



Member of the KBC group



"Every industry needs a leader, we want to be that for the tanker sector"

Hello Brian,

Yesterday, Euronav organized a webinar to announce their "Road to Decarbonisation". Although they are agnostic when it comes to future zero-emission fuels, they see a lot of potential in green ammonia. They expect the first (dual-fuel) engine for Suezmaxes and VLCCs to be developed in 2025 and hope to place their first order by 2027. At least by 2030, zero emission vessels should be operating in their fleet. By doing so, they aim to reach carbon-neutrality by 2050. Euronav is the first tanker company that is committing to carbon-neutrality and are thus more ambitious than the IMO.

- **2022: TI pool to offer carbon neutral voyages via offsetting**

They recognize that this is not at all a long-term solution but they say that it is a good thing which is at their disposal at the moment and want to provide their clients with the possibility.
- **2024: Carbon neutrality at roundtrip via lower carbon fuel**

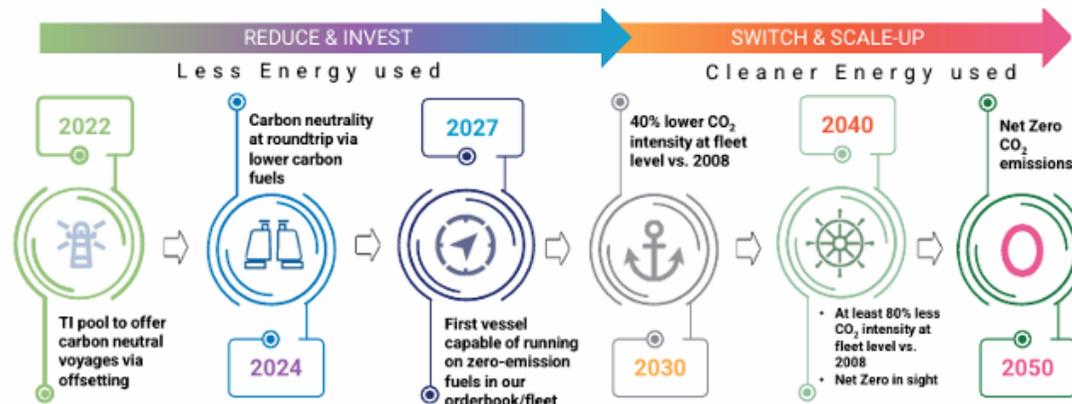
The first carbon neutral voyage. As was described during the webinar, Euronav already successfully tested B30 and B50 biofuels on its Suezmaxes. These fuels are composed of 30% (resp. 50%) of carbon neutral biofuels with the remaining part to be conventional VLSFO. They hope to continue that process towards sailing on B100. They recognize that this will not be ideal but they are here to help the industry and that's why they feel responsible to conduct these tests. In addition, the experience gained will be useful on the LT as well as biofuels will probably be needed in the future when green fuels are emerging (for example to start the engine initially)
- **2027: First vessel capable of running on zero-emission fuels in our orderbook/fleet**

They want to have ordered the first vessel that will sail on green fuels. Important here is that they are fuel agnostic for the time being. They see a lot of value in green ammonia and are therefore participating in a joint development program together with shipyard Hyundai, DNV and Lloyd's.
- **2030: 40% lower CO2 intensity at fleet level vs 2008**

Starting to switch to vessels that will be able to sail on green fuels. In the meantime we make a promise we will not only meet the IMO target by 2030 but also to not wait until then. Euronav is currently ahead of the curve and they have the intention to stay there.
- **2040: At least 80% less CO2 intensity per ship vs 2008**

An intermediate goal that Euronav has set for itself (no goal from IMO by 2040)
- **2050: Committed to net-zero emissions**
- **Other points:**

- First crude tanker owner that is committing to be carbon neutral by 2050. By doing this, they set their ambitions higher compared to the IMO which currently aims at 50% reduction of CO2 emission vs 2008.
- They expect the first dual-fuel engine for VLCCs and Suezmaxes to be available by 2025. They are already preparing by ordering 'dual fuel-ready' vessels which later can be converted to sail (partly) on LNG or Ammonia.
- "We want to be an industry leader". They emphasized the role that oil will have in the transition and committed on transporting that in the most secure and sustainable way. In his closing remarks, CEO Hugo De Stoop mentioned that parking the vessels in the hands of parties that are less transparent is *not* the way to go.
- Getting involved in the production of green ammonia: not immediately. However, they can help to solve the 'chicken and egg'-problem. They are open to get into a coalition and to serve as a guaranteed offtaker.



Kind regards

Olivier Vandewoude

Financial Analyst – Energy & Industrials

Email Olivier.vandewoude@kbcsecurities.be
Tel [+32 2 417 53 19](tel:+3224175319)
Mobile [+32 496 90 48 02](tel:+32496904802)



Follow us



Don't want to miss out on KBC Securities newsletters?
Add research@mailing.kbcsecurities.com to your contact list.
Unsubscribe from KBC Securities mailinglist [here](#).

KBC Securities NV - Havenlaan 2 - 1080 Brussels - Belgium
www.kbcsecurities.com - T: +32 2 429 37 05 - info-belgium@kbcsecurities.com

[Privacy policy](#)

This message and any attachments hereto are for the named person's use only. It may contain confidential, proprietary or legally privileged information. You may not, directly or indirectly, use, disclose, distribute, print, or copy any part of this message if you are not the intended recipient. If you have received this e-mail message without being the intended recipient, please notify KBC Securities promptly and delete this e-mail. Any views expressed in this message are those of the individual sender, except where the message states otherwise and the sender is authorised to state them to be the views of KBC Securities. KBC Securities reserves the right to monitor all e-mail communications through its networks and any messages addressed to, received or sent by KBC Securities or its employees are deemed to be professional in nature. The sender or recipient of any messages to or of KBC Securities agrees that those may be read by other employees of KBC Securities than the stated recipient or sender in order to ensure the continuity of work-related activities and allow supervision thereof. KBC Securities does not

accept liability for the correct and complete transmission of the information, nor for any delay or interruption of the transmission, nor for damages arising from the use of, or reliance on, the information.