



International
Seaways

Environmental, Social & Governance Disclosure 2021

Introduction

In 2021, in the face of rapidly changing market conditions, International Seaways continued to focus on its core philosophy of transporting energy safely and efficiently through the diligent and environmentally compliant operation of well-maintained assets by dedicated, well-trained crews. We also worked to reduce our environmental footprint and to ensure the safety and well-being of our colleagues, crew, and operations.

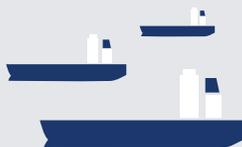
During the year, International Seaways undertook several corporate initiatives that impacted our ongoing ESG journey, including entering into agreements to build three dual-fuel LNG VLCC tankers, completing a transformative merger with Diamond S Shipping (DSS) that almost tripled the size of our fleet, and engaging in an asset optimization program that resulted in the

sale of 16 older tankers. International Seaways and the broader industry also continued to manage through the challenges raised by the ongoing COVID-19 pandemic.

Every element of ESG – environment, social, and governance – came into play in 2021. Addressing decarbonization and other environmental regulations remained a key priority. At the same time, the DSS merger demonstrated the strength of our governance principles – both in evaluating and executing the merger itself, and in realizing synergies from the transaction. Furthermore, the vitality of our culture was on full display, as we integrated the employees, operations, and third-party commercial and technical managers into a new, larger International Seaways.



2,000
Shipboard Employees
As of 31 Dec 2021
(TR-MT-000.A)



84
Tankers in Fleet on-the-water
68 Owned as of 31 Dec 2021
(TR-MT-000.E)



6
Shoreside Locations
Worldwide

A Message from Our CEO

Thank you for taking the time to join us for International Seaways' third annual ESG report. This report is a tangible example of our commitment to advocating for and implementing leading environmental, social and governance (ESG) practices, as well as an important demonstration of transparency and openness with our stakeholders.

This past year has been one of significant transformations during a time of historic market headwinds. We merged with Diamond S Shipping (the "Merger"), growing our owned and chartered-in fleet from 35 vessels at year-end 2020, to nearly 100 vessels in mid-July 2021, but through our asset optimization program we moved back down to 84 on-the-water tankers by year-end. The Merger will impact our ESG footprint for years to come, as we acquired 64 vessels (which collectively had an average age greater than that of our existing fleet) and began relationships with new technical and commercial managers. The sales we conducted in conjunction with the Merger led to departures of 16 vessels that were more than 10 years old, improving our year-end average fleet age.

COVID-19 also affected our operations in 2021, but lessons we learned in the early stages of the pandemic, coupled with the roll-out of vaccines and other medical advances, helped us to meet those challenges even more effectively. The safety of our employees and the continuity of operations remained of paramount concern, and we took appropriate steps to ensure their continued health.

Despite these significant changes in our circumstances, as well as the historically low tanker rates for both crude and product tankers we experienced in 2021, we remained highly focused on ensuring ESG remained at the forefront of all that we do.

Reflecting our commitment to environmental citizenship and our desire to be on the forefront of sustainability initiatives, in March 2021 we entered into an agreement to build three dual-fuel LNG VLCCs, which will deliver in

2023. The ships will serve on seven-year time charters with Shell, one of our longest-standing customer relationships. Taking advantage of the latest advances in ship design, these vessels will operate more efficiently than our existing fleet and reduce greenhouse gas emissions. This project highlights our continuing efforts to build synergistic relationships across the industry to help achieve emerging ESG goals. We believe that the decarbonization challenges faced by the industry are best solved through collaboration. This building program brings together a leading oil major, three ship owners, a world class shipbuilder and technical experts from around the world, and can serve as a model for future projects.

Several other ESG initiatives were also underway in 2021. We dedicated internal resources to help grow and manage our sustainability efforts. We continued our ballast water treatment system installation program. We continued to carefully monitor regulatory developments, particularly on matters such as decarbonization, vessel fuel efficiency, GHG emissions reduction and trading initiatives. We continue to work with all stakeholders as we develop solutions to the environmental issues we face.

Ultimately, our continued focus on ESG matters starts at the top. Our Board and our senior management team ensure we are taking the right steps on ESG efforts and are being open and transparent for the benefit of our investors and other stakeholders.

This is our third annual ESG report, and I'm proud that, over the last three years, we've been able both to make measurable progress on our ESG journey and to share that progress with you.



Lois Zabrocky
President/CEO



10,197,179
Deadweight Tonnage
Owned and SLB Vessels
(TR-MT-000.D)



4,987,034
Total Nautical Miles Travelled
Owned and SLB Vessels
(TR-MT-000.B)



34,652
Operating Days
All Vessels
(TR-MT-000.C)

2021 Key Metrics

	Key Metric	SASB Ref.	2019 Data	2020 Data	2021 Data
Environmental#	CO ₂ Emissions ¹	[TR-MT-110a.1]	1,192,801 t CO ₂ -e	1,053,451 t CO ₂ -e	2,217,788 t CO ₂ -e
	Total Fleet Energy Consumption ¹	[TR-MT-110a.3]	15,975,560 GJ	14,057,887 GJ	29,552,467 GJ
	Total Pollutant Emissions ¹	[TR-MT-120a.1]	NO _x : 34,168 mt SO _x : 16,374 mt PM ₁₀ : 2,938 mt	NO _x : 30,053 mt SO _x : 11,347 mt PM ₁₀ : 2,498 mt	NO _x : 63,159 mt SO _x : 21,183 mt PM ₁₀ : 5,138 mt
	Number and Aggregate Volume of Spills and Releases to the Environment	[TR-MT-160a.3]	Spills: 2 Volume: 1.1 m ³	Spills: 0 Volume: 0 m ³	Spills: 0 Volume: 0 m ³
	% of Fleet using Exhaust Gas Cleaning Systems	Further Disclosure	0%	27%	14%
	% of Fleet using Low-Sulphur Fuel Oil	Further Disclosure	100%	73%	86%
	Fleet AER ²	Further Disclosure	3.12 gCO ₂ /(MT-nm)	3.04 gCO ₂ /(MT-nm)	3.90 gCO ₂ /(MT-nm)
	Fleet SSI (AER) ²	Further Disclosure	1.02	0.99	0.98
	Fleet EEOI ²	Further Disclosure	6.64 gCO ₂ /(MT-nm)	5.22 gCO ₂ /(MT-nm)	7.81 gCO ₂ /(MT-nm)
	Fleet SSI (EEOI) ²	Further Disclosure	1.25	1.18	1.04
Social	Lost Time Incident Rate	[TR-MT-320a.1]	0.45	0.45	0.15
	Bribery and Corruption Charges	[TR-MT-510a.2]	\$0	\$0	\$0
	Total Number of Marine Incidents % Classified as Very Serious	[TR-MT-540a.1]	3 / 0	0 / 0	0 / 0
	Number of Conditions of Class or Recommendations	[TR-MT-540a.2]	0	0	0
	Number of Port State Control Deficiencies and Detentions	[TR-MT-540a.3]	43 / 1	43 / 0	92 / 0
Governance	Number of Shipboard Employees ³	[TR-MT-000.A]	1,623	719	2,000
	Number of Shoreside Employees	Further Disclosure	43	45	61
	Board Makeup (M / F%)	Further Disclosure	78 / 22	78 / 22	70 / 30
	Snr. Management Makeup (M / F%)	Further Disclosure	83 / 17	83 / 17	83 / 17

¹ Data for 2021 only includes our owned and chartered-in tanker fleet and lightering support vessels chartered in by Lightering LLC.

² Does not include Lightering LLC.

³ As of 31 December.



Goals & Ambitions

International Seaways is committed to fulfilling its mission of transporting energy safely and efficiently to customers around the world using well-maintained assets operated by dedicated crews in a diligent and environmentally compliant manner. We believe every stakeholder – our investors, lenders, charterers, suppliers, and employees, among others – is a customer, and we strive to exceed our customers’ expectations every day. We do this by understanding each of their needs and by understanding our own business, and we challenge ourselves to constantly seek improvement.

We are proud to be a safe, reputable, and accountable actor in the shipping industry, and addressing ESG issues is part of our core culture. We think that it is important to lead by example – we hold ourselves to high expectations, and our stakeholders expect us to excel. Meeting these standards takes an enormous amount of effort, but as a result our crews and our shore-side employees are engaged, highly trained, and focused on doing the “right” thing.

Our seafarers are the foundation of everything that we do. We proudly believe that we are a best-in-class operator and an industry leader. We have achieved this

by making safety our number one priority, by creating a safety culture that looks to reduce incidents rather than to lay blame, and by sharing best practices to improve safety and compliance practices. This combination of collaboration and personal accountability has enabled us to continue improving.

We do this against a backdrop of rapid change. The ongoing pandemic, industry consolidation, the continued evolution of decarbonization initiatives and, most recently, the Russia-Ukraine conflict all continue to affect both International Seaways and the shipping industry more broadly. We believe that we need to maintain a leadership role in the evolution of shipping as expectations fundamentally change for how we operate, and we must continue to prove to stakeholders that shipping will play its part in the energy-source transition.

This is our annual ESG report for 2021, which for the first time includes three years of comparisons for ESG metrics and performance. We appreciate this opportunity to share our history, our improvements, our ambitions, and our goals, and we hope that readers of this report will find it useful in understanding our efforts to continually improve how we do all that we do.

Environmental

International Seaways is committed to environmental stewardship and is proud to be among the first conventional tanker companies to begin deploying environmentally-friendly dual-fuel tankers.

The shipping industry operates at the intersection of sea, land, and air. International Seaways understands that its business, decisions, and actions have an impact on each of these elements. We endeavor to manage and reduce our impact on each and on the broader global community. Our GHG emissions – caused largely by burning fossil fuels – contribute to the warming of the global climate system, and accordingly both decarbonization and energy transition are and will continue to be a key focus. We actively manage and reduce our solid and liquid waste streams. We strive to educate all our stakeholders to the risks of failure of action and what steps we can and do take.

Because it depends heavily on burning fossil fuels, tanker shipping faces a dual challenge of both reducing its carbon footprint by transitioning to the use of low-carbon fuels and simultaneously extending the economic and social benefits of delivering energy to consumers globally. We continued to support efforts to increase transparency and to promote investors' understanding of how we and others in the industry are working to address climate change-related risks and opportunities.

Sustainability: A Core Component of our Cultural DNA

The shipping industry operates within a comprehensive global regulatory network of international, national, local, flag state and classification society compliance requirements. The regulatory landscape is constantly evolving. In the coming years, environmental regulation of the shipping industry will be enhanced through a number of additional legal frameworks, both global (e.g., the IMO's EEXI design measure and CII carbon intensity metrics) and regional (e.g., inclusion of shipping into the EU's Emissions Trading System). Some measures have already been implemented and are slated for entry in the relatively near term, while others remain under discussion.

While these matters must always be key considerations for us due simply to the nature of our business, we are taking steps to move beyond the simple goal of regulatory compliance and are working to nurture and develop a broader culture of sustainability. At its core, sustainability consists of fulfilling the needs of the current generation without compromising those of future generations, while ensuring a balance between economic growth, environmental care and social well-being. It is also a journey, which most frequently begins with a compliance culture, then (as we are doing now) moving to awareness of the impacts and benefits of sustainability to the business

and world around us through the growing adoption of sustainability principles, and then ideally culminating in a business where sustainability is a valued part of the business decision making process.

No navigator on our ships departs from port without investigating the intended journey, creating a passage plan, and informing their team of the route and the challenges it may entail. That passage plan can be adjusted and improved as new information becomes available. Our GHG sustainability journey is no different, and we continue to enhance our journey as new information and processes come to light. A decade ago, for example, shore-based oversight of any particular voyage was limited. Now, we have in place an advanced third-party platform that allows highly detailed analytical data to be gathered from our vessels that we can use to reduce fuel consumption and CO₂ and other GHG emissions during a voyage.

A key part of our efforts to reduce our emissions are the day-to-day activities onboard to optimize the ships' systems using performance monitoring tools. We have invested in advanced hull coatings for our largest ships, which reduce hull friction and power required to make speed and accordingly reduce emissions, and installed wake improvement devices on many ships, which again reduce fuel consumption and emissions. These efforts, together with frequent "Get to Green" communications to the crews on our ships, help manage and reduce our environmental impacts.

These initiatives matter to stakeholders. Our primary financing facility in 2021 had a sustainability-linked pricing mechanism, which provides for an adjustment in the interest rate we pay that depends on the carbon efficiency of our fleet as it relates to year-over-year reductions in CO₂ emissions against a benchmark. Our current financing, which we entered into in 2022, focuses not only on GHG reduction targets, but also requires that we meet certain safety targets and invest specifically in GHG-reduction measures.

Measuring Environmental Impact and the Effect of Changes to the Fleet

In 2021, we continued to make progress in reducing our impact on the environment. Described in greater detail below, our fleetwide alignment with climate targets improved for a second consecutive year. This was achieved against an increase in the size of the fleet as a result of the Merger, which had significant impacts both on the absolute

Focusing on Performance and Sustainability is Everyone’s Job, but Having a Sustainability Engineer Makes that Job Easier

In 2021, International Seaways established a Performance and Sustainability team, which is tasked with both educating the organization and helping to expand our decarbonization efforts. In conjunction, we created a new role – Sustainability Engineer – that is responsible for ensuring that the leadership team and all employees are informed on sustainability issues and new regulations and their business impacts, as well as concerns and feedback from stakeholders.



Lina Tenenbaum
Sustainability Engineer

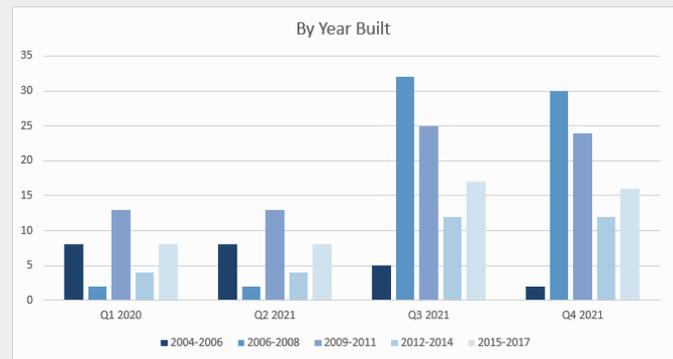
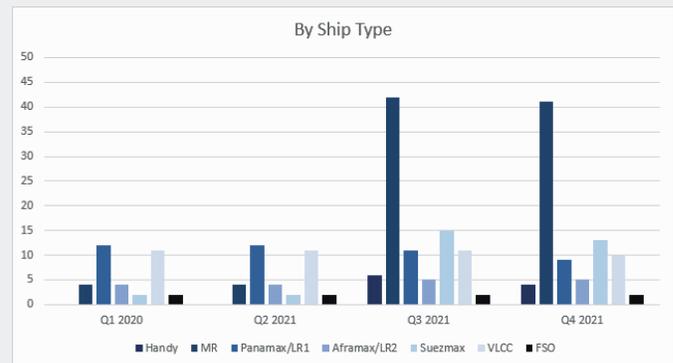
Our new Sustainability Engineer, Lina Tenenbaum, is a naval architect and marine engineer graduate from Webb Institute. She has developed an ESG database (focusing first on the “E”) covering topics such as regulatory environmental frameworks, alternative fuels, market-based measures, and technical efficiency improvement solutions. The database monitors hundreds of industry projects and announcements so that we can stay aware of developments in and adjacent to the maritime space. She is also responsible for conveying this wealth of information to our commercial team, so that our commercial agreements support our goals for both environmental compliance and emissions reduction. Lina meets weekly with the senior executive team to inform them of sustainability developments and support their efforts to build out a “tone at the top” that will lead us to that final phase of sustainability culture.

amount of energy consumed and CO2 emitted in 2021 when compared to the much smaller 2020 fleet. We added a substantial number of MR and Suezmax tankers to the fleet, while disposing of older, less efficient vessels through our asset optimization program.

As described in detail in our 2020 ESG Report, the two metrics used by the shipping industry to convey decarbonization progress are the Annual Efficiency Ratio, or AER (a supply-based efficiency metric that measures the theoretical carbon intensity of a ship or fleet) and the Energy Efficiency Operational Indicator, or EEOI (a demand-based operational efficiency metric that measures real-world carbon intensity of a ship or fleet)¹. Fleetwide AER or EEOI can be calculated by aggregating the total carbon dioxide (CO2) emitted by the fleet and dividing by both the total miles traveled by the fleet and the total deadweight of the fleet (in the case of AER) or the total cargo carried by the fleet (in case of EEOI).

It is, however, impossible to effectively compare AER values and EEOI values across ship types and sizes, and year-on-year changes in the fleet makeup will have a significant impact on fleet-wide AER and EEOI. As noted above, the size of International Seaways’ owned and chartered-in fleet increased from 35 ships at the start of 2021 to 84 tankers at year-end. In addition, the fleet composition changed significantly as a result of the Merger, with the addition of many MR and Suezmax tankers. The transaction also significantly increased the number of vessels built before 2011, but the increase in our average vessel age was offset by sales of 16 older vessels (including six vessels built in 2003 or earlier).

The following graphs show the changes in fleet makeup throughout the year, grouped by both ship size and year built.

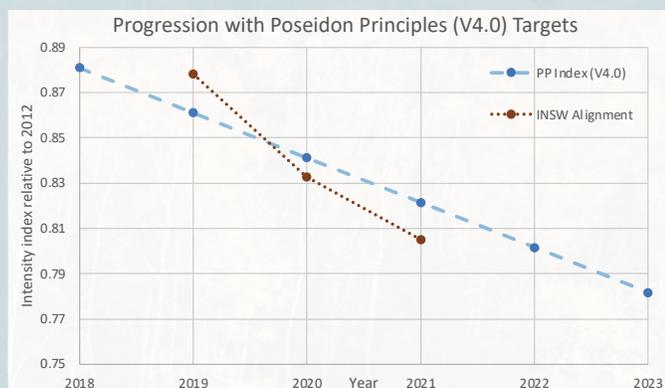


The larger post-Merger fleet led to a significant increase in absolute emissions in 2021 compared to the previous year. Fleet changes also impacted fleetwide AER and EEOI numbers. As discussed, the fleetwide AER and EEOI numbers are not a useful tool to analyze the fleet’s climate progress from 2020 to 2021. However, our Ship Sustainability Index (SSI) values – which compare AER to Poseidon Principles targets and EEOI to Sea Cargo Charter targets – offer a more meaningful way

¹ Please refer to the 2020 ESG Report for an in-depth explanation of AER, EEOI, and their limitations as measures of vessel efficiency.

to analyze a fleet's emissions performance. Our SSI(AER) value is the metric evaluated by lenders in connection with our sustainability-linked financing.

Our fleetwide alignment with climate targets improved for a second consecutive year. The Fleet SSI(AER) decreased from 1.02 in 2019 to 0.99 in 2020 to 0.98 in 2021, while our Fleet SSI(EEOI) improved from 1.25 to 1.18 to 1.04 year-on-year. The graph below displays our improved Fleet AER performance against the Poseidon Principles targets, which tighten by about two percent annually. The vertical axis represents the carbon intensity index relative to 2012 levels (which is the same reference point used by the Poseidon Principles). While our rate of improvement moderated when compared to that from 2019 to 2020, the fleet's improvement remained ahead of the IMO-aligned trajectory.



The previously discussed changes in fleet makeup contributed significantly to the improvement in our Fleet SSI values, as a result of complementary factors.

Of the 68 vessels that entered the fleet following the Merger, 43 had individual SSI(AER) values of 1.0 or less (indicating alignment with the 2021 PP targets). This favorably affected fleetwide climate alignment, and the fleetwide percentage of climate-aligned ships more than doubled from less than one-third in 2020 to almost two-thirds in 2021.

In addition, 16 mostly older ships – with ages ranging from 5 years to 19 years at exit, of which 10 were built in 2009 or earlier – left the combined fleet following the Merger, and so did not contribute to our emissions for portions of 2021. Of these 16 ships, ten had SSI(AER) values greater than 1.0, indicating non-alignment with the trajectory.

Older vessels tend to underperform in terms of energy efficiency and emissions, and the exit of these aged vessels from the fleet reduces the impact of their environmental performance on the fleetwide metrics.

Another significant factor affecting fleetwide AER and EEOI values in 2021 was vessel speed. Most of the vessels in the fleet operated at slightly lower speeds in 2021 than they had in 2020. Speed reductions, however slight, result in lower

fuel consumption and emissions. The average fleetwide speed, weighted by deadweight, decreased by around four percent, which impacted the fleetwide efficiency scores. These lower speeds likely resulted due to the historically low tanker rates in 2021.

Vessel utilization, or the ratio between the time a ship spends carrying cargo compared to the time in ballast transiting to its next loading port, can be a factor for both AER and EEOI metrics. Fleetwide vessel utilization did not meaningfully change between 2020 and 2021 and did not contribute to the performance improvements noted.

Our AER and EEOI metrics were impacted in a less-quantifiable way by the approximately 20 drydockings that took place in 2021. Drydockings can impact emissions in several respects: first, as the hulls are cleaned and repainted during the docking, hull resistance is reduced and emissions improved; second, during some drydocks we have installed efficiency-enhancing add-ons, such as Mewis ducts and high technology “slick” paint; third, engine tuning and similar activities result in enhanced engine operations. Countering some of this can be time spent travelling to a shipyard unladen and in ballast, and a vessel may be required to wait (burning fuel without traveling any distance) before entering a drydock, both of which can affect AER and EEOI.

The table on the next page lays out our 2019, 2020 and 2021 performance metrics. We made good progress toward improving emissions and meeting industry emissions targets in 2021, particularly after taking into account developments during the year. We look forward to what we believe will be further improvements in 2022.

Fleet Renewal: Our Dual-Fuel VLCC Tanker Newbuild Program

In March 2021, International Seaways contracted to build three LNG-burning dual-fuel VLCCs. The three vessels are currently under construction at DSME in South Korea and will be delivered in 2023. They are part of a larger series of ten vessels, split with two other owners.

Upon delivery, all ten vessels will commence seven-year time charters with Shell. International Seaways is pleased to have been able to partner with a market-leading oil major on this program, and the vessels will provide strong, stable cash flows for the charter period, with added upside due to profit sharing above the base rate. Importantly, we expect these tankers to be well-suited to adhere to future environmental regulation throughout their life, as they meet both today's IMO EEDI requirements and exceed the 2025 Phase III EEDI targets by 8.6 %. Their significant environmental benefits, including substantially affecting our carbon footprint, are in keeping with our commitment to ESG-focused corporate citizenship and part of our effort

	Key Metric	SASB Ref.	2019 Data	2020 Data	2021 Data
Environmental	CO ₂ Emissions ¹	[TR-MT-110a.1]	1,192,801 t CO ₂ -e	1,053,451 t CO ₂ -e	2,217,788 t CO ₂ -e
	Total Fleet Energy Consumption ¹	[TR-MT-110a.3]	15,975,560 GJ	14,057,887 GJ	29,552,467 GJ
	Total Pollutant Emissions ¹	[TR-MT-120a.1]	NO _x : 34,168 mt SO _x : 16,374 mt PM ₁₀ : 2,938 mt	NO _x : 30,053 mt SO _x : 11,347 mt PM ₁₀ : 2,498 mt	NO _x : 63,159 mt SO _x : 21,183 mt PM ₁₀ : 5,138 mt
	Number and Aggregate Volume of Spills and Releases to the Environment	[TR-MT-160a.3]	Spills: 2 Volume: 1.1 m ³	Spills: 0 Volume: 0 m ³	Spills: 0 Volume: 0 m ³
	% of Fleet using Exhaust Gas Cleaning Systems	Further Disclosure	0%	27%	14%
	% of Fleet using Low-Sulphur Fuel Oil	Further Disclosure	100%	73%	86%
	Fleet AER ²	Further Disclosure	3.12 gCO ₂ /(MT-nm)	3.04 gCO ₂ /(MT-nm)	3.90 gCO ₂ /(MT-nm)
	Fleet SSI (AER)²	Further Disclosure	1.02	0.99	0.98
	Fleet EEOI ²	Further Disclosure	6.64 gCO ₂ /(MT-nm)	5.22 gCO ₂ /(MT-nm)	7.81 gCO ₂ /(MT-nm)
	Fleet SSI (EEOI)²	Further Disclosure	1.25	1.18	1.04

¹ Data for 2021 only includes our owned and chartered-in tanker fleet and lightering support vessels chartered in by Lightering LLC.

² Does not include Lightering LLC.

to be at the forefront of sustainability initiatives in the shipping industry.

The project itself has required significant resources and commitment and the development of new ways of doing things. For most of 2021, travel to South Korea was highly restricted, with 14-day quarantine requirements and strict COVID testing protocols in place. To help safeguard our employees' health, no business travel occurred in 2021 for

this project. Meetings to review and edit vessel plans that typically in the past would have been face-to-face were conducted through video conferencing. Remote HAZID and HAZOP review sessions to evaluate vessel systems and mitigate any risk that was identified in the design were held at all hours of the day and night, regardless of time zone differences, to include inputs from experts based in the United States, the UK, Turkey, India, Korea, and Singapore.

LNG as a Fuel: Ensuring Readiness for Next-Gen Operations

Liquefied natural gas, or LNG, is the most mature and readily available low-carbon fuel. Compared to conventional fuels, LNG produces lower sulfur, particle, nitrous oxide, and carbon emissions. Unlike other emerging fuels, such as hydrogen, ammonia, and methanol, LNG is supported by a global infrastructure, fixing its place as a worthwhile bridge fuel for emissions reductions now. Unlike for most other alternative fuels, safety protocols for LNG as a fuel are well established. International Seaways is an active member of the Society for Gas as a Marine Fuel (SGMF), helping to promulgate these standards more broadly. The network for securing and delivering LNG as a fuel is well established and supports the VLCCs' natural trading ranges.

While this project does not constitute International Seaways' first dealings with LNG, these are the first dual-fueled vessels in the company's history and the first newbuilds undertaken since becoming a public company

in 2016. And while LNG itself has a strong safety record, accidents can happen, and the actual impact of any given incident could be significant. Accordingly, it is important that everyone be familiar with safe LNG operations before the ships enter service.

Our educational journey started with a senior management seminar with a leading expert from Lloyd's Register. This effort was then rolled out and expanded for our employees. The course covered the basics of LNG operations and LNG as a fuel, as well as the relevant regulatory framework. It also provided a deep dive into the design of LNG fuel systems and an overview of LNG-fueled ships currently in operation. Before operating our new vessels, the officers, the crew and their shoreside counterparts will all undergo similar and expanded learning experiences, attend actual LNG fuel transfers, and undergo hazard management and response training.

Social

Staying safe remains at the forefront of all that we do, both onshore and at sea, and developments in 2021 have only strengthened that commitment.

We know that our employees, at sea and ashore, are crucial to our success. In 2021, International Seaways continued to provide our mariners and our shore-side employees with a safe, high-quality place to work in an environment where they can thrive professionally. Our philosophy is one of continual improvement throughout ship and shoreside operations. We maintain a robust safety and compliance culture, and we believe in fair and transparent business practices. We reinforce a culture of mutual support and respect.

Continued Shadow of COVID-19

Throughout 2021, we continued to bear the burden of the COVID-19 pandemic. Although vaccines were deployed in late 2020 and rolled out around the world in 2021, quarantine and testing protocols continued to challenge our operations, particularly during crew changes.

We were, however, able to operate in an even more efficient manner than we had in 2020. Throughout the year, we provided support to our much-valued crew members at sea in the form of vaccination programs, outreach services, counseling, and resilience training. We also became a signatory to the Neptune Declaration on Seafarer Wellbeing and Crew Change as part of a worldwide call to action to end the unprecedented crew change crisis caused by COVID-19.

Onshore, we faced many of the same challenges. Over the course of the year, we worked to develop and implement a hybrid work model, which involves having employees working from our offices only on certain days. We rolled this program out in early 2022. We have benefitted from the lessons that we had learned by working in a fully remote manner in 2020 and 2021 and are continuing to provide the additional flexibility to which employees had grown accustomed during the pandemic. We also hosted weekly “town halls” on Microsoft Teams throughout 2021, which helped teams from our disparate offices scattered around the world to develop and maintain closer relationships.



Merger with Diamond S Shipping

Our merger with Diamond S Shipping created the second-largest US-listed tanker owner by vessel count and the third-largest US-listed tanker owner by deadweight. Immediately following the merger, the combined business had 100 vessels, and we went from working with one third-party technical manager to five, including a joint venture under our operational control. We increased the size of our onshore team at the end of 2021 by more than 35% and consolidated most U.S.-based onshore operations at our New York headquarters.

We spent more than \$50 million in connection with the completion of the Merger (including payment of termination fees to one of DSS’s partners) to integrate processes, policies, technologies, and systems. Despite the magnitude of the effort, this integration proceeded smoothly. Much of the credit for the success of the integration can be given to the similar cultures of the two organizations, both of which focused on safety and accountability as guiding principles. Both International Seaways and DSS were committed to creating a safe, healthy, and secure workplace at sea and ashore, with a focus on understanding “what went wrong” and “how can we make this better” rather than on “who is to blame”.

Ultimately, there was no business interruption from the Merger. All our ships continued to sail and trade safely. We met all our financial reporting deadlines and maintained our focus on sustaining a culture of compliance across our business.

Building a Community

We believe our ability to succeed in the face of potentially unsettling circumstances can be attributed to the foundation we have laid in building a community. We work to foster an environment where employees feel valued, and we depend on their abilities, passion, and professionalism to continue to grow as an organization. By creating and living a culture that allows employees to thrive and feel that they are an integral part of “Team Seaways,” we benefit through

greater loyalty, long-term relationships, and the ability to take advantage of the expertise developed over time.

We also make sure that we are not focusing only on ourselves. Our interactions with the communities in which we operate are another important part of who we are. We support the seafaring community, both directly through initiatives such as signing on to the Neptune Declaration, and indirectly through activities such as our partnership with Seafarers International House, a non-profit organization that improves the lives of seafarers by offering social assistance and advocacy. We also raised \$50,000 for the American Heart Association through a participatory walk/run.

We took the step to support our seafarers in 2021 by becoming a signatory to the Gulf of Guinea Declaration on Suppression of Piracy. This declaration, which has been signed by more than 500 organizations across the maritime industry, sets out a series of steps to be taken by all stakeholders to help decrease and end the threat of piracy in the Gulf of Guinea. Through international coalitions of actors, declarations like this and the Neptune Declaration can truly influence and improve the lives of seafarers across the globe.

We recognize the importance of keeping everyone as safe as possible and continuing to develop and enhance their skills while building relationships. We also recognize the importance of diversity and inclusion. We employ seafarers from seven countries on our vessels, predominantly from Asia and Europe, and have employees of ten nationalities represented in our shore-based staff. We are also very proud to have three women and a director of Asian heritage on our Board. Similarly, of our 12-person senior management team, two are women and two others are members of underrepresented minority groups. In an industry that has historically been dominated by men, we think this level of diversity is a significant source of strength and helps to establish the right “tone at the top”. Our global mindset, coupled with our focus on fairness, diversity, and inclusion, helps drive business success.

	Key Metric	SASB Ref.	2019 Data	2020 Data	2021 Data
Social	Lost Time Incident Rate	[TR-MT-320a.1]	0.45	0.45	0.15
	Bribery and Corruption Charges	[TR-MT-510a.2]	\$0	\$0	\$0
	Total Number of Marine Incidents % Classified as Very Serious	[TR-MT-540a.1]	3 / 0	0 / 0	0 / 0
	Number of Conditions of Class or Recommendations	[TR-MT-540a.2]	0	0	0
	Number of Port State Control Deficiencies and Detentions	[TR-MT-540a.3]	43 / 1	43 / 0	92 / 0

Governance

International Seaways believes in fair business practices and open and transparent corporate governance and actively works to uphold the highest governance standards.

In 2021, our proactive approach to maintaining strong governance standards was crucial to the effective merger with Diamond S Shipping. Our focus on good governance and other ESG matters served us well during the period, as we made significant changes to our operations, refreshed our Board, and took appropriate action to ensure that we would continue to abide by the highest ethical standards following the Merger.

As a public company, we uphold high 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.

Ensuring that we comply with regulation is a key element of our governance practices. The shipping industry operates within a comprehensive global regulatory network of international, national, local, flag state, and classification society compliance requirements. International Seaways strives to meet and, when reasonably possible, exceed compliance with all applicable rules and regulations governing our industry. Some of our environmental equipment and procedures go beyond what is mandated by industry regulation, a conscious decision in keeping with our core philosophy of striving for excellence. In order to ensure that we are meeting expectations, it is imperative that the Board, the management team, and the employees of International Seaways understand how all these applicable regulations affect us.

The strength of our corporate governance program has been recognized by the industry. Since 2018, we have been ranked among the top 10 shipping companies rated by Webber Research (and the predecessor rankings by Wells

Fargo) for ESG/corporate governance. Understanding that we cannot stand still, we strive for continuing improvement because what is cutting-edge today may be middle-of-the-pack tomorrow.

Board and Management Practices

“Tone at the top” is vital to encouraging understanding of, and adherence to, our ESG goals. Our Board and management team focus heavily on all aspects of ESG and regularly engage in discussions relating to both ESG risks and opportunities. In order to ensure that all our employees understand that we are truly committed to doing things the “right” way, we make every effort to be transparent as to our expectations and to adopt best practices on ESG issues.

Diversity in the boardroom provides fresh and challenging points of view and ultimately makes us a stronger organization. In 2021, we refreshed our Board in conjunction with the Merger, with three directors joining the company from DSS. Our larger Board is quite diverse (particularly for a company in the shipping industry) – our directors include three women as well as someone of Asian heritage, and 8 of our 10 directors are fully independent. One of our directors is based in London, which has enhanced our efforts to consider a global approach to all that we do.

Importantly, all but two of the current directors (other than the CEO and the former CEO of DSS) are fully independent for service on the Board and include experts in both shipping and compliance. In 2021, we had one related party transaction which was related to the merger. International Seaways elected to retain the services of the former CEO of DSS following the transaction, given his extensive knowledge of Diamond S’ operations. This short six-month consulting agreement was our only related party transaction involving a director or officer since we became an independent public company in 2016.

	Key Metric	SASB Ref.	2019 Data	2020 Data	2021 Data
Governance	Number of Shipboard Employees ¹	[TR-MT-000.A]	1,623	719	2,000
	Number of Shoreside Employees	Further Disclosure	43	45	61
	Board Makeup (M / F%)	Further Disclosure	78 / 22	78 / 22	70 / 30
	Snr. Management Makeup (M / F%)	Further Disclosure	83 / 17	83 / 17	83 / 17

¹ As of 31 December.



Seaways Leyte and Seaways Montauk performing ship-to-ship transfer in the U.S. Gulf

Our management team executes action plans as approved by the Board and works to manage ESG-related risks and opportunities. As part of overseeing these activities, the Board's Corporate Governance and Risk Assessment Committee regularly reviews and reports on the management's assessment of and steps to address various risks that may impact the organization. Discussions include market risks, commercial risks, counterparty risks, cyber risks, regulatory matters, and insurance, and particular areas of focus in 2021 included the COVID-19 pandemic and integration risks relating to the Merger.

The Board and management also work closely together on ESG-related capital allocation and financing activities. The company was proud to be the first NYSE-listed ship owner to include a sustainability-linked pricing mechanism in a credit facility in 2020 and has since refinanced that agreement (in 2022) and added additional sustainability-related pricing provisions around seafarer safety and "green" capital expenditure metrics. The Board and management also collaborate on capital allocation matters more generally, including decisions on buying new vessels (such as our three LNG dual-fuel VLCC tankers) and on returning capital to our shareholders.

Business Practices

Our culture of strong corporate governance and risk management practices has allowed us to continue to operate on a business-as-usual basis despite the changes and challenges we faced in 2021. During an extremely difficult market environment, we were able to meet our operational objective – safe and reliable transportation of energy – while at the same time achieving strategic objectives and fulfilling our public company financial reporting requirements.

We continue to take a measured approach to managing and mitigating risk. Safety of operations is always our

priority. We strive to prevent environmental incidents and ensure we meet and where reasonably possible exceed regulatory compliance requirements. We provide training to ensure that sea and shoreside staff understand our safety and environmental policies and procedures, regulatory requirements, the impact of vessels on the environment and our commitment to environmental stewardship.

International Seaways believes in fair business practices and open and transparent corporate governance. Our Anti-Bribery & Corruption Policy and Code of Business Conduct & Ethics are clear and are publicly available – we do not tolerate unethical business dealings or facilitation payments of any sort. International Seaways has an anonymous hotline available to all who wish to report any policy or ethics code violation. We spend significant resources ensuring that we comply with relevant sanctions laws and regulations when we conduct business or engage in sale and purchase activity.

It is important to recognize that we can learn from others in the industry as they address these issues and that we can help others resolve issues that we have faced in the past. We participate in a wide range of industry forums that help us to improve our business practices – for example, our CEO sits on the board of directors of ITOPI, the leading not-for-profit marine ship pollution response advisors, and we 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.

Ultimately, we believe transparency and accountability are vital to our operations, and we strive to foster an environment where colleagues are empowered. All members of International Seaways are encouraged to speak up with confidence, knowing they will be supported in all they do.

Glossary

This glossary of terms is provided to assist the reader in understanding certain key terms used in this report. Readers should also refer to the Company's 2020 and 2019 ESG reports for further discussions of certain of these terms.

AER – Annual Efficiency Ratio, which is a supply-based operational efficiency metric that measures the theoretical carbon intensity of a ship or fleet, and which is different for different ship types and sizes. It divides the amount of CO₂ emitted by design cargo-carrying capacity (deadweight), regardless of utilization, and then again by nautical miles the ship travelled in a year.

Carbon intensity – a measure of CO₂ emitted per unit of transport work.

CII – Carbon Intensity Indicator, which is an operational measure adopted by the IMO that, from 2023, will be used to describe the CO₂ emissions intensity of any particular vessel.

Climate alignment – how well a ship, fleet, company, etc. is positioned compared to a set climate trajectory (specifically the Paris Agreement's temperature goals).

Demand-based metric – a carbon intensity metric based on actual cargo carried.

EEDI – Energy Efficiency Design Index for newbuild Vessels, a mandatory but non-prescriptive minimum energy efficiency level per tonne mile, based on the ship's design parameters, which differs by ship type and size segments.

EEOI – Energy Efficiency Operational Indicator, which is a demand-based operational efficiency metric that measures the real-world carbon intensity of the fleet. It estimates how much CO₂ was emitted to transport one tonne of cargo one nautical mile.

EEXI – Energy Efficiency Design Index for Existing Vessels, which measures CO₂ emissions per transport work, purely considering the ship's design parameters.

GHG – greenhouse gas, i.e. a gas that traps heat in the atmosphere.

IMO – the International Maritime Organization, an agency of the United Nations that is the body responsible for the administration of internationally developed maritime safety and pollution treaties.

LNG – liquefied natural gas, that is, natural gas cooled to -163° centigrade, turning it into a liquid and reducing its volume to 1/600 of its volume in gaseous form.

LTI – lost time incident rate, a commonly used safety metric.

MEPC – the Marine Environmental Protection Committee, which is a committee of the IMO that addresses environmental issues under the IMO's remit.

Merger – the merger on July 16, 2021 between the Company, one of the Company's subsidiaries, and Diamond S Shipping

Inc. (DSS), which resulted in DSS becoming a wholly-owned subsidiary of the Company.

NYSE – the New York Stock Exchange.

Paris Agreement – Under the United Nations Framework Convention on Climate Change (UNFCCC), the Paris Agreement (2015) stated that global warming must be limited to within 1.5 to 2 degrees Celsius above pre-industrial levels. For additional information, please refer to the 2020 ESG Report.

PP – the Poseidon Principles. Developed by a group of leading ship financing lenders, the PP are "a framework for assessing and disclosing the climate alignment of ship finance portfolios." Among other matters, the PP regulate AER.

PSC – Port State Control, which is the inspection of foreign ships in national ports to verify that the condition of the ship and its equipment, and the manning and operation of the ship, comply with relevant international regulations.

SASB – Sustainable Accounting Standards Board, which has developed a set of Standards to "enable businesses around the world to identify, manage and communicate financially-material sustainability information to their investors."

SCC – the Sea Cargo Charter, launched in October 2020 by leading charterers and commercial stakeholders, is a "framework for assessing and publishing the climate alignment of chartering activities." Among other matters, the SCC regulates EEOI.

SLB vessel – vessel subject to sale-leaseback arrangement.

SSI – ship sustainability index; ratio of calculated carbon intensity to target carbon intensity [please confirm as I couldn't quickly find this one online]

Supply-based metric – a carbon intensity metric that is based on cargo-carrying capacity.

Transport work – the product obtained when multiplying cargo carried by laden distance.

UNFCCC – the United Nations Framework Convention on Climate Change, which entered into force in 1994. The ultimate objective of the UNFCCC is to stabilize GHG concentrations "at a level that would prevent dangerous [human-induced] interference with the climate system."

UN IPCC – the United Nations Intergovernmental Panel on Climate Change, which is the United Nations body for assessing the science relating to climate change.

Utilization – the nature of a voyage, either ballast or laden.



Cryogenic LNG tank under construction in Korea

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 most recently published 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 Systems* (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." Supplemental disclosure metrics designed by Infrastructure Technical International Ltd (ITI).

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