

SCORPIO TANKERS
ESG REPORT 2022



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ABOUT THIS REPORT

Scorpio Tankers Inc.'s 2022 Environmental, Social, and Governance (ESG) Report sets forth the ESG-related commitments, initiatives, and performance of Scorpio Tankers Inc. ("Scorpio Tankers" or the "Company") for the calendar year of 2022. This report has been prepared in accordance with the Sustainability Accounting Standards Board (SASB) Marine Transportation Standard (v. 2018-10). Where considered relevant, this report details management and performance information up to the date of publication. Some information presented in the report includes the activity of the Scorpio group of companies (Scorpio).

Scorpio includes companies which are service providers to Scorpio Tankers and provided seafarers for vessels and shoreside services during the reporting period. Please see Scorpio Tankers' 2022 Annual Report for further information on these relationships.

This is the fourth ESG report that the Company has published since its inaugural 2019 ESG report. Feedback on this report is welcome. To provide feedback or to request additional information related to the contents of this report, please contact us at sustainability@scorpiogroup.net

KEY FIGURES 2022

Fleet Vessels*

NUMBER

113

2021: 131

Average Age*

YEARS

7.0

2021: 6.0

Sailing Distance

MILLION NAUTICAL MILES

7.01

2021: 7.7

GHG emissions

MILLION MT CO₂e

2.33

2021: 2.48

Health & Safety

0.5 LTIF**

2021: 0.71

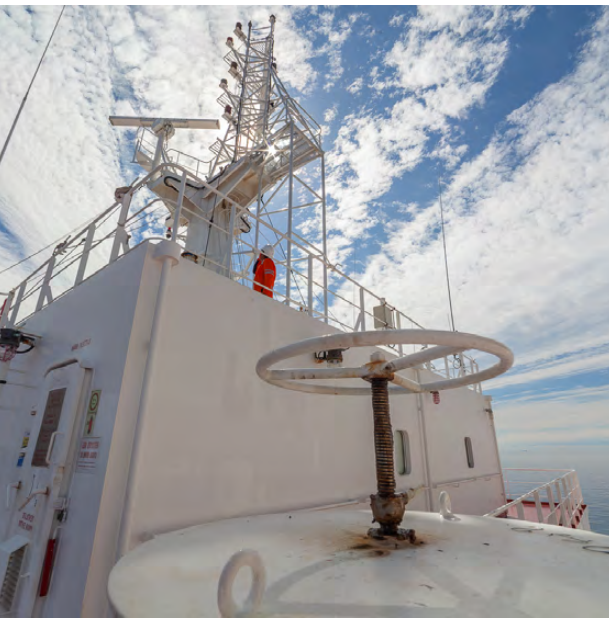
Spills

0

2021: 0

* As of December 31 of the respective year.

** Scorpio reports on LTIF in accordance with the OCIMF Marine Injury Reporting Guidelines.



LETTER FROM THE CEO

DEAR VALUED STAKEHOLDERS

It is with great pleasure that I present to you our ESG Report for 2022. As a leading oil tanker company, we understand the importance of balancing economic growth with environmental sustainability, and we take our responsibilities in this regard very seriously. This report reflects our commitment to working towards a more sustainable future for our industry, our communities, and our planet.

In a world where political instability and uncertain energy markets have become the norm, we recognize the vital role that we play in ensuring energy security for our customers. We take pride in our ability to navigate these challenging times and maintain the uninterrupted flow of energy around the world. The future of our industry depends on our ability to adapt to changing circumstances, and we are committed to remaining agile to meet the needs of an evolving world.

Safety is at the core of everything we do. We know that our success depends on the well-being of our employees, our customers, and the communities where we operate. We are proud of our safety record, which reflects our commitment to process refinement, self-reflection, and a strong safety culture. Regardless of our previous efforts, there is always room for improvement, and we remain dedicated to working with our stakeholders to identify and address potential risks and challenges.

Efficiency is also critical to our success. We understand that our customers rely on us to transport their products in a timely and cost-effective manner, and we strive to meet their demands. We continuously invest in new technologies and innovative solutions to improve the efficiency of our vessels and reduce our environmental impact. Through meaningful collaboration with our stakeholders, we continue our work towards pragmatic solutions for mutual benefit.

Finally, we understand the importance of caring for the well-being of seafarers who are paramount to our success. Without question, their work is challenging and often involves long periods away from their families and loved ones. To help combat the rigors of their valued work, we are committed to providing a safe and supportive work environment that promotes their physical and mental well-being. At sea and onshore, we fully support the ideals of diversity and inclusion and are working to create a culture that values and celebrates our differences.

As we look to the future, we know that there are challenges ahead. Climate change is among the most pressing issues facing our industry and our planet. As such, we have decided to engage with a third-party provider to create a climate change scenario analysis specifically tailored to our Company. We firmly believe this work will minimize our blind spots and help us more clearly see the path ahead. While a small step, we will continue to collaborate and ask for help when needed to guide our actions to reduce our environmental impact and promote sustainability.

In conclusion, our current ESG report reflects our continued commitment to sustainability and our dedication to creating a safe, secure, and sustainable energy supply chain. We recognize that collaboration is crucial and we are committed to working closely with our partners to achieve our sustainability goals. We believe that through collaboration and innovation, we can create a sustainable future for ourselves and generations to come.

Sincerely,

Emanuele A. Lauro
Chairman and CEO, Scorpio Tankers
Monaco, May 2023



ABOUT SCORPIO TANKERS

Scorpio Tankers is a leading product tanker owner-operator providing marine transportation of refined petroleum products worldwide. With decades of experience serving a diversified blue-chip customer base, the Company is committed to operating at the highest possible standards to create sustainable, long-term value for our stakeholders.



Our vessels transport refined petroleum products (gasoline, diesel, jet fuel, and naphtha) on time charters or in the spot market through commercial pools operated by the Scorpio group of companies. The employment method of our vessels varies based on many factors, including our perspective on future market conditions.

Scorpio Tankers' fleet currently comprises an efficient mix of 113 short-range to long-range vessels that are wholly owned, lease financed, or bareboat chartered-in tankers. We utilize only modern, fuel-efficient tankers with an average fleet age of 7.2 years (as of March 31, 2023), compared to the global average of 13 years for vessels in the same class. In 2022, we started the year with 131 vessels and ended the year with 113 active vessels. Our fleet visited port in 135 countries and territories, of which the top ten accounted for 46% of all calls.



SCORPIO TANKERS

ACTIVE FLEET AS OF DECEMBER 31, 2022

HANDYMAX (HM)

VESSELS: 14 **AVERAGE AGE:** 8.1 **GLOBAL AVERAGE:** 16.2

TYPICAL ROUTE: Intra-Europe **TYPICAL CARGO:** Ultra low sulfur diesel



MEDIUM RANGE (MR)

VESSELS: 60 **AVERAGE AGE:** 6.9 **GLOBAL AVERAGE:** 11.8

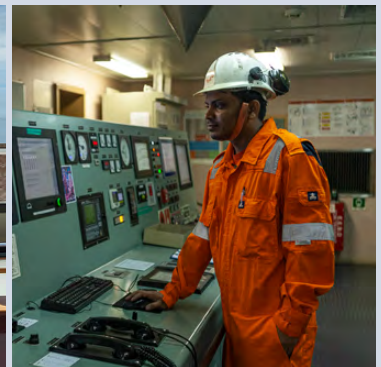
TYPICAL ROUTE: USA to Europe **TYPICAL CARGO:** Gasoline



LONG RANGE (LR2)

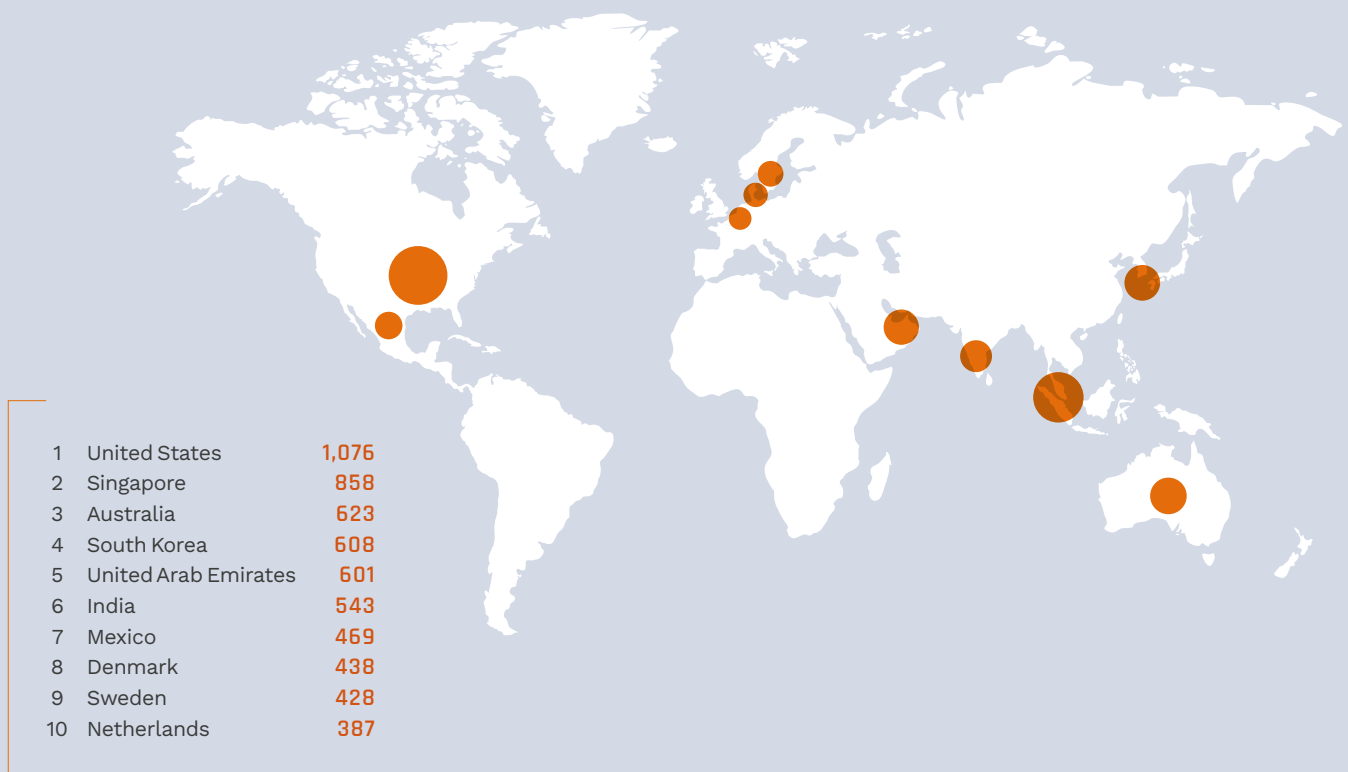
VESSELS: 39 **AVERAGE AGE:** 6.8 **GLOBAL AVERAGE:** 10.4

TYPICAL ROUTE: Middle East to Far East **TYPICAL CARGO:** Ultra low sulfur diesel





PORT CALLS 2022 – TOP 10 COUNTRIES



1	United States	1,076
2	Singapore	858
3	Australia	623
4	South Korea	608
5	United Arab Emirates	601
6	India	543
7	Mexico	469
8	Denmark	438
9	Sweden	428
10	Netherlands	387



VALUES

INTEGRITY – WORKING ABOVE BOARD

We believe in the honorable ideals of seafaring and shipping. Integrity, ethics, and strong moral principles are fundamental to our business and company culture. Our goal is to achieve the highest industry standards in our work through comprehensive training programs, policies, and procedural checks built on compliance.

STEWARDSHIP – RESPECT AND RESPONSIBILITY

We take pride in our responsibility to our various stakeholders – employees, customers, shareholders, and society – and apply the greatest care to preserve their trust. For our ship staff, we strive to maintain a safe, respectful working environment, both offshore and onshore. For our customers, we work hard to meet their expectations and deliver their products in a secure, efficient manner. Our banks and investors entrust us with their capital, and we aim to fulfill our financial obligations with complete transparency. Lastly, for the broader society, we utilize strict procedures and industry best practices to ensure safe, incident-free transportation on fuel-efficient vessels.

COLLABORATION – NO MAN IS AN ISLAND

We work across our industry with other companies, nonprofits, and authorities to leverage the multidisciplinary expertise in how we operate our business. These partnerships create shared value that accelerates our organization – and the industry as a whole – in a positive direction. We also believe that embracing diverse backgrounds and cultures generates stronger performance and long-term resiliency. Through diversity and the free exchange of ideas, we encourage innovation and provide opportunities for personal and professional development within our organization.

MOXIE – FORTUNE FAVORS THE BOLD

We challenge ourselves to take risks and pursue new opportunities to achieve long-term, risk-adjusted returns. Our energetic, ambitious, and innovative culture fuels our bold approach for success. We are not afraid to explore uncharted waters.

VISION

Scorpio Tankers strives to be a leader in the product tanker industry in all aspects of our business. Our vision is to provide the best services for our customers through our diligent focus on people, planet, principles, and performance. We are committed to...

- PEOPLE:** Maintaining a safe and healthy work environment through extensive training, improved awareness, and proper procedures
- PLANET:** Minimizing greenhouse gas (GHG) emissions, improving vessels' operational efficiency, and safeguarding our oceans
- PRINCIPLES:** Complying with global and national rules and regulations concerning environmental disclosures, fair labor practices, anti-corruption laws, etc.
- PERFORMANCE:** Operating efficient systems and investing in advanced technologies for long-term resilience

OUR SUSTAINABILITY STRATEGY

Scorpio Tankers' business strategy exists at the nexus of sustainability and profitability. Sustainability drives both the long-term resiliency of our operations as well as the environmental and financial value we deliver to our stakeholders. Our comprehensive approach includes utilizing fuel-efficient vessels, prioritizing the safety of our seafarers and cargo, and complying with global regulations.

ESG APPROACH

Scorpio Tankers plays a critical role in the supply chain of refined petroleum products and, as such, it is our duty to maximize the environmental, social, and governance (ESG) performance of our operations. Our ESG strategy aims to reduce the physical and financial risks for our business as well as contribute to our customers' Scope 3 emissions reduction goals. We recognize the importance of not only satisfying legal requirements but surpassing them to deliver the best value for our people, planet, and society. The Company reports on ESG

performance annually and aims to provide relevant, financially material, and industry specific ESG information for our investors and stakeholders. We report in accordance with the SASB Marine Transportation Standard (v. 2018-10) and address climate risks based on recommendations by the Task Force on Climate-related Financial Disclosures (TCFD).

Additional details of our commitments and initiatives are stated in our company [Sustainability Policy](#). We strive to provide full transparency of our sustainability efforts and continually update and improve our strategy in line with industry best practices.



CONTRIBUTING TO THE SDGS

The United Nations [Sustainable Development Goals](#) (SDGs) provide a series of 17 interconnected goals that collectively aim to end poverty, protect the planet, and ensure peace and

economic prosperity for all. Scorpio Tankers supports and contributes to the SDGs as a pathway to produce sustainable growth and shared value. Our SDG-focused initiatives have positive impacts not only for our business and direct value chain, but also for our industry. The goals most relevant to our policies and actions are SDGs: 3, 8, and 12.



Scorpio Tankers creates safe, healthy, and equitable working conditions for our workforce, both onshore and offshore. In a business with inherent risks and hazards, it is vital that we ensure the safety of our operations and provide the necessary training to prevent accidents.



Scorpio Tankers' business fosters critical economic activity across sectors. Through our role in global trade and development, we support sustainable economic growth and leave a positive impact on emerging economies. We actively promote economic growth in our own operations by fostering an inclusive, diverse workforce and providing professional training and development programs.



As a maritime company, it is our duty to ensure that all waste produced onboard our vessels is managed responsibly so that it does not pollute our oceans or cause undue burden at port reception facilities. We monitor and report on our progress, collaborate with suppliers and ports, and act in accordance with international waste regulations.

MEMBERSHIPS AND INITIATIVES

Through the Scorpio group of companies, Scorpio Tankers is a proud member of the following organizations and initiatives that are dedicated to ESG-related causes:



International Seafarers' Welfare and Assistance Network (ISWAN) – a network of international organizations committed to improving the welfare of seafarers through a variety of initiatives to improve physical health, mental wellbeing, and community support.



Intertanko (ESG Working Group) – an advocacy group for the tanker industry to facilitate the world with the safe, environmentally sound, and efficient seaborne transportation of oil, gas, and chemical products.



Marine Anti-Corruption Network (MACN) – a global business network supporting the vision of a maritime industry free of corruption.



Global Maritime Forum – an international nonprofit organization committed to influencing the future of maritime trade for sustainable, long-term economic development and social wellbeing. Scorpio is a member of the Getting to Zero Coalition and a signatory of the Neptune Declaration.

TIDES OF CHANGE: PREPARING FOR THE GREEN TRANSITION

The maritime industry is undoubtedly the mainstay of global trade and economic development. Ships carry over 80% of global trade by volume and account for crucial components in the supply chains of nearly every industry. Current estimates show that the maritime industry contributes almost 3% of global greenhouse gas (GHG) emissions, but that is likely to grow as demand for global trade increases.

Although shipowners and other maritime organizations have achieved significant emissions reductions through operational efficiencies, this increase of shipping and trade is projected to outpace current energy-saving strategies. The maritime industry is at a critical juncture in which it needs to accelerate decarbonization and enact ambitious regulations in line with the Paris Agreement's climate goals.

The International Maritime Organization's (IMO) [initial GHG emissions strategy](#) established a 2050 goal to reduce annual GHG emissions from international shipping by 50% and carbon intensity by 70%, compared to a 2008 baseline. However, scientific institutions and maritime NGOs have recently called for a more accelerated GHG emissions strategy to achieve rapid decarbonization of international shipping.

In March 2023, the Intergovernmental Panel on Climate Change (IPCC) published the [Synthesis Report](#) of the Sixth Assessment Report (AR6), which issued an urgent demand for more aggressive climate action and near-term target-setting in line with a 1.5°C pathway. In response, the IMO is expected to revise its initial GHG strategy at the Marine Environment Protection Committee (MEPC) 80 meeting in mid-2023.

Scorpio Tankers is actively following these developments and is fully prepared to collaborate with key stakeholders in the maritime industry to achieve new emissions goals. Alternative low- and zero-carbon fuels (e.g., hydrogen, ammonia, and e-methanol, among others) have a promising future in decarbonizing the shipping industry. However, these technologies still pose numerous challenges, and cross-sector collaboration is essential for successful market transformation.

As a leading product tanker fleet and responsible maritime business, Scorpio Tankers is well-positioned to step forward and engage in these collaborative efforts. We are eager to leverage the diverse resources and expertise of the Scorpio group of companies to achieve technological advancements and share our knowledge with key stakeholders in the maritime industry. We remain committed to our climate partnerships, such as the Global Maritime Forum's [Getting to Zero Coalition](#), and will continue to seek effective synergies for achieving IMO-alignment.

Change is on the horizon, and Scorpio Tankers is ready to collaborate with NGOs, flag nations, customers, clean technology companies, and other shipowners to accelerate the green transition.



ENVIRONMENT

Climate change is adversely affecting the maritime industry in numerous ways. Extreme weather events damage port infrastructure, rising seas and temperatures impact critical supply chains, and slower economic growth weakens global trade. It is crucial for the maritime industry to address these challenges in compliance with emerging regulations and stakeholder expectations.



Scorpio Tankers aims to focus on the environmental challenges that impact our enterprise, including greenhouse gas (GHG) emissions, marine pollution, and waste management. We are committed to fulfilling the International Maritime Organization's (IMO) GHG reduction obligations in addition to other emissions regulations for sulfur oxides (SO_x), nitrogen oxides (NO_x), and particulate matter (PM).

Scorpio Tankers' Sustainability Policy outlines our dedication to environmental responsibilities, such as optimizing the operational efficiency of our vessels and investing in sustainable technologies to reduce our ecological impact.

GREENHOUSE GAS EMISSIONS

Scorpio Tankers' sustainability strategy includes minimizing greenhouse gas emissions across our operations as well as actively looking for improved measures to reduce emissions. Our investments in modern, fuel-efficient vessels and advanced technologies benefit both the environment and our balance sheet. These efforts contribute to the International Maritime Organization's (IMO) 2050 goal for the shipping sector to reduce total annual GHG emissions by 50% and average carbon intensity by 70%, compared to a 2008 baseline. International shipping accounts for nearly 3% of global annual GHG emissions and carries 80% of global trade by volume. Without immediate action to curb emissions,



the effects of climate change could cost the global shipping industry an estimated **US \$25 billion annually** by the end of the century. Scorpio Tankers understands the significance of this consequence and we are taking the proper measures to reduce our direct impacts.

STRATEGY AND PERFORMANCE

Scorpio Tankers' initial strategy for reducing greenhouse gas emissions begins with maximizing energy efficiency. Our modern fleet has an average age of 7.2 years (as of March 31, 2023), and all vessels are equipped with advanced emissions reduction technologies that satisfy current regulatory requirements. Most of our vessels utilize exhaust gas scrubbers to minimize SO_x emissions. Strong energy efficiency creates both operational and economic resiliency for our business and contributes to our customers' Scope 3 emissions reductions goals.

COMPLYING WITH EEXI AND CII REGULATIONS

Beginning in January 2023, the IMO initiated a mandatory measure for all ships to calculate their attained Energy Efficiency Existing Ship Index (EEXI) to determine energy efficiency, and their annual operational Carbon Intensity Indicator (CII) and CII rating. Scorpio Tankers has calculated carbon intensity indexes for each vessel in our fleet and has mapped the overall mitigation potential. We will continue to comply with the new IMO regulation in preparation for the completion of the first annual report in 2023.

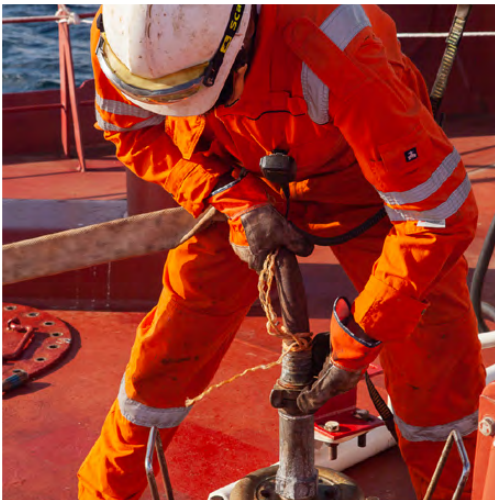
IMPROVED GHG PERFORMANCE

The 2022 reporting year saw improved emissions performance across all reported sources (Scope 1 GHG, NO_x, and PM), due to improved efficiency measures, reduced transport work, and the reduction of our fleet. In 2022, our Scope 1 GHG emissions were 2.33 MMT CO₂e (2021: 2.48 MMT CO₂e), NO_x emissions were 60,454 MT (2021: 64,274 MT), and PM was 4,940 MT (2021: 5,235). Total distance travelled by our vessels was 7.01 million nautical miles (2021: 7.67 million nm), an 8.6% decrease, compared to a 6% decrease of Scope 1 GHG emissions. This indicates a similar correlation between 2021 and 2020, which had an 8.5% increase in distance travelled and a 6.4% increase in emissions. Detailed emissions and energy efficiency indices for each vessel type are reported in the accompanying SASB table in the Appendix.

BALLAST WATER AND WASTE MANAGEMENT

100% BALLAST WATER TREATMENT

Ballast water management systems are vital to the safe and efficient operation of vessels. The International Convention for the Control and Management of Ships' Ballast Water and Sediments (BWM Convention) regulates the standards and procedures for signatory vessels' ballast water management. Uncontrolled or untreated ballast water may contain thousands of aquatic or marine organisms, which can be detrimental to local ecosystems. The BWM Convention ensures that vessels maintain safe operations of ballast water systems while minimizing the risk of transferring potentially invasive species. Scorpio Tankers' fleet has ballast water management plans established on each vessel in accordance with the BWM Convention. In 2022, ballast water treatment systems were in place on 100% of our vessels and no ballast water discharge incidents were reported.



ZERO SPILLS OR DISCHARGES

Accidental ocean spills or airborne discharges can have devastating ecological consequences. Harmful spills require extensive recovery and environmental restoration efforts, not only causing reputational damage to the company, but also resulting in economic penalties. No ocean spills or airborne discharges were reported in 2022 (2021: 0).

COMPLIANT WASTE DISPOSAL

MARPOL Annex V regulates solid waste produced on ships and prohibits the discharge of most waste into the sea. Regulated waste produced on a vessel is properly disposed of at designated port reception facilities. Some waste materials are recycled or reused when possible. In 2022, no waste disposal issues were reported.

RESPONSIBLE SHIPBUILDING AND RECYCLING

Scorpio Tankers is committed to sustainable and socially responsible shipbuilding and recycling. We make conscious decisions when contracting a shipbuilder and assess their operations to ensure they align with our values. In addition, we believe that ship recycling should be executed in line with strict standards for safeguarding the environment, human health, and worker safety. We are prepared for potential future vessel recycling and will conduct any recycling in compliance with the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships. No vessels were built or recycled in 2022 and no future newbuilds or recycling are currently scheduled.

CLIMATE SCENARIO ANALYSIS AND CDP QUESTIONNAIRE

We are continually developing our approach as it relates to sustainability and climate risk in order to future-proof our company. Building upon the efforts from last year's TCFD exercise, we are in the process of a climate scenario analysis that assesses the physical and transitional risks associated with International Energy Agency (IEA) and Intergovernmental Panel on Climate Change (IPCC) climate scenarios. The analysis takes a comprehensive approach to assess the risks and opportunities for our business from bottom-up, top-down, and outside-in perspectives. The outcome of this exercise will provide us with guidance on what to expect in the predicted future scenarios. As the regulatory environment develops and various jurisdictions put forth their carbon reduction strategies, the oil and gas business will be impacted. This work will enable us to prepare for how we can best leverage our business model to mitigate risk and seize opportunities as the energy landscape evolves. Throughout the assessment process, our ESG taskforce will help inform elements of perceived business impacts, culminating in a workshop with key decision makers.

We have also opted to respond to CDP's 2023 Climate Change Questionnaire. Our decision to respond is based on growing demand for transparency from stakeholders as well as increasing participation across our industry. It will be a valuable exercise to assess our performance compared to peers and to remain ahead of regulation. Additionally, we see the climate scenario analysis and CDP being mutually informative to the other, as both processes uncover risks and opportunities for our business. This robust approach to ESG will further strengthen our ability to adapt to coming challenges in the regulatory and physical environment.

CASE STUDY: REDUCING SINGLE-USE PLASTICS AND PREVENTING MARINE POLLUTION

The effective management of vessel-produced waste is essential for operating a responsible maritime business. Shipowners have a duty to reduce waste and adopt sustainable consumption practices to minimize the burden of pollution on the marine environment, coastal communities, and port reception facilities. According to BIMCO, ships in the maritime industry use an estimated 1.75 billion plastic bottles per year. Although policies and procedures are in place to encourage recycling single-use plastics, many nation states and reception facilities do not have sufficient infrastructure to guarantee responsible recycling. Therefore, it is vital that the maritime industry establishes sustainable, circular procurement strategies. Scorpio Tankers is an active leader in this mission.

The Company has made significant strides in reducing single-use plastics and we recently shared our successes at the IMPA London Conference in February 2023. Thanks to a new plastics initiative and active supplier engagement, **our fleet has avoided an estimated 1.2 million plastic bottles per year over the past three years**. This conservative estimate underscores the waste reduction potential if the collective maritime industry embraced a similar plastic-free initiative.

The solution to eliminating single-use plastic bottles was not only simple and sustainable, but also cost-effective. We worked with our suppliers to install water filtration units onboard our vessels and provided seafarers with refillable bottles. The aggregate cost of this improvement had a positive effect on our budget, demonstrating that sustainable solutions can be economical at scale.



Our success in single-use plastics has motivated us to find other areas of improvement and incentivize our stakeholders to follow suit. We anticipate regulatory authorities to enact plastic bans soon, so it is advantageous to proactively build out plastic-free systems and resilient supply chains. Through collaboration with suppliers, customers, NGOs, and other shipowners, Scorpio Tankers can assist in redesigning maritime procurement and consumption in line with a circular economy.



SOCIAL

Creating a safe, healthy, and enriching work environment is a fundamental component of our business. Scorpio Tankers strives to put its people first by maintaining a safe workplace, investing in professional development and training programs, and fostering a culture of diversity, equity, and inclusion. These efforts generate social capital and positive retention rates, resulting in a strong foundation to drive growth and innovation.



SAFETY STRATEGY

Scorpio Tankers prioritizes seafarers' safety through a steadfast commitment to prevent workplace incidents and eliminate potential risks and hazards. We ensure the health, safety, and security of our workers, our customers, and all other personnel connected to our operations. We uphold this responsibility by implementing a comprehensive approach to health, safety, and security:

IDENTIFY AND ASSESS

Scorpio Tankers continuously identifies and assesses all risks and hazards that are present for our seafarers, both offshore and onshore. Current risks to seafarers' health and safety include operational hazards on vessels, physical and mental illness, and threat of piracy or other seaborne crimes.

TRAIN AND PREPARE

Providing sufficient safety training is essential to preventing workplace incidents and maintaining our strong safety culture. Scorpio Tankers ensures that all employees and associated personnel possess the proper safety awareness and observe all onboard procedures.



COMPLY WITH REGULATIONS

Scorpio Tankers upholds a safe and secure work environment in accordance with all relevant maritime regulations. We also cooperate fully with international authorities in order to deter maritime terrorism and other threats. Our fleet is in compliance with the International Code for the Security of Ships and Port Facilities (ISPS Code). In addition, the Company is accredited to the internationally recognized ISO 9001 and ISO 14001 standards on quality management and environmental management systems, respectively. We are aligned with the United Nations Guiding Principles on Business and Human Rights (UNGPs) and only do business with entities that comply with human rights laws.

SAFETY AND LABOR

LTIF

In 2022, our lost time incident frequency (LTIF) was 0.5 (2021: 0.71), there were five reported incidents, and no serious marine casualties. We will continue our commitment to achieve a zero-harm workplace and prioritize the health and safety of our people.

RESPONSIBLE SAFETY CULTURE

Our workplace environment contains many inherent risks and safety hazards. In order to instill safe work habits and awareness, senior management communicates regularly with company employees through internal media campaigns and training programs. We allocate resources and personnel to ensure all operations are safe and in compliance with regulations. Although we employ dedicated safety personnel to oversee safety programs and monitor operations, each employee is equipped with a supervising authority to stop any activity that they deem unsafe. These proactive strategies contribute to our strong safety culture and low incident rates.

PIRACY PROTECTIONS

As a global product tanker fleet, Scorpio Tankers faces risks of piracy, hijacking, and kidnapping in certain regions of operation. We utilize industry best practices and follow guidance from governing bodies to actively protect our crew, vessels, and cargo. All of our ships are registered with the EU Naval Force (Maritime Security Centre), which coordinates

ships' transit schedules with the appropriate protection arrangements in the Gulf of Aden and Somali Basin. We also conduct an internal risk assessment before initiating a voyage in any part of the world and assess preventive measures in alignment with our Health, Safety, Quality, and Security Policy. In 2022, no incidents of attempted piracy, hijacking, or kidnapping of Scorpio Tankers vessels were reported (2021: 0).

SEAFARER LABOR PRACTICES

Our seafarers are represented by the International Transport Workers' Federation (ITF), which defends the interests of transport workers' unions in matters related to job security, employment conditions, and safety in the transport industry. We also adhere to the industry specific guidelines of the International Labor Organization (ILO), which aims to promote rights at work, encourage decent employment opportunities, enhance social protection, and strengthen dialogue on work-related issues.

HEALTH AND WELFARE

NEPTUNE DECLARATION

Scorpio Tankers is a proud signatory of the Global Maritime Forum's [Neptune Declaration](#), which aims to protect seafarers' welfare in response to the COVID-19 crew change crisis. We will continue to promote and support the Declaration by:

- Recognizing seafarers as essential workers and giving them priority access to COVID-19 vaccines
- Establishing and implementing gold standard health protocols based on industry best practices;
- Improving collaboration to facilitate crew changes;
- Ensuring air connectivity between key maritime hubs for our seafarers

WELLNESS AND WELFARE AT SEA

Maintaining a safe workplace extends beyond safety training and procedures. Seafarer wellness – both physical and psychological – directly concerns effective ship operations and the safety of human lives, vessel cargo, and the marine environment. Ultimately, our people are our greatest asset, and we strive to protect and enhance their wellbeing in any way possible.



Our seafarers live and work in an inherently stressful environment while onboard vessels. Shipboard work involves physical labor and living in confined spaces over long periods of time. Social norms are altered while at sea, as seafarers have a restricted social group and limited recreational resources. We have made significant investments in our vessels and social resources over the years to overcome these challenges and provide a rewarding work-life balance for our seafarers. All vessels in our fleet have recreational rooms, fitness equipment, offices with public computers, and other communal spaces. Vessels are also enabled with Wi-Fi connectivity so that seafarers have access to reliable communication with family members onshore. In addition, we have a valued partnership with Crewsure, providing health insurance to cover employees' time at home and medical benefits for direct family. We regularly seek improvements to our wellness initiatives and value employee feedback on wellness at sea.

The physical, mental, and economic welfare of our ship staff is a top priority. Our senior management is committed to building a culture of care across the company through a variety of welfare measures, including:

- Dedicated shore staff for handling seafarer-welfare issues
- Digital learning management system for remote access to training and seminars
- Wellness workshops to raise awareness of physical and mental wellbeing
- Free internet access provided to all seafarers onboard to help them stay in touch with their families
- Streamlined processes and procedures to optimize workload of seafarers
- Competitive wages and benefits that are well above what is negotiated in the collective bargaining agreement
- Timely payment of wages to all seafarers and timely turnaround in their tour of duty
- Recreational facilities onboard, including a gym
- Assistance to onshore families of seafarers while they are at sea
- Mentoring programs for cadets
- Industry leading insurance program for all seafarers

DIVERSITY, EQUITY, AND INCLUSION

AMPLIFYING DEI EFFORTS

Scorpio Tankers is committed to fostering a diverse workplace that reflects our values of respect and integrity. This past year, we updated our Code of Ethics to further develop our DEI initiatives and expand on current employee training requirements. Additional information on our updated Code is provided in the case study in the Governance section.

We recently welcomed a new board member, Sujata P. Kumar, who brings over 40 years of unique experience in entrepreneurship and industry across various sectors. Among her accomplishments, Ms. Kumar served as joint managing director of United Shippers Limited in India and currently serves as a director of Parekh Integrated Services, one of India's largest healthcare logistics providers. Ms. Kumar is the second woman and first person of color to join the Company's Board. We are thrilled to have Ms. Kumar at our table, and her perspective and expertise will be invaluable to Scorpio Tankers.

DIVERSE TALENT AND ANTI-DISCRIMINATION

We embrace diversity across our company and strive to foster a culture of openness and acceptance for all employees and other team members. Uplifting our people and recognizing their diverse backgrounds, skillsets, and ideas not only supports their professional development, but also enables the Company to retain the best and brightest talent. Furthermore, as an Equal Opportunity Employer, all qualified applicants receive consideration for employment without discrimination of race, color, religion, sex, sexual orientation, gender identity, national origin, disability, or protected veteran status. For more information, our approach to diversity and inclusion is outlined in our Code of Ethics.

SCORPIO COMPANY DIVERSITY 2022	PERSONS	FEMALE	UNDER 30 YEARS OLD	30-50 YEARS OLD	OVER 50 YEARS OLD
Governance bodies	13	3	0	4	9
Shipboard employees	5,218	58	1,433	3,135	650
Onshore employees	804	226	122	573	109

PROFESSIONAL DEVELOPMENT

TRAINING AND ADVANCEMENT

We are committed to the professional development of our people and invest in their growth from the very beginning of employment. All employees take part in onboarding and induction programs as well as on-the-job training. Beyond the standard training programs, we provide professional development opportunities for employees to learn new skills and advance their technical or managerial capabilities. Investing in seafarers' professional growth results in positive retention rates and an innovative company culture.

SEAFARER EDUCATION

In addition to seafarer training, we are committed to the continuing education of our cadets and provide seminars both onboard and online. In the past five years, over 500 cadets across multiple nationalities have completed training with Scorpio Tankers and many continue to serve as watchkeeping officers onboard our vessels. We take pride in the retention rate of our cadetship (97%) and actively monitor the progress of cadets throughout their training and service. We will continue to improve and adapt our seafarer seminars to provide equitable access for eligible seafarers seeking education.

CASE STUDY: TURKEY EARTHQUAKE SUPPORT

On February 6, 2023, a deadly earthquake struck southern Turkey and parts of northern Syria, resulting in catastrophic damage and loss of life. The initial 7.8 magnitude earthquake was followed by a 7.5 magnitude quake and hundreds of aftershocks, with the epicenter in the Pazarcık district of Kahramanmaraş Province. When Scorpio Tankers learned of this event, we jumped into action to ensure that our people – crewmembers, shoreside employees, and their families – were safe.

We leveraged the Scorpio group of companies and our Istanbul office to make contact with over 50 employees living in the affected region. Through consistent communication efforts, we determined the safety status, housing situation, present location, and urgent needs of all employees and their families. We then collaborated with local suppliers to provide personal hygiene products, winter clothing, food, clean water, and other provisions. Once it was deemed safe to travel, our local crew management visited the affected families and organized safe accommodations, including temporary container housing and hotel rooms in Istanbul. The earthquake had devastating consequences for countless Scorpio employees and, unfortunately, resulted in the loss of life of one of our own crewmembers. We provided immediate financial support to those affected and set up funds and academic scholarships for family members.

In the months following this heartbreaking event, we remain committed to our people in Turkey and continue to facilitate their recovery. Scorpio's collective response to the earthquake not only demonstrated the collaborative efforts of senior management, but also the inherent stewardship of our organization. We are grateful for our dedicated crew management in Turkey and recognize their selfless acts in ensuring the safety and wellbeing of our people.



Sources: [The New York Times](#); [US Geological Survey](#)

GOVERNANCE

Our responsibility to our stakeholders – including our investors, employees, and the environment – begins with sound corporate governance. We are committed to leading an ethical and transparent business by complying with regulatory requirements and disclosing annual ESG performance. All decisions are made in line with our Code of Ethics and our mission to deliver long-term, sustainable value for our stakeholders.



ESG OVERSIGHT AND CORPORATE GOVERNANCE

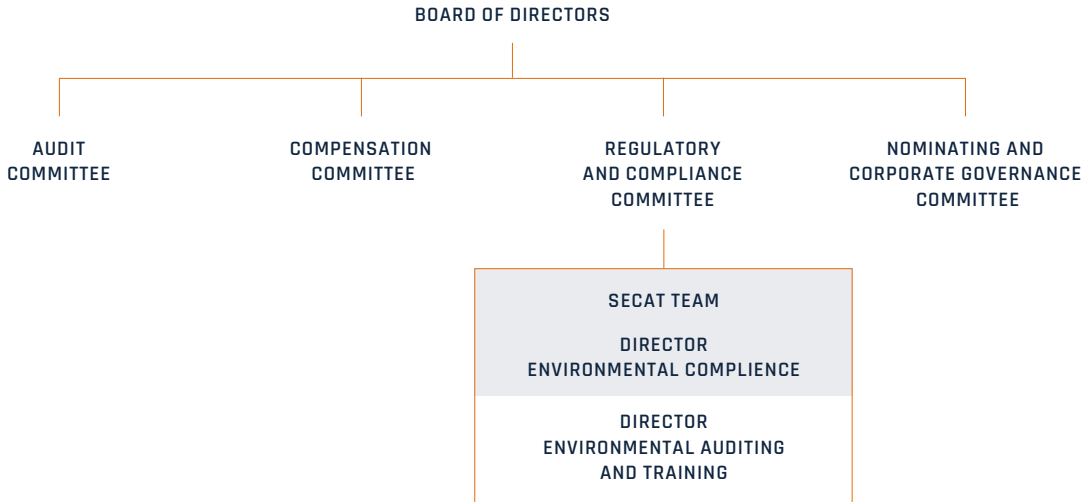
The Company's Board oversees all ESG initiatives and assesses performance. The Board's ESG leadership, however, is supported by an extensive, company-wide collaboration to conduct business responsibly. The Board regularly communicates with senior management across business operations to proactively address risks and pursue opportunities. Furthermore, every employee, contractor, and third-party stakeholder is educated on our policies and held to our standards of responsible business. Our commitment to responsible business and corporate governance promotes a culture of ethics both within our own company and in the

broader maritime industry. As we navigate changing market conditions and geopolitical factors, our company will continue to adapt our management of ESG issues to ensure responsible corporate governance.

SEC ESG PREPAREDNESS

The US Securities and Exchange Commission (SEC) anticipates a final rule amendment on ESG disclosures in the near future. The current proposal contains rule amendments that would require domestic or foreign registrants to disclose certain climate-related information in their registration statements and periodic reports. The proposed ESG disclosures are similar to those that we already provide and we will continue to monitor the SEC's progress and prepare to comply with the new amendments, once finalized.

SCORPIO ORGANIZATIONAL STRUCTURE



ORGANIZATIONAL STRUCTURE

Scorpio Tankers' corporate structure is detailed in the accompanying figure, which displays the relationship between the Board of Directors, executive committees, and the environmental compliance team. The Company has established a direct line of reporting from the environmental compliance audit and training team (SECAT) to the Board. Our Board is comprised primarily of independent directors who possess a diverse set of backgrounds, skills, and industry knowledge.

RESPONSIBLE BUSINESS PRACTICES

ANTI-CORRUPTION

Corruption poses a significant compliance risk in the maritime industry and hinders collective progress in social equity and economic growth. In addition to its restraint on global trade and development, corruption also threatens the wellbeing of our seafarers and places them in illegal, and potentially dangerous, situations.

Scorpio Tankers condemns all forms of corruption and strives to operate honestly and ethically in all matters of business. Our Code of Ethics states our approach to countering corruption, bribery, and fraud. We educate our employees on the various forms of corruption, train them in effective responses if they are confronted with corruption, and expressly prohibit them from participating in corrupt activities. We hold our third-party entities (suppliers, customers, service providers, and partners) to the same conditions and discontinue business relationships if knowledge of corrupt practices is revealed.

We monitor and comply with all anti-corruption and anti-bribery laws enforced by the various jurisdictions in which we

operate. These include, but are not limited to, the UK Bribery Act of 2010 and the US Foreign Corrupt Practices Act of 1977. The Company's Board and senior management are committed to acting in accordance with these laws and addressing potential liability and compliance risks. In 2022, our fleet made a total of 33 calls in countries that have the 20 lowest rankings according to [Transparency International's Corruption Perception Index](#). This constitutes only 0.4% of all calls last year and there were no reports of corruption or bribery incidents.

In support of our commitment to anti-corruption, we are active members of the [Maritime Anti-Corruption Network \(MACN\)](#), a global business network working towards the vision of a maritime industry free of corruption, thus encouraging fair trade and strengthening the socioeconomic welfare of society. MACN's work proactively dismantles maritime corruption and enables member organizations to drive change through collective action. Scorpio Tankers follows the seven principles for MACN members, which include risk assessments, monitoring and internal controls, and due diligence. We will continue to support MACN's initiatives and utilize its resources, such as the new 3 Sea Diligence platform to manage third-party risks.

DATA PRIVACY AND CYBERSECURITY

We are committed to protecting personal data and maintaining a high level of data privacy and cybersecurity. We comply with all laws and regulations that govern the collection and processing of personal data across our operations. Our [Privacy Policy](#) outlines our procedures for handling personal data, and we actively monitor our performance in relation to the Policy, including compliance with relevant regulations. Action plans and risk management systems have been established to protect our information management systems from cybersecurity threats. We actively and regularly stress-test our information security and technology systems, including on our vessels. In 2022, there were no material data privacy breaches or cybersecurity incidents.



POLICIES AND REGULATIONS

CODE OF ETHICS

Scorpio Tankers adheres to the highest standards of ethical and legal business conduct, as outlined in our Code of Ethics. In 2022, we updated the Code of Ethics to reflect the evolution of the corporate and cultural landscape and underscore our commitment to transparency in ESG issues. Although our business is subject to the laws and regulations of the jurisdictions in which we operate, our true drive is our people. Compliance guides our business conduct whereas our responsibility to our people – employees, clients, and investors – drives our purpose. This updated Code of Ethics is a robust representation of the ethical means and boundaries in which we operate. Special attention has been given to certain areas, including our employee guide for ethical decision-making and general diversity, equity, and inclusion (DEI) considerations.



WHISTLEBLOWER POLICY

We value open communication, transparency, and accountability in our business. Our [Whistleblower Policy](#) safeguards these ideals and provides employees with the necessary tools to raise their concerns. We hold our employees to a high standard of personal and professional integrity and thus expect them to maintain the same standards for all levels of management. The Whistleblower Policy outlines a pathway for employees to submit complaints made in good faith without the fear of retaliation. Employees utilize a third-party platform, EthicsPoint, for all official complaints. The Chief Operating Officer is the designated point of contact for EthicsPoint and reports submissions to the appropriate committee. The Nominating and Corporate Governance committee oversees accounting and ethics matters, whereas the Regulatory and Compliance Committee oversees environmental matters. The general Whistleblower Policy and Environmental Whistleblower Policy are both available on our website.

In addition to formal complaints submitted through EthicsPoint, all managers and officers uphold an 'open door policy' to welcome employees' concerns and reach a resolution internally. We encourage employees to address their concerns with their immediate supervisor, whenever possible, prior to utilizing EthicsPoint. All supervisors are trained in accordance with the Code of Ethics and are equipped with the skills to manage concerns responsibly.

CASE STUDY: CODE OF ETHICS UPDATE

Scorpio Tankers aims to uphold the highest standards of ethics and morals in our business to ensure proper corporate governance and a respectful workplace environment for all employees.

This past year, we updated our [Code of Ethics](#) to amplify our DEI efforts, meet stakeholder expectations, and respond to developments in the maritime industry. One such development was the ‘Midshipman X’ sexual assault case that stunned the industry, prompting necessary discussions and procedural changes for safeguarding seafarers while at sea. Our updated Code of Ethics addresses various forms of misconduct and outlines provisions for employee training. Additional action plans are in place to administer more DEI, unconscious bias, and sexual harassment prevention training across the company. We have also established a multidisciplinary interdepartmental working group to oversee and report on our progress. The Code of Ethics is a living document, and we will continue to revise our goals and policies as necessary to maintain an ethical workplace.



APPENDIX

SASB Marine Transportation Standard Disclosures

ACCOUNTING METRIC	UNIT OF MEASURE	DATA 2021	DATA 2022	SASB CODE
Greenhouse gas emissions				
GHG EMISSIONS				
Gross global Scope 1 emissions: Financial control	Metric tons (t) CO ₂ e	2,478,402	2,329,945	TR-MT-110a.1
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	Descriptive	See 2021 ESG report	See pages 12-13 and 28-29	TR-MT-110a.2
Scope 2: Purchased electricity	Metric tons (t) CO ₂ e	397	481	Additional
ENERGY CONSUMED				
(1) Total energy consumed	Gigajoules (GJ)	30,958,965	28,542,673	TR-MT-110a.3
	Percentage	100 %	100 %	
(2) percentage heavy fuel oil	Gigajoules (GJ)	19,205,833	21,967,959	
	Percentage	62 %	77 %	
EEDI / INTENSITY				
Average Energy Efficiency Design Index (EEDI) for new ships	Grammes of CO ₂ per ton-nautical mile	N/A	N/A	TR-MT-110a.4
Average Efficiency Ratio (AER) per vessel sized	Grammes of CO ₂ per ton-nautical mile	Handymax: 6.86 MR: 5.61 LR1: 4.28 LR2: 3.67	Handymax: 6.89 MR: 5.90 LR1: 4.07 LR2: 3.72	Additional
Air quality				
OTHER EMISSIONS TO AIR				
(1) NO _x (excluding N ₂ O)	Metric tons (t)	64,274	60,454	TR-MT-120a.1
(2) SO _x	Metric tons (t)	N/A	N/A	
(3) Particulate matter	Metric tons (t)	5,235	4,940	

ACCOUNTING METRIC	UNIT OF MEASURE	DATA 2021	DATA 2022	SASB CODE
Ecological impacts				
MARINE PROTECTED AREAS				
Shipping duration in marine protected areas or areas of protected conservation status	Number of travel days	N/A	N/A	TR-MT-160a.2
IMPLEMENTED BALLAST WATER				
(1) Exchange	Percentage	0 %	0 %	TR-MT-160a.2
(2) Treatment	Percentage	100 %	100 %	
SPIILLS AND RELEASES TO THE ENVIRONMENT				
(1) Number	Number	0	0	TR-MT-160a.3
(2) Aggregate volume	Cubic meters (m ³)	0	0	
Business ethics				
CORRUPTION				
Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Number	10	33	TR-MT-510a.1
Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Number	0	0	TR-MT-510a.2
FACILITATION PAYMENTS				
Number of incidents where bribes have been requested	Number	0	0	Additional
FINES AND SANCTIONS				
Number of fines	Number	0	0	Additional
Total monetary value (in reporting currency)	Number (reporting currency)	0	0	
Non-monetary sanctions for non-compliance with laws and/or regulations	Number	0	0	
Employee health & safety				
LOST TIME INCIDENT RATE				
Lost time incident frequency (LTIF)*	Rate	0.71	0.5	TR-MT-320a.1

* Scorpio reports on LTIF in accordance with the OCIMF Marine Injury Reporting Guidelines.

ACCOUNTING METRIC	UNIT OF MEASURE	DATA 2021	DATA 2022	SASB CODE
Accident & safety management				
MARINE CASUALTIES				
Incidents	Rate	5	5	TR-MT-540a.1
Very serious marine casualties	Percentage	0 %	0 %	
CONDITIONS OF CLASS				
Number of Conditions of Class or Recommendations	Number	11	10	TR-MT-540a.2
PORT STATE CONTROL				
(1) Deficiencies	Rate	0.32	0.43	TR-MT-540a.3
(2) Detentions	Number	0	0	
Diversity				
		See 2021 ESG report	See page 18	
Our operations in numbers				
ACTIVITY METRICS				
Number of shipboard personnel	Number	6,524	5,218	TR-MT-000.A
Total distance travelled by assets	Nautical miles (nm)	7,669,373	7,011,198	TR-MT-000.B
Operating days	Days	46,933	43,207	TR-MT-000.C
Deadweight tonnage	Thousand DWT	9,169,570	7,796,019	TR-MT-000.D
Number of assets vessels in fleet	Number	131	113*	TR-MT-000.E
Number of vessel port calls	Number	6,052	6,290	TR-MT-000.F
Twenty-foot equivalent unit (TEU) capacity	TEU	N/A	N/A	TR-MT-000.G

* Vessels in fleet as of 31 December 2022. Emissions data includes 14 vessels sold during 2022.

ASSUMPTIONS

Figures provided in this report as per the end of the 2022 financial year (December 31).

Figures based on estimates outlined below:

GHG EMISSIONS

Calculations are based on IMO emission factors and fuel consumed. The financial control approach has been applied for Scope 1.

ENERGY CONSUMPTION

Calculations are based on tonnes of oil equivalents (toe), using DEFRA conversion factors to calculate energy consumed in gigajoules (GJ).

AVERAGE EFFICIENCY RATIO (AER)

Carbon intensity metric estimated based on fuel consumed, distance travelled (nm), and deadweight tonnage (DWT).

OTHER EMISSIONS TO AIR (NO_x; EXCLUDING N₂O, SO_x, AND PARTICULATE MATTER)

Estimated based on distance travelled (nm) and a tool developed by Danish Shipping (full style) for calculating emissions from bulk carrier vessels.

MARINE PROTECTED AREAS

The International Union for Conservation of Nature (IUCN) defines a marine protected area (MPA) as: any area of intertidal or sub-tidal terrain, together with its overlying water and associated flora, fauna, historical, and cultural features, which has been reserved by law or other effective means to protect part or all of the enclosed environment, listed in the World Database of Protected Areas (WDPA) and mapped on Protected Planet. Protected Planet is the most up to date and complete source of information on protected areas, updated monthly with submissions from governments, non-governmental organizations, landowners, and communities.

It is managed by the United Nations Environment Programme (UNEP) World Conservation Monitoring Centre (WCMC). However, the reported number does not necessarily include all marine protected areas internationally established and regulated by IMO Conventions and areas established nationally by member states. Please note that duration in MPAs is based on PPS data updated every six hours.

LOST TIME INCIDENT FREQUENCY (LTIF)

This rate is based on the calculation for (lost time incidents) / (1,000,000 exposure hours), and includes incidents resulting in absence from work beyond the date or shift when it occurred.

The SASB disclosure identifies Lost Time Incident Rate (LTIR) for this accounting metric. However, to properly align with industry best practices we reported Lost Time Incident Frequency (LTIF) in accordance with the Oil Companies International Marine Forum (OCIMF) Marine Injury Reporting Guidelines. LTIF is a similar metric to LTIR but uses the Lost Time Incidents per 1,000,000 exposure hours rather than working hours.

MARINE CASUALTIES

The definition of 'marine casualty' is based on the IMO Casualty Investigation Code, paragraph 2.9, chapter 2 of the general provisions.

CONDITIONS OF CLASS

The data provided represents the number of Conditions of Class or Recommendations Scorpio vessels have received from a Flag Administration or a Recognized Organization (RO) that has been delegated the authority to issue such findings. The scope of disclosure includes all Conditions of Class regardless of whether they resulted in withdrawal, suspension, or invalidation of a vessel's Class certificate.

PORT STATE CONTROL

Deficiency rate is calculated using the number of deficiencies it received from regional port state control (PSC) divided by total number of port state control inspections.

CLIMATE RISK STATEMENT 2022

This summary statement of our climate-related risks has been prepared in alignment with the Taskforce for Climate-related Financial Disclosures' (TCFD) recommendations. The climate risk analysis was conducted in 2021 and this statement was first published in the Scorpio Tankers 2021 ESG Report. This year, we are expanding on this statement by conducting a climate scenario analysis to better inform our strategic planning and management.

CATEGORY	TCFD RECOMMENDATION	ENETI RESPONSE
Governance		
1	Describe the Board's oversight of climate-related risks and opportunities	In 2021 Scorpio Tankers undertook a Climate Risk Review, specifically examining risk categories described in the TCFD framework – namely, physical, regulatory, market, technology and reputation risks (and opportunities). The documented review was presented to the Board. The Board regularly reviews climate-related risks and opportunities as part of its overall responsibility for risk governance.
2	Describe management's role in assessing and managing climate-related risks and opportunities	Management regularly reviews climate-related risks and opportunities, on an ongoing basis, as part of its responsibility for enterprise risk management. Risks identified and described in the recently-completed Climate Risk Review are incorporated into the enterprise risk management system, where appropriate, and will continue to be regularly reviewed and updated. Management develops work programs to address specific climate-related risks and opportunities, including creating specialized management roles with responsibility for delivering those critical work programs. Management regularly engages with industry experts in developing recommendations for the Board on climate-related risks and opportunities, including those listed in the table following.
Strategy		
3	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	See separate risks and opportunities table following.
4	Describe the impact of climate-related risks and opportunities on the organization's business, strategy, and financial planning	See separate risks and opportunities table following.
5	Describe the resilience of the organizations' strategy, taking into consideration different climate-related scenarios, including a 2 degree C or lower scenario	Scorpio Tankers is considering the reduction pathways required to achieve various climate goals, including the IMO's and the Paris Agreement's current 2030 and 2050 climate targets. Strategy is evolving in response to the range of various future climate scenarios, with the aim to adapt as required and ensure resilience is built in.

CATEGORY	TCFD RECOMMENDATION	ENETI RESPONSE
Risk management		
6	Describe the organization's processes for identifying and assessing climate-related risks	A formal Climate Risk Review process, including management workshop, expert independent advisory and ongoing development has been used to identify and assess climate-related risks. Outputs from the Climate Risk Review process are elevated to Executive management for further assessment and validation.
7	Describe the organization's processes for managing climate-related risks	A range of management approaches are used for addressing climate-related risks, including monitoring, mitigation, and adaptation. Risks are integrated into the Enterprise Risk Management system, as appropriate, and where required, work programs are established to manage the risks.
8	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	Risk management approach to climate-related risks has been updated and incorporated into board and management processes.
Metrics and targets		
9	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk process	GHG emissions are measured in carbon dioxide equivalents. Other metrics are being developed for risk measurement.
10	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3, greenhouse gas (GHG) emissions, and the related risks	See climate and emission reporting in the Environmental section of the ESG report.
11	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	GHG emission reduction targets are currently being developed and will be reported in 2024.

Physical risks

- Extreme weather / increased frequency of extreme weather and related knock-on effects; e.g., increased wave height
- Extreme weather-related spill events and vessel damage
- Extreme weather events and damage / disruption to sailing and navigation
- Health and safety impacts on workforce of extreme weather events
- Infrastructure adaptations required, new or different investments required

Regulatory risks

- Regulations are increasing and there is some evidence that they are becoming more aligned (to the Paris agreement) from country to country
- Carbon taxes and tariffs present regulatory risks in countries, areas of operations, and flag states
- Low-carbon regulatory requirements for self-propelled vessels requiring additional investment in technologies, systems, and operational management approach
- Regulatory-related reductions in demand for oil and gas
- Regulated requirements for carbon budgets
- Impacts of the speed of regulatory shift on business planning, strategy, and cost structures to comply with new and additional regulations

Market risks

- Changing customer requirements and contract risks – meeting market expectations, especially from major customers
- Being able to demonstrate measurable performance requirements
- Impacts on business planning, strategy, and cost structures to meet new and evolving market requirements
- Carbon intensive industries may have difficulty accessing capital, with a higher cost of capital
- Customers are developing their individual ESG frameworks and strategies. Likely need to align with their framework, including with their climate-related goals. Risks and opportunities involved:
 - Unknown timelines or requirements for customer ESG plans and targets (creates alignment risks)
 - Known that it is not a matter of ‘if’ but ‘when’
- Country by country low-carbon transition approaches – need to follow a suitable pathway to meet customer and jurisdictional requirements
- Shift from passive disclosure requirements to demonstration of an action-oriented approach
- Lenders and finance providers are setting higher ESG standards, including low-carbon requirements. Shifting to becoming owners with equity and wanting more board representation and influence.

Technology risks

- New propulsion, fuel and systems technology — risks of being applicable and fit for purpose
- Capex impacts and linking to customer commitments, with new operating models required
- Number of people in workforce reduced through technology
- Risks associated with the development and deployment of new technologies

Reputation risks

- Difficult to differentiate as a leader without a credible transition plan
- Recruiting and retaining employees will be more challenging without compelling ESG story
- Follow on effects with recruiting and retaining employees; i.e., seen as carbon intense industry
- Third party risks – works both ways; i.e., risks created and managed through relationships with third parties
- Retroactive versus proactive approach to reputation management

Opportunities

- Becoming the recognized low/no carbon operator of choice
- Low carbon access to green debt and lowering of cost capital
- Repositioning for provision of green energy services
- Access to new green activity markets
- Adaptation leading to increased operational performance
- Attraction and retention of people committed to high ESG performance
- High ESG performance driving an enhanced reputation
- Accessing government funding/grants for new green technology
- The opportunity exists to stay ahead of regulation and define/maintain a high ESG standard with presents market and reputational benefits
- Technology opportunities are emerging to address and reduce GHG, NOx, SOx, and PM emissions
- Technology opportunities for improving (increasing efficiency onboard systems, including alternative fuels and hybrids
- Some climatic changes may present access or easier access to new and/or faster navigable shipping routes

DISCLAIMER

- Matters discussed in this report may constitute “forward-looking statements” within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. These forward-looking statements reflect Scorpio Tankers Inc.’s (‘Scorpio’s’) current views with respect to future events and financial performance. The words believe, anticipate, intend, estimate, forecast, project, plan, potential, may, should, expect and similar expressions identify forward-looking statements.

The forward-looking statements in this report are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management’s examination of historical operating trends, data contained in Scorpio’s records and other data available from third parties.

Although Scorpio believes that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond Scorpio’s control, Scorpio cannot assure you that it will achieve or accomplish these expectations, beliefs or, projections.

- Risks and uncertainties include, but are not limited to, the failure of counterparties to fully perform their contracts with Scorpio, the strength of world economies and currencies, general market conditions, including fluctuations in charter hire rates and vessel values, changes in demand in the tanker vessel markets, changes in Scorpio’s operating expenses, including bunker prices, drydocking and insurance costs, the fuel efficiency of our vessels, the market for Scorpio’s vessels, availability of financing and refinancing, charter counterparty performance, ability to obtain financing and comply with covenants in such financing arrangements, changes in governmental and environmental rules and regulations or actions taken by regulatory authorities including those that may limit the commercial useful lives of tankers, potential liability from pending or future litigation, general domestic and international political conditions, potential disruption of shipping routes due to accidents or political events, and other important factors described from time to time in the reports Scorpio files with, or furnishes to, the Securities and Exchange Commission, or the Commission, and the New York Stock Exchange, or NYSE.

Scorpio undertakes no obligation to update or revise any forward- looking statements. These forward-looking statements are not guarantees of Scorpio’s future performance, and actual results and future developments may vary materially from those projected in the forward-looking statements.

- Unless otherwise indicated, information contained in this report concerning Scorpio’s industry and the market in which it operates, including its general expectations about its industry, market position, market opportunity and market size, is based on data from various sources including internal data and estimates as well as third party sources widely available to the public such as independent industry publications, government publications, reports by market research firms or other published independent sources.

Internal data and estimates are based upon this information as well as information obtained from trade and business organizations and other contacts in the markets in which Scorpio operates and management’s understanding of industry conditions. This information, data and estimates involve a number of assumptions and limitations, are subject to risks and uncertainties, and are subject to change based on various factors, including those discussed above. You are cautioned not to give undue weight to such information, data and estimates.

While Scorpio believes the market and industry information included in this report are generally reliable, it has not independently verified any third-party information or verified that more recent information is not available.

SCORPIO OFFICES & OPERATIONS



- Administrative/legal
- Commercial operations
- Technical management
- Finance
- Projects, pool
- Chartering
- Crewing

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