirements and recommendations of the Code.

The Corporate Governance of the Company is subject to review by the Board at least annually, and the Company’s governance documents are reviewed annually to ensure continued relevance and accuracy.

The Company does not deviate from Section 1 of the Code.

2 The Business

The business the Company is operating, and the objectives of the Company are described in the Company’s Memorandum of Association. In accordance with common practice for Bermuda companies, the description of the Company’s objectives is wider and more extensive than recommended in the Code. This represents a deviation from Section 2 of the Code.

The Board leads the Company’s strategic planning and makes decisions and defines clear objectives, strategies and risk profile that forms the basis for the Company’s Executive Personnel to prepare and carry out investments and structural measures to create value for the shareholders in a sustainable way. During this work, the Board takes into account economic, social and economic conditions. The Company’s objectives, strategies and risk profiles are evaluated at least once yearly.

The Company’s objectives and main strategies are described in the Annual Report.

The Company has implemented corporate values, ethical guidelines and guidelines for corporate social responsibility which reflect how the Company integrates considerations related to its stakeholders into its value creation. These values and guidelines are described in the Company’s Code of Ethics and Business Conduct and internal policies.

3 Equity and Dividends

The Board regularly evaluates the Company's capital requirements to ensure that the Company has a capital structure which is appropriate for its objectives, strategy and risk profile.

The Board has decided on a dividend policy for the Company to provide a degree of predictability and transparency on the determination of dividend payouts to shareholders. The policy highlights that when determining the quarterly dividend level, the Board will target a payout ratio of 50% of net profits after tax, and will take into consideration appropriate limits on leverage, capital expenditure plans, financing requirements, appropriate financial flexibility and anticipated cash flows. The dividend policy details can be found on the Company's website. In addition to cash dividends, the Company may buy back shares as part of its total distribution of capital to shareholders. Under the Bye-laws of the Company, the Board of Directors may declare dividends and distributions without the approval of the shareholders in general meetings. Dividend payouts which are approved at the Board Meetings of the Company are made in accordance with the dividend policy.

Pursuant to Bermuda law and in accordance with common practice for Bermuda incorporated companies, the Board has authority to issue any authorised unissued shares in the Company on such terms and conditions as it may decide and may exercise all powers of the Company to purchase the Company's own shares. The powers of the Board to issue and purchase shares are neither limited to specific purposes nor to a specified period as recommended in the Code. This represents a deviation from Section 3 of the Code.

4 Equal Treatment of Shareholders

The Company has one class of shares. Each share in the Company carries one vote, and all shares carry equal rights, including the right to participate in general meetings. All shareholders will be treated on an equal basis, unless there is just cause for treating them differently.

Pursuant to Bermuda law and common practice for Bermuda incorporated companies, the shareholders of the Company do not have pre-emption rights in share issues unless otherwise resolved by the Company. Any decision to issue shares without pre-emption rights for existing shareholders will be justified in the common interest of the company and the shareholders. In the event that the Company carries out a share issue without pre-emption rights for existing shareholders, then the justification will be publicly disclosed in a stock exchange announcement issued in connection with the share issue.

Any transactions the Company carries out in its own shares will be carried out either through the Oslo Stock Exchange or with reference to prevailing stock exchange prices if carried out in another way. If there is limited liquidity in the Company's shares, the Company will consider other ways to ensure equal treatment of shareholders.

The Company does not deviate from Section 4 of the Code.

5 Shares and Negotiability

In general, the shares in the Company are freely transferable. However, the Board may decline to register the transfer of any share, where such transfer would, in the opinion of the Board, likely result in 50% or more of the aggregate issued and outstanding share capital of the Company being held or owned directly or indirectly by individuals or legal persons resident for tax purposes in Norway, or alternatively, such shares being effectively connected to a Norwegian business activity, or the Company otherwise being deemed a "Controlled Foreign Company" as such term is defined pursuant to Norwegian tax legislation. The purpose of this provision is to avoid the Company being deemed a Controlled Foreign Company pursuant to Norwegian tax rules. This represents a deviation from Section 5 of the Code.

6 General Meetings

The Annual General Meeting of the Company will normally take place on or before 31 May each year.

The Company encourages all shareholders to participate in and to vote at General Meetings. In order to facilitate shareholder participation, the Board ensures that:

- the resolutions and supporting documentation, if any, will be sufficiently detailed, comprehensive and specific to allow shareholders to understand and form a view on matters that are to be considered at the General Meeting;
- the registration deadline, if any, for shareholders to participate at the General Meeting will be set as closely to the date of the General Meeting as practically possible and permissible under the provision in the Bye-laws;
- the shareholders will have the opportunity to vote on each individual matter, including on each candidate nominated for election to the Company's Board and Committees (if applicable); and
- the members of the Board, the chairman of the nomination committee and the auditor (where attendance is regarded as essential) will have the opportunity to participate at the General Meeting.

Shareholders who cannot be present at the General Meeting will be given the opportunity to vote by proxy or to participate by using electronic means. The Company will in this respect:

- provide information on the procedure for attending by proxy in the notice;
- nominate a person who will be available to vote on behalf of shareholders as their proxy; and
- prepare a proxy form which will, insofar as this is possible, be formulated in such a manner that the shareholder can vote on each item that is to be addressed and vote for each of the candidates that are nominated for election.

Pursuant to common practice for Bermuda incorporated companies, the Company's Bye-laws stipulate that the Chairman of the Board will chair the General Meeting unless otherwise agreed by a majority of those shares represented at the meeting. In this respect, the Company deviates from Section 6 of the Code. However, there will be routines to ensure that an independent person is available to chair the General Meeting or a particular agenda with regards to any matters related to the Chairman.

The minutes of the Annual General Meeting will be published on the Company's website no later than 15 days after the date of the meeting, and a printed version can be made available upon request.

7 Nomination Committee

The Company has a Nomination Committee appointed by the General Meeting with a Chairman elected by the General Meeting. The Nomination Committee is laid down in the Company's Bye-laws with guidelines approved at the Annual General Meeting.

The Nomination Committee has the responsibility of proposing candidates for election to the Board and the Nomination Committee, and proposing remuneration to be paid to members of these bodies. The Nomination Committee is available for contact with shareholders and maintains regular contact with the Board and the Company's Executive Personnel. As part of its work in proposing candidates for election to the Board and the Nomination Committee, the Nomination Committee will justify its recommendations for each candidate separately and strive to consult with relevant shareholders concerning proposals for appointment of candidates.

The members of the Nomination Committee have been selected to take into account a broad range of shareholder interests. In accordance with the recommendations of the Code, the Nomination Committee does not include any Executive Personnel or any member of the Company's Board of Directors.

An up-to-date composition of the Nomination Committee is available on the Company's website and the Company will provide shareholders with any deadlines for submitting proposals for candidates to the Nomination Committee.

The Company does not deviate from Section 7 of the Code.

8 Board of Directors: Composition and Independence

The composition of the Board represents a broad cross-section of the Company's shareholders, which ensures that they can meet the Company's need for expertise, capacity, diversity and independence. The Board consists of five members, who continue to work together as a team to exercise proper supervision on the management of the Company. The majority (four of the five members) are independent of the Company's largest shareholder, the Executive Personnel, and material business connections of the Company. The Board does not include any Executive Personnel. The general meeting elects the chairman of the Board.

Members of the Board will serve for a term of two years, after which they would be re-evaluated before being considered for re-election. The value of continuity will be balanced against the need for renewal and independence. Where a member of the Board has served for a prolonged continuous period, consideration will be given as to whether the individual Board member in question is still considered independent of the Company's Executive Personnel.

Up-to-date information of the Board, the expertise of the Board members and the members which are considered independent is available on the Company's website and in the Annual Report.

Members of the Board are welcome to own shares in the Company.

The Company does not deviate from Section 8 of the Code.

9 The Work of the Board of Directors

The Board is ultimately responsible for the management of the Company and for supervising its day-to-day management. The duties and tasks of the Board are detailed in the Company's Bye-laws. The Board has issued instructions for its own work as well as for the Executive Personnel with particular emphasis on clear internal allocation of responsibilities and duties. This Report and the instructions issued by the Board is based on the view that all decisions of unusual character or major importance rests with the Board, and the authority given to the CEO and other Executive Personnel is not considered to be of unusual character or major importance by the Company.

The Company and Board have put in place guidelines on the handling of agreements with related parties which require the Directors and Officers of the Company and Executive Personnel to notify the Board if they directly or indirectly have a material interest in any transaction carried out by the Company. Members of the Board of Directors and Executive Personnel cannot consider items in which they have a special and prominent interest so that such items can be considered in an unbiased and satisfactory way. In cases of transactions between the Company and a shareholder, a shareholder's parent company, Director, Officer or Executive Personnel of the Company or persons closely related to any such parties, or with another company in the same group, which are not immaterial for either the Company or the close associate involved, the Board will normally obtain a valuation from an independent third party, unless the Board is confident based on other relevant information such as benchmarking studies that it is unnecessary to obtain such valuation to ensure that values are not being transferred from the Company to related parties. Agreements with related parties are given account for in the Annual Report.

In order to conduct its work, the Board each year fixes in advance a number of regular scheduled meetings for the following calendar year, although additional meetings may be called by the Chairman. The directors will normally meet in person but if so allowed by the Chairman, may participate in the meeting by means of electronic communications. Minutes in respect of the meetings of the Board are kept by the Company in Bermuda.

The Board has established an Audit Committee as a preparatory and advisory committee for the Board, consisting of two members, both of which are also members of the Board. Both members of the Audit Committee are independent.
The Board has also established a Remuneration Committee in order to ensure thorough and independent preparation of matters relating to compensation paid to the Executive Personnel. The Remuneration Committee consists of two members, both of which are also members of the Board, and one of the two members are not independent of the Company's largest shareholder. This represents a deviation from Section 9 of the Code.

Additionally, a Nomination Committee has been established, consisting of one Board member and two non-Board members. Details on the various board committees are available on the Company's website.

The Board carries out an annual evaluation of its performance and expertise. The various Board Committees are also reviewed for their effectiveness in executing their responsibilities.

10 Risk Management and Internal Control

The Board ensures that the Company has sound internal control procedures and systems to manage its exposure to risks related to the conduct of the Company's business, to support the quality of its financial reporting, and to ensure compliance with laws and regulations. Such procedures and systems will contribute to securing shareholders' investment and the Company's assets and creating value for stakeholders.

Management and internal control is based on Company-wide policies and internal guidelines in addition to implementation and follow–up of a risk assessment process. The Company's risk management system is central to the Company's internal controls and ensures that the guidelines for integrating considerations related to stakeholders into its creation of value are known and adhered to.

The Board carries out an annual review of the Company's most important areas of exposure to risk and its internal control arrangements, and an annual supervisory plan for internal audit work is approved by the Audit Committee. The internal auditor is independent from the Executive Personnel and reports directly to the Audit Committee. The Audit Committee follows up on internal controls in connection with quarterly reviews of the Group's financial reporting.

The Company does not deviate from Section 10 of the Code.

11 Remuneration of the Board of Directors

The Annual General Meeting of the Company decides the remuneration of the Board. The remuneration of the directors reflects its competence, level of activity, responsibility, use of resources and the complexity of the business activities.
The remuneration of the directors is not linked to the Company's performance and the directors do not receive profit-related remuneration, share options or retirement benefits from the Company.

Directors and/or companies with whom Directors are associated shall not normally undertake special tasks for the Company in addition to the directorship. However, if they do so, the entire Board shall be informed, and the fee will be approved by the Board.

Details of any remuneration and benefits in addition to normal directors' fees are disclosed in the Annual Report.

The Company does not deviate from Section 11 of the Code.

12 Remuneration of Executive Personnel

The Board has established guidelines that set out the main principles applied in determining the salary and other remuneration of the Executive Personnel. The Guidelines for Executive Remuneration are clear and understandable, and contribute to the Company's business strategy, long term interests and financial sustainability. They are communicated at the Annual General Meeting and are also made available on the Company's website. Any change in these guidelines will be formally communicated at the Annual General Meeting and updated on the website. Since the Guidelines for Executive Remuneration is not a requirement under Bermuda law, the Annual General Meeting has not voted over the guidelines.

Remuneration of the Executive Personnel is reviewed annually and approved by the Board based on recommendations by the Remuneration Committee. The Remuneration Committee considers the performance of the Executive Personnel and gathers information from comparable companies before making its recommendation to the Board. Such recommendation aims to ensure convergence of the financial interests of the Executive Personnel and the shareholders, and is made easily understandable. Performance-related remuneration to Executive Personnel are not subject to an absolute limit. This represents a deviation from Section 12 of the Code.

Details of Executive Personnel's remuneration and any share option programs can be found in the Company's Consolidated Financial Statements.

13 Information and Communications

The Company is committed to provide information in a manner that contributes to establishing and maintaining confidence with important interest groups and stakeholders. The information shall be based upon openness and equal treatment of all shareholders. A precondition for the share value to reflect the underlying values in the Company is that all relevant information is disclosed to the market. Based on this and subject to applicable laws and regulations, the Company will keep the shareholders informed about profit developments, prospects and other relevant factors for their analysis of the Company's position and value.

The Company publishes an updated financial calendar with dates for important events such as the Annual General Meeting, publishing of interim reports, public presentations and payment of dividends (if applicable) on the Company's website.
Public investor presentations are arranged in connection with submission of annual and quarterly results for the Company. The presentations are also available on the Company's website. Furthermore, continuous dialogue is held with, and presentations are given to analysts and investors, ensuring that at all times, existing and prospective investors have symmetrical access to share-price sensitive information.

Shareholders may contact the Company's investor relations contact at ***investor.relations@bwlpg.com***.

The Company does not deviate from Section 13 of the Code.

14 Take-overs

In the event of a take-over process, which shall be decided by the General Meeting, the Board will act in accordance with the following principles:

- the Board will ensure that the offer is made to all shareholders, and on the same terms;
- the Board will ensure that the shareholders have sufficient information and time to assess the offer;
- the Board will not undertake any actions intended to give any shareholder or others an unreasonable advantage at the expense of other shareholders or the Company;
- the Board will strive to be completely open about the take-over situation;
- the Board will not attempt to prevent or impede the take-over bid unless this has been decided by the shareholders in a General Meeting in accordance with applicable law;
- the Board will not institute measures which have the intention of protecting the personal interests of its members at the expense of the interests of the shareholders;
- the Board will ensure that the values and interests of all shareholders are safeguarded and that the Company's activities are not unnecessarily interrupted.

If an offer is made for the Company's shares, the Board will issue a statement evaluating the offer and making a recommendation as to whether shareholders should or should not accept the offer. If the Board finds itself unable to give a recommendation to the shareholders on whether to accept the offer, it will explain the reasons for this. The Board's statement on a bid will make it clear whether the views expressed are unanimous, and if this is not the case, it will explain the reasons why specific members of the Board have excluded themselves from the statement.

The Board will consider whether to arrange a valuation from an independent expert. If any director, or close associates of such director, or anyone who has recently held a position but has ceased to hold such a position as a director, is either the bidder or has a particular personal interest in the bid, the Board will arrange an independent valuation. This will also apply if the bidder is a major shareholder. Any such valuation will either be enclosed with the Board's statement, reproduced or referred to in the statement.

The Company does not deviate from Section 14 of the Code.

15 Auditor

The Company's auditor is appointed by the Annual General Meeting of the Company and is responsible for the audit of the Consolidated Financial Statements of the Company.

The Auditor participates in the Audit Committee's review and discussion of the annual accounts and quarterly interim accounts. In these meetings, the Audit Committee is informed of the annual and quarterly accounts and issues of special interest. Further, the Auditor reviews for key aspects of the audit, any material changes in the Company's accounting principles, comments on any material estimated accounting figures and reports on all material matters on which there has been disagreement between the Auditor and the Executive Personnel of the Company.

The Board and the Audit Committee will at least once a year review the Company's internal control procedures relating to its financial reporting process, including weaknesses identified by the Auditor and proposals for improvement, together with the Auditor.

The Board holds a meeting with the Auditor at least once a year at which no representative of the Executive Personnel is present. The Board also determines the right of the Executive Personnel to use the Auditor for purposes other than auditing.

The Auditor confirms his independence in writing to the Audit Committee annually.

The Company does not deviate from Section 15 of the Code.

04 FINANCIAL REPORT

BOARD OF DIRECTORS' REPORT

Andreas Sohmen-Pao
Chairman

Anne Grethe Dalane

Martha Kold Bakkevig

Andrew E.Wolff

Sonali Chandmal

Financial Performance

During 2022, our Time-Charter Equivalent (TCE) income increased to US$568 million; up from US$465 million in 2021. The LPG shipping market was shaped by several elements over the course of the year. While the year started with spot rates in decline, the outbreak of armed conflict in Ukraine stimulated US production of natural gas, and in turn LPG. Port delays in parts of Asia also contributed to firmer rates in the first half of the year, before spot earnings softened in the third quarter. Towards the end of the year, a wide US – Far East arbitrage coupled with longer than usual waiting times in the Panama Canal brought about record high spot rates. Even with volatile VLGC spot rates throughout the year, we are pleased to report average VLGC TCE earnings of US$40,600 per calendar day in 2022 vs US$31,000 per calendar day in 2021.

BW LPG's net profit after tax (NPAT) was US$239 million in 2022 versus US$186 million in 2021, with an increase in ROCE and ROE to 12% and 16% respectively in 2022, from 10% and 14% in 2021. The increase in NPAT and returns from 2022 were mainly driven by our higher TCE income and lower interest expenses as we paid down on term loans and benefited from our interest rate hedges amidst the interest rate hikes during the year. This was offset by non-recurring remeasurement gains and write-back of impairment charge recognised in 2021. We continued to divest our older fleet at attractive prices and recognised $21 million gain on disposal. Our acquisition of the Vilma LPG trading business was completed in Q4 2022 and was accounted for as a subsidiary.

Safety

Safety is a fundamental priority at BW LPG, and the Board is conscious that safety performance is a continuous process. BW LPG has programmes to cultivate and emphasise a "Zero Harm" safety culture on shore and at sea. In 2022, we recorded zero LTIF (Lost Time Injury Frequency per million working hours). Our TRCF (Total Recordable Case Frequency) was 0.16, down from 1.42 in 2021. There were zero fatalities and zero port state detentions. We thank all crew and onshore employees for their continued focus on keeping team members safe at work.

Sustainability

This year's Integrated Annual Report combines the Company's Annual Report and Sustainability Report to provide key highlights and updates on financial and non-financial performance. This Report broadly aligns itself with the International Integrated Reporting Council's (IIRC) Integrated Reporting Framework and in accordance to the Global Reporting Initiative (GRI) Sustainability Reporting Standards, core option. It includes reference to the United Nations Sustainable Development Goals (UN SDGs), Sustainability Accounting Standards Board (SASB) and the Task Force on Climate-Related Financial Disclosures (TCFD). The report includes progress and performance in the context of activities relating to environmental, social and governance considerations for the financial year ended 31 December 2022.

We continue to play our part to support global energy security and the global clean energy transition. 2022 marks the first year all 15 of our LPG-powered VLGCs are on water delivering LPG with the lowest emissions profile for long-haul voyages – a key part of our decarbonisation roadmap and represents our conviction that LPG is part of the solution for the transition towards a low carbon future.

Corporate Governance

BW LPG's commitment to good governance takes in to account standards of Corporate Governance in the Norwegian Code of Practice for Corporate Governance (the "Code"). Deviations from the Code are addressed in the corporate governance section of this Annual Report. The Board held four meetings in 2022, three of which were held virtually due to travel restrictions as global borders gradually reopened in 2022. The last Board meeting was held in Bermuda and was conducted in a manner that was compliant with local safe-distancing requirements.

Risk

BW LPG is exposed to various market, operational, financial and climate-related risks. The most significant risks are set out in the IPO (Initial Public Offering) prospectus issued in November 2013. That document and other information on risks are available on the Company's website at ***www.bwlpg.com***.

BW LPG employs an enterprise-wide risk assessment process to analyse and evaluate risk exposures and to allocate appropriate resources to risk mitigation activities. BW LPG's risk mitigation activities consider the unpredictability of shipping and financial markets, and the growing demand for climate action. BW LPG's main risks relate to the inherently cyclical nature of the shipping industry and the consequent inherent volatility of financial performance; the potential for oversupply of shipping capacity to negatively impact freight rates and asset values; the dependence on continued export volumes of relevant hydrocarbons to maintain demand for shipping; and the rapidly developing regulatory controls and technology to meet the industry's decarbonisation targets.

Going Concern

In light of BW LPG's liquidity position, balance sheet strength, assets, employment, and continuing cash flow from operations, the Board confirms that the going concern assumption, upon which BW LPG's accounts are prepared, continues to apply.

RESPONSIBILITY STATEMENT

We confirm that, to the best of our knowledge, the financial statements for the year 1 January to 31 December 2022 have been prepared in accordance with current applicable accounting standards, and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and the Company taken as a whole. We also confirm that the Board of Directors' Report includes a true and fair view of the development and performance of the business and the position of the Group and the Company, together with a description of the principal risks and uncertainties facing the Group and the Company.

Andreas Sohmen-Pao
Chairman

Anne Grethe Dalane
Director

Andrew E. Wolff
Director

Martha Kold Bakkevig

Martha Kold Bakkevig
Director

Sonali Chandmal
Director

FINANCIAL STATEMENTS

BW LPG LIMITED
(Incorporated in Bermuda)
AND ITS SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF DIRECTORS AND SHAREHOLDERS OF BW LPG LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of BW LPG Limited ("the Company") and its subsidiaries ("the Group"). The financial statements comprise:

- The balance sheet of the Company as at 31 December 2022, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

- The consolidated balance sheet of the Group as at 31 December 2022, the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company and the Group as at 31 December 2022, and their financial performance, changes in equity and cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group in accordance with the International Ethics Standards Board for Accountants *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code") and the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements, the IESBA Code and the ACRA code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KPMG LLP (Registration No. T08LL1267L), an accounting limited liability partnership registered in Singapore under the Limited Liability Partnerships Act 2005 and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

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INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF DIRECTORS AND SHAREHOLDERS OF BW LPG LIMITED (continued)

Key Audit Matters (continued)

The key audit matter	How the matter was addressed in our audit
Carrying amount of vessels Refer to note 2(a)(2) and note 8 of the Group's financial statements. The Group owns vessels with a carrying amount of US$1,484 million as at 31 December 2022, which represents a significant portion of the Group's total assets. The Group's vessels are measured at cost less accumulated depreciation and impairment loss. Management considers each vessel to be a separate cash generating unit ("CGU" or "vessel"). The Group regularly reviews whether there are any impairment indicators and tests the individual vessels for impairment (reversal) if an indicator is identified. In order to assess whether an impairment indicator exists, independent third party valuation reports, which makes reference to comparable transaction prices of similar vessels were obtained. The Group has assessed that the brokers has the required competency and capability to perform the valuations. Due to the high degree of judgement involved in assessing whether there were impairment indicators arising from volatile freight rates, which results in estimation uncertainties, and the significance of the carrying amount of these vessels, we determined this as a key audit matter.	We have performed the following audit procedures: • We assessed the Group's process for identifying and reviewing the CGUs. • We obtained an understanding of Management's process for identifying impairment indicators. • We evaluated the independence, competency, and objectivity of the independent brokers. • We assessed the valuation methodologies applied are in line with generally accepted market practices and the valuations are supported by recent transacted prices. No significant matters were noted from our procedures.

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INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF DIRECTORS AND SHAREHOLDERS OF BW LPG LIMITED (continued)

Other Information

Management is responsible for the other information. The other information comprises all information included in the annual report, but does not include the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable *assurance* is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF DIRECTORS AND SHAREHOLDERS OF BW LPG LIMITED (continued)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's or the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's or the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company or the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG

INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF DIRECTORS AND SHAREHOLDERS OF BW LPG LIMITED (continued)

Report on Other Legal and Regulatory Requirements

Report on Compliance with Regulation on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of BW LPG Limited we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name "5493006WBEME88YFDW23-2022-12-31-en", have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format, and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

Management's Responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as Management determines is necessary.

Auditors' Responsibilities

Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in compliance with ESEF. We conduct our work in compliance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in compliance with the ESEF Regulation.

As part of our work, we have performed procedures to obtain an understanding of the Company's processes for preparing the financial statements in compliance with the ESEF Regulation. We examine whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess Management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The engagement partner on the audit resulting in this independent auditors' report is Ong Li Qin.

KPMG LLP

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
28 February 2023

BW LPG LIMITED
AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME [1]

For the financial year ended 31 December 2022

	Note	2022 US$'000	2021 US$'000
Revenue - Shipping spot voyages	3	699,028	451,329
Revenue - Shipping time charter voyages	3	134,304	178,856
Revenue - Product Services	3	730,231	611,170
Cost of goods sold - Product Services	4	(645,993)	(557,183)
Voyage expenses - Shipping	4	(350,016)	(222,220)
		567,554	461,952
Vessel operating expenses	4	(93,428)	(100,147)
Time charter contracts (non-lease components)	4	(19,506)	(14,427)
General and administrative expenses	4	(31,916)	(32,582)
Charter hire expenses	4	(16,427)	(9,409)
Fair value gain from equity financial asset	13	-	1,995
Finance lease income		585	1,025
Other operating income - net	4	815	3,296
Operating profit before depreciation, amortisation and impairment (EBITDA)		407,677	311,703
Depreciation charge	8	(158,815)	(153,653)
Amortisation of intangible assets		(610)	(546)
		248,252	157,504
Gain on disposal of vessels		6,895	4,290
Gain on derecognition of right-of-use assets (vessels)		-	2,536
Gain on disposal of assets held-for-sale		14,215	18,642
Write-back of impairment charge on vessels	8	-	31,901
Write-back of impairment charge on right-of-use assets (vessels)	8	1,470	-
Remeasurement of equity interest in joint venture	25	-	9,835
Other expenses		-	(1,146)
Operating profit (EBIT)		270,832	223,562
Foreign currency exchange loss - net		(814)	(792)
Interest income		1,941	3,435
Interest expense		(29,773)	(38,552)
Other finance expenses		(2,538)	(2,743)
Finance expenses - net		(31,184)	(38,652)
Share of profit of a joint venture		-	2,031
Profit before tax for the financial year		239,648	186,941
Income tax expense	7(a)	(1,071)	(521)
Profit after tax for the financial year (NPAT)		238,577	186,420

[1] Consolidated statement of comprehensive income has been re-presented to better reflect the financial performance of the Group's operating activities after the acquisition of Vilma Oil's LPG trading operations. See note 28.

The accompanying notes form an integral part of these consolidated financial statements.

BW LPG LIMITED
AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME [1] (continued)
For the financial year ended 31 December 2022

	Note	2022 US$'000	2021 US$'000
Other comprehensive (loss)/income:			
Items that may be reclassified subsequently to profit or loss:			
Cash flow hedges			
- fair value gain		34,694	34,782
- reclassification to profit or loss		(3,248)	8,863
Currency translation reserve		(35,402)	(2,870)
Other comprehensive (loss)/income, net of tax		(3,956)	40,775
Total comprehensive income for the financial year		234,621	227,195
Profit attributable to:			
Equity holders of the Company		227,396	184,821
Non-controlling interests		11,181	1,599
		238,577	186,420
Total comprehensive income/(loss) attributable to:			
Equity holders of the Company		239,928	225,933
Non-controlling interests		(5,307)	1,262
		234,621	227,195
Earnings per share attributable to the equity holders of the Company:			
(expressed in US$ per share)			
Basic/ Diluted earnings per share	6	1.68	1.33

The accompanying notes form an integral part of these consolidated financial statements.

BW LPG LIMITED
AND ITS SUBSIDIARIES

CONSOLIDATED BALANCE SHEET
As at 31 December 2022

	Note	2022 US$'000	2021 US$'000
Intangible assets		1,370	1,878
Derivative financial instruments	14	23,806	-
Finance lease receivables	9	2,684	10,526
Other receivables	11	15,869	-
Deferred tax assets	7(c)	6,720	-
Total other non-current assets		49,079	10,526
Vessels and dry docking	8	1,484,489	1,791,685
Right-of-use assets (vessels)	8	264,666	107,736
Other property, plant and equipment	8	307	77
Property, plant and equipment	8	1,749,462	1,899,498
Total non-current assets		1,799,911	1,911,902
Inventories	10	113,945	54,584
Trade and other receivables	11	203,179	191,630
Equity financial assets, at fair value	13	3,271	3,250
Derivative financial instruments	14	89,346	23,682
Finance lease receivables	9	7,842	7,535
Assets held-for-sale	12	86,869	39,027
Cash and cash equivalents	15	236,151	132,673
Total current assets		740,603	452,381
Total assets		2,540,514	2,364,283
Share capital	16	1,419	1,419
Share premium	16	289,812	289,812
Treasury shares	16	(47,631)	(23,294)
Contributed surplus		685,913	685,913
Other reserves		(30,554)	(42,436)
Retained earnings		556,996	460,648
		1,455,955	1,372,062
Non-controlling interests		103,167	13,837
Total shareholders' equity		1,559,122	1,385,899
Borrowings	17	362,220	659,781
Lease liabilities	18	106,281	86,140
Derivative financial instruments	14	929	12,962
Total non-current liabilities		469,430	758,883
Borrowings	17	116,153	82,508
Lease liabilities	18	136,391	46,400
Derivative financial instruments	14	33,006	11,983
Current income tax liabilities	7(b)	2,489	1,231
Trade and other payables	19	223,923	77,379
Total current liabilities		511,962	219,501
Total liabilities		981,392	978,384
Total equity and liabilities		2,540,514	2,364,283

The accompanying notes form an integral part of these consolidated financial statements.

BW LPG LIMITED
AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the financial year ended 31 December 2022

		Attributable to equity holders of the Company												
	Note	Share capital US$'000	Share premium US$'000	Treasury shares US$'000	Contributed surplus US$'000	Capital reserve US$'000	Hedging reserve US$'000	Share-based payment reserve US$'000	Currency translation reserve US$'000	Other reserves US$'000	Retained earnings US$'000	Total US$'000	Non-controlling interest US$'000	Total equity US$'000
Balance at 1 January 2022		1,419	289,812	(23,294)	685,913	(36,259)	(6,669)	922	(2,624)	2,194	460,648	1,372,062	13,837	1,385,899
Profit for the financial year		-	-	-	-	-	-	-	-	-	227,396	227,396	11,181	238,577
Other comprehensive income/(loss) for the financial year		-	-	-	-	-	31,446	-	(18,914)	-	-	12,532	(16,488)	(3,956)
Total comprehensive income/(loss) for the financial year		-	-	-	-	-	31,446	-	(18,914)	-	227,396	239,928	(5,307)	234,621
Share-based payment reserve - Value of employee services		-	-	-	-	-	-	1,372	-	-	-	1,372	-	1,372
Purchases of treasury shares	16	-	-	(27,661)	-	-	-	-	-	-	-	(27,661)	-	(27,661)
Share options exercised	16	-	-	3,324	-	-	-	(153)	-	(1,833)	-	1,338	-	1,338
Dividends paid	24	-	-	-	-	-	-	-	-	-	(126,705)	(126,705)	-	(126,705)
Acquisition of subsidiary with non-controlling interests	25	-	-	-	-	-	-	-	-	-	-	-	10,327	10,327
Changes in non-controlling interests arising from changes of interests in subsidiary	26	-	-	-	-	-	-	-	-	-	(4,343)	(4,343)	84,343	80,000
Others		-	-	-	-	-	-	-	-	(36)	-	(36)	(33)	(69)
Total transactions with owners, recognised directly in equity		-	-	(24,337)	-	-	-	1,219	-	(1,869)	(131,048)	(156,035)	94,637	(61,398)
Balance at 31 December 2022		1,419	289,812	(47,631)	685,913	(36,259)	24,777	2,141	(21,538)	325	556,996	1,455,955	103,167	1,559,122

The accompanying notes form an integral part of these consolidated financial statements.

BW LPG LIMITED
AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)
For the financial year ended 31 December 2022

		Attributable to equity holders of the Company												
	Note	Share capital US$'000	Share premium US$'000	Treasury shares US$'000	Contributed surplus US$'000	Capital reserve US$'000	Hedging reserve US$'000	Share-based payment reserve US$'000	Currency translation reserve US$'000	Other reserves US$'000	Retained earnings US$'000	Total US$'000	Non-controlling interest US$'000	Total equity US$'000
Balance at 1 January 2021		1,419	289,812	(16,895)	685,913	(36,259)	(50,314)	457	(91)	-	377,528	1,251,570	-	1,251,570
Profit for the financial year		-	-	-	-	-	-	-	-	-	184,821	184,821	1,599	186,420
Other comprehensive income/(loss) for the financial year		-	-	-	-	-	43,645	-	(2,533)	-	-	41,112	(337)	40,775
Total comprehensive income/(loss) for the financial year		-	-	-	-	-	43,645	-	(2,533)	-	184,821	225,933	1,262	227,195
Share-based payment reserve - Value of employee services		-	-	-	-	-	-	465	-	-	-	465	-	465
Purchases of treasury shares	16	-	-	(7,336)	-	-	-	-	-	-	-	(7,336)	-	(7,336)
Transfer of treasury shares	16	-	-	937	-	-	-	-	-	-	-	937	-	937
Dividends paid	24	-	-	-	-	-	-	-	-	-	(99,507)	(99,507)	-	(99,507)
Acquisition of subsidiary	25	-	-	-	-	-	-	-	-	-	-	-	12,575	12,575
Others	16	-	-	-	-	-	-	-	-	2,194	(2,194)	-	-	-
Total transactions with owners, recognised directly in equity		-	-	(6,399)	-	-	-	465	-	2,194	(101,701)	(105,441)	12,575	(92,866)
Balance at 31 December 2021		1,419	289,812	(23,294)	685,913	(36,259)	(6,669)	922	(2,624)	2,194	460,648	1,372,062	13,837	1,385,899

The accompanying notes form an integral part of these consolidated financial statements.

BW LPG LIMITED
AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2022

	Note	2022 US$'000	2021 US$'000
Cash flows from operating activities			
Profit before tax for the financial year		239,648	186,941
Adjustments for:			
- amortisation of intangible assets		610	546
- depreciation charge	8	158,815	153,653
- write-back of impairment charge on vessels	8	-	(31,901)
- write-back of impairment charge on right-of-use assets (vessels)	8	(1,470)	-
- gain on disposal of assets held-for-sale		(14,215)	(18,642)
- gain on disposal of vessels		(6,895)	(4,290)
- gain on derecognition of right-of-use assets (vessels)		-	(2,536)
- remeasurement of equity interest in joint venture	25	-	(9,835)
- interest income		(1,941)	(3,435)
- interest expense		29,773	38,552
- other finance expense		2,040	2,249
- share-based payments		1,372	465
- share of profit of a joint venture		-	(2,031)
- finance lease income		(585)	(1,025)
- fair value gain from equity financial asset	13	-	(1,995)
		407,152	306,716
Changes in working capital:			
- inventories		(29,223)	(39,096)
- trade and other receivables		106,400	(1,316)
- trade and other payables		4,049	33,158
- derivative financial instruments		25,956	(22,885)
- margin account held with broker		(12,210)	30,874
Total changes in working capital:		94,972	735
Tax paid	7(b)	(730)	(148)
Net cash from operating activities		501,394	307,303
Cash flows from investing activities			
Additions in property, plant and equipment		(46,192)	(187,336)
Progress payments for vessel upgrades and dry docks[1]		16,035	15,967
Additions in intangible assets		(103)	(475)
Net proceeds from (purchase)/sale of equity financial asset, at FVPL	13	(21)	27,004
Proceeds from sale of assets held-for-sale		95,415	143,605
Proceeds from sale of vessels		87,883	50,884
Repayment of loan receivables from a joint venture		-	1,900
Repayment of finance lease receivables	9	7,535	17,266
Interest received		585	2,270
Acquisition of subsidiary, net of cash acquired	25	(49,163)	4,633
Net cash from investing activities		111,974	75,718
Cash flows from financing activities			
Proceeds from bank borrowings		67,243	218,670
Payment of financing fees		(109)	(2,099)
Repayments of bank borrowings		(389,103)	(301,323)
Payment of lease liabilities	18	(54,181)	(48,621)
Interest paid		(24,857)	(34,577)
Other finance expense paid		(1,586)	(2,275)
Purchase of treasury shares		(26,323)	(5,540)
Drawdown of trust receipts		260,377	23,994
Repayment of trust receipts		(306,856)	(58,452)
Dividend payment	24	(126,705)	(99,507)
Contributions from non-controlling interests	26	80,000	-
Net cash used in financing activities		(522,100)	(309,730)

[1] This will be reclassified from "prepayments" to "property, plant and equipment" upon completion.

The accompanying notes form an integral part of these consolidated financial statements.

BW LPG LIMITED
AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)
For the financial year ended 31 December 2022

	Note	2022 US$'000	2021 US$'000
Net increase in cash and cash equivalents		91,268	73,291
Cash and cash equivalents at beginning of the financial year		129,647	56,356
Cash and cash equivalents at end of the financial year	15	220,915	129,647

Reconciliation of liabilities arising from financing activities

	Borrowings US$'000	Lease liabilities US$'000	Interest rate swaps* US$'000
At 1 January 2022	742,289	132,540	14,140
Cash changes:			
Proceeds from bank borrowings and trust receipts	327,511	-	-
Principal and interest payments	(712,610)	(59,137)	(3,250)
	(385,099)	(59,137)	(3,250)
Non-cash changes:			
Interest expense	21,565	4,956	3,252
Changes in fair value of interest rate swaps	-	-	(14,142)
Additions to lease liabilities	-	73,850	-
Acquisition of subsidiary	99,618	90,463	-
	121,183	169,269	(10,890)
At 31 December 2022	478,373	242,672	-
At 1 January 2021	857,523	188,446	34,235
Cash changes:			
Proceeds from bank borrowings and trust receipts	240,566	-	-
Principal and interest payments	(376,287)	(55,110)	(11,576)
	(135,721)	(55,110)	(11,576)
Non-cash changes:			
Interest expense	20,487	6,489	11,576
Changes in fair value of interest rate swaps	-	-	(20,095)
Additions to lease liabilities	-	20,866	-
Derecognition of lease liabilities	-	(28,151)	-
	20,487	(796)	(8,519)
At 31 December 2021	742,289	132,540	14,140

* Interest rate swaps are hedged against certain portions of bank borrowings.

The accompanying notes form an integral part of these consolidated financial statements.

BW LPG LIMITED
AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2022

These notes form an integral part of and should be read in conjunction with the accompanying consolidated financial statements.

1. General information

BW LPG Limited (the "Company") is listed on the Oslo Stock Exchange and incorporated and domiciled in Bermuda. The address of its registered office is c/o Inchona Services Limited, Washington Mall Phase 2, 4th Floor, Suite 400, 22 Church Street, HM 1189, Hamilton HM EX, Bermuda.

The principal activity of the Company is that of investment holding. The principal activities of its subsidiaries are shipowning, chartering and LPG trading (note 27).

These consolidated financial statements were authorised for issue by the Board of Directors of the Company on 28 February 2023.

2. Significant accounting policies

(a) Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), and have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

New standards, amendments to published standards and interpretations, adopted by the Group

The Group has adopted all the relevant new standards, amendments and interpretations to published standards as of 1 January 2022.

The adoption of these new standards, amendments, and interpretations to published standards does not have a material impact on the consolidated financial statements.

2. Significant accounting policies (continued)

(a) Basis of preparation (continued)

Critical accounting estimates, assumptions and judgements

The preparation of the consolidated financial statements in conformity with IFRS requires Management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The following is a summary of estimates and assumptions which have a material effect.

(1) Useful life and residual value of assets

The Group reviews the useful life and residual value of its vessels at the balance sheet date and any adjustments are made on a prospective basis. Residual value is estimated as the lightweight tonnage (LWT) of each vessel multiplied by the scrap steel price per LWT. If estimates of the residual values are revised, the amount of depreciation charge in the future years will be changed.

The useful lives of the vessels are assessed periodically based on the condition of the vessels, market conditions and other regulatory requirements. If the estimates of useful lives for the vessels are revised or there is a change in useful lives, the amount of depreciation charge recorded in future years will be changed.

(2) Impairment

The Group assesses at the balance sheet dates whether there is any objective evidence or indication that the values of the intangible assets, and property, plant and equipment may be impaired. If any such indication exists, the Group will estimate the recoverable amount of the asset, and write down the asset to the recoverable amount. The assessment of the recoverable amounts of the vessels is based on the higher of fair value less cost to sell and value-in-use calculations, with each vessel being regarded as one cash generating unit. The recoverable amount of vessels is estimated predominantly based on independent third party broker valuations.

2. Significant accounting policies (continued)

(a) Basis of preparation (continued)

Critical accounting estimates, assumptions and judgements (continued)

(2) Impairment (continued)

Changes to these brokers' estimates may significantly impact the impairment charges recognised and future changes may lead to reversals of currently recognised impairment charges.

See note 8(c) for further disclosures.

(3) Revenue recognition

All voyage revenues, demurrage and voyage expenses are recognised on a percentage of completion basis. Load-to-discharge basis is used in determining the percentage of completion for all spot voyages and voyages servicing contracts of affreightment. Under this method, voyage revenue is recognised rateably over the period from the point of loading of the current voyage to the point of discharge of the current voyage.

Management uses its judgement in estimating the total number of days of a voyage based on historical trends, the operating capability of the vessel (speed and fuel consumption) and the distance of the trade route. Actual results may differ from estimates.

Demurrage income is assessed at a percentage of the total estimated claims issued to customers. The estimation of this rate is based on the historical actual demurrage recovered over the total estimated claims issued to customers.

(b) Revenue and income recognition

Revenue comprises the fair value of the consideration received or receivable for the rendering of services in the ordinary course of the Group's activities, net of rebates, discounts, off-hire charges and after eliminating sales within the Group.

(1) Rendering of services

Revenue from time charters accounted for as operating leases is recognised in profit or loss on a straight-line basis over the lease term.

2. Significant accounting policies (continued)

(b) Revenue and income recognition (continued)

(1) Rendering of services (continued)

Revenue from voyage charters is recognised rateably over the estimated length of the voyage within the respective reporting period, in the event the voyage commences in one reporting period and ends in the subsequent reporting period. No additional disclosures in relation to the incremental cost of obtaining the contract and the remaining performance obligation with an original duration of one year or less are made as the Group has applied the practical expedients available in the standard. Additionally, as the Group typically receives payments within one year from the start of the voyage, there are no additional disclosures made.

The Group determines the percentage of completion of voyage revenue using the load-to-discharge method. Under this method, voyage revenue is recognised evenly over the period from the point of loading of the current voyage to the point of discharge of the current voyage.

Demurrage revenue is recognised as revenue from voyage charter based on percentage of completion, consistent with the basis of recognising voyage freight revenue and is assessed at a percentage of the total estimated claims issued to customers. The estimation of this rate is based on the historical actual demurrage recovered over the total estimated claims issued to customers.

(2) Sale of goods – LPG cargo

Revenue from the sale of goods is recognised when the performance obligations have been satisfied, which is when control of the cargo is transferred to the customer. Revenue is measured based on consideration specified in the contract with a customer, which includes the provision of services (shipping and insurance) when goods are sold on a CFR or CIF basis. The same recognition and presentation principles apply to revenues arising from physical settlement of forward sale contracts that do not meet the own use exemption.

(3) Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

(c) Group accounting

(1) Subsidiaries

(i) Consolidation

Subsidiaries are entities (including special purpose entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

2. Significant accounting policies (continued)

(c) Group accounting (continued)

(1) Subsidiaries (continued)

(i) *Consolidation* (continued)

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure the consistency of accounting policies with those of the Group.

Non-controlling interests are part of the net results of operations and of net assets of a subsidiary attributable to the interests which are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and balance sheet. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(ii) *Acquisitions*

The Group uses the acquisition method of accounting to account for business combinations.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred, and the equity interests issued by the Group.

The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair value at the acquisition date.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date, and any gains or losses arising from such re-measurement are recognised in profit or loss.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

2. Significant accounting policies (continued)

(c) Group accounting (continued)

(1) Subsidiaries (continued)

(ii) Acquisitions (continued)

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of (i) the consideration transferred, the amount of any non-controlling interest in the acquiree, and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair values of the identifiable net assets acquired, is recorded as goodwill.

The excess of: (i) fair value of the net identifiable assets acquired over the (ii) consideration transferred; the amount of any non-controlling interest in the acquiree; and the acquisition-date fair value of any previous equity interest in the acquiree; is recorded in the profit or loss during the period when it occurs.

The Group has an option to apply a "concentration test" that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

(2) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised in a separate reserve within equity attributable to the equity holders of the Company.

2. Significant accounting policies (continued)

(c) Group accounting (continued)

(3) Joint venture

A joint venture is an entity over which the Group has joint control as a result of contractual arrangements and rights to the net assets of the entity.

Investment in joint ventures is accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

(i) Acquisitions

Investment in a joint venture is initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on joint venture represents the excess of the cost of acquisition of the joint venture over the Group's share of the fair value of the identifiable net assets of the joint venture and is included in the carrying amount of the investment.

(ii) Equity method of accounting

Under the equity method of accounting, the investment is initially recognised at cost and adjusted thereafter to recognise the Group's share of its joint venture's post-acquisition profits or losses in the Group's profit or loss and its share of the joint venture's other comprehensive income in the Group's other comprehensive income. Dividend received or receivable from the joint venture is recognised as a reduction of the carrying amount of the investment. When the Group's share of losses in a joint venture equals to or exceeds its interest in the joint venture, the Group does not recognise further losses, unless it has incurred legal or constructive obligations to make, or has made, payments on behalf of the joint venture. If the joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

Unrealised gains on transactions between the Group and its joint venture are eliminated to the extent of the Group's interest in the joint venture. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The accounting policies of a joint venture are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

2. Significant accounting policies (continued)

(c) Group accounting (continued)

(3) Joint venture (continued)

(iii) Disposals

Investment in joint venture is derecognised when the Group loses joint control. If the retained equity interest in the former joint venture is a financial asset, the retained equity interest is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when joint control is lost, and its fair value and any proceeds on partial disposal, is recognised in profit or loss.

(d) Intangible assets

Computer software

Acquired computer software are initially capitalised at cost which includes the purchase price (net of any discounts and rebates) and other directly attributable costs of preparing the assets for its intended use. They are subsequently carried at cost less accumulated amortisation and impairment losses. These costs are amortised to profit or loss using the straight-line method over their estimated remaining useful lives of 5 years.

The useful lives are reviewed, and adjusted as appropriate, at least annually. The effects of any revision in estimate are recognised in profit or loss when the changes arise.

(e) Property, plant and equipment

(1) Measurement

(i) Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses (note 2(f)).

(ii) The cost of an item of property, plant and equipment initially recognised includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

(iii) If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate components of property, plant and equipment.

2. Significant accounting policies (continued)

(e) Property, plant and equipment (continued)

(2) Depreciation

(i) Depreciation on property, plant and equipment is calculated using a straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

Vessels	25 years
Dry docking/Scrubbers	2.5 - 5 years
Furniture and fixtures	3 - 5 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at least annually. The effects of any revision in estimate are recognised in profit or loss when the changes arise.

(ii) Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately. The remaining carrying amount of the old component as a result of a replacement will be written off to profit or loss.

(3) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment, including replacing a significant component, that has already been recognised, is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(4) Disposal

On disposal of an item of property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is recognised in profit or loss.

2. Significant accounting policies (continued)

(f) Impairment of non-financial assets

Intangible assets with finite lives, property, plant and equipment and investment in a joint venture are tested for impairment whenever there is any objective evidence or an indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs.

If the recoverable amount of the asset is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset (or CGU) is reversed if, and only if, there has been a change in the estimates used to determine the asset's (or CGU's) recoverable amount since the last impairment loss was recognised. The carrying amount of this asset (or CGU) is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of accumulated depreciation) had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of impairment loss for an asset (or CGU) is recognised in profit or loss.

(g) Derivative financial instruments and hedging activities

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedge instrument, and if so, the nature of the item being hedged. The Group designates each hedge as either: (a) fair value hedge or (b) cash flow hedge.

For derivative financial instruments that are not designated or do not qualify for hedge accounting, any fair value gains or losses are recognised in profit or loss as derivative gain/(loss) when the change arises.

At the inception of the transaction, the Group documents the relationship between the hedging instruments and hedged items as well as, the risk management objective and strategies for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives designated as hedging instruments are highly effective in offsetting changes in fair value or cash flows of the hedged items.

Hedge effectiveness is determined at the inception of the hedging relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

2. Significant accounting policies (continued)

(g) Derivative financial instruments and hedging activities (continued)

The Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group uses the hypothetical derivative method to assess effectiveness.

The carrying amount of a derivative designated as a hedge is presented as a non-current asset or liability if the remaining expected life of the hedged item is more than 12 months, and as a current asset or liability if the remaining expected life of the hedged item is less than 12 months. The fair value of a trading derivative is classified as a current asset or liability.

The fair value of derivative financial instruments represents the amount estimated by banks or brokers that the Group will receive or pay to terminate the derivatives at the balance sheet date.

Hedges directly affected by interest rate benchmark reform.

Phase 1 amendments: Prior to interest rate benchmark reform – when there is uncertainty arising from interest rate benchmark reform

For the purpose of evaluating whether there is an economic relationship between the hedged item(s) and the hedging instrument(s), the Group assumes that the benchmark interest rate is not altered as a result of interest rate benchmark reform.

For a cash flow hedge of a forecast transaction, the Group assumes that the benchmark interest rate will not be altered as a result of interest rate benchmark reform for the purpose of assessing whether the forecast transaction is highly probable and presents an exposure to variations in cash flows that could ultimately affect profit or loss.

The Group will cease to apply the specific policy for assessing the economic relationship between the hedged item and the hedging instrument (i) to a hedged item or hedging instrument when the uncertainty arising from interest rate benchmark reform is no longer present with respect to the timing and the amount of the interest rate benchmark-based cash flows of the respective item or instrument or (ii) when the hedging relationship is discontinued. For its highly probable assessment of the hedged item, the Group will no longer apply the specific policy when the uncertainty arising from interest rate benchmark reform about the timing and the amount of the interest rate benchmark-based future cash flows of the hedged item is no longer present, or when the hedging relationship is discontinued.

2. Significant accounting policies (continued)

(g) Derivative financial instruments and hedging activities (continued)

Phase 1 amendments: Prior to interest rate benchmark reform – when there is uncertainty arising from interest rate benchmark reform (continued)

The basis for determining the contractual cash flows of the hedged item or the hedging instrument may be modified as required by the IBOR reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:
- the change is necessary as a direct consequence of the reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e the basis immediately before the change.

For these modifications, the Group amends the hedge documentation of that hedging relationship to reflect the change(s) required by interest rate benchmark reform when there is no longer uncertainty about the cash flows of the hedged item or the hedging instrument.

For this purpose, the hedge designation is amended only to make one or more of the following changes:
- designating an alternative benchmark rate as the hedged risk;
- updating the description of hedged item, including the description of the designated portion of the cash flows or fair value being hedged; or
- updating the description of the hedging instrument.

Hedges directly affected by interest rate benchmark reform.

Phase 2 amendments: Replacement of benchmark interest rates – when there is no longer uncertainty arising from interest rate benchmark reform (continued)

The Group amends the description of the hedging instrument only if the following conditions are met:

- it makes a change required by interest rate benchmark reform by changing the basis for determining the contractual cash flows of the hedging instrument or using another approach that is economically equivalent to changing the basis for determining the contractual cash flows of the original hedging instrument; and
- the original hedging instrument is not derecognised.

These amendments in the formal hedge documentation do not constitute the discontinuation of the hedging relationship or the designation of a new hedging relationship.

If other changes are made in addition to those changes required by the interest rate benchmark reform described above, then the Group first considers whether those additional changes result in the discontinuation of the hedge accounting relationship. If the additional changes do not result in discontinuation of the hedge accounting relationship, then the Group amends the formal hedge documentation for changes required by interest rate benchmark reform as mentioned above.

2. Significant accounting policies (continued)

(g) Derivative financial instruments and hedging activities (continued)

(1) Interest rate swaps

The Group has entered into interest rate swaps that are cash flow hedges for the Group's exposure to interest rate risk on its borrowings. These contracts entitle the Group to receive interest at floating rates on notional principal amounts and oblige the Group to pay interest at fixed rates on the same notional principal amounts, thus allowing the Group to raise borrowings at floating rates and swap them into fixed rates. The Group hedges up to 75% of its floating rate borrowings and the hedged item is identified as a proportion of the outstanding amount of the borrowings. As all critical terms matched during the year, the economic relationship was assessed to be 100% effective.

The fair value changes on the effective portion of interest rate swaps designated as cash flow hedges are recognised in other comprehensive income, accumulated in the fair value reserve, and reclassified to profit or loss when the hedged interest expense on the borrowings is recognised in profit or loss. The fair value changes on the ineffective portion of interest swaps are recognised immediately in profit or loss.

(2) Forward bunker swaps

The Group has entered into forward bunker swaps that are cash flow hedges for the Group's exposure to cash flow variability for its forecasted bunker purchases. These contracts entitle the Group to receive bunker at floating rates and oblige the Group to pay for bunker at fixed prices, or in some contracts to pay a fixed incremental spread (between high and low sulphur fuel oil) for low sulphur fuel oil. It was assessed that the economic relationship between the forward bunker swaps and the hedged item was effective as the critical terms match.

The fair value changes on the effective portion of the forward bunker swaps designated as cash flow hedges are recognised in other comprehensive income. Amounts accumulated in equity are reclassified in the periods when the hedged item affects profit or loss.

(3) Forward freight agreements (FFAs)

The Group has entered into FFAs that are cash flow hedges for the Group's exposure to cash flow variability, for its forecasted freight earnings. These contracts entitle the Group to receive fixed freight rates and oblige the Group to pay floating freight rates for the volumes transacted. This effectively hedges the forecasted freight revenue contracted at future market freight rates. It was assessed that the economic relationship between the FFAs and the hedged item was effective as the critical terms match.

The fair value changes on the effective portion of the FFAs designated as cash flow hedges are recognised in other comprehensive income. Amounts accumulated in equity are reclassified in the periods when the hedged item affects profit or loss.

2. Significant accounting policies (continued)

(g) Derivative financial instruments and hedging activities (continued)

(4) Non-derivative financial asset

The Group has designated the foreign currency risk component of a foreign denominated cash balance as a cash flow hedge against the Group's commitment for the exercise of a purchase option on its time charter in lease contract which is denominated in the same foreign currency. This effectively hedges the forecasted purchase price at a fixed USD amount from the date of designation of the hedge. It was assessed that the economic relationship between the hedging instrument and the hedged item was effective as the critical terms match.

The fair value changes on the effective portion of the foreign currency risk component of the foreign denominated cash balance designated as cash flow hedges are recognised in other comprehensive income. Amounts accumulated in equity are reclassified into the cost of the asset upon payment of the purchase option.

(h) Financial assets

(1) Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as a FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group's financial assets at amortised costs, are presented as "finance lease receivables" (note 9) "trade and other receivables" (note 11) and "cash and cash equivalents" (note 15) in the consolidated balance sheet.

These financial assets are initially recognised at their fair values plus transaction costs and subsequently carried at amortised cost using the effective interest method, less accumulated impairment losses.

The Group managed these groups of financial assets by collecting the contractual cash flow and these cash flows represent solely payment of principal and interest. Accordingly, these groups of financial assets are measured at amortised cost subsequent to initial recognition.

The Group assesses on a forward-looking basis the expected credit losses (ECLs) associated with these groups of financial assets.

For trade receivables, finance lease receivables and other receivables – related party, the Group applied the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

2. Significant accounting policies (continued)

(h) Financial assets (continued)

(1) Financial assets at amortised cost (continued)

For cash and cash equivalents, the general 3 stage approach is applied. Credit loss allowance is based on 12-month ECL if there is no significant increase in credit risk since the initial recognition of the assets. If there is a significant increase in credit risk since initial recognition, lifetime ECL will be calculated and recognised.

When determining whether the credit risk of a financial instrument has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or

- the financial asset is more than 90 days past due.

When the asset becomes uncollectible, it is written off against the allowance amount. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

The impairment allowance is reduced through profit or loss in a subsequent period by the amount of ECL reversal that is required to adjust the loss allowance to the amount that is required to be recognised at the reporting date.

These assets are presented as current assets except for those that are expected to be realised later than 12 months after the balance sheet date, which are presented as non-current assets.

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

2. Significant accounting policies (continued)

(h) Financial assets (continued)

(2) Equity Investments

Equity investments are initially recognised at its fair value. Transaction costs are expensed in profit or loss.

(i) The Group subsequently measures all its equity investments at their fair values. Equity investments are classified as fair value through profit or loss ("FVPL") with movements in their fair values recognised in profit or loss in the period in which the changes arise. Dividends from equity investments are recognised in profit or loss as "dividend income".

(ii) On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any differences between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relating to that asset.

(i) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred, and subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is taken to profit or loss over the period of the borrowings using the effective interest method.

Borrowings are presented as current liabilities in the consolidated balance sheet unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

(j) Borrowing costs

Borrowing costs are recognised in the consolidated statement of comprehensive income using the effective interest method except for those costs that are directly attributable to the construction of vessels. This includes those costs on borrowings acquired specifically for the construction of vessels, as well as those in relation to general borrowings used to finance the construction of vessels.

Borrowing costs on borrowings acquired specifically for the construction of vessels are capitalised in the cost of the vessel under construction during the period of construction until the Group takes delivery of the vessels. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to the construction expenditures that are financed by general borrowings.

2. Significant accounting policies (continued)

(j) Borrowing costs (continued)

The basis for determining the contractual cash flows of the borrowing may be modified as required by the IBOR reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

- the change is necessary as a direct consequence of the reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e. the basis immediately before the change.

For this purpose, the Group updated the effective interest rate of the borrowing to reflect the change that is required.

If other changes are made in addition to those changes required by interest rate benchmark reform described above, then the Group first updated the effective interest rate of the borrowing to reflect the change that is required by interest rate benchmark reform. Then the Group applied the policies on accounting for modification to the additional changes.

(k) Trade and other payables

Trade and other payables represent liabilities to pay for goods or services provided to the Group prior to the end of the financial year which are unpaid. Trade and other payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method and are derecognised when the Group's obligation has been discharged or cancelled or expired.

(l) Leases

(1) As a lessee:

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

The Group recognised a right-of-use asset and lease liability at the lease commencement date. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

2. Significant accounting policies (continued)

(l) Leases (continued)

(1) As a lessee (continued):

The right-of-use assets are subsequently carried at cost less accumulated depreciation and accumulated impairment losses (note 2(f)). Depreciation is calculated on straight-line method from the commencement date to the to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or it is reasonably certain that the Group will exercise a purchase option. In that case, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment.

Right-of-use assets are presented within "Right-of-use assets (vessels)".

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. From 1 January 2021, where the basis for determining future lease payments changes as required by interest rate benchmark reform, the Group remeasures the lease liability by discounting the revised lease payments using the revised discount rate that reflects the change to an alternative benchmark interest rate.

Lease payments included in the measurement of the lease liability comprise the following:
- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension, or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Variable lease payments not dependent on an index or rate and lease payments arising from leases with lease terms less than 12 months are recognised as an expense as incurred, or on a straight-line basis over the lease term and presented within "charter hire expenses".

Payments made in relation to the non-lease components of the leases are recognised as an expense on a straight-line basis over the lease term.

2. Significant accounting policies (continued)

(l) Leases (continued)

(2) As a lessor:

The Group time charters vessels to non-related parties under operating lease agreements. The leases have varying terms.

Lessor – Finance leases

Leases where the Group has transferred substantially all risks and rewards incidental to ownership of the leased assets to the lessees, are classified as finance leases. The leased asset is derecognised and the present value of the lease receivable is recognised on the balance sheet. Each lease payment received is applied against the gross investment in the finance lease receivable to reduce both the principal and the unearned finance income. The finance income is recognised in profit or loss on a basis that reflects a constant periodic rate of return on the net investment in the finance lease receivable. The Group applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease (see note 2(h)).

Initial direct costs incurred by the Group in negotiating and arranging finance leases are added to finance lease receivables and reduce the amount of income recognised over the lease term.

Lessor – Operating leases

Leases, where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

(3) As an intermediate lessor:

In classifying a sublease, the Group as an intermediate lessor classifies the sublease as a finance or an operating lease with reference to the right-of-use asset arising from the head lease, rather than the underlying asset.

When the sublease is assessed as a finance lease, the Group derecognises the right-of-use asset relating to the head lease that it transfers to the sublessee and recognised the net investment in the sublease within "Finance lease receivables". Any differences between the right-of-use asset derecognised and the net investment in sublease is recognised in the statement of comprehensive income. Lease liability relating to the head lease is retained on the balance sheet, which represents the lease payments owed to the head lessor.

When the sublease is assessed as an operating lease, the Group recognise lease income from sublease in profit or loss within "Revenue from time charter voyages". The right-of-use asset relating to the head lease is not derecognised.

2. Significant accounting policies (continued)

(m) Fair value estimation of financial assets and liabilities

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the-counter securities and derivatives) are based on quoted market prices at the balance sheet date. The quoted market prices for financial assets are the current bid prices; the appropriate market prices used for financial liabilities are the current asking prices.

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Where appropriate, quoted market prices or dealer quotes for similar instruments are used.

(n) Inventories

Inventories comprise fuel oil remaining on board and liquefied petroleum gas held for trading purposes.

Fuel oil is measured at the lower of cost (on a first-in, first-out basis) and net realisable value.

Liquefied petroleum gas held for trading purposes are measured at fair value less costs to sell. Any change in fair value is recognised in profit or loss for the period in which it arose.

(o) Provisions for other liabilities and charges

Provisions are recognised when the Group has a present legal or constructive obligation where as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. When the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in profit or loss as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

2. Significant accounting policies (continued)

(p) Foreign currency translation

(1) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements of the Group are presented in United States Dollars ("US$"), which is the functional currency of the Company.

(2) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss within "finance expense – net".

(3) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from United States Dollars are translated into United States Dollars as follows:

(i) Assets and liabilities are translated at the closing rate at the reporting date;

(ii) Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates on the transactions); and

(iii) All resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the entity giving rise to such reserve.

2. Significant accounting policies (continued)

(q) Employee benefits

Employee benefits are recognised as an expense unless the cost qualifies to be classified as an asset.

(1) Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

(2) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(3) Share-based compensation

The Group operates an equity-settled, share-based compensation plan. The value of the employee services received in exchange for the grant of options is recognised as an expense with a corresponding increase in the share-based payment reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the share options granted on grant date. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become exercisable on the vesting date. At each balance sheet date, the Group revises its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share-based payment reserve over the remaining vesting period.

When the share options are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the share-based payment reserve are credited to share capital (nominal value) and share premium, when new ordinary shares are issued, or to the "treasury shares" account, when treasury shares are reissued to the employees.

2. Significant accounting policies (continued)

(r) Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount reported in the balance sheet when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(s) Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand and short-term bank deposits less margin account held with brokers which are subject to an insignificant risk of change in value.

(t) Share capital and treasury shares

Common shares are classified as equity. Incremental costs directly attributable to the issuance of new common shares are deducted against share premium, a component of the share capital account.

When any entity within the Group purchases the Company's common shares ("treasury shares"), the carrying amount which includes the consideration paid and any directly attributable transaction cost is presented as a component within equity attributable to the Company's equity holders, until they are cancelled, sold, or reissued.

When treasury shares are subsequently sold or reissued pursuant to an employee share option scheme, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve.

2. Significant accounting policies (continued)

(u) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate for each jurisdiction.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date, and reflects uncertainty related to income taxes, if any.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

(v) Dividend to Company's shareholders

Dividend to the Company's shareholders is recognised when the dividend is approved.

(w) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to Management whose members are responsible for allocating resources and assessing the performance of the operating segments.

(x) Non–current assets (or disposal groups) held-for-sale

Non-current assets (or disposal groups) are classified as assets held-for-sale and carried at the lower of carrying amount and fair value less costs to sell if its carrying amount is recovered principally through a sale transaction rather than through continuing use. The asset is not depreciated or amortised while it is classified as held-for-sale. Any impairment loss on initial classification and subsequent measurement value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in profit or loss.

2. Significant accounting policies (continued)

(y) Commodity contracts

Physical contracts to buy and sell commodities are accounted for as derivatives at fair value through profit or loss. These derivative gains or losses are presented within Revenue – Product Services. At delivery of the commodity, the sale of the commodity is recognised as revenue under IFRS 15. See note 2(b)(2).

(z) Contingent liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

The Group is involved in certain claims, litigations, and disputes. Due to the nature of these disputes and matters, and the uncertainty of the outcome, the Group believes that possible obligations arising are remote and the amount of exposure cannot currently be determined.

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3. Revenue

	2022 US$'000	2021 US$'000
(a) Revenue – Shipping		
- voyage charter	699,028	451,329
- time charter	134,304	178,856
	833,332	630,185
(b) Revenue – Product Services		
- cargo sales	729,279	619,806
- derivative gain/(loss)	952	(8,636)
	730,231	611,170

4. Expenses by nature

	2022 US$'000	2021 US$'000
Fuel oil consumed	221,436	132,399
Port charges	80,338	70,854
Other voyage expenses	48,242	18,967
Voyage expenses	350,016	222,220
Cost of goods sold – purchase of goods and freight	645,993	557,183
Manning costs	46,878	48,213
Maintenance and repair expenses	32,172	32,736
Insurance expenses	4,146	4,716
Other vessel operating expenses	10,232	14,482
Vessel operating expenses	93,428	100,147
Employee compensation (note 5)	17,647	18,017
Directors' fees	378	377
Audit and other attestation fees	286	241
Other general and administrative expenses	13,605	13,947
General and administrative expenses	31,916	32,582
Time charter-in expenses (short-term)	8,060	6,572
Time charter-in expenses (variable payments)	8,367	2,837
Charter hire expenses	16,427	9,409
Time charter contracts (non-lease components)	19,506	14,427
Sundry income	(661)	(1,153)
Other operating income	(154)	(2,143)
Other operating income - net	(815)	(3,296)

5. Employee compensation

	2022 US$'000	2021 US$'000
Wages and salaries	15,857	16,970
Share-based payments - equity settled	1,372	631
Post-employment benefits - contributions to defined contribution plans	418	416
	17,647	18,017

6. Basic and diluted earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of the Company by the weighted average number of common shares outstanding during the financial year.

Diluted earnings per share is calculated by dividing the net profit or loss attributable to equity holders of the Company by the weighted average number of common shares outstanding during the financial year, after adjusting for all dilutive potential ordinary shares. The potential common shares arising from the Company's equity-settled, share-based compensation plan does not have a material impact on the computation of basic earnings per share.

	2022	2021
Net profit attributable to equity holders of the Company (US$'000)	227,396	184,821
Weighted average number of common shares outstanding ('000) *	135,416	138,951
Basic and diluted earnings per share (US$ per share)	1.68	1.33

* Includes dilutive shares from share options of 664,756 (2021: 1,052,789)

7. Income tax expense

(a) Income tax expense

	2022 US$'000	2021 US$'000
Tax expense attributable to profit is made up of:		
- profit for the financial year:		
current income tax	1,315	563
- under/(over)provision in prior financial years:		
current income tax	349	(42)
- recognition of deferred tax assets		
current income tax	(593)	-
	1,071	521

7. Income tax expense (continued)

(b) Movement in current income tax liabilities

	2022 US$'000	2021 US$'000
At beginning of the financial year	1,231	995
Income tax expense	1,664	521
Income tax paid	(730)	(148)
Acquisition of subsidiary (note 25)	66	-
Currency effects	258	(137)
At end of the financial year	2,489	1,231

(c) Movement in deferred tax assets

	2022 US$'000	2021 US$'000
At beginning of the financial year	-	-
Tax credited to profit for the financial year	593	-
Acquisition of subsidiary (note 25)	5,919	-
Currency effects	208	-
At end of the financial year	6,720	-

Deferred tax assets are recognised for tax losses carried forward for the Group's Spanish subsidiary, Vilma Oil Trading, S.L., to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group has concluded that the deferred tax assets will be recoverable from the estimated future taxable income of the subsidiary within the next five years.

There is no income, withholding, capital gains or capital transfer taxes payable in Bermuda. Income tax expense reconciliation is as follows:

	2022 US$'000	2021 US$'000
Profit before tax	239,648	186,941
Tax calculated at a tax rate of 0% (2021: 0%)	-	-
Effects of different tax rates in other countries	1,664	521
Recognition of unutilised tax losses	(593)	-
Income tax expense	1,071	521

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NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2022

8. Property, plant and equipment

	Vessels US$'000	Dry docking US$'000	Furniture and fixtures US$'000	Right-of-use assets (Vessels) US$'000	Total US$'000
Cost					
At 1 January 2022	2,267,087	63,614	555	176,659	2,507,915
Additions	33,734	12,347	111	79,350	125,542
Acquisition of subsidiary (note 25)	-	-	151	123,336	123,487
Disposals	(141,530)	(5,418)	-	-	(146,948)
Reclassified to assets held-for-sale (note 12)	(209,049)	(5,356)	-	-	(214,405)
Write off on completion of dry docking costs	-	(10,180)	-	-	(10,180)
Currency effects	(34,525)	(1,290)	-	-	(35,815)
At 31 December 2022	1,915,717	53,717	817	379,345	2,349,596
Accumulated depreciation and impairment charge					
At 1 January 2022	510,553	28,463	478	68,923	608,417
Depreciation charge	99,590	11,967	32	47,226	158,815
Disposals	(63,118)	(2,909)	-	-	(66,027)
Write-back of impairment charge	-	-	-	(1,470)	(1,470)
Reclassified to assets held-for-sale (note 12)	(81,590)	(4,205)	-	-	(85,795)
Write off on completion of dry docking costs	-	(10,180)	-	-	(10,180)
Currency effects	(2,830)	(796)	-	-	(3,626)
At 31 December 2022	462,605	22,340	510	114,679	600,134
Net book value					
At 31 December 2022	1,453,112	31,377	307	264,666	1,749,462

8. Property, plant and equipment (continued)

	Vessels US$'000	Dry docking US$'000	Furniture and fixtures US$'000	Right-of-use assets (Vessels) US$'000	Total US$'000
Cost					
At 1 January 2021	2,250,450	68,444	546	213,408	2,532,848
Additions	157,395	29,932	9	20,866	208,202
Acquisition of subsidiary (note 25)	189,999	7,001	-	-	197,000
Disposals	(148,055)	(9,130)	-	(57,615)	(214,800)
Reclassified to assets held-for-sale (note 12)	(179,155)	(8,206)	-	-	(187,361)
Write off on completion of dry docking costs	-	(24,313)	-	-	(24,313)
Currency effects	(3,547)	(114)	-	-	(3,661)
At 31 December 2021	2,267,087	63,614	555	176,659	2,507,915
Accumulated depreciation and impairment charge					
At 1 January 2021	520,253	44,303	410	66,142	631,108
Depreciation charge	104,030	14,774	68	34,781	153,653
Disposals	(59,138)	(5,454)	-	(32,000)	(96,592)
Write-back of impairment charge	(31,901)	-	-	-	(31,901)
Reclassified to assets held-for-sale (note 12)	(22,567)	(804)	-	-	(23,371)
Write off on completion of dry docking costs	-	(24,313)	-	-	(24,313)
Currency effects	(124)	(43)	-	-	(167)
At 31 December 2021	510,553	28,463	478	68,923	608,417
Net book value					
At 31 December 2021	1,756,534	35,151	77	107,736	1,899,498

(a) Vessels with an aggregate carrying amount of US$974.5 million as at 31 December 2022 (2021: US$1,791.7 million) are secured on borrowings (note 17).

(b) As at 31 December 2022, the Group has capital commitments relating to vessel upgrade of US$nil (2021: US$11.5 million).

(c) In FY 2022, the Group wrote-back an impairment charge of US$1.5 million on a right-of-use vessel (FY 2021: wrote-back an impairment charge of US$31.9 million on certain vessels) to their recoverable amounts following the recovery of the freight market and asset prices from when the impairment losses were recognised. In FY 2021, the recoverable amounts of the vessels were based on the higher of fair value less cost to sell and value-in-use calculation, with each vessel being regarded as one cash generating unit. The recoverable amount of each vessel is estimated based on independent third party valuation reports, which made reference to comparable transaction prices of similar vessels. These are regarded as level 2 fair values under the fair value hierarchy of IFRS 13 Fair value measurement that is also applicable for financial assets/liabilities. The Group has assessed that the brokers had the required competency and capability to perform the valuations. The Group had also considered the appropriateness of the valuation methodologies and assumptions used by the brokers.

9. Finance lease receivables

In 2019, back-to-back time charter contracts were entered into and the subleases were accounted for as finance leases under IFRS 16. The adoption of IFRS 16 resulted in the recognition of net investment in subleases as finance lease receivables and the movements as follows:

	2022 US$'000	2021 US$'000
At beginning of the financial year	18,061	35,327
Repayments	(7,535)	(17,266)
At end of the financial year	10,526	18,061

The table below sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date.

	Less than 1 year US$'000	Between 1 and 2 years US$'000	Between 2 and 3 years US$'000	Between 3 and 4 years US$'000	Between 4 and 5 years US$'000	Total US$'000
At 31 December 2022						
Undiscounted lease receivables	8,120	2,707	-	-	-	10,827
Less: Unearned finance income	(278)	(23)	-	-	-	(301)
	7,842	2,684	-	-	-	10,526
At 31 December 2021						
Undiscounted lease receivables	8,120	8,120	2,707	-	-	18,947
Less: Unearned finance income	(585)	(278)	(23)	-	-	(886)
	7,535	7,842	2,684	-	-	18,061

10. Inventories

	2022 US$'000	2021 US$'000
Fuel oil, at cost	111,524	26,595
Liquefied petroleum gas, held for trading	2,421	27,989
	113,945	54,584

11. Trade and other receivables

	2022 US$'000	2021 US$'000
Trade receivables - non-related parties	182,097	143,723
Other receivables - non-related parties	24,144	17,083
Other receivables - related parties ^	1,614	1,317
	207,855	162,123
Prepayments	11,193	29,507
	219,048	191,630
Non-current	15,869	-
Current	203,179	191,630
	219,048	191,630

^ Related parties refer to corporations controlled by a shareholder of the Company.

Contract assets – accrued revenue of US$59.1 million (2021: US$35.1 million) had been presented within "Trade receivables – non-related parties". These relate to the Group's rights to consideration for proportional performance from voyage charters-in-progress at the balance sheet date. The contract assets are transferred to trade receivables when the rights become unconditional which typically occurs in the next financial year. This usually occurs when the Group invoices the customers.

Other receivables due from non-related parties include GST paid to India's Government in advance. After taking into account the present value of other receivables (non-current), the carrying amounts approximate their fair value.

Other receivables due from related parties comprise mainly advances for vessel operating expenses. They are unsecured, interest-free and repayable on demand. The carrying amounts of trade receivables and prepayments, principally denominated in US$, approximate their fair values due to the short-term nature of these balances.

12. Assets held-for-sale

	2022 US$'000	2021 US$'000
At beginning of the financial year	39,027	-
Reclassified from property, plant and equipment (note 8)	128,610	163,990
Disposal	(80,768)	(124,963)
At end of the financial year	86,869	39,027

As at 31 December 2022, assets held-for-sale comprised two VLGCs (2021: one VLGC) that have been committed for sale to a non-related party.

13. Equity financial assets, at fair value

	2022 US$'000	2021 US$'000
At beginning of financial year	3,250	28,259
Additions	271	4,072
Disposals	(250)	(31,076)
Fair value gains	-	1,995
At end of financial year	3,271	3,250

14. Derivative financial instruments

	2022 Assets US$'000	2022 Liabilities US$'000	2021 Assets US$'000	2021 Liabilities US$'000
Interest rate swaps	23,806	-	-	(14,140)
Forward freight agreements and related bunker swaps	-	(3,152)	17,442	(10,789)
Commodity contracts and derivatives	89,346	(30,706)	6,079	-
Forward foreign exchange contracts	-	(77)	161	(16)
	113,152	(33,935)	23,682	(24,945)
Non-current	23,806	(929)	-	(12,962)
Current	89,346	(33,006)	23,682	(11,983)
	113,152	(33,935)	23,682	(24,945)

As at 31 December 2022, the Group has interest rate swaps with total notional principal amounting to US$358.6 million (2021: US$519.4 million). The Group's interest rate swaps mature between 2024 to 2028.

Interest rate swaps were transacted to hedge the interest rate risk on bank borrowings. After taking into account the effects of these contracts, for part of the bank borrowings, the Group would effectively pay fixed interest rates ranging from 1.8% per annum to 2.9% per annum and would receive a variable rate equal to US$ three-month LIBOR. Hedge accounting was adopted for these contracts.

Forward freight agreements and related bunker swaps were transacted to hedge freight rates and bunker price risks. Hedge accounting was adopted for these contracts.

Commodity contract derivatives comprise physical buy and sell commodity contracts measured at fair value through profit or loss, and commodity derivative contracts. The Group did not adopt hedge accounting for these contracts.

Forward foreign exchange contracts were transacted to hedge foreign exchange risks. The Group did not adopt hedge accounting for these contracts.

15. Cash and cash equivalents

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	2022 US$'000	2021 US$'000
Cash and cash equivalents per consolidated balance sheet	236,151	132,673
Less: Margin account held with broker *	(15,236)	(3,026)
Cash and cash equivalents per consolidated statement of cash flows	220,915	129,647

* Margin account held with brokers are collateral for open derivative financial instruments.

16. Share capital and other reserves

(a) Issued and fully paid share capital

(i) As at 31 December 2022 and 31 December 2021, the Company's share capital comprised 141,938,998 fully paid common shares with a par value of US$0.01. Fully paid common shares carry one vote per share and carry a right to dividend as and when declared by the Company.

(ii) The Company operates two equity-settled, share-based compensation plans. The 2017 Long-Term Incentive Plan ("LTIP 2017") was fully awarded in 2021. At the end of the vesting periods between February 2020 and February 2024, common shares of 2,043,784 (2021: 2,225,544) may be acquired by certain employees from the Company at a predetermined strike price. Under the 2022 Long-Term Incentive Plan ("LTIP 2022"), at the end of the vesting periods between February 2025 and February 2029, common shares of 3,463,336 may be acquired by certain employees from the Company at a predetermined strike price.

(b) Share premium

The differences between the consideration for common shares issued and their par value are recognised as share premium.

(c) Capital reserve

As at 31 December 2022 and 31 December 2021, negative capital reserve amounted to US$36.3 million, which comprises negative reserve arising from the business acquisition of entities under common control using the pooling-of-interest method of accounting of US$41.5 million and a gain on disposal of treasury shares of US$5.2 million in December 2015.

(d) Other reserve

Other reserve includes US$2.2 million of tonnage tax reserves of the Group's Indian subsidiary, BW Global United LPG India Private Limited. This amount is computed based on the subsidiary's profits pursuant to Section 115 JB to Tonnage tax reserve.

(e) Share-based payment reserve

Certain employees are entitled to receive common shares in the Company. This award is recognised as an expense in the consolidated profit or loss with a corresponding increase in the share-based payment reserve over the vesting periods. For the year ended 31 December 2022, an expense of US$1.4 million (2021: US$0.5 million) was recognised in the consolidated profit or loss with a corresponding increase (2021: increase) recognised in the share-based payment reserve.

16. Share capital and other reserves (continued)

(f) Treasury shares

	Number of shares		Amount	
	2022 ’000	2021 ’000	2022 US$’000	2021 US$’000
Balance as at 1 January	5,001	3,842	23,294	16,895
Transfer of treasury shares	(923)	(213)	(3,324)	(937)
Purchases of treasury shares	4,480	1,372	27,661	7,336
Balance as at 31 December	8,558	5,001	47,631	23,294

In 2022, 923,000 shares (2021: 213,000 shares) were transferred to certain members in settlement of their exercising of certain vested options granted under LTIP 2017.

On 8 December 2021, the Company announced a share buy-back programme, under which the Company will purchase up to 10 million common shares for a maximum amount of US$50 million, to be held as treasury shares. In FY 2022, the Company purchased a total of 4,480,086 (2021: 1,371,192) of its own common shares at an average price of US$6.18 (NOK58.75) (2021: US$5.33 (NOK47.96)) per share for an aggregate consideration of US$27.7 million (NOK263.2 million) (2021: US$7.3 million (NOK65.8 million)).

17. Borrowings

	2022 US$’000	2021 US$’000
Bank borrowings	421,325	740,243
Trust receipts	53,138	-
Interest payable	3,910	2,046
	478,373	742,289
Non-current	362,220	659,781
Current	116,153	82,508
	478,373	742,289

As at 31 December 2022, bank borrowings amounting to US$425.2 million (2021: US$742.3 million) are secured by mortgages over certain vessels of the Group (note 8). These bank borrowings are interest bearing at three-month US Dollar LIBOR plus a margin. The carrying amounts of non-current and current borrowings approximate their fair values because interest rates are repriced on a regular basis.

18. Lease liabilities

	2022 US$'000	2021 US$'000
At beginning of financial year	132,540	188,446
Additions	53,059	20,866
Acquisition of subsidiary (note 25)	90,463	-
Lease modifications	20,791	(28,151)
Repayments	(54,181)	(48,621)
At end of financial year	242,672	132,540
Non-current	106,281	86,140
Current	136,391	46,400
	242,672	132,540

19. Trade and other payables

	2022 US$'000	2021 US$'000
Trade payables - non-related parties	175,895	38,570
Other payables - non-related parties	196	151
Other payables - related parties^	409	7
Charter hire received in advance	2,825	4,591
Other accrued operating expenses	44,598	34,060
	223,923	77,379

^ Related parties refer to corporations controlled by a shareholder of the Company.

The carrying amounts of trade and other payables, principally denominated in US$, approximate their fair values due to the short-term nature of these balances.

Other payables due to related parties are unsecured, interest-free and are payable on demand.

20. Related party transactions

In addition to the information disclosed elsewhere in the consolidated financial statements, the following transactions took place between the Group and related parties during the financial year at terms agreed between the parties:

(a) Services

	2022 US$'000	2021 US$'000
Charter hire expense charged by related party^	2,808	-
Corporate service fees charged by related parties^	6,865	6,731
Ship management fees charged by related parties^	1,258	1,501
Corporate service fees charged to related parties^	242	181

^ Related parties refer to corporations controlled by a shareholder of the Company.

20. Related party transactions (continued)

(b) Key management's remuneration

	2022 US$'000	2021 US$'000
Salaries and other short-term employee benefits	**3,191**	3,252
Post-employment benefits - contributions to defined contribution plans and share-based payment	**1,237**	533
Directors' fees	**376**	377
	4,804	4,162

(c) Others

	2022 US$'000	2021 US$'000
Interest income from a joint venture	**-**	1,849*
Sale of vessels to a joint venture	**-**	45,000*

* Transactions with a joint venture prior to acquisition (note 25)

21. Commitments

(a) Commitments – as a lessor

The Group time charters vessels to non-related parties under operating lease agreements. The leases have varying terms.

The future minimum lease payments receivable under non-cancellable operating leases contracted for at the balance sheet date but not recognised as receivables, are as follows:

	2022 US$'000	2021 US$'000
Less than one year	**138,567**	40,257
One to two years	**6,176**	14,485
	144,743	54,742

(b) Sub-leasing – as a lessor

Included within "Revenue from time charter voyages" was income from sub-leasing of right-of-use assets of US$nil million (2021: US$15.6 million).

22. Financial risk management

The Group's activities expose it to a variety of financial risks. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on financial performance of the Group. Where applicable, the Group uses financial instruments such as interest rate swaps, forward freight agreements, bunker swaps, and commodity contracts to hedge certain financial risk exposures.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group.

(a) Market risk

(i) Fuel price risk

The Group is exposed to the risk of variations in fuel oil costs, which are affected by the global political and economic environment. In 2022, fuel oil costs comprised 45% (2021: 36%) of the Group's total operating expenses (excluding amortisation, depreciation and charter hire expenses).

(ii) Currency risk

The Group's business operations are not exposed to significant foreign exchange risk as it has no significant regular transactions denominated in foreign currencies.

(iii) Equity price risk

The Group is exposed to equity securities price risk arising from the investments held by the Group which are classified as equity financial assets, at FVPL. These securities are unquoted. If prices for these equity securities increase/decrease by 20% with other variables including tax rate being held constant, the profit after tax will be higher/lower by approximately US$0.7 million (2021: US$0.7 million).

(iv) Commodity price risk

Commodity price risk results primarily from exposures to fluctuations in spot prices and forward prices of LPG and LPG freight indexes due to the Group's LPG trading operations. The Group holds positions to meet physical supply commitments to its customers and to leverage on physical arbitrage opportunities between the key LPG markets. The value of these positions is accounted for at fair value and are therefore impacted by changes in market prices. A large majority of price risks arising from the LPG trading activities are hedged to the corresponding commodity price exposures.

The Group monitors the market risk arising from commodity price risk using Daily Value at Risk (VaR) calculated at a 95 percent confidence level, which is a statistical estimate of the potential decline in value of the Group's positions due to market movements.

22. Financial risk management (continued)

(a) Market risk (continued)

(v) Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates.

The Group's bank borrowings are at variable rates. The Group has entered into interest rate swaps to swap floating interest rates to fixed interest rates for certain portions of the bank borrowings (note 17). If the US$ interest rates increase/decrease by 50 basis points (2021: 10 basis points) with all other variables including tax rate being held constant, the profit after tax will be lower/higher by approximately US$0.2 million (2021 profit after tax will be lower/higher by approximately US$0.3 million) as a result of higher/lower interest expense on these borrowings; the other comprehensive loss will be lower/higher by approximately US$5.2 million (2021: other comprehensive loss will be lower/higher by approximately US$1.4 million).

A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates (IBORs) with alternative nearly risk-free rates (referred to as 'IBOR reform'). The Group has exposure to IBORs on its financial instruments that will be replaced or reformed as part of these market-wide initiatives. The Group's main IBOR exposure at 31 December 2022 was indexed to US dollar LIBOR. The alternative reference rate for the US dollar LIBOR is the Secured Overnight Financing Rate (SOFR). US dollar LIBOR is expected to be discontinued after June 2023.

The Group holds derivatives for risk management purposes, some of which are designated in hedging relationships. These derivatives have floating legs that are mainly indexed to US dollar LIBOR. The Group's derivative instruments are governed by contracts based on the International Swaps and Derivatives Association (ISDA)'s master agreements. While ISDA has provided fallback provisions for the cessation of IBOR, the Group plans to negotiate the modifications of the derivatives in conjunction with the hedged instruments to minimise hedge ineffectiveness.

The Group monitors the progress of transition from IBORs to new benchmark rates by reviewing the total amounts of contracts that have yet to transition to an alternative benchmark rate and the amounts of such contracts that include an appropriate fallback clause. The Group considers that a contract is not yet transitioned to an alternative benchmark rate when interest under the contract is indexed to a benchmark rate that is still subject to IBOR reform, even if it includes a fallback clause that deals with the cessation of the existing IBOR (referred to as an 'unreformed contract'). As at 1 January 2022 and at 31 December 2022, the Group does not yet have any contracts with appropriate fallback clauses.

22. Financial risk management (continued)

(a) Market risk (continued)

(v) Interest rate risk (continued)

The Group holds interest rate swaps for risk management purposes which are designated in cash flow hedging relationships. The interest rate swaps have floating legs that are indexed to various IBORs. The Group's derivative instruments are governed by contracts based on the International Swaps and Derivatives Association (ISDA) master agreements. ISDA is currently reviewing its standardised contracts in the light of IBOR reform. When ISDA has completed its review, the Group expects to negotiate the inclusion of new fall-back clauses with its derivative counterparties. No derivative instruments have been modified as at 31 December 2022.

The Group has evaluated the extent to which its cash flow hedging relationships are subject to uncertainty driven by IBOR reform as at 31 December 2022. The Group's hedged items and hedging instruments continue to be indexed to various IBORs. These benchmark rates are quoted each day and the IBOR cash flows are exchanged with its counterparties as usual.

The Group's cash flow hedging relationships extend beyond the anticipated cessation date for IBOR. However, there is uncertainty about when and how replacement may occur with respect to the relevant hedged items and hedging instruments. Such uncertainty may impact the hedging relationship. The Group applies the amendments to IFRS 9 issued in December 2019 to those hedging relationships directly affected by IBOR reform.

Hedging relationships impacted by IBOR reform may experience ineffectiveness attributable to market participants' expectations of when the shift from the existing IBOR benchmark rate to an alternative benchmark interest rate will occur. This transition may occur at different times for the hedged item and hedging instrument, which may lead to hedge ineffectiveness.

(b) Credit risk

Credit risk is diversified over a range of counterparties including several key charterers. The Group performs ongoing credit evaluation of its charterers and has policies in place to ensure that credit is extended only to charterers with appropriate credit histories or financial resources. In this regard, the Group is of the opinion that the credit risk of counterparty default is appropriately mitigated. In addition, although the trade and other receivables consist of a small number of customers, the Group has policies in place for the control and monitoring of the concentration of credit risk. The Group has implemented policies to ensure cash is only deposited with internationally recognised financial institutions with good credit ratings.

22. Financial risk management (continued)

(b) Credit risk (continued)

The Group's credit risk is primarily attributable to trade and other receivables, finance lease receivables, amounts due from related parties and cash and cash equivalents. The Group has assessed the ECL as at 31 December 2022 and 31 December 2021 based on past events, current conditions and forecasts of future economic conditions:

(i) General approach

- bank deposits are not impaired and are mainly deposits with banks with credit-ratings assigned by international credit-rating agencies; and

(ii) Simplified approach

- trade receivables are neither past due nor impaired and are substantially from companies with a good collection track record with the Group; and
- finance lease receivables are due from customers with good credit standing, and in the event of default, the Group would be entitled to repossess the vessels chartered.
- other receivables from related parties are not past due.

Based on the assessment of the qualitative factors that are indicative of the risk of default, there have been no significant increases in the credit risk since the initial recognition of these financial assets, as such, the expected credit losses based on the 12-month ECLs has been assessed to be insignificant.

There is no significant balance as at the balance sheet date that is past due as substantial portions of the trade and other receivables represent accrued revenue for voyage charters-in-progress, unbilled receivables from time charters and unbilled demurrage receivables at the balance sheet date. The maximum exposure is represented by the carrying value of each financial asset on the consolidated balance sheet before taking into account any collateral held.

22. Financial risk management (continued)

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the Group maintains sufficient cash for its daily operations via short-term cash deposit at banks and has access to unutilised portions of revolving facilities offered by financial institutions.

The table below analyses non-derivative financial liabilities of the Group into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date on an undiscounted basis.

	Less than 1 year US$'000	Between 1 and 2 years US$'000	Between 2 and 5 years US$'000	Over 5 years US$'000
At 31 December 2022				
Trade and other payables	221,098	-	-	-
Bank borrowings	79,684	77,964	325,360	27,134
Trust receipts	53,138	-	-	-
Lease liabilities	143,012	45,676	54,869	13,664
	496,932	123,640	380,229	40,798
At 31 December 2021				
Trade and other payables	72,788	-	-	-
Bank borrowings	92,529	91,622	321,824	290,788
Lease liabilities	50,809	35,793	56,208	-
	216,126	127,415	378,032	290,788

(d) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend paid, return capital to shareholders, obtain new borrowings or sell assets to reduce borrowings.

The Group monitors capital based on a book leverage ratio (defined as total debt to total equity and debt). The Group pursues a policy aiming to achieve a target book leverage ratio of below 60%. If the book leverage ratio is higher than 60%, the Group will seek to return to a conservative financial level by disposing assets, deleveraging the balance sheet; and/or increasing fixed income coverage within a reasonable period of time.

The Group's leverage ratio net of cash at 31 December 2022 is 24% (2021: 35%).

The Group is in compliance with all other externally imposed capital requirements for the financial year ended 31 December 2022 and 31 December 2021.

22. Financial risk management (continued)

(e) Financial instruments by category

The aggregate carrying amounts of the Group's financial instruments are as follows:

	2022 US$'000	2021 US$'000
Equity financial assets, at FVPL	3,271	3,250
Net derivative assets/(liabilities) measured at fair value	79,217	(1,263)
Financial assets at amortised cost	384,858	259,647
Financial liabilities at amortised cost	687,968	808,267

(f) Estimation of fair value

IFRS 13 established a fair value hierarchy that prioritises inputs used to measure fair value. The three levels of the fair value input hierarchy defined by IFRS 13 are as follows:

(i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
(ii) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
(iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

	Level 1 US$'000	Level 2 US$'000	Level 3 US$'000	Total US$'000
2022				
Assets				
Equity financial assets, at FVPL	-	-	3,271	3,271
Derivative financial instruments	-	113,152	-	113,152
Total assets	-	113,152	3,271	116,423
Liabilities				
Derivative financial instruments	-	33,935	-	33,935
Total liabilities	-	33,935	-	33,935
2021				
Assets				
Equity financial assets, at FVPL	-	-	3,250	3,250
Derivative financial instruments	-	23,682	-	23,682
Total assets	-	23,682	3,250	26,932
Liabilities				
Derivative financial instruments	-	24,945	-	24,945
Total liabilities	-	24,945	-	24,945

22. Financial risk management (continued)

(f) Estimation of fair value (continued)

Derivative financial assets and liabilities

The Group's financial derivative instruments primarily relate to interest rate swaps, forward freight agreements, bunker swaps and commodity contracts (note 14) measured at fair value.

Level 1 classifications primarily include exchange-traded futures including interest rate swaps, forward freight agreements and bunker swaps. The fair values of interest rate swaps are calculated at the present value of estimated future cash flows based on observable yield curves. The fair values of forward freight agreements, bunker swaps and commodity contracts measured at fair value are determined using forward commodity indices at the balance sheet date. Level 2 classifications primarily include physical contracts to buy and sell commodities which derive their fair value primarily from exchange quotes and readily available observable broker quotes. Level 3 classifications primarily include unlisted equity investment which was valued using Market approach based on Enterprise Value to Revenue multiple of comparable companies.

Non-derivative non-current financial assets and liabilities

The carrying amount of non-derivative non-current financial assets and liabilities which bear floating interest rates are assumed to approximate their fair value because of the short repricing period. There are no non-current financial assets and liabilities which do not bear floating interest rates.

Non-derivative current financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair value because of the short period to maturity.

22. Financial risk management (continued)

(g) Offsetting financial assets and financial liabilities

The Group has the following financial instruments subject to enforceable master netting arrangements or other similar agreements as follows:

2022	Gross amounts of recognised financial instruments US$'000	Gross amounts of recognised financial instruments offset in the balance sheet US$'000	Net amounts of financial instruments included in the balance sheet US$'000	Related financial instruments that are not offset US$'000	Net amount US$'000
Derivative financial assets					
Commodity contracts (note 14)	110,020	(20,674)	89,346	-	89,346
Derivative financial liabilities					
Commodity contracts (note 14)	-	-	(30,706)	-	(30,706)

2021	Gross amounts of recognised financial instruments US$'000	Gross amounts of recognised financial instruments offset in the balance sheet US$'000	Net amounts of financial instruments included in the balance sheet US$'000	Related financial instruments that are not offset US$'000	Net amount US$'000
Derivative financial assets					
Commodity contracts (note 14)	32,889	(26,810)	6,079	-	6,079

23. Segment information

The Group identifies segments on the basis of those components of the Group that Management regularly reviews. Management considers the business from each individual business segment perspective which comprise the Shipping and Product Services segments.

The reported measures of segment profit is gross profit. For the Shipping segment, gross profit is reflected as TCE income. Operating segment disclosures are consistent with the information reviewed by the Management.

Geographical information

Non-current assets comprise mainly vessels, operating on an international platform with individual vessels calling at various ports across the globe. The Group does not consider the domicile of its customers as a relevant decision making guideline and hence does not consider it meaningful to allocate vessels and revenue to specific geographical locations.

Segment performance is presented below:

	Shipping US$'000	Product Services US$'000	Inter-segment elimination US$'000	Total US$'000
2022				
Revenue from spot voyages	699,028	-	-	699,028
Inter-segment revenue	87,328	-	(87,328)	-
Voyage expenses	(350,016)	-	-	(350,016)
Inter-segment expense	(2,983)	-	2,983	-
Net income from spot voyages	433,357	-	(84,345)	349,012
Revenue from time charter voyages	134,304	-	-	134,304
TCE income – Shipping [1]	567,661	-	(84,345)	483,316
Revenue from Product Services	-	730,231	-	730,231
Inter-segment revenue	-	2,983	(2,983)	-
Cost of goods sold	-	(645,993)	-	(645,993)
Inter-segment expense	-	(87,328)	87,328	-
Gross (loss)/profit – Product Services [2]	-	(107)	84,345	84,238
Gross profit - Total	567,661	(107)	-	567,554
Depreciation	(155,401)	(3,414)	-	(158,815)
Amortisation	(610)	-	-	(610)
Write-back of impairment	1,470	-	-	1,470
Gain on disposal of assets	21,110	-	-	21,110

[1] "TCE income" denotes "time charter equivalent income" which represents revenue from time charters and voyage charters less voyage expenses comprising primarily fuel oil, port charges and commission.

[2] Gross profit from Product Services represents the net trading results which comprise revenue and cost of LPG cargo, derivative gains and losses, and other trading attributable costs.

23. Segment information (continued)

2021	Shipping US$'000	Product Services US$'000	Inter-segment elimination US$'000	Total US$'000
Revenue from spot voyages	451,329	-	-	451,329
Inter-segment revenue	57,345	-	(57,345)	-
Voyage expenses	(222,220)	-	-	(222,220)
Net income from spot voyages	286,454	-	(57,345)	229,109
Revenue from time charter voyages	178,856	-	-	178,856
TCE income – Shipping [1]	**465,310**	**-**	**(57,345)**	**407,965**
Revenue from Product Services	-	611,170	-	611,170
Cost of goods sold	-	(557,183)	-	(557,183)
Inter-segment cost	-	(57,345)	57,345	-
Gross (loss)/profit – Product Services [2]	**-**	(3,358)	57,345	53,987
Gross profit - Total	**465,310**	**(3,358)**	**-**	**461,952**
Depreciation	(153,653)	-	-	(153,653)
Amortisation	(546)	-	-	(546)
Write-back of impairment	31,901	-	-	31,901
Gain on disposal of assets	25,468	-	-	25,468

1 "TCE income" denotes "time charter equivalent income" which represents revenue from time charters and voyage charters less voyage expenses comprising primarily fuel oil, port charges and commission.

2 Gross profit from Product Services represents the net trading results which comprise revenue and cost of LPG cargo, derivative gains and losses, and other trading attributable costs.

Reconciliation of segment profits:

	2022 US$'000	2021 US$'000
Total Gross profit for reportable segments	**567,554**	461,952
Vessel operating expenses	**(93,428)**	(100,147)
Time charter contracts (non-lease components)	**(19,506)**	(14,427)
General and administrative expenses	**(31,916)**	(32,582)
Charter hire expenses	**(16,427)**	(9,409)
Fair value gain from equity financial asset	**-**	1,995
Finance lease income	**585**	1,025
Other operating income - net	**815**	3,296
Depreciation charge	**(158,815)**	(153,653)
Amortisation	**(610)**	(546)
Write-back of impairment charge	**1,470**	31,901
Gain on disposal of assets	**21,110**	25,468
Remeasurement of equity interest in joint venture	**-**	9,835
Finance expenses - net	**(31,184)**	(38,652)
Share of profit of a joint venture	**-**	2,031
Other expenses	**-**	(1,146)
Profit before tax for the financial year	**239,648**	186,941

24. Dividends paid

	2022 US$'000	2021 US$'000
Final dividend paid in respect of FY 2021 of US$0.18 (2021: in respect of FY 2020 of US$0.34) per share	24,182	47,260
Interim dividend paid in respect of Q1 2022 of US$0.31 (2021: in respect of Q1 2021 of US$0.18) per share	42,072	24,679
Interim dividend paid in respect of Q2 2022 of US$0.20 (2021: in respect of Q2 2021 of US$0.10) per share	26,528	13,963
Interim dividend paid in respect of Q3 2022 of US$0.25 (2021: in respect of Q3 2021 of US$0.10) per share	33,923	13,605
	126,705	99,507

The Board has declared a final cash dividend of US$0.52 per share for 2022, amounting to US $69.4 million. Together with the interim dividend paid for Q1 2022 of US$0.31 per share, Q2 2022 of US$0.20 per share and Q3 2022 of US$0.25 per share, the total dividend payout for FY 2022 will amount to US$1.28 per share or US$172 million. The shares will be traded ex-dividend on and after 3 March 2023. The dividend will be payable on or about 17 March 2023 to shareholders of record as at 6 March 2023.

25. Business combinations

FY2022

The Group acquired 85.0% equity interest in Vilma Oil ("Vilma")'s LPG trading operations resulting in the Group obtaining control of the LPG trading operations. From 30 November 2022, the Group accounted for Vilma's LPG trading operations as its subsidiary.

The principal activity of Vilma's LPG trading operations is that of LPG trading operations. As a result of the acquisition, the Group is expected to increase its market presence in LPG trading market.

Details of the consideration paid, the assets acquired and liabilities assumed on a provisional basis, the non-controlling interest recognised and the effects on the cash flows of the Group, at the acquisition date, were as follows. The Group has one year from the date of acquisition to finalise the measurement of the assets acquired and liabilities assumed.

(a) Details of the acquisition

	US$'000
Purchase consideration	53,438
Non-controlling interest [1]	10,327
Less: Fair value of identifiable net assets acquired (provisional)	(63,765)
Goodwill	-

[1] Non-controlling interest was measured based on their proportionate share of interest in the fair value of identifiable net assets acquired.

25. Business combinations (continued)

(b) Effect on cash flows of the Group

	US$'000
Cash paid [1]	51,138
Less: cash and cash equivalents in subsidiary acquired	(1,975)
Cash outflow on acquisition	49,163

[1] Final payment of US$2.3 million to be settled (provisional)

(c) Identifiable assets acquired and liabilities assumed (provisional)

	US$'000
Cash and cash equivalents	1,975
Right-of-use assets (vessels)	123,336
Derivatives financial instruments	81,878
Derivatives financial instruments (commodity contracts)	15,435
Inventories	30,138
Trade and other receivables	150,812
Deferred tax assets	5,919
Other assets	962
Total assets	410,455
Trade and other payables	(134,218)
Borrowings	(99,618)
Lease liabilities	(90,463)
Derivative financial instruments	(22,325)
Current income tax	(66)
Total liabilities	(346,690)
Total identifiable net assets	63,765
Less: Non-controlling interest	(10,327)
	53,438

Right-of-use assets (vessels) comprise the contractual lease payments for the remaining lease term, recalculated on the date of acquisition plus the fair value uplift for those identified as favorable lease contracts. The fair value was derived based on the comparison of forecasted freight rates against actual freight rates.

Derivatives financial instruments comprise exchange traded futures and swaps which are recognised at fair value, derived using exchange traded price indexes.

Derivative financial instruments (commodity contracts) were recognised at fair value on the date of acquisition, derived based on forecasted commodity rates.

The fair value of favourable lease contracts and derivative financial instruments (commodity contracts) have been determined provisionally pending completion of Management's valuation.

If new information obtained within one year from the date of acquisition about facts and circumstances that existed at the date of acquisition identifies adjustments to the above amounts, then the accounting for the acquisition will be revised.

25. Business combinations (continued)

(c) Identifiable assets acquired and liabilities assumed (provisional) (continued)

The carrying amounts of borrowings approximate their fair values because they are short-term in nature. The carrying amounts of trade and other receivables, trade and other payables approximate their fair value due to the short-term nature of these balances and are expected to be collectible or paid in full at the date of acquisition.

For the one month ended 31 December 2022, Vilma LPG trading operations contributed revenue of US$217.0 million and a net loss of US$3.7 million to the Group's results.

FY2021

In Q2 2021, the Group acquired 38.4% equity interest in BW Global United LPG India Private Limited ("BW LPG India") through conversion of loans receivable to equity. As a result, the Group's equity interest in BW LPG India increased from 50% to 88.4% resulting in the Group obtaining control of BW LPG India, and consolidating BW LPG India as a subsidiary, when it was previously accounted for as a joint venture.

The principal activity of BW LPG India is that of vessel owning and chartering. As a result of the acquisition, the Group is expected to increase its market presence in the Indian charter market.

Details of the consideration paid, the assets acquired and liabilities assumed, the non-controlling interest recognised and the effects on the cash flows of the Group, at the acquisition date, were as follows.

(a) Details of the acquisition

	US$'000
Purchase consideration – Conversion of loans receivable to equity	80,565
Non-controlling interest [1]	12,575
Fair value of existing interest in joint venture	15,254
Less: Fair value of identifiable net assets acquired	(108,394)
Goodwill	-

1 Non-controlling interest was measured based on their proportionate share of interest in the fair value of identifiable net assets acquired.

	US$'000
Fair value of existing interest in joint venture	15,254
Carrying amount of interest in joint venture	(5,419)
Remeasurement of equity interest in joint venture [1]	9,835
Acquisition related costs [2]	(1,146)
Net gain on acquisition	8,689

1 Comprise deferred gains of US$4.9 million from the sale of five vessels to the joint venture.
2 Presented as 'Other expense' on the statement of comprehensive income.

25. **Business combinations** (continued)

(b) Effect on cash flows of the Group

	US$'000
Cash paid	-
Less: cash and cash equivalents in subsidiary acquired	(4,633)
Cash inflow on acquisition	(4,633)

(c) Identifiable assets acquired and liabilities assumed

	US$'000
Cash and cash equivalents	4,633
Vessels and dry docking (note 8)	197,000
Inventories	431
Trade and other receivables	8,455
Total assets	210,519
Trade and other payables	(1,213)
Borrowings	(100,912)
Total liabilities	(102,125)
Total identifiable net assets	108,394
Less: Non-controlling interest at fair value	(12,575)
	95,819

The fair value of vessels was estimated based on independent third party valuation reports, which made reference to comparable transaction prices of similar vessels.

The carrying amounts of borrowings approximate their fair values because interest rates are repriced on a regular basis.

The carrying amounts of trade and other receivables approximate their fair value due to the short-term nature of these balances and are expected to be collectible in full at the date of acquisition.

For the nine months ended 31 December 2021, BW LPG India contributed revenue of US$43.6 million and profit of US$13.8 million to the Group's results. If the acquisition had occurred on 1 January 2021, Management estimates that the consolidated revenue would have been higher by approximately US$14.0 million and consolidated profit for the period would have been higher by approximately US$2.0 million.

26. Investment in subsidiaries

In January 2022 and May 2022, an external investor subscribed for US$50 million and US$30 million of new shares in BW LPG India Pte. Ltd. ("BW India"), representing 31.9% and 9.2% equity interest respectively. Following these transactions, the Group now owns approximately 52% in BW India. The share subscription resulted in an increase in non-controlling interest of US$84.3 million and a decrease in equity attributable to shareholders of the Group of US$4.3 million. The effect of changes in the ownership interest of BW India on the equity attributable to shareholders of the Group has been reflected in the consolidated statement of changes in equity.

In November 2022, the Group's subsidiary, BW LPG Product Services Pte. Ltd. ("BW Product Services"), completed the acquisition of Vilma's LPG trading operations. From 30 November 2022, the Group accounted for Vilma's LPG's trading operations as its subsidiary.

Set out below are the summarised financial information for BW LPG India Pte. Ltd. ("BW India") and BW LPG Product Services Pte. Ltd. ("BW Product Services"), that has non-controlling interests that are material to the Group. These are presented before inter-company eliminations.

Summarised balance sheet:

	BW India		BW Product Services
	2022	2021	2022
	US$'000	US$'000	US$'000
Assets			
Current assets	**36,874**	25,673	**329,485**
Includes			
Cash and cash equivalents	**12,216**	1,350	**77,829**
Non-current assets	**337,868**	323,173	**120,085**
Liabilities			
Current liabilities	**33,861**	81,275	**326,246**
Includes			
Borrowings	**27,957**	78,903	**110,260**
Non-current liabilities (Borrowings)	**139,007**	148,286	**62,231**
Net assets	**201,874**	119,285	**61,093**

26. Investment in subsidiaries (continued)

Summarised statement of comprehensive income:

	BW India 2022 US$'000	BW India 2021 US$'000	BW Product Services 2022 US$'000
TCE income	92,561	43,612	-
Gross loss – Product Services	-	-	(107)
Gain on disposal of assets held-for-sale	-	2,637	-
Vessel operating expense	(22,885)	(11,132)	-
Depreciation and amortisation	(32,154)	(16,175)	(3,414)
Finance expense	(7,453)	(3,914)	(1,755)
Other expenses	(2,004)	(1,245)	3,139
Net profit/(loss) after tax	28,065	13,783	(2,137)
Other comprehensive income (currency translation effects)	(34,507)	(2,892)	(895)
Total comprehensive (loss)/income	(6,442)	10,891	(3,032)
Total comprehensive (loss)/income allocated to non-controlling interests	(3,990)	1,262	(1,317)

27. Listing of companies in the Group

Name of companies	Principal activities	Country of incorporation	Effective equity holding 2022	Effective equity holding 2021
(i) Subsidiaries held by the Company				
BW LPG Holding Limited	Investment holding	Bermuda	100%	100%
BW LPG Product Services Limited	Investment holding	Bermuda	100%	100%
(ii) Subsidiaries held by BW LPG Holding Limited				
BW LPG Pte Ltd	Management	Singapore	100%	100%
BW LPG Technologies Pte. Ltd.	Investment holding	Singapore	100%	100%
BW LPG Investments Limited	Investment holding	Bermuda	100%	100%
BW LPG LLC	Management	United States	100%	100%
Aurora LPG Holding AS	Management	Norway	100%	100%

27. Listing of companies in the Group (continued)

Name of companies		Principal activities	Country of incorporation	Effective equity holding 2022	Effective equity holding 2021
(iii) Subsidiaries held by BW LPG Product Services Limited					
BW LPG Product Services Pte. Ltd.	(a)	LPG Trading	Singapore	85%	100%
Vilma Oil Trading, S.L.	(b)	LPG Trading	Spain	85%	-
Vilma Oil Singapore Pte. Ltd.	(b)	LPG Trading	Singapore	85%	-
(iv) Subsidiaries held by BW LPG Pte. Ltd.					
BW Gas LPG Chartering Pte. Ltd		Chartering	Singapore	100%	100%
BW VLGC Pte. Ltd		Shipowning	Singapore	100%	100%
LPG Transport Service Ltd.	(c)	Dormant	Bermuda	-	100%
BW LPG Pool Pte. Ltd.		Chartering	Singapore	100%	100%
BW LPG Partners Pte Ltd		Dormant	Singapore	100%	100%
BW LPG AS		Management	Norway	100%	100%
BW Cyan Limited	(c)	Shipowning	Bermuda	-	100%
BW Constellation I Pte. Ltd.		Shipowning	Singapore	100%	100%
BW Constellation II Pte. Ltd.		Shipowning	Singapore	100%	100%
BW Okpo Pte. Ltd.		Shipowning	Singapore	100%	100%
BW Seoul Pte. Ltd.		Shipowning	Singapore	100%	100%
LPG Kenya Pte. Ltd.	(d)	Investment holding	Singapore	100%	-
BW LPG India Pte. Ltd.	(e)	Management	Singapore	52%	88%
(v) Subsidiary held by BW LPG India Pte. Ltd.					
BW Global United LPG India Private Limited		Shipowning	India	52%	88%

(a) The Group's equity interest in the company decreased to 85% due to a share swap as part of the acquisition of Vilma's LPG trading operations. Post completion of the transaction, the minority shareholder of Vilma's LPG trading operations now owns 15% of BW LPG Product Services Pte. Ltd.
(b) Companies were acquired during the financial year
(c) Companies were liquidated during the financial year
(d) Company was newly incorporated during the financial year
(e) The Group's equity interest in the company decreased to 52% due to issuance of new shares to an external investor. See note 26.

28. Comparative information

Post-acquisition of Vilma's LPG trading operations in November 2022, the Group changed its accounting policy with respect to the accounting of commodity contracts from net basis to gross basis. With the change in policy, gross proceeds from the physical delivery of commodities and change in fair value of commodity contracts are reported as "Revenue – Product Services" on the Consolidated Statement of Comprehensive Income. The Group believes that presentation on a gross basis provides better insights into the financial performance of Product Services' increased trading activities which comprise delivery of commodities to customers and derivative contracts that are entered for trading activities. This change was applied retrospectively.

28. Comparative information (continued)

The following table summarises the impact of the re-presentation to the Group's Consolidated Statement of Comprehensive Income for the year ended 31 December 2021:

	As previously reported	Adjustments	As restated
	US$'000	US$'000	US$'000
Revenue - Shipping spot voyages	508,947	(57,618)	451,329
Revenue - Product Services	-	611,170	611,170
Cost of goods sold - Product Services	-	(557,183)	(557,183)
Net loss from commodity contracts	(3,631)	3,631	-
	505,316	-	505,316

29. Subsequent events

In February 2023, the Group entered into an agreement with an external party to sell one VLGC for delivery in Q1 2023. The sale is expected to generate liquidity of US$53.7 million and a net gain on disposal of US$16.5 million.

30. Climate-related risks consideration

The Group identified climate-related risks related to the global transition towards low-carbon or carbon-neutral solutions, marine environmental factors and industry-led decarbonisation policies. The Group assess transition risks in strategic planning, fleet development and capital expenditure plans for next-generation and existing fleet transition planning. Physical risks from climate events influence the Group's voyage planning and operation strategies. Maritime activities affect the marine environment and the Group identifies better management of ballast water contamination, accidental oil spills and underwater noise pollutions to be key strategies. International Maritime Organisation (IMO) targets to halve international shipping GHG emissions by 2050 may also impact the Group's strategy and its financial performance.

In assessing the impact of climate-related risks on the Group's financial statements, the Group considers if there are near to medium term financial impacts arising from the aforementioned risks. Presently the Group incurs certain operating or capital expenditures to mitigate such climate-related risks and policies. The Group concluded the LPG retrofit project in May 2022 with a US$130 million investment to upgrade 15 owned vessels. The project is a key mitigation in preparation for climate-related transition risks arising from global regulations and market changes.

Notwithstanding, there remains the risk that evolving demands for stronger protection over the environment, evolving laws and regulations and evolving decarbonisation policies may have a significant impact to the Group's financial performance in the future. The Group continues to monitor and assess the potential impact of such developments on its operation and financial performance.

31. New or revised accounting standards and interpretations

A number of new standards, interpretations and amendments to standards are effective for annual periods beginning after 1 January 2023 and earlier application is permitted. However, the Group has not early adopted the new or amended standards and interpretations in preparing these financial statements.

There are no other IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

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BW LPG LIMITED
PARENT COMPANY FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 31 December 2022

	Note	2022 US$'000	2021 US$'000
Dividend from a subsidiary		180,000	150,000
Other operating expenses	3	(4,725)	(3,826)
		175,275	146,174
Foreign currency exchange gain - net	3	14,641	2,573
Profit before tax for the financial year		189,916	148,747
Income tax expense	4	-	-
Profit after tax and total comprehensive income for the financial year		189,916	148,747

The accompanying notes form an integral part of these financial statements.

BW LPG LIMITED
PARENT COMPANY FINANCIAL STATEMENTS

BALANCE SHEET
As at 31 December 2022

	Note	2022 US$'000	2021 US$'000
Subsidiaries	5	1,185,671	1,121,231
Total non-current assets		1,185,671	1,121,231
Other receivables	6	180	180
Cash and cash equivalents		-	-*
Total current assets		180	180
Total assets		1,185,851	1,121,411
Share capital	7	1,419	1,419
Share premium	7	289,812	289,812
Contributed surplus		685,913	685,913
Share-based payment reserve	7	2,141	922
Retained earnings		206,249	143,038
Total shareholder's equity		1,185,534	1,121,104
Trade and other payables	8	317	307
Total liabilities		317	307
Total equity and liabilities		1,185,851	1,121,411

* Amount less than US$1,000

The accompanying notes form an integral part of these financial statements.

BW LPG LIMITED
PARENT COMPANY FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY
For the financial year ended 31 December 2022

	Note	Share capital US$'000	Share premium US$'000	Contributed surplus US$'000	Share-based payment reserve US$'000	Retained earnings US$'000	Total US$'000
Balance at 1 January 2022		1,419	289,812	685,913	922	143,038	1,121,104
Profit for the financial year		-	-	-	-	189,916	189,916
Total comprehensive income for the financial year		-	-	-	-	189,916	189,916
Share-based payment reserve - Value of employee services	7	-	-	-	1,219	-	1,219
Dividends paid	11	-	-	-	-	(126,705)	(126,705)
Total transactions with owners, recognised directly in equity		-	-	-	1,219	(126,705)	(125,486)
Balance at 31 December 2022		1,419	289,812	685,913	2,141	206,249	1,185,534

The accompanying notes form an integral part of these financial statements.

BW LPG LIMITED
PARENT COMPANY FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY (continued)
For the financial year ended 31 December 2022

	Note	Share capital US$'000	Share premium US$'000	Contributed surplus US$'000	Share-based payment reserve US$'000	Retained earnings US$'000	Total US$'000
Balance at 1 January 2021		1,419	289,812	685,913	457	93,798	1,071,399
Profit for the financial year		-	-	-	-	148,747	148,747
Total comprehensive income for the financial year		-	-	-	-	148,747	148,747
Share-based payment reserve - Value of employee services	7	-	-	-	465	-	465
Dividends paid	11	-	-	-	-	(99,507)	(99,507)
Total transactions with owners, recognised directly in equity		-	-	-	465	(99,507)	(99,042)
Balance at 31 December 2021		1,419	289,812	685,913	922	143,038	1,121,104

The accompanying notes form an integral part of these financial statements.

BW LPG LIMITED
PARENT COMPANY FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS
For the financial year ended 31 December 2022

	Note	2022 US$'000	2021 US$'000
Cash flows from operating activities			
Profit before tax for the financial year		189,916	148,747
Adjustments for:			
- share-based payment		1,219	465
- dividend income		(180,000)	(150,000)
Operating cash flow before working capital changes		11,135	(788)
Changes in working capital:			
- other receivables		-	98
- trade and other payables		10	(109)
Net cash provided by/(used in) operating activities		11,145	(799)
Cash flow from investing activities			
Dividends received on behalf by a subsidiary [1]		180,000	150,000
Receivables from subsidiaries [2]		(64,440)	(49,694)
Net cash provided by investing activities		115,560	100,306
Cash flow from financing activity			
Dividends paid on behalf by a subsidiary [1]		(126,705)	(99,507)
Net cash used in financing activity		(126,705)	(99,507)
Net decrease in cash and cash equivalents		-	-
Cash and cash equivalents at beginning of the financial year		-	-
Cash and cash equivalents at end of the financial year		-	-*

[1] Non-cash transactions with a subsidiary
[2] Non-cash advances to subsidiaries
* Amount less than US$1,000

The accompanying notes form an integral part of these financial statements.

BW LPG LIMITED
PARENT COMPANY FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2022

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

BW LPG Limited (the "Company") is listed on the Oslo Stock Exchange and incorporated and domiciled in Bermuda. The address of its registered office is c/o Inchona Services Limited, Washington Mall Phase 2, 4th Floor, Suite 400, 22 Church Street, HM 1189, Hamilton HM EX, Bermuda.

The principal activity of the Company is that of investment holding.

These financial statements were authorised for issue by the Board of Directors of BW LPG Limited on 28 February 2023.

2. Significant accounting policies

(a) Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), and have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

New standards, amendments to published standards and interpretations

The Company has adopted the new standards and amendments to published standards as at 1 January 2022. Changes in the Company's accounting policies have been made as required, in accordance with the transitional provisions in the respective standards and amendments.

The adoption of these new or amended standards and amendments did not result in substantial changes in the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

Critical accounting estimates, assumptions and judgements

The preparation of the financial statements in conformity with IFRS requires Management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no estimates and assumptions which have a material effect on the financial statements.

(b) Revenue and income recognition

Dividend income

Dividend income is recognised when the right to receive payment is established.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2022

2. Significant accounting policies (continued)

(c) Interest in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

Receivables from subsidiaries where settlement is neither planned nor likely in the foreseeable future, are classified as non-current. These receivables are measured at amortised cost subsequent to initial measurement. In assessing an impairment allowance, the Company uses the accounting policy described in note 2(d).

(d) Impairment of non-financial assets

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs.

If the recoverable amount of the asset is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset (or CGU) is reversed if, and only if, there has been a change in the estimates used to determine the asset's (or CGU's) recoverable amount since the last impairment loss was recognised. The carrying amount of this asset (or CGU) is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of accumulated depreciation) had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of impairment loss for an asset (or CGU) is recognised in profit or loss.

(e) Financial assets

The Company managed these groups of financial assets by collecting the contractual cash flow and these cash flows represent solely payment of principal and interest. Accordingly, these groups of financial assets are measured at amortised cost subsequent to initial recognition.

The Company assesses on a forward looking basis the ECLs associated with these groups of financial assets.

For other receivables, the Company applied the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For cash and cash equivalents, the general 3 stage approach is applied. Credit loss allowance is based on 12-month ECL if there is no significant increase in credit risk since initial recognition of the assets. If there is a significant increase in credit risk since initial recognition, lifetime ECL will be calculated and recognised.

When the asset becomes uncollectible, it is written off against the allowance amount. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

2. Significant accounting policies (continued)

(e) Financial assets (continued)

The impairment allowance is reduced through profit or loss in a subsequent period by the amount of ECL reversal that is required to adjust the loss allowance to the amount that is required to be recognised at the reporting date.

These assets are presented as current assets except for those that are expected to be realised later than 12 months after the balance sheet date, which are presented as non-current assets.

(f) Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

(g) Fair value estimation of financial assets and liabilities

The carrying amounts of current financial assets and liabilities carried at amortised costs approximate their fair values due to the short-term nature of the balances.

(h) Provisions for other liabilities and charges

Provisions are recognised when the Company has a present legal or constructive obligation where as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. When the Company expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. Provisions are not recognised for future operating losses.

(i) Financial guarantee contracts

The Company has issued financial guarantees to banks for vessel borrowings and trading facilities for certain of its subsidiaries. These guarantees are subjected to the impairment requirements of IFRS 9. The Company has assessed that its subsidiaries have strong financial capacity to meet the contractual cash flow obligations in the near future and does not expect significant credit losses arising from these guarantees.

(j) Foreign currency translation

(1) Functional currency

The financial statements of the Company are presented in United States Dollar ("US$"), which is the functional currency.

(2) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2022

2. Significant accounting policies (continued)

(k) Share capital

Common shares are classified as equity. Incremental costs directly attributable to the issuance of new common shares are deducted against share premium, a component of the share capital account.

(l) Dividend to Company's shareholders

Dividends to Company's shareholders are recognised when the dividends are approved for payment.

3. Expenses by nature

	2022 US$'000	2021 US$'000
Directors' fees	376	377
Share-based payments - equity settled	1,219	631
Support service fees charged by subsidiaries	2,506	2,485
Other expenses	624	333
Total other operating expenses	4,725	3,826
Foreign currency exchange gain - net [1]	14,641	2,573

[1] Mainly attributable to currency exchange movement on foreign currency denominated intercompany balances with a Company's subsidiary which are eliminated on consolidation.

4. Income tax

No provision for tax has been made for the year ended 31 December 2022 and 2021 as the Company does not have any income that is subject to income tax based on the tax legislation applicable to the Company.

There is no income, withholding, capital gains or capital transfer taxes payable in Bermuda.

5. Subsidiaries

	2022 US$'000	2021 US$'000
Equity investments at cost	685,920	685,920
Receivables from subsidiaries	499,751	435,311
	1,185,671	1,121,231

The receivables from subsidiaries are classified as financial assets at amortised cost. Allowance for impairment on these receivables is insignificant. The receivables are unsecured, interest-free and have no fixed terms of repayment. The settlement of these receivables is neither planned nor likely in the foreseeable future. Accordingly, the receivables are classified as non-current.

5. Subsidiaries (continued)

Details of the subsidiaries held directly by the Company are as follows:

Name of company	Principal activity	Country of incorporation	Equity holding 2022	Equity holding 2021
BW LPG Holding Limited	Investment holding	Bermuda	**100%**	100%
BW LPG Product Services Limited	Investment holding	Bermuda	**100%**	100%

6. Other receivables

	2022 US$'000	2021 US$'000
Other receivables - related parties ^	6	6
Other receivables - non-related parties	174	174
	180	180

^ Related parties refer to corporations controlled by a shareholder of the Company.

The carrying amounts of other receivables, principally denominated in US$, approximate their fair values due to the short-term nature of these balances.

Other receivables due from related parties are unsecured, interest-free and are repayable on demand.

7. Share capital and other reserves

(a) Issued and fully paid share capital

(i) As at 31 December 2022 and 31 December 2021, the Company's share capital comprised of 141,938,998 fully paid common shares with a par value of US$0.01. Fully paid common shares carry one vote per share and carry a right to dividend as and when declared by the Company.

(ii) The Company operates two equity-settled, share-based compensation plans. The 2017 Long-Term Incentive Plan ("LTIP 2017") was fully awarded in 2021. At the end of the vesting periods between February 2020 and February 2024, common shares of 2,043,784 (2021: 2,225,544) may be acquired by certain employees from the Company at a predetermined strike price. Under the 2022 Long-Term Incentive Plan ("LTIP 2022"), at the end of the vesting periods between February 2025 and February 2029, common shares of 3,463,336 may be acquired by certain employees from the Company at a predetermined strike price.

(b) Share premium

The difference between the consideration for common shares issued and their par value are recognised as share premium.

7. Share capital and other reserves (continued)

(c) Share-based payment reserve

Certain employees are entitled to receive common shares in the Company. This award is recognised as an expense in the consolidated profit or loss with a corresponding increase in the share-based payment reserve over the vesting periods. For the year ended 31 December 2022, an expense of US$1.4 million (2021: US$0.5 million) was recognised in the profit or loss with a corresponding increase (2021: increase) recognised in the share-based payment reserve.

8. Trade and other payables

	2022 US$'000	2021 US$'000
Trade payables - non-related parties	48	86
Other accrued operating expenses	269	221
	317	307

The carrying amounts of trade and other payables, principally denominated in US$, approximate their fair values due to the short-term nature of these balances.

9. Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Company and related parties during the financial year at terms agreed between the parties:

(a) Services

	2022 US$'000	2021 US$'000
Corporate service fees charged by subsidiaries	2,506	2,485

(b) Key management's remuneration

	2022 US$'000	2021 US$'000
Directors' fees	376	377

10. Financial risk management

The Company's activities expose it to a variety of financial risks. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on financial performance of the Company.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Company.

(a) Market risk – Currency risk

The Company is exposed to currency risk arising from payables to a subsidiary that are denominated in a currency other than the Company's functional currency. The currency in which these payables are denominated are in Norwegian Krone ("NOK") of US$ 171.2 million (2021: US$112.5 million). A reasonable possible strengthening of the USD against NOK by 3% would have increased profit before tax by US$5.1 million (2021: US$3.4 million). This analysis assumes all other variables remain constant.

(b) Credit risk

The Company's exposure to credit risk is primarily attributable to receivables from subsidiaries, other receivables and cash and cash equivalents. Bank deposits are not impaired and are mainly deposits with banks with credit-ratings assigned by international credit-rating agencies. Receivables from subsidiaries and other receivables are neither past due nor impaired. The maximum exposure is represented by the carrying value of each financial asset on the balance sheet.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Company maintains sufficient cash for its daily operations via short-term cash deposits at banks and funding from a subsidiary.

The table below analyses non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date on an undiscounted basis.

	Less than 1 year US$'000
At 31 December 2022	
Trade and other payables	317
At 31 December 2021	
Trade and other payables	307

10. Financial risk management (continued)

(d) Capital risk

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend paid, return capital to shareholders, or collect dividend from the subsidiary.

The Company is not subject to any externally imposed capital requirements for the financial years ended 31 December 2022 and 31 December 2021.

(e) Financial instruments by category

The aggregate carrying amounts of the Company's financial instruments are as follows:

	2022 US$'000	2021 US$'000
Financial assets at amortised cost	499,931	435,491
Financial liabilities at amortised cost	317	307

11. Dividends paid

	2022 US$'000	2021 US$'000
Final dividend paid in respect of FY 2021 of US$0.18 (2021: in respect of FY 2020 of US$0.34) per share	24,182	47,260
Interim dividend paid in respect of Q1 2022 of US$0.31 (2021: in respect of Q1 2021 of US$0.18) per share	42,072	24,679
Interim dividend paid in respect of Q2 2022 of US$0.20 (2021: in respect of Q2 2021 of US$0.10) per share	26,528	13,963
Interim dividend paid in respect of Q3 2022 of US$0.25 (2021: in respect of Q3 2021 of US$0.10) per share	33,923	13,605
	126,705	99,507

The Board has declared a final cash dividend of US$0.52 per share for 2022, amounting to US $69.4 million. Together with the interim dividend paid for Q1 2022 of US$0.31 per share, Q2 2022 of US$0.20 per share and Q3 2022 of US$0.25 per share, the total dividend payout for FY 2022 will amount to US$1.28 per share or US$172 million. The shares will be traded ex-dividend on and after 3 March 2023. The dividend will be payable on or about 17 March 2023 to shareholders of record as at 6 March 2023.

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NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2022

12. New or revised accounting standards and interpretations

A number of new standards, interpretations and amendments to standards are effective for annual periods beginning after 1 January 2023 and earlier application is permitted. However, the Company has not early adopted the new or amended standards and interpretations in preparing these financial statements.

There are no other IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

05

ESG REPORT

ESG Performance Reporting and Framework Alignment

PERFORMANCE METRICS

Environment

Description of Metric	Unit of Measurement	2022	2021	2020
Emissions				
GHG Emissions				
Total Scope 1 Emissions	CO_2- eq tonnes (‘000)	1,268.7	1,356.0	1,502.5
Carbon Dioxide (CO_2) emitted	CO_2- eq tonnes (‘000)	1,259.2	1,345.6	1,490.9
Methane (CH_4) emitted	CO_2- eq tonnes (‘000)	0.4	0.2	0.2
Nitrous Oxide (N2O) emitted	CO_2- eq tonnes (‘000)	9.1	10.2	11.4
Total Scope 2 Emissions	CO_2- eq tonnes (‘000)	0.04	0.04	0.04
Office Emission - Singapore	CO_2- eq tonnes (‘000)	0.01	0.01	0.01
Office Emission - Oslo	CO_2- eq tonnes (‘000)	0.03	0.03	0.03
Other Emissions				
Nitrogen Oxide (NOx) emitted	Tonnes (‘000)	29.3	37.6	41.6
Sulphur Oxide (SOx) emitted	Tonnes (‘000)	5.8	4.1	3.9
Particulate Matter (PM10) emitted	Tonnes (‘000)	1.9	2.6	3.0
Carbon Intensity Index				
Average Energy Efficiency Design Index (EEDI)	g CO_2 / (tonne.nm)	N/A	N/A	N/A
Energy Efficiency Operation Index (EEOI)	g CO_2 / (tonne.nm)	17.4	17.6	18.1
Annual Efficiency Ratio (AER)	g CO_2 / (tonne.nm)	7.2	7.2	7.4

Description of Metric	Unit of Measurement	2022	2021	2020
Energy				
Fleet Fuel Consumption				
High Sulphur Fuel Oil (HSFO)	Tonnes ('000)	70.9	65.4	52.0
Very Low Sulphur Fuel Oil (VLSFO)	Tonnes ('000)	264.5	318.7	387.1
Low Sulphur Marine Gas Oil (LSMGO)	Tonnes ('000)	28.1	30.1	37.5
Liquified Petroleum Gas (LPG)	Tonnes ('000)	41.9	16.2	1.2
Percentage Heavy Fuel Oil (HFO)	Percentage (%)	53%	N/A	N/A
Energy Consumption				
Total energy consumption within the organization	Terajoules	16,533.2	17,943.8	20,035.2
(1) Energy consumption for vessels	Terajoules	16,532.7	17,943.4	20,034.8
Renewable fuel consumption	Terajoules	0	0	0
Non-renewable fuel consumption	Terajoules	16,532.7	17,943.4	20,034.8
(2) Energy consumption for office	Terajoules	0.5	0.4	0.4
Ship Recycling and Ecological Impacts				
Number of vessels recycled	Number	0	0	0
Shipping duration in marine protected areas or areas of protected conservation status	Number of travel days	N/A	N/A	N/A
Percentage of fleet implementing ballast water				
(1) Total exchange	Percentage (%)	100%	100%	100%
(2) Total treatment	Percentage (%)	90%	71%	40%
Spills and releases to the environment				
(1) Number of	Number	0	0	0
(2) Aggregate volume of	m^3	0	0	0
Waste landed ashore	m^3	1,136.5	1,274.8	1,000.0

Description of Metric	Unit of Measurement	2022	2021	2020
Activity Metrics				
Number of vessels	Number	43	41	42
Owned Fleet	Number	21	26	33
India Fleet	Number	8	7	N/A
TC-in Fleet	Number	14	8	9
Total distance travelled by vessels	Nautical miles ('000)	2,917	3,173	3,421
Owned Fleet	Nautical miles ('000)	1,766	2,177	2,664
India Fleet	Nautical miles ('000)	363	218	N/A
TC-in Fleet	Nautical miles ('000)	787	777	757
Operating days	Days	13,162	14,322	15,182
Owned Fleet	Days	7,597	9,931	11,964
India Fleet	Days	2,684	1,275	N/A
TC-in Fleet	Days	2,881	3,116	3,218
Deadweight tonnage	Deadweight tonnes ('000)	2,359	2,204	2,292
Owned Fleet	Deadweight tonnes ('000)	1,147	1,367	1,804
India Fleet	Deadweight tonnes ('000)	454	399	N/A
TC-in Fleet	Deadweight tonnes ('000)	758	438	488
Number of vessel port calls	Number	979	1,019	1,074
Owned Fleet	Number	502	658	861
India Fleet	Number	272	173	N/A
TC-in Fleet	Number	205	188	213

Comments on Environmental Data

Certain prior year data has been recalculated to include additional and/or missing data points

Fleet	
Owned Fleet	Wholly owned and operated vessels of BW LPG during the given year
India Fleet	Wholly owned and operated vessels of BW LPG India during the given year Data is only presented from 2021 onwards when BW LPG India became a subsidiary in Q2 2021
TC-in Fleet	Vessels chartered in and operated by BW LPG during the given year
Emissions	
GHG Scope 1 Emissions	Emissions from the operation of our owned and operated vessels, calculated indirectly via conversion and emission factors for fuel consumption based on recommendations from IMO 3rd and 4th GHG study and US Environmental Protection Agency (EPA)
GHG Scope 2 Emissions	Emissions from purchased energy for our office operations in Singapore and Norway in accordance with GHG Protocol guidelines Calculated on a market basis for latest Singapore using Tuas Power Plant (Singapore) carbon emission factor and location basis for Norway using latest Residual fuel mix factor (Norway) from the Association of Issuing Bodies (AIB) Emissions from other offices were inmaterial in 2022
Nitrogen Oxide (NOx)	Calculations, conversion and emission factors are based on recommendations from IMO 3rd and 4th GHG study
Sulphur Oxide (SOx)	Calculated based on fuel oil consumption and recorded sulphur content per type of fuel oil Calculations, conversion and emission factors are sourced from vessel performance suppliers and based on the IMO 3rd and 4th GHG study
Particulate Matter (PM10)	Calculations, conversion and emission factors are based on recommendations from the IMO 3rd and 4th GHG study, US Environmental Protection Agency (EPA) and European Environment Agency air pollutant emission inventory guidebook 2019 with reference to ENTEC (2007)
Carbon Intensities	
Annual Efficiency Ratio (AER)	AER uses an approximation of cargo carried by utilizing the vessel's designed deadweight capacity in place of actual cargo carried and assumes the vessel is continuously carrying cargo AER of the fleet is calculated as the total CO_2 emitted for all vessels / total Deadweight Tonnage X Distance Travelled for all vessels
Energy Efficiency Operational Index (EEOI)	EEOI monitors the energy efficiency of the vessel EEOI of the fleet is calculated as the total CO_2 emitted for all vessels / total Amount of Cargo Carried X Cargo Distance Travelled for all vessels
Energy Efficiency Design Index (EEDI)	Average Energy Efficiency Design Index (EEDI) for new ships is not applicable as no new vessels were added from 2020 to 2022 Energy efficiency design index for new ships is an IMO measure designed to ensure the use of more energy efficient equipment and engines. Disclosure as required under the Sustainability Accounting Standards Board (SASB) - Marine Transportation (TR-T-110a.4)

Energy	
Fleet Fuel Consumption	Fuel oil consumption is monitored and measured in tonnes. It represents the consumption of all types of fuel used by the fleet - Heavy Sulphur Fuel Oil (HSFO), Very Low Sulphur Fuel Oil (VLSFO), Low Sulphur Marine Gas Oil (LSMGO) and Liquified Petroleum Gas (LPG)
Fleet Energy Consumption	Total energy consumption from BW LPG fleet, calculated from bunker consumption in the main engine, auxillary engine, boiler and tank conditioning in metric tonnes based on recommendations from 3rd party bunker management provider and IMO MEPC 70/18/Add.1 Annex 9
Office Energy Consumption	Total energy consumption from onshore offices (Singapore and Norway), calculated from electricity consumption in kwh based on universal kwh to TJ conversion factor
Percentage (%) Heavy Fuel Oil	Disclosure as required under the Sustainability Accounting Standards Board (SASB) - Marine Transportation (TR-MT-110a.3) Data is unavailable before 2022
Ship Recycling and Ecological Impacts	
Spill and Releases	Oil spills as defined in MARPOL Annex I
Waste Landed Ashore	Waste generated by vessel and disposed onshore Data for TC-in fleet and India fleet is partially reflected from 2021 onwards as we continue to improve our data collection process
Percentage of Fleet Implementing Ballast Water Exchange	Number of vessels that have exchanged ballast water / total number of vessels As defined by the ***International Convention for the Control and Management of Ships' Ballast Water and Sediments (BWM)*** Regulation D-1 Ballast Water Exchange Standard
Percentage of Fleet Implementing Ballast Water Treatment	Number of vessels that have installed treatment / total number of vessels Data collection was improved, resulting in a slight change in percentage disclosed from 2021 As defined by the ***BWM*** Regulation D-2 Ballast Water Performance Standard
Shipping Duration in Marine Protected Areas	Disclosure as required under the Sustainability Accounting Standards Board (SASB) - Marine Transportation (TR-MT-160a.1) Not reported as data is not available
Activity Metrics	
Number of vessels	As at year end
Number of operating days	Vessel calendar days less number of days vessel is offhire
Number of port calls	Single instances where a vessel approaches a port for operations including but not limited to loading, discharging, ship-to-ship transfers, bunkering, dry docking and crew change

Social

Description of Metric	Unit of Measurement	2022	2021	2020
Health and Safety				
Crew				
Number of fatalities as a result of Work-Related Injury	Number	0	0	0
Lost-Time Injury (LTI)	Number	0	2	2
Total Recordable Case (TRC)	Number	1	10	6
Number of hours worked	Number ('000)	6,311	7,052	7,094
Rate of fatalities as a result of Work-Related Injuries	Percentage (%)	0	0	0
Lost-Time Injury Frequency (LTIF)	Frequency	0	0.28	0.14
Total Recordable Case Frequency (TRCF)	Frequency	0.16	1.42	0.86
Onshore Staff				
Number of fatalities as a result of Work-Related Injury	Number	0	0	0
Number of high-consequence Work-Related Injury (excluding fatalities)	Number	0	0	0
Number of recordable Work-Related Injury	Number	0	0	0
Rate of fatalities as a result of Work-Related Injuries	Percentage (%)	0	0	0
Rate of high-consequence Work Related Injury	Percentage (%)	0	0	0
Rate of recordable Work-Related Injury	Percentage (%)	0	0	0
Accident and Safety Management				
Marine Casualties				
(1) Number of marine casualties	Number	0	2	2
(2) Percentage classified as very serious	Percentage (%)	0	0	0
Number of Conditions of Class or Recommendations	Number	2	5	1

Description of Metric	Unit of Measurement	2022	2021	2020
Number of Port State Control				
(1) Deficiencies	Number	0.04	0.12	0.24
(2) Detentions	Number	0	0	0
Training				
Crew				
Total Training hours	Number	13,880	12,872	N/A
Average training hours	Number	8.7	6.1	N/A
Onshore Staff				
Total Training hours	Number	996	1,150	203
Average training hours	Number	10.6	15.5	2.7
Permanent Staff				
Crew				
Total Crew	Number	1,595	2,096	1,640
Male	Number	1,580	2,075	1,633
Female	Number	15	21	7
Onshore Staff				
Total Onshore Staff	Number	94	73	73
Total Male	Number	56	41	42
Singapore	Number	21	20	21
Norway	Number	23	20	20
Madrid	Number	11	N/A	N/A
Houston	Number	1	1	1
Total Female	Number	38	32	31
Singapore	Number	30	28	29
Norway	Number	6	4	2
Madrid	Number	2	N/A	N/A
Houston	Number	0	0	0

Description of Metric	Unit of Measurement	2022	2021	2020
Temporary Staff				
Onshore Staff				
Total	Number	0	1	0
Female (Singapore)	Number	0	1	0
Employee Turnover and New Hires				
Employees at the start of year	Number	74	73	71
Total Employee Turnover	Number	11	11	13
Total New Employee Hires	Number	31	12	15
Employees at the end of the period	Number	94	74	73
Rate of Employee New Hires				
Total	Percentage (%)	33%	16%	21%
Male	Percentage (%)	39%	12%	24%
Female	Percentage (%)	24%	21%	16%
Rate of Employee Turnover				
Total	Percentage (%)	12%	15%	18%
Male	Percentage (%)	13%	15%	12%
Female	Percentage (%)	11%	15%	26%
Employee Diversity (Onshore)				
Senior-level Employee				
Total Number of Employees	Number	18	14	13
Male	Percentage (%)	83%	71%	77%
Female	Percentage (%)	17%	29%	23%
< 30 years old	Percentage (%)	0%	0%	0%
30 - 50 years old	Percentage (%)	56%	57%	54%
> 50 years old	Percentage (%)	44%	43%	46%

Description of Metric	Unit of Measurement	2022	2021	2020
Mid-level Employee				
Total Number of Employees	Number	48	36	35
Male	Percentage (%)	67%	67%	69%
Female	Percentage (%)	33%	33%	31%
< 30 years old	Percentage (%)	2%	3%	0%
30 - 50 years old	Percentage (%)	71%	75%	77%
> 50 years old	Percentage (%)	27%	22%	23%
Entry Level Employee				
Total Number of Employees	Number	28	24	25
Male	Percentage (%)	32%	29%	32%
Female	Percentage (%)	68%	71%	68%
< 30 years old	Percentage (%)	21%	21%	32%
30 - 50 years old	Percentage (%)	71%	79%	68%
> 50 years old	Percentage (%)	7%	0%	0%
Total across BW LPG				
Total Number of Employees	Number	94	74	73
Male	Percentage (%)	60%	55%	58%
Female	Percentage (%)	40%	45%	43%
< 30 years old	Percentage (%)	7%	8%	11%
30 - 50 years old	Percentage (%)	68%	73%	70%
> 50 years old	Percentage (%)	25%	19%	19%

Comments on Social Data

Certain prior year data has been recalculated to include additional and/or missing data points

Health and Safety	
Lost-Time Injury (LTI) / Lost-Time Injury Frequency (LTIF)	LTI is the sum of lost workday cases, permanent patial and total disabilities and fatalities due to work injuries LTIF is the ratio of the number of lost-time injuries occuring in a workplace per 1 million hours worked
Total Recordable Case (TRC) / Total Recordable Case Frequency (TRCF)	TRC captures the sum of all cases of lost time injuries, restricted work injuries medical treatment Injuries, first aid cases and work-related fatalities TRCF is the sum of total recordable cases per 1 million hours worked over the quantity of hours worked
Marine Casualties	As defined in accordance with each vessel flag state Disclosure as required under the Sustainability Accounting Standards Board (SASB) - Marine Transportation (TR-MT-540a.1)
Port State Detentions	Number of Port State Control inspections resulting in a detention
Port State Control Deficiencies	Ratio between the number of reported deficiencies relative to the number of Port State Control Inspections as such the average number of deficiencies per inspection
Crew and Employee	
Employee	Includes employees from Singapore, Oslo, Madrid and Houston
Training	Training includes topics on diversity and inclusion, business ethics, cybersecurity, health and safety, upgrading and upskilling Training hours for crew are tracked from 2021 onwards
Number of Crew	Includes crew from both externally and internally managed vessels
Rate of Employee Turnover / New Hires	The ratio of number of leavers / new hires over the total number of employees at the end of the relevant year Significant increase in new hires due to the acquisition of Vilma Oil Trading operations
Management Level	Entry-level refers to employees who execute the day-to-day operations of the company (Assistants, Executives and Assistant Managers) Mid-level refers to employees who plan and supervise the day-to-day operations of the company (Managers and Senior Managers) Senior-level refers to employees who have a high level of experience, knowledge and responsibility within the company (General Managers and Senior Management)

Governance

Description of Metric	Unit of Measurement	2022	2021	2020
Board Diversity				
Male				
Number of individuals	Number	2	2	2
Percentage of individuals within the organisation's governance bodies	Percentage (%)	40%	40%	40%
Female				
Number of individuals	Number	3	3	3
Percentage of individuals within the organisation's governance bodies	Percentage (%)	60%	60%	60%
Anti-Corruption Risks and Incidents				
Africa				
Total number of port calls	Number	55	83	51
Total port calls assessed for corruption related risks	Percentage (%)	100%	100%	100%
Asia (incl. India and China)				
Total number of port calls	Number	275	380	241
Total port calls assessed for corruption related risks	Percentage (%)	100%	100%	100%
South America				
Total number of port calls	Number	73	63	127
Total port calls assessed for corruption related risks	Percentage (%)	100%	100%	100%

Description of Metric	Unit of Measurement	2022	2021	2020
Corruption Index				
Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index.	Number	1	2	6
Total amount of monetary losses as a result of legal proceedings associated with bribery or Corruption	US$'000	0	0	0
Economic Performance and Contributions				
Total Revenue	US$'000	1,563,563	1,241,355	811,734
Total Expenses	US$'000	1,192,580	935,968	409,309
Staff Compensation	US$'000	17,647	18,017	12,169
Manning Cost	US$'000	46,878	48,213	52,007
Other Expenses	US$'000	1,128,055	869,738	345,133
Political Contributions	US$'000	-	-	-
Community Development	US$'000	84,407	166,005	32,800

Comments on Governance Data

Certain prior year data has been recalculated to include additional and/or missing data points

Supply Chain	
Number of Vendors and Spending	Includes only suppliers supplying to internally managed vessels
Anti-Bribery and Anti-Corruption	
% of port calls assessed for corruption related risks	All ports called upon in Africa, Asia (including India and China) and South America have been assessed for corruption related risks
Transparency International Corruption Perception Index	Based on the latest ***Transparency International Corruption Perception Index***
Economic Performance and Contributions	
Revenue	Total revenue from spot voyages, time-charter voyages and Product Services Certain comparative figures have been reclassified to conform with the presentation adopted for the current period
Expenses	Total voyage, cost of good sold, charter hire, vessel operating, general and administrative expenses Certain comparative figures have been reclassified to conform with the presentation adopted for the current period
Staff Compensation	For office employees in Singapore, Oslo, Madrid and Houston
Manning Costs	For crew working onboard vessels
Political Contributions	Refers to contributions made to any political parties in the form of financial donations, loans, sponsorships, retainers, support of organisations funding political campaigns/parties such as Political Action Committees or Associated Entities)
Community Development Spending	Refers to paid amounts for activities related to Corporate Social Responsibility (CSR) in current period

SASB ALIGNMENT

Topic	Accounting Metric	SASB Code	Disclosure Source / Comments
Greenhouse Gas Emissions	Gross global Scope 1 emissions	TR-MT-110a.1	Integrated Annual Report 2022 (IR 2022) > ESG Report > Emissions
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	TR-MT-110a.2	BW LPG Website > Environment > ***Decarbonisation Roadmap*** IR 2022 > Environment > Emissions and Energy
	(1) Total energy consumed	TR-MT-110a.3	IR 2022 > ESG Report > Energy
	(2) Percentage heavy fuel oil		IR 2022 > ESG Report > Energy
	(3) Percentage renewable		IR 2022 > ESG Report > Energy
	Average Energy Efficiency Design Index (EEDI) for new ships	TR-MT-110a.4	No new vessels added in the reporting year
Air Quality	Air emissions of the following pollutants:	TR-MT-120a.1	IR 2022 > ESG Report > Emissions
	(1) NOx (excluding N2O)	TR-MT-120a.1	IR 2022 > ESG Report > Emissions
	(2) SOx		
	(3) Particulate matter (PM10)		
Ecological Impacts	Shipping duration in marine protected areas or areas of protected conservation status	TR-MT-160a.1	Disclosure not available in the reporting year
	Percentage of fleet implementing ballast water	TR-MT-160a.2	IR 2022 > ESG Report > Ship Recycling and Ecological Impacts
	(1) Exchange		
	(2) Treatment		
	Spills and releases to the environment	TR-MT-160a.3	IR 2022 > ESG Report > Ship Recycling and Ecological Impacts
	(1) Number		
	(2) Aggregate volume of		
Employee Health and Safety	Lost time incident rate (LTIR)	TR-MT-320a.1	IR 2022 > ESG Report > Health and Safety

Topic	Accounting Metric	SASB Code	Disclosure Source / Comments
Business Ethics	Number of calls at ports in countries that have the 20 lowest rankings in the Transparency International's Corruption Perception Index	TR-MT-510a.1	IR 2022 > ESG Report > Anti-Corruption Risks and Incidents
	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	TR-MT-510a.2	IR 2022 > ESG Report > Anti-Corruption Risks and Incidents
Accident and Safety Management	Number of marine casualties, percentage classified as very serious	TR-MT-540a.1	IR 2022 > ESG Report > Health and Safety
	Number of Conditions of Class or Recommendations	TR-MT-540a.2	IR 2022 > ESG Report > Anti-Corruption Risks and Incidents
	Number of port state control	TR-MT-540a.3	IR 2022 > ESG Report > Anti-Corruption Risks and Incidents
	(1) Deficiencies		
	(2) Detentions		

Accounting Metric	SASB Code	Disclosure Source / Comments
Number of shipboard employees	TR-MT-000.A	IR 2022 > ESG Report > Number of Crew
Total distance travelled by vessels	TR-MT-000.B	IR 2022 > ESG Report > Activity Metrics
Operating days	TR-MT-000.C	IR 2022 > ESG Report > Activity Metrics
Deadweight tonnage	TR-MT-000.D	IR 2022 > ESG Report > Activity Metrics
Number of vessels in total shipping fleet	TR-MT-000.E	IR 2022 > ESG Report > Activity Metrics
Number of vessel port calls	TR-MT-000.F	IR 2022 > ESG Report > Activity Metrics
Twenty-foot equivalent unit (TEU) capacity	TR-MT-000.G	Not Applicable

TCFD ALIGNMENT

Theme	Recommendation	Disclosure Source / Comments
Governance		
Disclose the organisation's governance around climate-related risks and opportunities	Describe the board's oversight of climate-related risks and opportunities.	IR 2022 > Strategy IR 2022 > Governance > Risk Management
	Describe management's role in assessing and managing climate-related risks and opportunities.	IR 2022 > Strategy IR 2022 > Governance > Risk Management
Strategy		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning where such information is material.	Describe the climate-related risks and opportunities the organisation has identifed over the short-, medium- and long-term.	IR 2022 > Governance > Risk Management BW LPG Website > Governance > ***Risk Management***
	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.	IR 2022 > Strategy IR 2022 > Governance > Risk Management BW LPG Website > Governance > ***Risk Management***
	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Disclosure not available in the reporting year
Risk Management		
Disclose how the organisation identifies, assesses and manages climate-related risks.	Describe the organisation's processes for Climate-related risks and opportunities to our business identifying and assessing climate-related risks.	IR 2022 > Governance > Risk Management BW LPG Website > Governance > ***Risk Management***
	Describe the organisation's processes for managing climate-related risks.	IR 2022 > Governance > Risk Management BW LPG Website > Governance > ***Risk Management***
	Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	IR 2022 > Governance > Risk Management BW LPG Website > Governance > ***Risk Management***
Metrics and Targets		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	IR 2022 > ESG Report > Performance Metrices
	Disclose Scope 1, Scope 2 and , if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	IR 2022 > ESG Report > Emissions

GRI CONTENT INDEX

Statement of use BW LPG has reported the information cited in this GRI content index for the period 1 January 2022 to 31 Decembr 2022 with reference to the GRI Standards.

GRI 1 used GRI 1: Foundation 2021

GRI Standard		Disclosure Requirements	Disclosure Source / Comments
General Disclosures			
GRI 2: General Disclosures	**The organisation and its reporting practices**		
	2-1	Organisational details	BW LPG Website > ***About***
	2-2	Entities included in the organisation's sustainability reporting	IR 2022 > About This Report IR 2022 > Financial Report
	2-3	Reporting period, frequency and contact point	IR 2022 > About This Report
	2-4	Restatements of information	IR 2022 > ESG Report > Comments on Environmental Data, Social Data and Governance Data
	2-5	External assurance	IR 2022 > Financial Report > Responsibility Statement and Independent Auditors' Report
	Activities and workers		
	2-6	Activities, value chain and other business relationships	IR 2022 > Value Creation Model
	2-7	Employees	IR 2022 > ESG Report > Number of Employees
	2-8	Workers who are not employees	Information not available
	Governance		
	2-9	Governance structure and composition	IR 2022 > Corporate Governance Structure IR 2022 > ESG Report > Number of Employees
	2-10	Nomination and selection of the highest governance body	IR 2022 > Corporate Governance
	2-11	Chair of the highest governance body	IR 2022 > Corporate Governance
	2-12	Role of the highest governance body in overseeing the management of impacts	IR 2022 > Corporate Governance
	2-13	Delegation of responsibility for managing impacts	IR 2022 > Environment IR 2022 > Social IR 2022 > Corporate Governance

GRI Standard		Disclosure Requirements	Disclosure Source / Comments
GRI 2: General Disclosures	**2-14**	Role of the highest governance body in sustainability reporting	BW LPG Website > Sustainability Approach > ***Sustainability Strategy and Governance***
	2-15	Conflicts of interest	IR 2022 > Corporate Governance
	2-16	Communication of critical concerns	IR 2022 > Environment IR 2022 > Social IR 2022 > Corporate Governance
	2-17	Collective knowledge of the highest governance body	IR 2022 > Corporate Governance
	2-18	Evaluation of the performance of the highest governance body	IR 2022 > Corporate Governance Report
	2-19	Remuneration policies	***BW LPG's Guidelines on Executive Remuneration***
	2-20	Process to determine remuneration	***BW LPG's Guidelines on Executive Remuneration***
	2-21	Annual total compensation ratio	IR 2022 > Corporate Governance > Executive Remuneration
	Strategy, policies and practices		
	2-22	Statement on sustainable development strategy	IR 2022 > Chairman and CEO's Message
	2-23	Policy Commitments	BW LPG Website > Policies and Guidelines
	2-24	Embedding policy commitments	IR 2022 > Operational Excellence and Effective Management
	2-25	Processes to remediate negative impacts	IR 2022 > Environment IR 2022 > Social IR 2022 > Corporate Governance
	2-26	Mechanisms for seeking advice and raising concerns	IR 2022 > Environment IR 2022 > Social IR 2022 > Corporate Governance
	2-27	Compliance with laws and regulations	IR 2022 > ESG Report > Comments on Environmental Data, Social Data and Governance Data
	2-28	Membership associations	BW LPG Website > ***Sustainability***
	Stakeholder Engagement		
	2-29	Approach to stakeholder engagement	IR 2022 > Stakeholder Engagement
	2-30	Collective bargaining agreements	BW LPG Website > Sustainability > Policies and Guidelines > ***BW LPG Labour and Human Rights Policy*** BW LPG Website > Sustainability > Social > ***Our People*** BW LPG Website > Sustainability > Sustainability approach > ***Engaging Our Stakeholders***

GRI Standard		Disclosure Requirements	Disclosure Source / Comments
GRI 3: Material Topics 2021	**Material Topics**		
	3-1	Process to determine material topics	BW LPG Website > Sustainability > ***Sustainability Goals and Priorities***
	3-2	List of material topics	IR 2022 > Materiality Assessment
	3-3	Management of material topics	IR 2022 > Environment IR 2022 > Social IR 2022 > Governance
GRI 305: Emissions 2016	**Emissions**		
	305-1	Direct GHG emissions (Scope 1)	IR 2022 > ESG Report > Emisisons
	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	IR 2022 > ESG Report > Emisisons
GRI 302: Energy 2016	**Energy**		
	302-1	Energy consumption within the organization	IR 2022 > ESG Report > Energy
GRI 303: Water and Effluents 2018	**Effluents and Waste**		
	303-2	Management of water discharge-related impacts	IR 2022 > Environment > Biodiversity and Waste Management IR 2022 > ESG Report > Environment Data
	303-4	Water discharge	IR 2022 > Environment > Biodiversity and Waste Management IR 2022 > ESG Report > Environment Data
GRI 306: Waste 2020	**306-1**	Waste generation and significant waste-related impacts	IR 2022 > Environment > Biodiversity and Waste Management IR 2022 > ESG Report > Environment Data
	306-2	Management of significant waste-related impacts	IR 2022 > Environment > Biodiversity and Waste Management IR 2022 > ESG Report > Environment Data BW LPG Website > Environment > ***Biodiversity & Waste Management***
	306-3	Waste generated	IR 2022 > Environment > Biodiversity and Waste Management IR 2022 > ESG Report > Environment Data
	306-4	Waste diverted from disposal	IR 2022 > Environment > Biodiversity and Waste Management IR 2022 > ESG Report > Environment Data
	306-5	Waste directed to disposal	IR 2022 > Environment > Biodiversity and Waste Management IR 2022 > ESG Report > Environment Data
GRI 401: Employment 2016	**Human Capital Management and Employees Relations**		
	401-1	New employee hired and employee turnover	IR 2022 > ESG Report > Turnover and New Hires
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	IR 2022 > Social > Our People BW LPG Website > Sustainability > Social > ***Our People***

GRI Standard	Disclosure Requirements		Disclosure Source / Comments
GRI 404: Training and Education 2016	**Training and Development**		
	404-1	Average hours of training per year per employee	IR 2022 > Social > Our People BW LPG Website > Sustainability > Social > ***Our People***
	404-2	Programmes for upgrading employee skills and transition assistance programmes	IR 2022 > Social > Our People BW LPG Website > Sustainability > Social > ***Our People***
	404-3	Percentage of employees receiving regular performance and career development reviews	IR 2022 > Social > Our People BW LPG Website > Sustainability > Social > ***Our People***
GRI 404: Training and Education 2016	**Occupational Health and Safety**		
	403-1	OHS Management system	IR 2022 > Social > Health and Safety
	403-3	Occupational health services	IR 2022 > Social > Health and Safety
	403-4	Worker participation, consultation,and communication on occupational health and safety	IR 2022 > Social > Health and Safety
	403-5	Worker training on OHS	IR 2022 > Social > Health and Safety
	403-6	Promotion of worker health	IR 2022 > Social > Health and Safety
	403-7	Prevention & mitigation of OHS impacts directly linked by business relationships	IR 2022 > Social > Health and Safety
	403-8	Workers covered by an occupational health and safety management system	IR 2022 > Social > Health and Safety
	403-9	Work-related Injuries	IR 2022 > Social > Health and Safety
	403-10	Work-related ill health	IR 2022 > Social > Health and Safety IR 2022 > ESG Report > Health and Safety
GRI 405: Diversity and Equal Opportunity 2016	**Diversity and Inclusion**		
	405-1	Diversity of governance bodies and employees	IR 2022 > ESG Report > Our People IR 2022 > Governance > Corporate Governance BW LPG Website > Sustainability > Governance > ***Transparency Governance*** IR 2022 > ESG Report > Board Diversity
GRI 406: Non-discrimination 2016	**406-1**	Incidents of discrimination and corrective actions taken	IR 2022 > Social > Our People BW LPG Website > Sustainability > Policy and Guidelines > ***BW LPG Diversity, Inclusion, Non-discrimination and Anti-Harrassment Policy***
GRI 407: Freedom of association and Collective Bargaining	**407-1**	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	BW LPG Website > Sustainability > Social > ***Our People*** IR 2022 > Governance > Operational Excellence and Effective Management > Supply Chain BW LPG Website > Policies and Guidelines > ***Procurement Policy***

GRI Standard		Disclosure Requirements	Disclosure Source / Comments
GRI 201: Economic Performance 2016	**Economic Performance**		
	201-1	Direct economic value generated and distributed	IR 2022 > ***Financial Statements***
	203-1	Infrastructure investments and services supported	IR 2022 > Social > Community Engagement IR 2022 > ***Financial Statements***
	203-2	Significant indirect economic impacts	IR 2022 > ***Financial Statements***
GRI 205: Anti-corruption 2016	**Anti-Corruption, Anti-Bribery and Anti-Competitive Behaviour**		
	205-1	Operations assessed for risks related to corruption	IR 2022 > ESG Report > Anti-Corruption Risks and Incidents
	205-2	Communication and training about anti-corruption policies and procedures	IR 2022 > Governance > Anti-bribery and Anti-Corruption
GRI 414: Supplier Social Assessment 2016	**Supply Chain and Supplier Governance**		
	414-1	New suppliers that were screened using social criteria	IR 2022 > Governance > Operational Excellence and Effective Management > Supply Chain
	414-2	Negative social impacts in the supply chain and actions taken	IR 2022 > Governance > Operational Excellence and Effective Management > Supply Chain

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