



International Seaways

Environmental, Social & Governance Disclosure 2019



Introduction

Shipping is critical to facilitating global trade and the continued development of economies around the world. It offers the lowest emission rate of any commercially viable freight transport method, with a large vessel emitting around 1% of the CO2 per tonne-mile emitted by a freight aircraft. Shipping also provides meaningful employment to thousands around the globe – often in emerging economies. Shipping does contribute to global emissions, accounting for approximately 2.5% of total worldwide emissions.

In order to assist global climate ambitions of ensuring world temperatures do not exceed a two-degree Celsius rise, the United Nations’ International Maritime Organization (IMO) announced an initial strategy to reduce shipping Greenhouse Gas (GHG) emissions to half of 2008 levels by 2050. Everyone in the industry has a role to play in helping achieve this ambitious target.

At International Seaways, we are committed to playing our part.

Our core philosophy is to transport energy safely and efficiently. We do this through diligent and environmentally compliant operations of well-maintained assets and using well-trained and dedicated crews. We achieve our objectives by embracing strong corporate governance and stewardship.

This inaugural report discloses our Environmental, Social and Governance (ESG) metrics and lays out our vision on how we will continue to evolve and be an integral part of a sustainable and equitable future. We look forward to publishing updated versions of this ESG report annually, thereby ensuring a high degree of visibility and demonstrating to our stakeholders that we remain accountable for our ESG efforts.



1,623

Shipboard Employees
31 Dec 2019 (TR-MT-000.A)



36

Vessels in Fleet
Wholly Owned or Bareboat
Chartered-in (TR-MT-000.E)



5

Shoreside Locations
Worldwide

A Message from Our CEO

Thank you for your interest in International Seaways and our commitment to advocating and implementing leading environmental, social and governance (ESG) practices, and for taking the time to read our inaugural ESG report.

We can trace our operations back to 1957 and our commitment to be a responsible corporate citizen dates to that time. Today, we are one of the largest publicly traded tanker companies in the world, with 37 tankers (including our JV investments in two FSOs) at the end of November 2020.

We are committed to conducting our business with honesty and integrity at all times. We treat our employees with dignity and respect, and we maintain a safe, healthy and secure working environment. We meet, and when possible and appropriate strive to exceed, the regulatory standards that govern our industry. These principles form a vital part of our core culture and touch every aspect of our business.

We are in the business of transporting crude oil and petroleum products in a maritime industry that is a significant contributor to global emissions. This means that our business is at the forefront of a rapidly evolving world. Openness and transparency are vital to ensuring that investors and other stakeholders can understand and assess our ESG-related activities, seeing the benefits derived from those activities, understanding how we are complying with our obligations and taking advantage of opportunities that arise when it makes sense to do so.

We have operated globally from the beginning. We man our vessels with seafarers from more than seven countries, predominantly in Asia and Europe, and have employees of more than nine nationalities represented in our shore-based staff. Our global mindset, coupled with our focus on fairness, diversity and inclusion, helps drive business success and ensures we are committed to our people and the communities in which they work and live.

We also focus on complying with all relevant laws and regulations related to safety, environment, governance,

ethics and data security. When applicable, our goal is to exceed minimum standards. This includes our intention to be an industry leader in addressing decarbonization, enhancing vessel fuel efficiency and reducing GHG emissions.

As we look to the future of the maritime industry generally and the tanker industry specifically, one thing that stands out is the importance of collaboration. Achieving the industry's decarbonization goals will be challenging, both technologically and financially. No one organization can commit the resources to solve the issues around GHG reduction. Rather, collaboration between all stakeholders to set agendas, support R&D and share information will allow the maritime industry to meet its targets.

Under the guidance of our internal ESG committee, we made meaningful progress in 2019 in enhancing and coordinating our many ESG-related efforts and in producing this report. We continuously strive to improve and to engage with our key stakeholders – customers, investors, lenders, suppliers, employees, and the larger seafaring community. I believe that our ambition to excel, and commitment to progress in all areas starts at the top. I'm grateful that our Board and senior management are engaged and fully support our goals. International Seaways is moving forward with purpose.

We look forward to updating you regularly on our progress.



Lois Zabrocky
President/CEO, International Seaways



7,016,969
Deadweight Tonnage
(TR-MT-000.D)



2,117,087
Total Miles Travelled
by Our Vessels (TR-MT-000.B)



13,485
Operating Days
Owned Vessels or Bareboat
Chartered-in (TR-MT-000.C)

2019 Key Metrics

	Key Metric	SASB Metric Reference	2019 Disclosure
Environmental	CO ₂ Emissions	[TR-MT-110a.1]	1,192,801 t CO ₂ -e
	Total Fleet Energy Consumption	[TR-MT-110a.3]	13,723,272 GJ
	Total Pollutant Emissions	[TR-MT-120a.1]	NO _x : 34,168 mt SO _x : 16,374 mt PM ₁₀ : 2,938 mt
	Number and Aggregate Volume of Spills and Releases to the Environment	[TR-MT-160a.3]	Spills: 2 Aggregate Volume: 1.1 m ³
	% of Fleet using Exhaust Gas Cleaning Systems	Additional information	0%*
	% of Fleet using Low-Sulphur Fuel Oil	Additional information	100%*
	Lost Time Incident Rate	[TR-MT-320a.1]	0.45
Social	Bribery and Corruption Charges	[TR-MT-510a.2]	\$0
	Total Number of Marine Incidents	[TR-MT-540a.1]	3 % Classified as Very Serious: 0
	Number of Conditions of Class or Recommendations	[TR-MT-540a.2]	0
	Number of Port State Control Deficiencies and Detentions	[TR-MT-540a.3]	Deficiencies: 43 Detentions: 1
	Number of Shipboard Employees	[TR-MT-000.A]	1,623*
Governance	Number of Shoreside Employees	Additional information	43*
	Board Makeup (M / F%)	Additional information	78 / 22
	Senior Management Makeup (M / F%)	Additional information	83 / 17

* Figures as of 31 Dec 2019

Goals & Ambitions

International Seaways aims to exceed the expectations of our key stakeholders in everything we do. This remains true, no matter the subject.

At International Seaways, we are proud of what we do. We have worked hard to create a strong business that has always strived to be among the best in class. We are trusted by leading institutions to safely and efficiently transport energy around the world and are constantly seeking to improve. We are a leading member of our industry, and recognize that we must demonstrate responsibility for our activities.

Shipping has long been heavily regulated, but wider awareness of our industry's interaction with the world is rapidly growing. Expectations are fundamentally changing. We want to remain an organization that is highly respected by all our stakeholders.

We hope that this inaugural publication and subsequent reports will assure stakeholders how seriously International Seaways takes ESG matters and enthuse them about the future of both us as a company and the shipping industry in general.

Meaningful progress cannot be achieved in isolation. We believe we are starting from a solid position and are eager

to collaborate with our customers and firms across our supply chain to achieve real and sustainable progress, understanding that the challenges we are all facing cannot be solved without a coordinated response.

We've set out our ESG performance in this document to assist our investors, suppliers, business partners and other stakeholders in their assessment of risks and values. We are and will continue to be transparent and want to ensure that our stakeholders are fully aware of our interaction with the environment and our relationships with employees. We look to clearly articulate our position on progressing towards a more sustainable future and expect the highest standards from ourselves. Consequently we encourage our stakeholders to engage with us on all ESG matters.

Our ESG program also allows us to refine our strategy over the coming years. This clear picture of how we are managing sustainability and governance issues presents an opportunity for genuine discourse and improvement.



Environmental

International Seaways is committed to environmental stewardship and is proud to be the first NYSE-listed ship owner to include a sustainability-linked pricing mechanism in a credit facility.

We understand that the relationship between the shipping industry and the environment is of critical importance. Our present strategy focuses on maximizing vessel efficiency and thereby reducing our GHG emissions. We have and will always strive to keep our vessels operating in accordance and compliance with all environmental laws and regulations. When appropriate we actively seek to take practical steps to go beyond these requirements, often working with service providers and suppliers to do this. “Continuous Improvement” is a core International Seaways philosophy – we expect the best from ourselves.

In recognition of the industry’s need to reduce GHG emissions, IMO developed their 2018 strategy, aligning with the Paris Agreement. The strategy is ambitious: a reduction in the industry’s CO2 emissions of 40% by 2030, and 70% by 2050 with overall emissions cut by 50%, again, by 2050 relative to 2008 levels. We are pleased to be currently on this trajectory through a combination of our ‘Get to Green’ initiative and energy saving strategies.

Our current environmental strategy falls into the following categories:

Reducing Resource Consumption

Our central effort to improve environmental awareness and performance is embodied in our ‘Get to Green’ initiative. Named by our seafarers, this initiative

originally focused on reducing fuel consumption. Today it has grown to include GHG reduction efforts, programs to reduce plastics onboard, and campaigns both to reduce and eliminate losses of containment and to raise awareness through communications onboard and ashore of the impacts that our business can have on the environment. ‘Get to Green’ is supported by everyone at the company, from the directors to the deck-hands.

Our emissions reductions program has seen an improvement in propulsion efficiency of 5.8% between October 2018 and September 2019. That represents a saving of over 8,500 tonnes of fuel and nearly 26,500 tonnes of CO2 – the equivalent to the CO2 emitted by 5,725 passenger cars for a year¹. A propulsion efficiency metric has now become a Key Performance Indicator and forms one of the criteria for the calculation of our employees’ annual bonus plan. We rely on our third-party technical managers to collect this data and we continue to discuss what additional information may be obtained so we can better monitor both what we’ve accomplished and where we can improve.

Over the course of 2020, we have initiated a campaign to eliminate disposable plastic drinking water bottles from our ships. Instead, water carry bottles are being provided to all crew and bottle filling stations are being installed. Water quality testing to shoreside standards is ongoing, as is a communications campaign regarding the benefits



	Key Metric	SASB Metric Reference	2019 Disclosure
Environmental	CO ₂ Emissions	[TR-MT-110a.1]	1,192,801 t CO ₂ -e
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	Total Pollutant Emissions	[TR-MT-120a.1]	NO _x : 34,168 mt SO _x : 16,374 mt PM ₁₀ : 2,938 mt
	Number and Aggregate Volume of Spills and Releases to the Environment	[TR-MT-160a.3]	Spills: 2 Aggregate Volume: 1.1 m ³
	% of Fleet using Exhaust Gas Cleaning Systems	Additional information	0%*
	% of Fleet using Low-Sulphur Fuel Oil	Additional information	100%*

of plastics reduction and the dangers of microplastics in the marine environment. During 2020, we expect disposable plastic water bottles will stop being used regularly by our crews.

Fleet Improvements

Implementing upgrades to our fleet – whether by modifying ships already in our fleet or by acquiring more efficient vessels – also has the effect of improving our overall environmental profile. We have improved operational efficiency by installing wake improvement ducts to reduce required propulsive power and by using better hull paints. We have an active ballast water treatment (BWT) system installation program in place. Our efforts around our biggest vessels offer the greatest opportunities for improvements. Looking to the future, like others in the industry, we are evaluating ways to achieve decarbonization targets, including new fuel technologies.

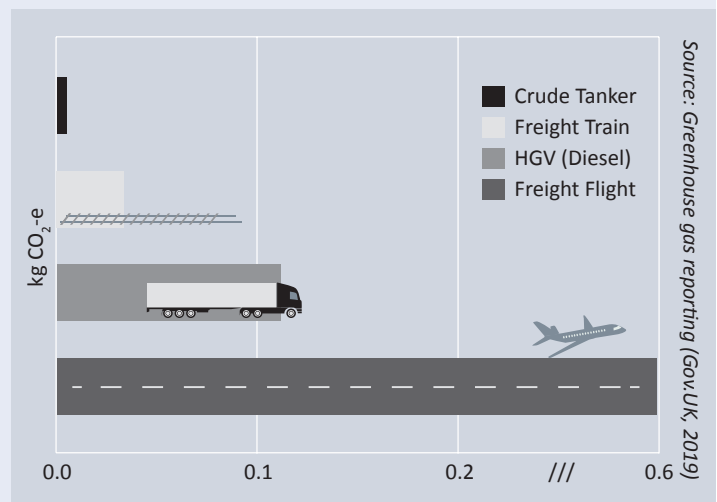
Sustainable Financing

Demonstrating our commitment to the environment, in 2020 we committed in our lender credit facility to reporting our annual achievement against the IMO GHG target trajectories on a fleet-wide basis. The loan obligates us to conform with that trajectory or face financial penalties. We are proud to be the first NYSE-

listed ship owner to implement sustainability-linked requirements of this sort in a bank loan. Through this effort and others, we have been recognized by external organizations for striving towards high sustainability performance.

Responsible Recycling

Our commitment to the environment extends beyond the day-to-day operations of our ships. We have committed to a program of responsible recycling in accordance with the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships.



¹ EPA Greenhouse Gas Equivalencies Calculator (<https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>)

Social

Onshore and at sea, International Seaways puts safety of its employees, its crew and third parties at the forefront of all that we do.

We depend on our workforce to provide superior service and to ensure our vessels are operated safely and securely. We work closely with our third-party managers to make sure our seafarers are treated well and that we are attracting, retaining and developing individuals who thrive in the challenging environment in which we operate. We strive to be a good corporate citizen and work to demonstrate our commitment to social causes and our efforts to benefit our community.

Safety – The Guiding Principle

Shipping operates in what can be a hostile environment, so safety is a core principle across our organization. We are committed to creating a safe, healthy and secure workplace at sea and ashore.

We strive for zero incidents, and we foster a culture of empowerment and accountability. When incidents do happen, we focus on “what went wrong?” rather than “who is to blame?”. Our goal is to create and support a workplace where everyone eagerly speaks up about any issue or concern. We provide and accept feedback, investigate issues, identify lessons and then take the learnings back to the whole organization in a cycle of continuous improvement.

Our shipboard policies and programs for safety and security reflect industry best practices. Onboard teams are expected to plan for each task, discuss each potential risk, look out for their shipmates and “Stop the Job” if it becomes apparent that an unforeseen risk has emerged. This “Stop the Job” triggers an improvement cycle that aims to prevent the issue from reoccurring, either on that ship or elsewhere in the fleet.

We have an anonymized open reporting system that allows any employee—seagoing or shoreside—to report any concerns about safety, welfare or potential regulatory violations without fear of reprisal. Issues are fully investigated, and lessons learned are fed back to the organization to support our goal of continuous improvement.

We track and report safety performance in order to provide a baseline and evidence of improvement. We encourage reporting of injuries and incidents as well as “near misses.” Near misses are events which could in other circumstances have led to an injury or worse, but ultimately did not. By fully investigating and understanding incidents and near misses, by analyzing trends, and by supporting a culture that fosters open communication, we can prevent incidents before they occur and continuously improve our safety performance.

This strong culture of safety has enabled us to achieve an excellent track record across our fleet, which in turn helped us maintain strong relationships with our customers, regulators and other industry participants at all levels.

Employee Welfare, Growth and Development

Our employees are our key assets. We depend on their abilities, passion and professionalism to keep International Seaways best in class. Each employee understands the critical roles that mutual respect, teamwork and collaboration play in our operations.

We work to foster an environment where employees feel valued. On average, our seafarers have worked for us for more than 10 years and more than half of our shoreside employees have worked for us for at least 13 years.

	Key Metric	SASB Metric Reference	2019 Disclosure
Social	Lost Time Incident Rate	[TR-MT-320a.1]	0.45
	Bribery and Corruption Charges	[TR-MT-510a.2]	\$0
	Total Number of Marine Incidents	[TR-MT-540a.1]	3 % Classified as Very Serious: 0
	Number of Conditions of Class or Recommendations	[TR-MT-540a.2]	0
	Number of Port State Control Deficiencies and Detentions	[TR-MT-540a.3]	Deficiencies: 43 Detentions: 1

We have achieved this through strong recruitment and development, and by treating each employee as a whole person. For example, our principal ship manager has set up a multidisciplinary committee to create and monitor mental health initiatives and issues for seafarers across the world. We wholeheartedly support and commend this effort, and we are actively looking to partner with further programs that align with our values in this hugely important area.

Ongoing training is also integral to conducting safe operations and keeping employees engaged. To counter the risk that ordinary-course training becomes rote, we regularly evaluate our training programs and centers and update them as needed. Further to core training modules, we have a range of further learning available to seafarers. Another key part of our training regimen is our crew conferences. Senior leaders from the Company, our fleet and our third-party managers spend three days with up to 100 seafarers from across our fleet, representing all ranks and nationalities. This presents management with both an opportunity to teach and to learn and provides everyone with an excellent networking opportunity.

Working to Benefit our Communities

We know that being a good corporate citizen means that we don't just look after our own people. Our interactions with the communities in which we operate is an important element of demonstrating our commitment to social causes. We take steps to support the seafaring community through various initiatives. We encourage our employees to lend their support to programs that enrich their own communities and offer a day of paid leave to enable them to take the time to do so. Recent activities have included the following:

- We partnered with Seafarers International House (SIH), a non-profit organization dedicated to improving the lives of international seafarers by offering hospitality, social assistance and advocacy to a multi-national and multi-faith community. Our CEO was honored at the SIH's 2019 "Setting the Course" major event for our contribution to their mission.
- Guayaquil, Ecuador was particularly hard hit by the pandemic. In the name of our ship Seaways Guayaquil, we donated funds to a local humanitarian charity. We also donated to Feeding America and the World Health Organization's COVID-19 Solidarity Response Fund.
- In recent months, our ships assisted with two rescues at sea – rescuing a yachtsman stranded in the Atlantic, and rescuing three Indonesian fishermen whose boat had sunk three days earlier in a storm.



Shipyard Safety Officer Development Program

During 2019, we experienced several preventable safety incidents during routine dry dockings. Thankfully no one was injured, but these incidents could have had a much different outcome. After analysing these events, we created the Shipyard Safety Officer Development Program.

Unlike daily operations at sea, where our crews live and breathe safety every day, standing by a ship in a shipyard is something that may happen only once in a seafarer's career. Dockings, which occur roughly every five years, are hectic, with many simultaneous activities and unfamiliar personnel onboard speaking multiple languages. Workspaces are congested with cables and hoses and hatches are open everywhere, creating a highly challenging safety environment.

As part of our commitment to employee development, for this program, we identify young officers whom we believe have leadership potential. They are taken out of the normal crew rotation, given specific shipyard safety training and then placed in the yard for the entire drydocking period. They have no other duties other than being the safety lead on our shipyard team. They are expected to bring our safety ethos to the dry dock, interacting positively with shipyard colleagues and leading by example.

We consider successful participation in this program as a critical milestone in a young officer's path to senior leadership. We expect them to bring their learnings and experience back to each ship they serve on and to each of our biennial crew conferences, where they present their learnings to large groups. We look forward to seeing these young officers rise through the ranks in our fleet.

Governance

International Seaways is the Number 1 rated Tanker Company by Webber Research/ Wells Fargo for Corporate Governance and Capital Stewardship.

Our proactive focus on good governance and abiding by strong ethical standards enhances our ability to deliver on long-term growth. We are committed to transparency, accountability, reducing risk and building trust with our shareholders and other stakeholders.

As a public company, we uphold the highest governance standards and we are kept accountable both to our investors and the wider public. We have Corporate Governance Guidelines that reflect best practices in matters such as the powers and responsibilities of the Board and its committees, review of potential related party transactions, the methods of choosing and evaluating those who serve as directors, and the relationship between the Board and management.

The strength of our corporate governance program has also been recognized by the industry. In 2018, 2019 and 2020, we were the highest-rated tanker company (and the second of 56 rated shipping companies overall) by Webber Research (and the predecessor rankings by Wells Fargo) for ESG/corporate governance. In 2018, we were recognized by the National Directors Institute as “Public Company Board of the Year”.

Board Diversity and Independence

We believe that diversity brings fresh perspective and ideas and ensures we can better understand our investors, business partners, customers and other stakeholders.

Two of our directors, including our CEO and President, Lois Zabrocky, are women, which we believe sets us apart from other companies in an industry in which women are a small percentage of the workforce (IMO’s 2020 estimate is that only 2% of seafarers are women).

Ms. Zabrocky is a prominent member of the industry, frequently contributing to industry-wide discussions and conference panels. She is a vocal advocate for women in shipping, being a member of the Women’s International Shipping & Trading Association (WISTA), and has received numerous accolades over the years, including receiving a 2019 Marine Environmental Protection Award from the North American Marine Environment Protection Association (NAMEPA) and being named as the Connecticut Maritime Association (CMA) Commodore for 2020.

As well as diversity, we believe an independent board brings strength to our organization. All of our non-executive board members serve in roles where they are independent under relevant SEC and NYSE rules, which promotes accountability. We benefit from the wealth of experiences from different business sectors and backgrounds that they bring to the table.

Ethics and Integrity

Good governance starts from the top. We want our senior leaders and management to set an example for



	Key Metric	SASB Metric Reference	2019 Disclosure
Governance	Number of Shipboard Employees	[TR-MT-000.A]	1,623*
	Number of Shoreside Employees	Additional information	43*
	Board Makeup (M / F%)	Additional information	78 / 22
	Senior Management a Makeup (M / F%)	Additional information	83 / 17

all members of our community. This belief has been formalized into part of our CEO’s performance review to help demonstrate the importance we place on creating and maintaining a positive ‘Tone at the Top’.

We expect the best from ourselves and from those who work with us. Our commitment is that everyone at International Seaways will conduct themselves to the highest standards, with honesty, integrity and fairness, and that our business partners, third-party ship managers and suppliers will follow suit. We work closely with them to ensure our standards are known and met. We also expect appropriate transparency in our contract relationships and have no related party transactions with directors or officers.

Compliance

The shipping industry is heavily regulated – the tanker sector even more so. International Seaways will always strive to meet the requirements of all current rules and regulations, and when possible and appropriate to exceed those standards. Our anti-bribery and anti-corruption policy cements our commitment to follow and adhere faithfully to both the letter and spirit of all applicable anti-bribery legislation worldwide. We supplement this policy with mandatory training provided to our employees, counterparty due diligence and the promotion of related policies and procedures. We also participate in the Marine Anti-Corruption Network, a global business network of over 100 members, whose vision is a maritime industry free of corruption that enables fair trade to the benefit of society at large.

Our regulatory compliance efforts also address sanctions and embargo laws. We do not engage in sanctionable activities, with our internal policies and procedures designed to ensure we comply with applicable rules and

regulations. We work closely with our technical managers and commercial pool partners to protect against even inadvertent violations of these requirements.

Cybersecurity

Strong governance to us includes ensuring business resiliency, data privacy and cybersecurity are managed both onshore and on our vessels. We have a robust cybersecurity program, which is based on the National Institute of Standards and Technology (NIST) cybersecurity framework and the related framework developed for the maritime industry.

The operational integrity of our information systems and those of our counterparties is vital. Our information systems have been enhanced in recent years through the implementation of cloud-based architecture and AI machine-learning based security solutions. We believe that we are recognized as a leader in the industry, and our head of IT/CISO has spoken at several conferences about issues relating to IT and cybersecurity.

Key Role of Third-Party Managers

We have engaged third-party ship managers to assist us in providing technical management to our vessels. We work hand in hand with them to resolve issues as they arise, using our employees’ long history of involvement in the tanker industry to take the lead on key aspects of our operations, including recruitment and employment of our seafarers. We are committed to ensuring all our agents and employees adhere to our values, and we are already asking all third-party managers with current contracts to disclose their yearly ESG metrics. We work proactively with our managers should these metrics fall short – if we are going to reach our ambitions, co-operative work is essential.

Disclaimer

In this report, the Company may make forward-looking statements or provide forward-looking information. All statements other than statements of historical facts should be considered forward-looking statements. Although such statements reflect the Company's current expectations, these statements are not guarantees of future performance, but involve risks, uncertainties, and assumptions which are difficult to predict. You should read the Company's Annual Report on Form 10-K, its Quarterly Reports on Form 10-Q, and other documents the Company has filed with the U.S. Securities and Exchange Commission for additional information regarding the Company, its operations and the risks and uncertainties it faces.

You may obtain these documents from the Company's website at www.intlseas.com. The Company does not undertake to update any forward-looking statements as a result of future developments, new information or otherwise.

This report is informed by metrics defined by the Sustainability Accounting Standards Board's (SASB) MARINE TRANSPORTATION: Sustainability Accounting Standard Sustainable Industry Classification System® (SICS®) TR-MT Prepared by the Sustainability Accounting Standards Board (October 2018), as well as taking into account relevant disclosure metrics set out by "Reporting for Signatories, United Nations: Principles for Responsible Investing (PRI) 2020." Supplementary disclosure metrics designed by Infrastructure Technical International Ltd (ITI).

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All information is assumed to be correct at time of publication. Some metrics have been calculated through engineering calculations. ITI Network accepts no responsibility for the truthfulness, or validity of the reported metrics.

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