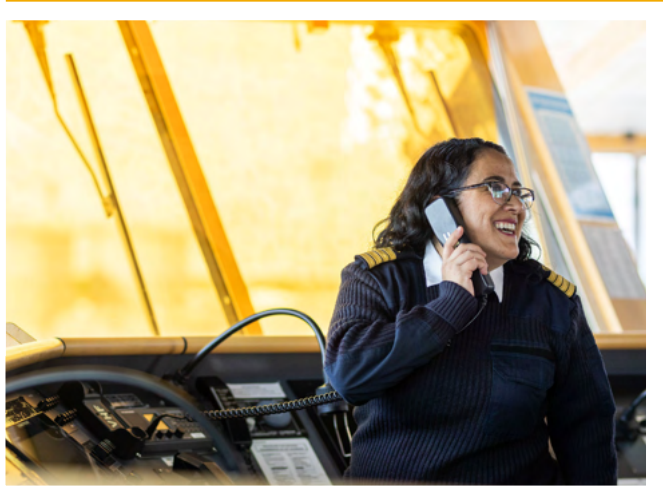
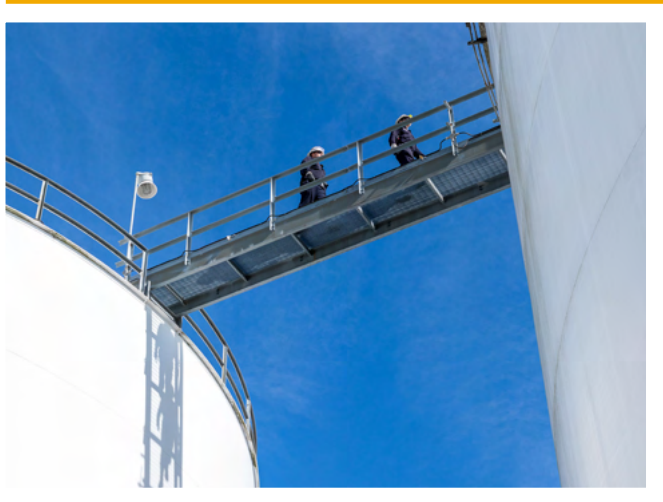


Stolt-Nielsen



Stolt-Nielsen Limited

Annual Report 2022

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Annual Report 2022

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Forward-looking Statements

Included in this publication are various 'forward-looking statements', including statements regarding the intent, opinion, belief or current expectations of the company or its management with respect to, among other things, (i) goals and strategies, (ii) plans for new development, (iii) marketing plans, the company's target markets, (iv) evaluation of the company's markets, competition and competitive positions, and (v) trends which may be expressed or implied by financial or other information or statements contained herein. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other facts that may cause the actual results, performance and outcomes to be materially different for any future results, performance or outcomes expressed or implied by such forward-looking statements. These factors include in particular, but are not limited to, the matters described in the Principal Risks section on pages 57 to 60.



Focused on delivering long-term sustainable growth

Stolt-Nielsen is a long-term investor and manager of businesses, creating value from opportunities in bulk-liquid logistics, distribution and land-based aquaculture.

The company has world-leading businesses in global bulk-liquid and chemical logistics, an innovative land-based aquaculture business, and invests in opportunities aligned to these.

Online Annual Report

For a more interactive experience please visit: stolt-nielsen.com/annual-report-2022/



Financial Highlights

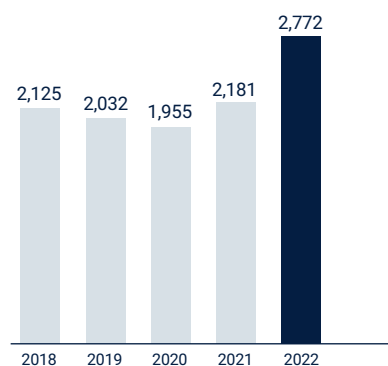
Our performance

(In US \$ millions, except per share data)

	2022	2021	2020
Operating revenue	2,771.8	2,181.1	1,955.1
Operating profit	447.5	233.7	189.9
Net profit	280.9	78.8	25.4
Net profit per share:			
Basic	\$5.25	\$1.47	\$0.43
Diluted	\$5.25	\$1.47	\$0.43
Weighted average number of Common Shares and Common Share equivalents outstanding:			
Basic	53.5	53.5	61.4
Diluted	53.5	53.5	61.4

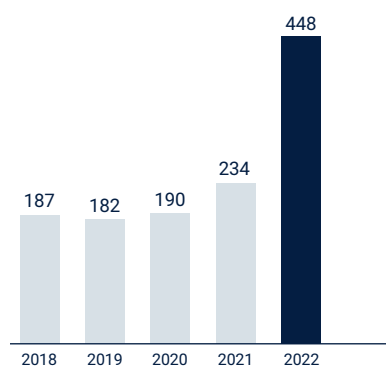
Operating revenue (US \$ millions)

US \$2,772m



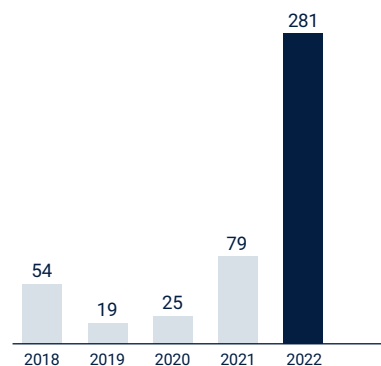
Operating profit (US \$ millions)

US \$448m

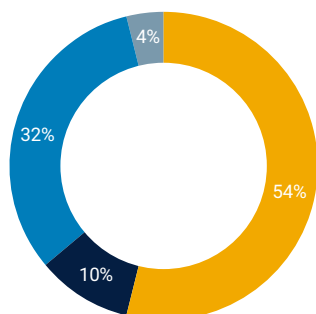


Net profit (US \$ millions)

US \$281m

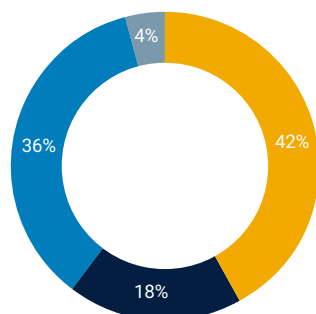


Operating revenue by business (US \$ millions)



Stolt Tankers	1,497
Stolthaven Terminals	276
Stolt Tank Containers	895
Stolt Sea Farm	103
Corporate and Other	1

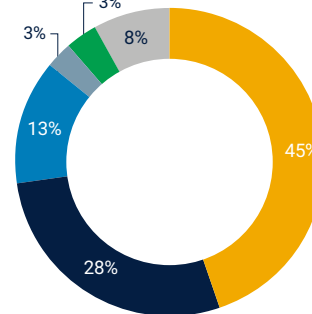
Operating profit by business¹ (US \$ millions)



Stolt Tankers	205
Stolthaven Terminals	89
Stolt Tank Containers	173
Stolt Sea Farm	20

1. Excludes Stolt-Nielsen Gas, Corporate and Other loss of \$39.1 million

Total assets by business (US \$ millions)



Stolt Tankers	2,115
Stolthaven Terminals	1,329
Stolt Tank Containers	625
Stolt Sea Farm	130
Stolt-Nielsen Gas	161
Corporate and Other	369

At a glance



Stolt Tankers¹

Stolt Tankers operates the world's largest fleet of chemical tankers, providing safe, reliable and high-quality global transportation services for bulk-liquid chemicals, edible oils, acids and clean petroleum products.

83 deep-sea parcel tankers

83 coastal and inland tankers

3m total deadweight tonnes

See pages 8-9 for more details



Stolthaven Terminals

Stolthaven Terminals' global terminal network provides safe, high-quality storage and distribution services for chemicals, clean petroleum products, gas, vegetable oils, biofuels and oleochemicals in key markets and hubs worldwide.

5m m³ of storage capacity²

10 wholly-owned terminals

4 joint-venture terminals

See pages 10-11 for more details



Stolt Tank Containers²

Stolt Tank Containers is a leading provider of logistics and transportation services for door-to-door shipments of bulk-liquid chemicals and food-grade products.

47,000 tank containers in the fleet

130,000 shipments

21 depots and hubs

See pages 12-13 for more details



Stolt Sea Farm

Stolt Sea Farm is one of the world's most advanced high-tech aquaculture companies, and the premier provider of high-quality turbot and sole in an environmentally sound manner.

14 land-based fish farms

6,500 tonnes turbot production capacity

1,600 tonnes sole production capacity

See pages 14-15 for more details



Stolt Investments

Creating value from investment opportunities in bulk-liquid logistics, distribution, LNG and land-based aquaculture. Stolt-Nielsen holds the following investments:

47.2% Avenir LNG

2.5% Golar LNG

8.3% Odfjell SE

1.8% Cool Company Limited

8.3% The Kingfish Company

9.8% Ganesh Benzoplast

See page 16 for more details

1. Includes joint ventures and managed ships.

2. Includes joint ventures.

Chief Executive Officer's Review

2022 was a year when several factors came together, enabling us to fire on all cylinders for the first time since the Covid-19 pandemic. Yes, the market turned in our favour, but, more importantly, our diligent unwavering focus over many years on delivering on our strategy is now showing results. It is the outcome of thousands of small decisions made by a well-functioning organisation delivering operational excellence in all that we do.

In Q1 2022 Stolt-Nielsen posted its strongest results since 2008. This trend continued throughout the year. Our 2022 net profit was \$280.9 million, compared with \$78.8 million in 2021. Stolt-Nielsen's cash flow from operations increased from \$323.8 million in 2021 to \$619.8 million in 2022. Earnings per share were \$5.25 in 2022, compared with \$1.47 in 2021. Net debt reduced from \$2,312.2 million in 2021 to \$2,038.2 million at the end of 2022, bringing net debt to tangible net worth down to 1.08 compared to 1.37 in 2021. Shareholders' equity was \$1,721.7 million at year-end, compared with \$1,472.9 million a year ago.

Stolt Tankers' operating revenue ended the year at \$1,497.1 million, up from \$1,165.6 million in 2021. There was also a significant increase in operating profit to \$205.1 million from \$68.8 million last year. The long-awaited turnaround in the chemical tanker market finally arrived in 2022. A historically low newbuilding orderbook for chemical tankers combined with the continued exit of older tonnage from the market meant it was just a matter of time before the market turned. The war in Ukraine affected trade flows, causing a pick-up in tonne miles in the product tanker markets, resulting in fewer of these ships operating in the chemical market. During the year, we continued to acquire attractively priced second-hand tonnage. We now have a record-size fleet for Stolt Tankers as we enter what we believe will be an attractive market through 2026.

Results at Stolthaven Terminals held steady in line with expectations. Full-year operating revenue increased to \$276.2 million from \$243.6 million in 2021. Operating profit was \$89.2 million, up from \$62.3 million due to greater storage and throughput revenue following increased utilisation at our wholly-owned terminals. Product and chemical manufacturers and other stakeholders generally secure additional storage capacity in turbulent times, so we expect strong utilisation and firming rates in 2023.

This year's star performer was Stolt Tank Containers. Operating revenue increased to \$894.6 million from \$662.4 million in 2021, with operating profit of \$172.7 million, up from \$81.6 million. Fleet utilisation fell slightly to 69.0% from 71.6%. Markets remained strong, with rising freight rates and higher demurrage revenue compensating for costly global supply chain inefficiencies. Although tight ocean liner capacity eased towards the end of the year, truck driver shortages and port congestion created a challenging operating environment. We improved our margin per shipment thanks to our ability to keep customer cargoes moving. This year's results showcased our operational excellence,



“I am enthusiastic about how we are successfully growing and transforming our company, actively positioning ourselves towards the future while delivering short-term results.”

reliability, flexibility and quality. Our customers came to us not because of the price we charged, but because we were able to provide reliable services during extremely operationally challenging times. In 2023, congestion will likely ease, leading to increased supply and pressure on margins.

Stolt Sea Farm sold a record 6,108 tonnes of its own turbot, with total sales of 6,645 tonnes. Sales volumes showed an 18.0% decrease compared to 2021 due to the phase-out of traded product sales. Steady demand throughout the year for both turbot and sole allowed for solid price increases for both species. Full-year operating revenue fell to \$102.7 million, compared with \$108.6 million in 2021, again due to the phase-out of traded sales. Operating profit was \$19.5 million, down from \$24.4 million the previous year, as 2021 benefited from a significant gain on the fair-value evaluation of biomass of \$17.4 million compared with a fair-value loss of \$1.0 million in 2022, with underlying operating results improving steadily throughout the year.

Stolt-Nielsen holds strategic investments in companies where we believe we can contribute as a minority shareholder using our expertise in shipping, storage, distribution and landbased aquaculture. At November 30, 2022 we held the following positions: 47.2% in Avenir LNG, 2.5% in Golar LNG, 8.3% in Odfjell SE, 1.8% in Cool Company Limited, 8.3% in The Kingfisher Company and 9.8% in Ganesh Benzoplast. These investments had a total value of \$217.8 million.

Dividends

In November, Stolt-Nielsen raised its dividend on the back of its strong financial performance, delivering against our strategy to provide increasing returns to shareholders. The Board approved an interim dividend of \$1.00 per Common Share payable on December 8, 2022, to shareholders of record as of November 24, 2022. On February 23, 2023, the Board recommended a final dividend of \$1.25 per Common Share, subject to shareholder approval at the company's Annual General Meeting on April 20, 2023. Increased dividend payments reflect our strengthening cash flow and confidence in our future performance.

Rising to challenges

Stolt-Nielsen makes a valuable contribution to modern life – transporting, storing and producing the ingredients that help people stay healthy, clothed, fed and in touch. This is hugely motivational for our 6,800 employees. They are some of the industry's best and brightest and are passionate about making a difference through collaboration and innovation. Our strong performance is testament to their commitment, and I would like to thank them for their dedication, resilience and enthusiasm.

We are very mindful of how the cost-of-living crisis affects our people, in terms of finances and mental wellbeing. During 2022, we launched a mental health awareness campaign, including several bespoke modules for seafarers. In 2022, we made additional, mid-year adjustments to salaries in some regions where we saw a rapid increase in inflation. Stolt-Nielsen compensates its employees through salaries, short-term profit-sharing and long-term performance incentive plans comprising cash rewards and benefits.

Collaborating to lead the energy transition

Our overall sustainability strategy focuses on what is achievable today and what must be innovated for the future. We continued to reduce our emissions by installing fuel-saving technologies and received external recognition for our efforts. However, the technology for a net-zero maritime industry simply doesn't exist – it is unlikely to be viable in the short term and is not something we can achieve alone. Therefore, we continued to build partnerships with suppliers, customers and other industry leaders to develop solutions for the future, in areas including zero-carbon shipping, green energy, water conservation and sustainable fish feed formulations.

A greener future for everyone will come at a significant financial cost to industry. By working with our customers, we can understand their needs and profitably provide low-carbon products and services to meet them.

Investing for the future

In all our businesses, we continue to focus on investments that will deliver long-term, sustainable cash flow to our shareholders. I am enthusiastic about how we are successfully growing and transforming our company, actively positioning ourselves towards the future while delivering short-term results.

Looking ahead

In January 2022, I announced I would step down as Chief Executive Officer with the intention of assuming the role of Chairman of the Board, subject to shareholder approval, once my replacement was found. The transition was always going to take time, and the search for my successor is ongoing. The focus remains on finding the right person however long it takes, and in the meantime I will remain in my role as Chief Executive Officer.

In the coming year, the war in Ukraine will continue to affect energy supplies and prices, particularly in Europe. I also expect it will be some time before inflation is under control, and this, combined with high interest rates, could still cause a global recession. We are monitoring the potential impact of these factors on our businesses. We remain focused on debt reduction to strengthen the balance sheet.

Experience tells me our business will be highly resilient and adaptable, even during any potential global recession. Our diverse portfolio gives me confidence that Stolt-Nielsen is solidly positioned for the future. We should be realistic about the scale of the challenges that lie ahead, but we should also be optimistic about our ability to overcome them.



Niels G. Stolt-Nielsen

Chief Executive Officer
Stolt-Nielsen Limited

March 15, 2023

What we do

Our mission

To provide growing long-term cash flow to shareholders.

Who we are

We are a long-term manager and investor of businesses, creating value from opportunities in bulk-liquid logistics, distribution and land-based aquaculture.

Our business model ensures we create value for our stakeholders through innovation, quality, customer excellence and safety for both people and the environment.

Our mission and business model are underpinned by our commitment to growing sustainably.

Our business portfolio



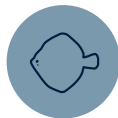
Stolt Tankers



Stolthaven Terminals



Stolt Tank Containers



Stolt Sea Farm



Stolt Investments

How we do it

1

Diverse portfolio

Market-leading businesses in global bulk-liquid logistics, innovative land-based aquaculture and related investments.

2

Industry expertise

Operates in industries where Stolt-Nielsen can leverage its knowledge and experience. Facilitates the sharing of industry knowhow to deliver superior growth and strong cash flow.

3

Corporate structure

Cost-efficient financial, strategic and other centralised services. Balance sheet strength and diversified cash flow provide flexibility to deliver returns through organic growth, M&A and strategic partnerships.

How we create value



Expert knowledge

A deep understanding of logistics, distribution and aquaculture.



Innovation and technology

Invented the modern parcel tanker, pioneering land-based aquaculture and active investment in R&D and new technologies. Our culture champions digitalisation, collaboration and continuous improvement.



Quality and reliability

Safe and reliable operations for employees and external stakeholders while delivering services valued by customers.



Financial strength

A strong balance sheet and focus on cash flow generation supports our mission and helps maximise investment opportunities.



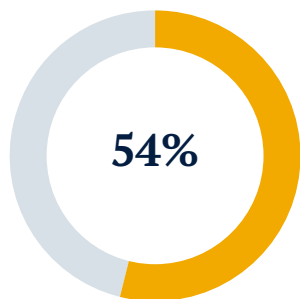
Stolt Tankers

Performance

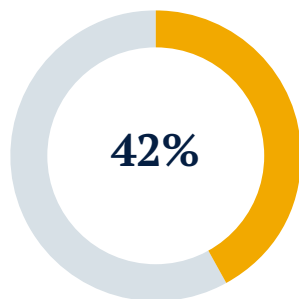
(US \$ millions)	2022	2021	2020
Operating revenue	1,497	1,166	1,113
Operating profit	205	69	85

Percentage of group total

of total operating revenue



of total operating profit¹



1. Excluding Stolt-Nielsen Gas, Corporate and Other loss of \$39.1 million.



“This year’s progress with our business transformation gives me confidence we are on the right path to achieve sustainable growth.”

Markets

- We provide safe, reliable, high-quality and flexible transportation services to the world’s leading manufacturers and consumers of chemicals, edible oils, acids and other bulk liquids.
- We have the world’s largest fleet of chemical tankers. Our global deep-sea fleet – combined with our integrated regional capabilities in Europe, Asia Pacific, the Indian Ocean, the Caribbean and the US – provide supply chain efficiencies and added value for our customers.

Strategy

Stolt Tankers’ Delivering Good Chemistry strategy is focused on creating the most efficient liquid chemical shipping platform in the world and providing efficient and sustainable services to our customers.

By leveraging our industry-leading scale and assets we offer customers access to key hubs and markets worldwide. Working collaboratively with customers and our sister companies Stolthaven Terminals and Stolt Tank Containers, we offer solutions that enhance efficiencies in the bulk-liquid supply chain.

Our ambition is to deliver a healthy return on capital employed (ROCE) by creating value for our customers, achieving our sustainability ambitions and ensuring we attract and retain the best talent.

2022 in review

2022 was a year of much-improved performance. This was supported by having the largest fleet in the company’s history, driving efficiencies throughout the organisation and renewing a high number of contracts on much-improved terms. Also, the long-awaited turn in the chemical tanker market finally arrived. This was partly driven by post-pandemic growth and a historically low orderbook for newbuildings in the chemical tanker market. Sadly, the war in Ukraine had a much bigger impact – it rebalanced crude and product tanker trade flows, moving some MR tonnage out of chemical trades. All of which helped drive a 50.5% increase in spot freight rates.

2022 operating revenue was \$1,497.1 million, up from \$1,165.6 million in 2021. This was due to the relatively stable chemical market, together with our ongoing focus on driving bunker efficiencies, which resulted in savings of \$43.5 million. Consequently, operating profit increased to \$205.1 million from \$68.8 million last year. Bunker prices climbed to \$728 per tonne, although higher bunker costs were largely offset by bunker surcharges passed to customers and spot market increases.

In May 2022, Stolt Tankers added to its fleet with the purchase of three second-hand 33,600 dwt fully stainless-steel chemical tankers. Because we expanded our fleet just before the market upturn, we have been able to fully capitalise on the improving market fundamentals. We now operate our largest-ever fleet of 166 ships, including those in joint ventures.

Throughout the year, our people proved their dedication to our winning culture, striving to do everything a little better each day. We embraced Lean Six Sigma methodologies through our unique continuous improvement programme. The Kaizen Institute Netherlands recognised our work in this area, shortlisting us for an award for the way our superintendents and seafarers shared knowledge and adopted new ways of working. Our employee engagement survey also recognised our positive culture, with the results placing us in the top quartile for our industry.

To build a great business, we need great leaders who live our culture each day. To support this, the entire Stolt Tankers leadership team became Lean certified, helping us break down silos across the organisation. All managers completed training through our leadership development overview (LEAD) programme, transforming the way they work with employees.

I am immensely proud of our health and safety performance this year – our Lost Time Injury Frequency (LTIF) of 0.38 is the lowest since our records began. This achievement was thanks to efforts from both shore and sea staff, as well as onboard management teams' consistent and persistent attention to safety. We also enhanced our *Slashed Zero* behavioural safety programme, adding new mental health modules and tailoring training using data on ship incidents and near misses. Read more about our 2022 safety achievements on page 22.

We made further progress towards our sustainability ambitions. We believe that as the leader in our industry we must be at the forefront of maritime decarbonisation, working to achieve this with a rational approach. Not only did we improve our EcoVadis rating, receiving gold for 2022, but we also decreased our Annual Efficiency Ratio (AER). This emissions reduction, in the context of the strong tanker market, puts us on track to meet International Maritime Organization targets and our 2030 goals. This was the first full year of our work with the Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping, and we appointed another secondee to support technology development to decarbonise the maritime industry. Learn more about our environmental targets and 2022 initiatives on pages 28 and 29.

To support our digital transformation we launched *Connect*, our customer relationship management (CRM) tool that integrates several sets of data into one user-friendly platform. In addition, we developed a new cargo management handling platform, *Ari-stow*. Our digital team is also trialling supply and demand forecasting and an easy online booking system for customers via a web-based portal.

Outlook

This year's progress with our business transformation gives me confidence we are on the right path to achieve sustainable growth. One element of working more efficiently is becoming a more digital and data-driven company. During 2023, we will increase our focus on digital transformation, streamlining systems and further integrating with customers. This focus on working together with customers will enable us to create a world-class digital supply chain through the Stolt Tankers ship-to-customer platform.

As our business becomes more agile and cost-effective and we create leaner processes and reduce duplication we will unlock Stolt Tankers' potential by speeding up decision making and helping us closely manage operating costs. By allocating resources in a more disciplined manner, we will continue transforming our culture to achieve the goals in our Delivering Good Chemistry strategy.

The effects of China's prolonged Covid-19 lockdowns and energy price rises will likely linger into 2023 and we expect some inflationary pressure to remain with interest rates remaining high. While underlying chemical demand has not been affected yet, European plants are scaling down production and manufacturing activity has been impacted. We will monitor and manage inflationary cost increases related to ports, canals, lube oils and the logistics of getting cargo to ships. These conditions reinforce our long-standing belief that the sector is ripe for consolidation.

We will continue to focus on ways to return value to our stakeholders. With the upward trend in the chemical tanker market, conditions for an IPO of Stolt Tankers look positive for the future. Subject to equity market conditions, we are ready to act quickly.

Lucas Vos
President
Stolt Tankers



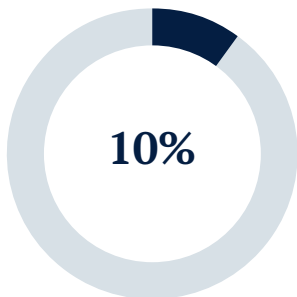
Stolthaven Terminals

Performance

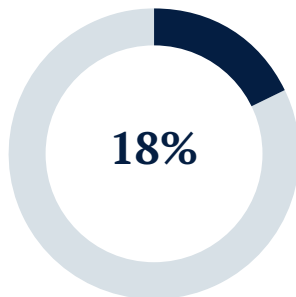
(US \$ millions)	2022	2021	2020
Operating revenue	276	244	239
Operating profit	89	62	69

Percentage of group total

of total operating revenue



of total operating profit¹



1. Excluding Stolt-Nielsen Gas, Corporate and Other loss of \$39.1 million.



“Throughout the year, we remained focused on our long-term strategy of improving profitability through digitalisation, efficiency, safety, customer centricity and sustainability.”

Markets

- We provide safe storage and handling for a variety of speciality bulk liquids, such as chemicals, clean petroleum products, liquefied petroleum gases, biofuels, vegetable oils, alternative fuels and feedstocks.
- We have 5.0 million m³ of storage capacity across 10 wholly-owned terminals and four joint-venture terminals. This gives customers access to key international shipping and transportation hubs close to their operations.

Strategy

Our mission is to be the most respected global storage provider. We focus on continuous improvement to deliver safe, high-quality, sustainable storage and handling solutions that help our customers maximise value from their supply chains.

By collaborating with Stolt Tankers and Stolt Tank Containers, we provide integrated, end-to-end solutions that deliver further efficiencies to our business and our customers.

2022 in review

Stolthaven’s global network was well positioned to reliably support customers who faced ongoing supply chain disruptions in the shipping market, inland transportation constraints and ongoing global macroeconomic challenges. The war in Ukraine also had an impact on trade flows, Russian-sourced clean petroleum products were replaced by alternatives from other locations and we also saw greater volumes of edible oils replacing those from Ukraine.

In 2022, we therefore saw greater storage and throughput revenue following increased utilisation at our wholly-owned terminals. Operating revenue and operating profit growth in the first two quarters levelled off in the second half of the year due to changing macroeconomic conditions in some markets. We ended the year with an annual operating profit of \$89.2 million, up from \$62.3 million in 2021. Operating revenue increased 13.4% to \$276.2 million, and utilisation rose to 97.4% from 90.9% in 2021.

Not only did we improve utilisation of our existing capacity, but we completed planned expansions at our joint-venture terminals in Malaysia and South Korea totalling 102,000 m³. We also started construction of our new joint-venture terminal in Taiwan and continued to identify and develop further expansion opportunities and new projects, to meet evolving customer demand.

Throughout the year, we remained focused on our long-term strategy of improving profitability through digitalisation, efficiency, safety, customer centricity and sustainability.

Our Internet of Things initiative – which explores how we exchange and connect data between our operations and third parties – is on track. This includes our *Connected Worker* programme, which aims to move in-field operations online to boost safety and efficiency. This year, we piloted a mobile app that enhances personal safety and productivity by providing operators with dynamic checklists to guide them through process steps. We also deployed the *Ultimo* enterprise asset management system at our terminals in Houston (US), New Orleans (US) and Dagenham (UK) with the aim of rolling it out to our other wholly-owned sites next year. Digitalisation alongside increased safety training, awareness campaigns and management processes helped us reduce our Lost Time Injury Frequency (LTIF), although Total Recordable Case Frequency (TRCF) increased slightly due to an incident at a neighbouring site to our Moerdijk terminal. Read more about our 2022 safety performance on page 23.

These digitalisation and safety developments are rooted in our ongoing customer centricity strategy. This year, we continued our focus on functional customer leadership teams, which help ensure we concentrate on the customer at every touchpoint. Thanks to our employees' ongoing dedication, we delivered high-quality services despite the challenging environment – and our customers recognised this. Dow Chemicals named our Santos terminal 'Best Terminal in Brazil' for its outstanding performance in safety, social responsibility, environment and operations. Stolthaven Houston received LyondellBasell's GoalZERO Safety Award for its consistently high performance and Total Recordable Incident Rate (TRIR) of zero. And Stolthaven Singapore received the Dow S4TAR Logistics Best Service Provider Award for safety, sustainability, social responsibility and customer service.

The wider industry also recognised our leadership, with Stolthaven Houston and New Orleans receiving a joint Safety Excellence Award from the International Liquid Terminals Association (ILTA). We sought an EcoVadis rating for the first time, not only achieving silver, but receiving scores that placed us in the top 4% of the warehousing storage industry for sustainability. Our efforts to minimise our negative environmental impact progressed, with energy scans used as the basis for terminals' carbon neutral roadmaps and a partnership with Deloitte to pilot an innovative new decarbonisation tool.

Planning for the energy transition and EU Green Deal has moved up the agenda, influenced by the war in Ukraine, and we continued collaborating with the industry to develop a strategy that supports customers and our future growth. For example, we partnered with Pecém Industrial and Port Complex to jointly work on developing a green hydrogen hub, which will provide storage and handling services for green hydrogen and associated products at Brazil's Port of Pecém. Read more about our 2022 environmental initiatives on page 30.

None of these achievements would have been possible without our talented people, and we remain committed to delivering an exceptional employee experience. 2022 had a major focus on training and recognition. Our leadership development overview (LEAD) programme gathered momentum, and we piloted a supervisor training programme based on feedback from our previous employee engagement survey. More terminals are now using our *Bonusly* tool, which provides a central platform for colleagues to recognise and reward each other's achievements.

Our employee engagement survey had an impressive 92% response rate and the results showed a sustainable engagement score of 87%. The results also indicated that most of our terminals are at or above country norms – and that we had addressed improvement areas identified in previous surveys, such as performance management. We have started plans for enhancing areas, like diversity and inclusion, which were identified in this year's survey.

Outlook

The macroeconomic backdrop will remain challenging, and we will continue to focus on our market-driven strategy which has customers at its core. China's situation will continue to influence both demand and supply in the chemical market next year. We expect that the US market will pick up towards the end of 2023, with demand rebounding in 2024. The ongoing war in Ukraine is expected to continue affecting trade flows, particularly for edible oils and petroleum products. Europe will remain challenged on feedstock and energy prices, although as we saw in 2022, this could lead to more imports and greater storage demand.

We will see growth for products related to the energy transition – especially biofuels used as feedstock for refineries and biodiesel and sustainable aviation fuel as finished products. Together with Stolt Tank Containers, we will continue to provide supply chain solutions to better serve customers in these segments. And we will continue developing solutions for improving our energy footprint, helping our customers reduce their Scope 3 emissions.

Digitalisation will deliver greater efficiency, safety and visibility for decision making. We will continue expanding our portfolio of value-adding services, further developing our US-based wastewater business and adding to our logistics offering. These efforts will enhance our ability to offer integrated services across our global network and in partnership with Stolt Tankers and Stolt Tank Containers, so we are increasingly agile in responding to customers' supply chain challenges.

Guy Bessant

President
Stolthaven Terminals



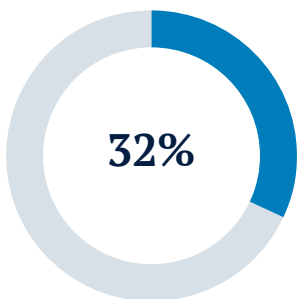
Stolt Tank Containers

Performance

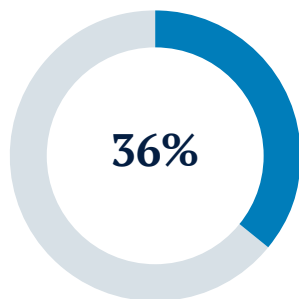
(US \$ millions)	2022	2021	2020
Operating revenue	895	662	521
Operating profit	173	82	51

Percentage of group total

of total operating revenue



of total operating profit¹



1. Excluding Stolt-Nielsen Gas, Corporate and Other loss of \$39.1 million.



“The 2022 market environment demonstrated the importance of our market-leading scale in terms of tank availability and supply chain options, incorporating both vessel and trucking capacity.”

Markets

- We are a leading provider of logistics and transportation services for door-to-door shipments of bulk-liquid chemicals and food-grade products.
- Our fleet totals 47,000 tank containers, the largest in the industry. Our 21 full-service depots and refurbishing facilities give us direct control over tank handling, cleaning and maintenance – ensuring our fleet and cargo handling operations consistently meet the highest standards for quality, reliability, safety and environmental protection.

Strategy

Stolt Tank Containers (STC) helps customers minimise costs and increase efficiency across their supply chains. Our five-year strategy focuses on boosting customer centricity; maintaining the best fleet, depot and vendor networks; and attracting and retaining the best talent.

We are also contributing to a sustainable future by actively reducing the environmental footprint of our own operations and by helping our customers embrace more sustainable modes of transport. We are also investing in sustainable solutions at our depots including wastewater treatment and water recycling facilities.

2022 in review

STC's 40th anniversary was marked by unique market conditions and strong performance. As customers faced the implications of supply chain constraints, rising inflation, the war in Ukraine and Covid-19 lockdowns in China, we were able to keep their liquid cargoes moving. We were successful in securing space on ships in a very tight market, ensuring our customers' products could reach their end customers. I am proud that no STC customer ran out of stock or had to close production because of us. This accomplishment is testament to our agile and dedicated team, fleet size, customer centricity, industry relationships and digital capabilities. As STC celebrated its 40-year anniversary, we again demonstrated the reliability we are known for.

STC's full-year operating profit was \$172.7 million, compared with \$81.6 million in 2021. Transportation revenue increased 30.8% to \$679.8 million, and demurrage revenue increased 63.6% to \$119.8 million as customers held on to tanks longer for storing back-up stock due to supply chain disruptions. Higher operating revenue was offset by a 68.6% increase in ocean freight costs, reflecting higher liner rates driven by tight capacity. Overall volumes decreased due to lack of space on ships and other supply chain congestion.

The 2022 market environment demonstrated the importance of our market-leading scale in terms of tank availability and supply chain options, incorporating both vessel and trucking capacity. Our fleet increased by 8.4% to 47,000 tanks this year and having a truly global set-up with long-standing partner relationships helped us meet customer requirements in a rapidly changing environment.

Our ongoing digital transformation strategy also contributed to our agility and reliability. This year more than half of our business was conducted through our digital platform. Digitalisation also formed a major element of our training activity as we helped staff improve their digital skills. This training complemented ongoing learning and development, which included new opportunities for staff to participate in exchanges where they worked in different offices and project teams. We also increased communication on safety issues and extended training on dangerous goods safety based on feedback from previous employee engagement surveys. These activities helped us to reduce our Total Recordable Case Frequency (TRCF) from 6.7 in 2021, to 4.8 in 2022. (Read more about our safety achievements on page 24.) This year's employee survey showed that engagement is in the top quartile – well above the logistics industry norm.

In 2023, we progressed efforts to reduce our environmental impact and I am proud that we renewed our EcoVadis silver rating with significant improvement in environmental scores, putting us in the top 16% of our industry. You can read about STC's 2023 environmental initiatives on page 31.

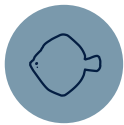
Outlook

2022 was an exceptional year due to the unprecedented container shipping market, a year that is very unlikely ever to be repeated. However, we are well-positioned for the coming year. Europe's rising energy costs and China's Covid-19 situation will likely result in softer demand in the first half of the year. However, we anticipate that volumes will increase as the year progresses.

Our ambition is to continue to grow by capitalising on medium- and long-term opportunities, despite anticipated pressure on margins. As supply chains ease, our ongoing digitalisation efforts will boost our efficiency and make the business more competitive. Collaboration will remain key to success – with customers, partners and our sister businesses – particularly when it comes to offering more sustainable supply chain options.

Hans Augusteijn

President,
Stolt Tank Containers



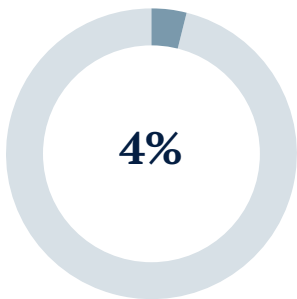
Stolt Sea Farm

Performance

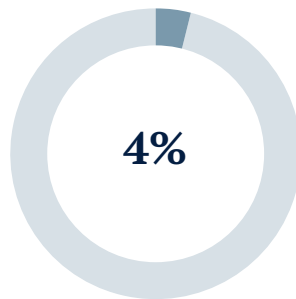
(US \$ millions)	2022	2021	2020
Operating revenue	103	108	80
Operating profit	20	24	(8)

Percentage of group total

of total operating revenue



of total operating profit¹



1. Excluding Stolt-Nielsen Gas, Corporate and Other loss of \$39.1 million.



“Our 2022 performance demonstrated our ongoing ability to work together to overcome challenges.”

Markets

- Our seafood products feature on restaurant, hotel and foodservice menus as well as on supermarket shelves in more than 30 countries.
- Our annual production capacity totals 6,500 tonnes of turbot and 1,600 tonnes of sole.

Strategy

Stolt Sea Farm (SSF) is a pioneer in land-based aquaculture, and our purpose is to ensure future generations continue to enjoy wonderful seafood. The business focuses on sustainable growth and building partnerships with customers and communities – while adhering to high animal welfare and environmental protection standards.

We are known for our innovation and pioneering technologies, including highly specialised, custom-designed facilities. Thanks to decades of research and development, we are the only aquaculture company that can consistently produce the highest-quality turbot and sole in commercial volumes. Seafood is widely accepted to be one of the most sustainable sources of animal protein, and we pay rigorous attention to ensure our operations have a positive environmental impact as we develop increasingly sustainable production methods.

2022 in review

2022 was a milestone year for SSF as we celebrated the company's 50th anniversary. Building the business we are today has required patience, care, commitment and passion, day after day, for five decades. I am proud of this landmark and grateful to everyone who has contributed to our success through the years, including our employees, suppliers, customers and shareholders. Our 2022 performance demonstrated our ongoing ability to work together to overcome challenges. It also showed how we have maintained our founding principles since 1972: sustainability, innovation and commitment to the environment and people.

SSF progressed in all areas, with high productivity helping to compensate for rising costs. However, operating profit was \$19.5 million, down from \$24.4 million in 2021 as the prior year benefited from a significant gain on the fair-value evaluation of biomass of \$17.4 million compared with a fair-value loss of \$1.0 million in 2022.

The year started strongly, bucking the seasonal trend of lower prices and volumes during the winter. As a result, we were able to maintain prices while reducing production costs per kilo, allowing us to maintain profitability during the traditionally slow period. In the second quarter, volumes of our frozen value-added products (VAP) rose, and, despite the strengthening US dollar in the third quarter, we boosted operating profit by increasing turbot production and sole volumes to capitalise on higher prices.

As part of our customer-centric approach, we are diversifying products, markets and channels and using data-led insights to strengthen and build relationships. For example, better forecasting has enabled us to optimise inventory, thereby improving efficiencies while ensuring customers always get the freshest produce. Enhancing our data capabilities has helped us to anticipate customer needs and react in a more agile way. Our people demonstrated this agility as we responded to market conditions, adjusting production volumes and driving sales while upholding SSF's reputation for quality. These efforts included expanding sales in new markets, with turbot volumes sold to these geographies increasing by 18% and sole volumes almost doubling. Foodservice accounted for 76% of sales, up from 63% in 2021. We also saw restaurant sales rebound with the lifting of Covid-19 restrictions.

Our new land-based recirculation aquaculture system (RAS) farms in Cervo, Spain and Tocha, Portugal helped increase productivity. Now in their second full year of sole production, they again exceeded expectations for biomass growth. Our investment in this technology continued. Plans progressed for our three additional RAS farms, and we also acquired shares in The Kingfish Company. The Kingfish Company is a market leader in land-based RAS farming of yellowtail and, like Stolt Sea Farm, is a leader in sustainable aquaculture. We also consolidated operational changes and increased production in our Iceland operations as part of our ongoing transformation programme. Collectively, these developments are contributing to our long-term strategy of ensuring we lead the market in providing a sustainable supply of high-quality seafood.

This year's performance demonstrates the strength of our offering and diversification strategy. We set a new production record for turbot, with our products reaching more new customers than ever before. We set a new weekly sales record for sole, capitalising on the consolidation of demand thanks to our production capacity and unique range, which includes large sizes.

Our VAP offering grew 36% year-on-year, reflecting growth in demand for convenience, versatility and consistent supply. Not only was our *Prodemar*[™] consumer brand launched in Casino France retail outlets, but we also unveiled a hugely popular new frozen turbot range at the Conxemar International Fair, a major industry exhibition. To boost VAP production capacity, we purchased land in Spain and Portugal to construct new processing areas, and we continued with modernisations at our processing plant in Lira, Spain.

SSF has long been a pioneer when it comes to sustainability in aquaculture. This year, we progressed our collaboration with feed manufacturers to investigate new formulas with lower fishmeal and fish oil content, reinforcing our leadership position when it comes to preserving scarce natural resources. We also joined the *Life Refish* project, which develops innovative ways to reduce waste and optimise the use of by-products from fishing activity.

Outlook

2023 started with the fantastic news that our fresh turbot received a Superior Taste Award from the International Taste Institute, which rated the product as exceptional in all five judging categories. This recognition will help us further strengthen our market position and our reputation as a leading producer of exceptional turbot.

In 2023, we expect to see continued growth in demand for high-quality, sustainable seafood and we are in a strong position to capitalise on this demand due to our market-leading production capacity, innovations and customer relationships. This will help SSF mitigate the effects of ongoing inflation and the higher costs of energy and feed.

We expect to see further growth in our Northern European markets as well as in our VAP offering, with our range of new products gaining momentum following this year's launch. Our transformation programme will continue as our expansion plans progress to the execution phase and we continue to build our data capabilities.

Jordi Trias
President
Stolt Sea Farm



Stolt Investments

Stolt-Nielsen is actively investing in bulk-liquid logistics, distribution, liquefied natural gas (LNG), land-based aquaculture and sustainable technologies.

We create shareholder value through investments in our core areas of industry expertise, as well as in technologies that have the potential to support the efficiency and sustainability of Stolt-Nielsen's core operations. As part of our approach, we leverage our industrial knowledge and expertise to support these investments.

Stolt-Nielsen Gas

Stolt-Nielsen Gas is an investment arm of SNL focusing on the liquefied natural gas (LNG) segment. As of November 30, 2022 Stolt-Nielsen Gas held a 47.2% stake in Avenir LNG, a 2.5% stake in Golar LNG and a 1.8% stake in Cool Company Limited.

On February 1, 2022, we acquired one million shares of Cool Company for \$10.0 million. Cool Company is a leading LNG shipping company with a fleet of 12 LNG carriers. It is a spin-off from Golar LNG and is listed on Oslo Euronext Growth. The investment was driven by our belief in the LNG sector and support for our larger investment in Golar LNG.

Stolt Ventures

We established Stolt Ventures this year with the aim of identifying and investing in sustainable technologies that will contribute to decarbonisation and support our core operations. As the energy transition gathers pace and we look for innovative ways to maintain a leadership position in our key markets, we seek to be an active investor in new technologies that will boost our efficiency while reducing our environmental impact. Although its focus is on direct investments, in December 2022, Stolt Ventures made its first commitment of approximately \$750,000 in Motion Ventures, a venture investment fund backed by corporates in the maritime and logistics industries.

Other investments

As of November 30, 2022 Stolt-Nielsen also held an 8.3% stake in Odfjell SE, an 8.3% stake in The Kingfish Company NV and a 9.8% stake in Ganesh Benzoplast Limited.

During March and April 2022, we acquired five million shares, equal to an 8.3% voting stake, in Odfjell SE, a chemical tanker and storage terminal operator listed on the Oslo Stock Exchange. This investment was driven by our belief in the industry, the anticipated recovery in the chemical market and the desire to consolidate the industry to assure sustainable returns through shipping cycles. On September 28, 2022, we agreed to acquire 9.2 million shares in The Kingfish Company NV for \$7.4 million. The Kingfish Company NV is a market leader in land-based recirculation aquaculture system (RAS) farming of yellowtail and is listed on Oslo Euronext Growth. Kingfish provides an interesting opportunity to support and participate in the development of this highly attractive species using RAS technology. Ganesh Benzoplast is based in India and listed on the Mumbai Stock Exchange, it operates chemical logistics and storage facilities.

Focus on Avenir LNG

Avenir LNG continued to deliver on its strategy to become a leader in shipping, storing, selling and distributing LNG to meet small-scale stranded demand and to supply a growing number of LNG-powered ships. The company operates five modern, small-scale LNG tankers with bunkering capability, as well as the HIGAS LNG terminal in Sardinia. During the year, Avenir took delivery of the final two ships in its newbuilding programme. In May 2022, *Avenir Achievement*, a 20,000-cbm LNG carrier, was delivered and immediately employed under a time charter to New Fortress Energy for the remainder of the year. From March 2023, she will be employed under time charter to an oil major. The second new ship, the 7,500-cbm *Avenir Ascension*, is supporting Avenir's bunkering business in the Baltics. Of the three ships delivered prior to 2022, one is traded by Avenir, supporting the HIGAS terminal in Sardinia, whilst the other two are employed under long-term time charters (one with New Fortress Energy and the other with Petronas). The company's specialised assets provide the flexibility needed to capitalise on the current LNG market and are well-positioned for growth in LNG distribution and bunkering.

Sustainable growth



**Responsibility
to Stakeholders**

I Pages 18-20



**Health
and Safety**

I Pages 21-25



Environment

I Pages 26-32



People

I Pages 33-36



Responsibility to Stakeholders

Sustainable growth

As an organisation that plays an essential part in the global supply chain – transporting and storing products that touch every aspect of modern life and producing sustainable seafood – we recognise the impact that our operations have on the environment, our colleagues and wider society. Sustainability is therefore integral to our strategy, underpins operations across Stolt-Nielsen and helps us deliver value to our stakeholders.

Aligning with the UN Sustainable Development Goals

Stolt-Nielsen is a signatory of the UN Global Compact and we are working to reduce our environmental impact in line with its objectives and the UN Sustainable Development Goals (SDGs). We have the potential to make the greatest contribution to SDGs 12, 13 and 14 – Responsible Consumption and Production, Climate Action and Life Below Water – and we use these to guide our approach to sustainability.

Collaboration is key to our sustainability efforts, and we work closely with our customers, suppliers, investors, employees, industry groups and communities to make the greatest possible contribution through our activities.

You can find a full list of our memberships and trade associations at: stolt-nielsen.com/sustainability

Maintaining strong governance

Our commitment to building a sustainable business comes from the very top, with the Board of Directors pledging its full commitment in areas ranging from health and safety to emissions reduction, water conservation and employee wellbeing. We also have well-established safety, quality and environmental management systems in place to ensure sustainability principles are embedded in our culture, operations and risk management approach.

Read more

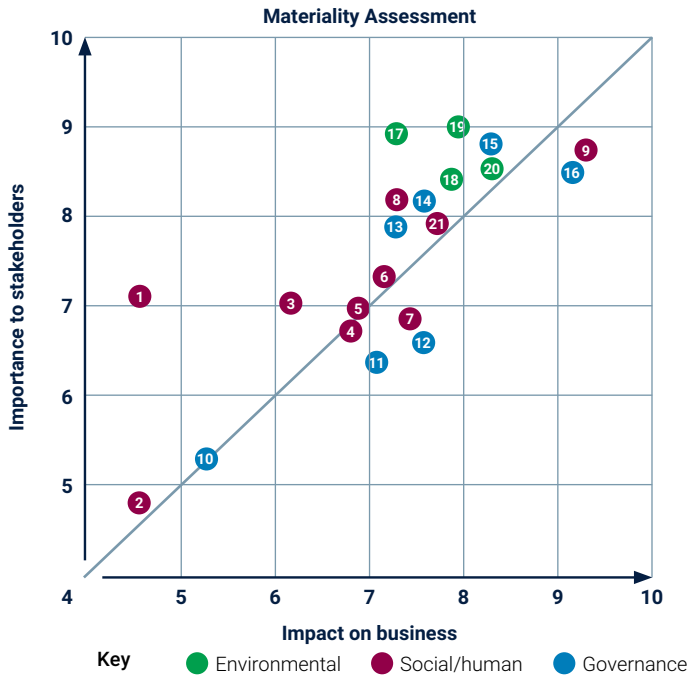
For more information on our sustainability policies and progress, please visit: stolt-nielsen.com/sustainability

Material topics

Each of our businesses has conducted a materiality assessment to determine the most important focus areas for sustainability. The materiality assessments are reviewed annually. During this year's review, additional input from external stakeholders at STC has led to an increased focus on supporting customers in reducing their Scope 3 emissions from the purchase of transportation services. Stolt Tankers', Stolthaven Terminals' and Stolt Tank Containers' material topics were rated one to ten, with one being not at all important and ten being very important. At Stolt Sea Farm each topic was ranked in order of perceived importance. These results are used to drive relevant goal setting in conjunction with the Sustainable Development Goals (SDG's). Separate materiality assessments allow for a clearer sustainability strategy within each business.



Stolt Tankers



Material Topics	Topic Number
Global health crisis	1
Community engagement	2
Human rights	3
Diversity, inclusion and gender equality	4
Labour conditions	5
Maritime security	6
Talent development	7
Child labour, forced labour	8
Health and safety	9
Lobbying	10
Responsible procurement	11
Cyber-security	12
Reporting and transparency	13
Business ethics, integrity and competitive behaviour	14
Anti-bribery, anti-corruption	15
Legal, regulatory and compliance	16
Waste	17
Lifecycle planning	18
Ocean impact	19
Emissions to air	20
Innovation and collaboration	21



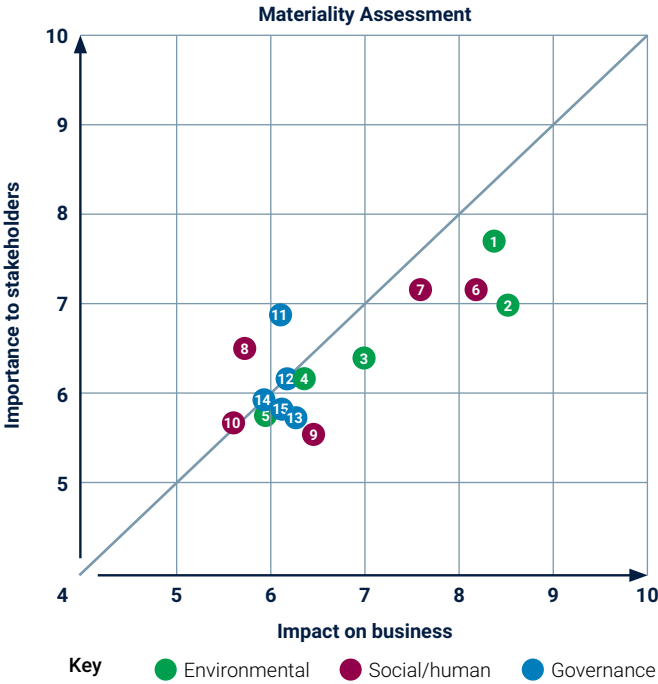
Stolthaven Terminals



Material Topics	Topic Number
Air quality: VOC and other air emissions	1
Process safety	2
Health and safety	3
Business ethics and compliance	4
Water and soil pollution	5
Business strategy and financial performance	6
Digital and technology	7
Waste management	8
Climate change risk	9
CO ₂ emissions and energy use	10
Customer experience	11
Water use	12
Innovation	13
Application of best practices	14
Training and development	15
Cyber-security	16
Taxation	17
Recruitment and retention	18
Community impact and engagement	19
Biodiversity	20
Diversity and inclusion	21
Human rights	22



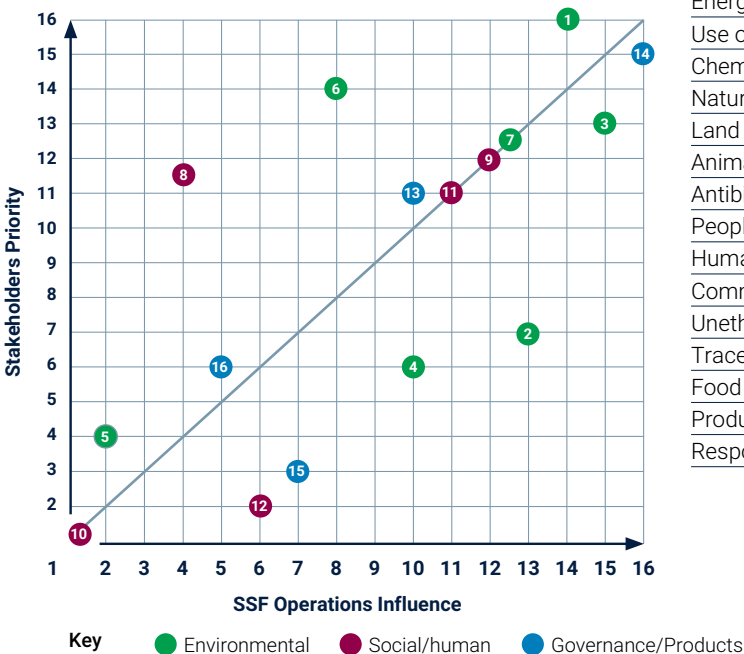
Stolt Tank Containers



Material Topics	Topic Number
Employee safety and employee stop work rule	1
Chemical leak/fire in transit or explosion at a depot	2
Depots: wastewater release/other waste containment loss	3
Reduction in GHG footprint (primarily through Scope 3 reduction)	4
Waste: management of five Rs: refuse, reduce, reuse, repurpose, recycle	5
Employee wellbeing and work life balance	6
Working conditions for employees in offices and depots	7
Human rights, child labour and modern slavery	8
Employee rewards and recognition	9
Talent development, training and career planning	10
Compliance with local regulations for operation of all depots	11
Viable business continuity plan	12
Cyber-security, data security and privacy laws	13
Develop and deliver solid ESG strategies and results	14
Accurate and transport reporting of financials and metrics	15



Stolt Sea Farm



Material Topics	Topic Number
Environmental impacts	1
Energy use and efficiency	2
Use of natural and limited resources	3
Chemicals of concern	4
Nature and biodiversity	5
Land use and landscape impact	6
Animal welfare	7
Antibiotics use and resistance	8
People practices in the workplace	9
Human rights	10
Community impacts	11
Unethical practices	12
Traceability to origin	13
Food safety and consumer health	14
Product innovation and development	15
Responsible marketing and labelling	16



Health and Safety

At Stolt-Nielsen, our commitment to zero harm requires a strong, safety-focused culture. This culture is driven from the top. The management team and Board of Directors ensure the correct governance is in place and appropriate resources are available to assure robust processes, specialist training and proper reporting. They receive detailed safety performance reports on a quarterly basis.

Indicator	Stolt Tankers ¹	Stolthaven Terminals	Stolt Tank Containers	Indicator	Stolt Sea Farm
Total Recordable Case Frequency (TRCF)	0.68²↓ (2021: 0.82 ²)	0.98³↑ (2021: 0.80 ³)	4.80³↓ (2021: 6.72 ³)	Average number of occupational safety incidents per worker	5.3%↑ (2021: 2.9%)
Lost Time Injury Frequency (LTIF)	0.38²↓ (2021: 0.47 ²)	0.35³↓ (2021: 0.54 ³)	1.60³↑ (2021: 1.28 ³)	Compared with the aquaculture industry	5.4%↓ (2021: 6.9%)
Serious Incidents	1↑ (2021: 0)	3⁴↑ (2021: 0)	1⁴↑ (2021: 0)	Serious Incidents	0↔ (2021: 0)

Performance key

↑ Negative change from prior year ↓ Positive change from prior year ↔ No change from prior year

1. Excludes barging.

2. Per 1,000,000 hours' exposure.

3. Per 200,000 hours' exposure.

4. Stolthaven Terminals and Stolt Tank Containers both reported the same serious incident for 2022. This was a single event caused by a leak at a plant next to our terminal and depot in Moerdijk, the Netherlands. The incident directly affected five of our employees.

Our health and safety approach

Everyone at Stolt-Nielsen has a role to play in keeping themselves and each other safe. We also rely on the skills and diligence of our operational and safety teams to keep our sites and ships running safely and efficiently. At a group level, we ensure we are:

- Meeting or exceeding the latest industry standards
- Measuring the number of incidents and near misses
- Monitoring and reporting in line with established procedures and compliance requirements
- Tracking and delivering training as scheduled

At the same time, our culture emphasises personal responsibility to mitigate risks, protect colleagues and drive continuous improvement across all processes and operations. Each of our businesses has robust governance and training programmes tailored to its specific risks.

2022 performance

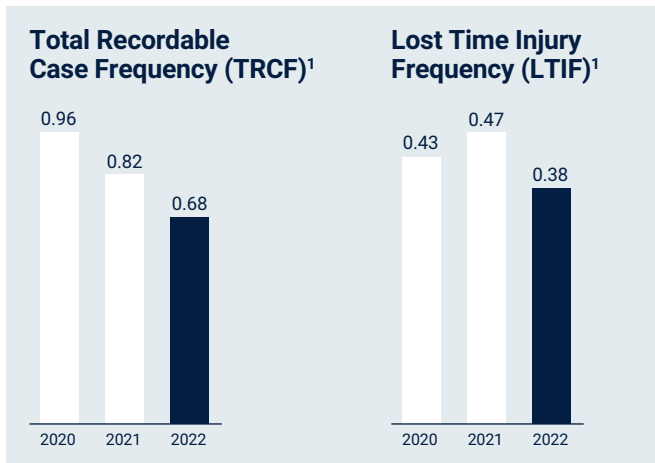
During the year, we saw Total Recordable Case Frequency (TRCF) and Lost Time Injury Frequency (LTIF) fall at Stolt Tankers. There was also some improvement across our other businesses. There were five serious incidents recorded during the year (2021: 0). Two of these incidents were triggered by a single event caused by a leak at a plant next to Stolthaven's terminal and Stolt Tank Containers' depot in Moerdijk, the Netherlands. Serious incidents are defined as those having a 'high severity' according to the company's incident severity matrix. The last fatality of an employee or contractor was in 2018.

Stop Work Authority Programme

Our *Stop Work Authority* programme has been in place since 2014. It empowers everyone at Stolt-Nielsen to intervene and halt work that appears unsafe. Onshore and seafaring staff alike receive training on using this authority. They also receive a handy card (available in 18 languages) reminding them of the processes for taking action and raising concerns.



Stolt Tankers



1. Per 1,000,000 hours' exposure.

Improved safety performance

Both TRCF and LTIF fell at Stolt Tankers this year, reflecting our ongoing focus on protecting people and the planet. We increased the number of accident- and injury-free ships for the fifth year running. This is a major achievement given we now have the largest fleet in our history. During 2022, 82% (2021:86%) of our ships, excluding those in joint ventures, were accident-free and 85% (2021: 85%) were injury-free. Accident severity continued to decrease as well. There was one serious incident in 2022. The main engine of the *Stolt Kiri* failed as she transited from the Netherlands to the US.

A positive culture, underpinned by safety

Despite our positive gains in recent years, we know that we must never be complacent when it comes to safety. We are working towards embedding safety as the fifth value that underpins 'The Stolt Way' (read more on page 34), and we continuously enhance our *Slashed Zero* programme, which seeks to reduce injuries across the fleet.

In 2022, we reviewed the appraisal process for seafarers, making it more objective and behaviour based. More than 70 captains, our sea personnel team and our onshore health and safety experts helped design the new process. As part of this, we issued clear guidelines on expectations for each crew member based on their role. We have trialled the new approach on five ships, and initial feedback has been positive. We plan to embed the process by setting clear goals and expectations early in seafarers' careers with us. Our aim is to develop an environment that rewards people for safe, responsible, and customer-centric behaviour – and ultimately drives positive cultural change.

Stolt Tankers holds an annual Ship of the Year competition to increase health and safety awareness and raise standards. Our fleet is judged on criteria that covers safety, port state and customer inspections, audit results, off-hire, claims and cost-efficiency. In 2022, *Stolt Span* was named Ship of the Year. Learn more about the competition at stolt-nielsen.com/our-businesses/stolt-tankers/ship-of-the-year/

Unbreakable rules

In 2022, we began work to embed the Stolt Unbreakable Life Saving Rules across the business. The rules were co-created last year with our seafarers and give clear guidance on behaviours that reduce accidents and injuries – and ultimately save lives. Following training sessions, our crews made short films to share across the organisation about how the rules work in day-to-day operations.

Enhanced health and safety training

This year, Stolt Tankers enhanced its health and safety training programme with the introduction of *360 Movies*. This online platform allows people to learn at their own pace and in their preferred style, with content tailored based on an individual's role and working environment. The real-time training scenarios also allow for immediate feedback, so staff can make corrections as they learn.

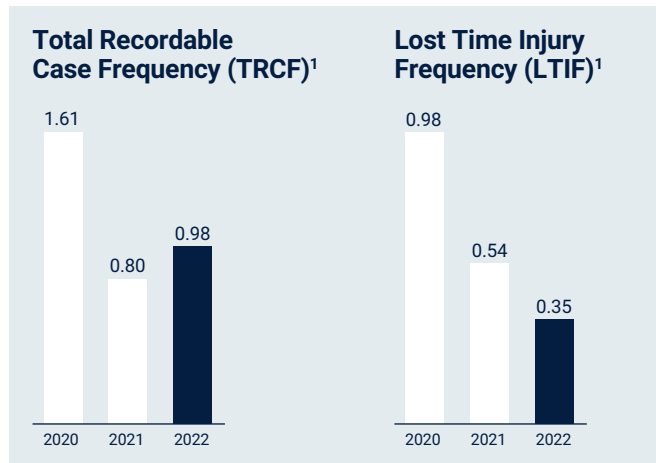
During 2022, we conducted an in-depth analysis of delays and near misses and identified that commercial pressure was often cited as a contributing factor. Based on this, our onshore tanker trading team and onboard teams collaborated to create an educational film exploring ways of managing commercial pressure, which also reduces stress and protects seafarers' mental wellbeing. We received positive feedback from customers for our efforts in this area.

Awards

46 of our ships that called at US ports during 2022 received Jones F Devlin Awards for safety from the Chamber of Shipping of America. Our customer LyondellBasell also awarded us its 2022 GoalZERO Safety Award, which is given to suppliers with zero incidents with LyondellBasell's cargoes or at their terminals during the year.



Stolthaven Terminals



1. Per 200,000 hours' exposure

Positive trends, new achievements

Although not on the scale we saw during 2020 and 2021, Covid-19 lockdowns continued to create operational challenges for our terminals business. As well as following local legal requirements, we maintained our additional hygiene practices to protect employees and visitors. This helped us provide safe, continuous services to our customers globally throughout the year.

The positive trend of reducing LTIF continued as a result of increased training, awareness campaigns and improved safety management processes. Several sites achieved new records for the number of days without lost time injuries – Houston, US achieved 1,797 days, our terminals across New Zealand recorded 1,227 days, and in Singapore we achieved 1,339 days. However, there was an increase in TRCF caused by an incident at a neighbouring site to our Moerdijk terminal in the Netherlands, which we have reported as a serious incident. We recorded two additional serious incidents during the year; a palm oil spill at Westport, Malaysia; and damage to part of the jetty at Dagenham, UK. Neither resulted in any injuries or damage to the environment.

Data-driven safety excellence

Stolthaven Terminals manages safety events via *ecoPortal*, a digital safety management system. All incidents, near misses and non-conformities are captured and analysed through this single global system, providing management with full transparency in a timely manner. This means trends can be identified and acted on quickly – driving a key element of our continuous efforts to achieve safety excellence. Because it provides a global overview, *ecoPortal* also helps us focus on areas that require additional training. All employees are encouraged to proactively improve safety by submitting their own ideas for improvements.

In 2022, we introduced several new global safety and operations standards. These were developed with input from each terminal and then communicated across the business – on sites, via townhall meetings and in training sessions.

Stolthaven Terminals is a signatory of the Tank Storage Association (TSA) Charter, which ensures we maintain our leadership in major hazard best practices. We are focused on making safety everyone's responsibility, and undertake regular employee engagement surveys on safety attitudes to inform initiatives that improve employee welfare, communication and participation. In 2022, we progressed local initiatives launched last year based on survey results, and these continued to drive positive change.

Reducing risk through technology

Last year, we initiated *Connected Worker*, our flagship programme for digitalising onsite processes. In 2022, we began the first pilots in Santos, Brazil and Singapore. These will continue throughout 2023.

Automation reduces risks of injury because employees do not have to work as close to operations. This year, we installed automated valves for nitrogen, steam and other utilities at several terminals as part of an ongoing programme. We also used drones for tank inspections in Houston and New Orleans, US and Santos, Brazil as part of our ongoing modernisation programme.

Safety training for all

We have a strong focus on training, from e-learning to on-the-job and classroom training. The aim is to make training accessible while gaining enhanced insights for the business.

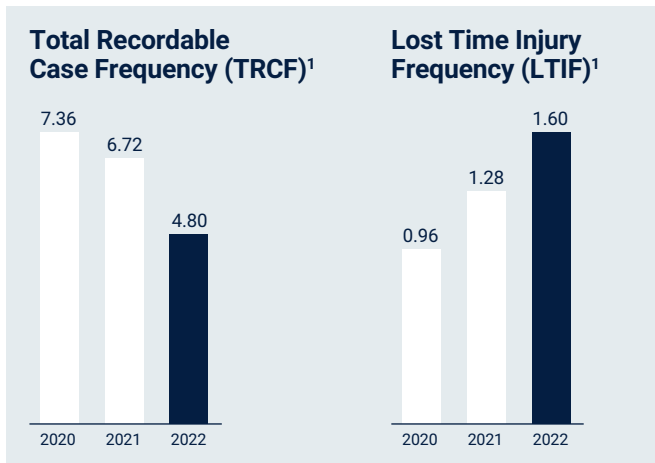
In 2022, each terminal held an annual safety day for staff and vendors. These popular events combine interactive experiences, contests and opportunities for everyone to learn more about safety processes and technologies. They are also a chance to recognise those who go further, with awards presented to employees who go the extra mile to make our workplaces safe.

Positive recognition

In 2022, several customers recognised Stolthaven Terminals for its safety performance and culture. In Houston, US, we received the LyondellBasell GoalZERO Safety Award for our consistently strong performance and Total Recordable Incident Rate (TRIR) of zero. Our terminals in Houston and New Orleans, US also received a joint Safety Excellence Award from the International Liquid Terminals Association (ILTA). Santos, Brazil was named Dow S4TAR Logistics Best Service Provider for terminals.



Stolt Tank Containers



1. Per 200,000 hours' exposure

Improving performance

Stolt Tank Containers saw a reduction in TRCF this year, although LTIF increased due to an accident at a neighbouring site to our Moerdijk depot in the Netherlands, which we have reported as a serious incident. Our depots in Kaohsiung, Taiwan and Zhangjiagang and Tianjin, China have not recorded a single lost time injury since 2014.

Safety culture designed around our people

Based on employee engagement survey results, we increased communication with staff on safety issues. The leadership team conducted townhalls, and managers scheduled more regular team meetings – all of which received positive feedback. These efforts improved collaboration across our global team and generated local action plans for identifying and mitigating near misses. We also launched a regular bulletin with lessons learned and ways to standardise best practices.

Behavioural-focused health and safety training

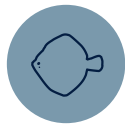
STC continued to use its global safety management system to plan and monitor training, with 94% of staff completing their statutory and STC-required sessions in 2022.

All depot employees received monthly training in topics such as handling dangerous goods, working at height, working in confined spaces and reducing risk during operations. In 2022, we extended our focus on dangerous goods safety, improving our training on safely transporting and storing of thermo-sensitive substances. We continued to provide bespoke training on International Maritime Dangerous Goods (IMDG) guidelines, with the course now mandatory for all new employees.

This year, we piloted a new behaviour-based safety programme at our depot in Moerdijk, the Netherlands. All operational staff received mentoring to identify improvement areas, set individual safety objectives and monitor progress.

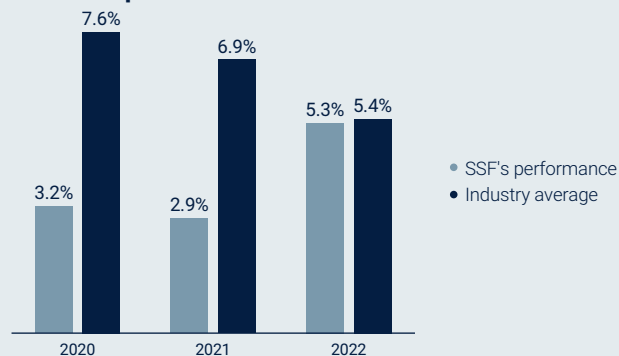
Certifications

In 2022, we retained our ISO 9001, ISO 22000 and Authorised Economic Operator (AEO, certifications as well as our Safety and Quality Assessment for Sustainability (SQAS),) and Chemical Distribution Institute Marine Packed Cargo Assessment Scheme (CDI-MPCAS) certifications.



Stolt Sea Farm

Average number of occupational safety incidents per worker



Safety performance

Stolt Sea Farm's operations are significantly different from our logistics businesses, so we use different safety benchmarks. We measure safety performance using the index for incidents in the fisheries and aquaculture sector from Spain's Ministry of Labour and Social Economy. This calculates the average number of occupational safety incidents per worker. We recorded 5.3% in 2022 (2021: 2.9%), below the aquaculture industry average of 5.4% (2021: 6.9%).

We recognised the increase in the number of occupational safety incidents during the year and have taken actions to reverse this trend. This includes the completion of additional safety audits to identify areas for improvement and we have increased our practical and online training for workers.

At the beginning of each year, we conduct external audits of at least three farms to assess changes to our health and safety risks. This year's audits identified 22 priority risks (2021:43), which are risks that could potentially lead to non-compliance or serious accidents. Following mitigation activity during the year, we reduced this to 16 outstanding risks by November 30, 2022. We expect to have addressed all priority risks by April 2023.

Safety culture and processes

Throughout 2022, we held health and safety meetings with employee representatives to report on accidents, audit results and improvement actions. These meetings were also a forum for staff to contribute ideas for ways to drive continuous improvement.

Our health and safety team plays a key role in developing new facilities and designing and commissioning new equipment. This ensures we operate safely and comply with legal requirements.

In 2022, we carried out additional psychosocial risk assessments at two sites. Identified improvements were implemented for one site, with the second site due to be completed in 2023. We also evaluated our cleaning processes, to ensure that they are as safe as possible for employees and that all processes consider the welfare of our fish. Most of our farms use automated systems for applying sanitary treatments to the fish, and we verified that this makes our operations safer for our people. At farms with manual processes, we evaluated whether workers were using the correct personal protective equipment and identified ways of introducing automation and additional ventilation. Implementation began in 2022 and will continue during 2023.

We understand we have an obligation not only to our employees, but also to people who visit our sites. In 2022, we launched a project to improve the health and safety processes for third-party contractors and suppliers at our facilities.

Tailored employee training

All new employees receive training in occupational health and safety, occupational hazards, hazard identification and accident prevention. Machine operators receive additional training on risks specific to their role. In 2022, we completed more than 70 training courses for more than 700 employees.

In 2022, we completed an update of procedures for work that involves higher risk levels, such as working in confined spaces and at height. All relevant staff received tailored training through practical sessions as well as virtual sessions and online modules. At two sites, there was additional practical training in the safe use of forklifts and overhead cranes.

All permanent contract and temporary workers at our packaging plant in Spain completed in-person health and safety training. At the three farms involved in the SABLE (Stunning And BLEnding) project, specific health and safety training was carried out on new processes, including quality and safety best practices in line with Spanish regulatory requirements.



Environment

Stolt-Nielsen has several environmental ambitions in line with our three priority UN Sustainable Development Goals (SDGs) – Climate Action, Life Below Water and Responsible Consumption and Production.

In 2022, these SDGs guided our efforts as we enhanced our data collection and reporting capabilities, launched new initiatives, and made measurable progress towards achieving our environmental aims.

Indicator	Stolt Tankers	Stolthaven Terminals ¹	Stolt Tank Containers ²
GHG Emissions Scope 1	5.8%↓ 2022: 1,531,884 MT ³ 2021: 1,626,515 MT ⁴	4.6%↑ 2022: 38,649 MT 2021: 36,951 MT	4.5%↓ 2022: 8,054 MT 2021: 8,438MT
GHG Emissions Scope 2	28.7%↑ 2022: 233,892 MT 2021: 166,880 MT	12.0%↓ 2022: 13,228 MT 2021: 15,032 MT	39.5%↓ 2022: 2,150 MT 2021: 3,556 MT
GHG Emission Intensity (AER)⁵	1.2%↓ 2022: 10.91 2021: 11.06		
Sulphur Oxide Emissions	3.6%↓ 2022: 1,934,300 Kg 2021: 2,153,410 ⁶ Kg		
Nitrogen Oxide Emissions	10.3%↓ 2022: 44,646,946 Kg 2021: 46,193,438 Kg		

Performance key

↑ Negative change from prior year ↓ Positive change from prior year ↔ No change from prior year

1. Includes wholly-owned terminals only.

2. Includes wholly-owned depots only.

3. Including Scope 1 GHG emissions from E&S Tankers' fleet.

4. Including Scope 1 GHG emissions from E&S Tankers' fleet of 39,803 MT CO₂ in the third and fourth quarters. This fleet operates under a separate reporting system.

5. Stolt Tankers uses the Annual Efficiency Ratio (AER) to measure the intensity of its carbon emissions. This measures carbon emissions relative to a ship's capacity and distance travelled.

6. Restated to account for capture of SO_x emissions by exhaust gas cleaning systems (scrubbers) onboard 10 ships. Scrubbers bring SO_x emissions generated onboard within IMO mandated sulphur cap limits, even when burning high sulphur fuels.

Supporting global goals

The Stolt-Nielsen approach to protecting the environment is driven by our ambition to reduce our impact. It is underpinned by strong governance frameworks and processes aligned with several UN SDGs, as well as industry-leading standards. In 2022, we progressed efforts to establish baselines and improve the collection of our environmental data, expanding our benchmarking and reporting capabilities as we work towards our goals.

We regularly review our approach based on changing regulations and to incorporate evolving best practices.

Sound governance and processes

Another element of our ongoing sustainability focus involves regularly testing and updating business contingency and emergency response plans for all our sites and across our fleet. This ensures our teams are fully equipped to manage potential incidents such as collisions, contamination, spills, leaks, fires or explosions. For land-based facilities in areas at risk of extreme weather events such as flooding or hurricanes, contingency plans are designed to minimise any impact on our facilities and ensure operations can return to normal quickly and safely. We regularly test our plans, including conducting drills in partnership with customers, local emergency response teams and local authorities. These drills give our teams the opportunity to share lessons learned across different locations, refine their plans and develop strong working relationships with stakeholders.

Our facilities and ships use robust management systems to report all incidents that have the potential to impact the environment. We classify a spill as significant if it involves a release of materials that poses a major health and safety risk to people or causes damage to the environment. There were no significant spills in 2022.



Stolt Tankers

Sustainability ambitions

Reduce carbon intensity by 50% (relative to 2008 levels) by 2030

Have at least one carbon-neutral ship in the fleet by 2030

Run a carbon-neutral business by 2050

In 2022, Stolt Tankers focused its efforts on the two SDGs where it can make the greatest contribution: Climate Action and Life Below Water. Our reporting was prepared with reference to the Sustainability Accounting Standards Board (SASB) topics for marine transportation. This was also the first year that 100% of our fleet's voyages were verified by the world's leading maritime classification society DNV via their online *Veracity* platform.

We added to the size of our sustainability team this year, which helped focus our efforts to integrate environmental considerations into business processes. In addition, we established working groups for several new 2023 regulations – the Energy Efficiency Index for Existing Ships (EEXI), the Carbon Intensity Index (CII) and Europe's Fit for 55 package. These working groups will oversee the steps required for our fleet to be compliant.

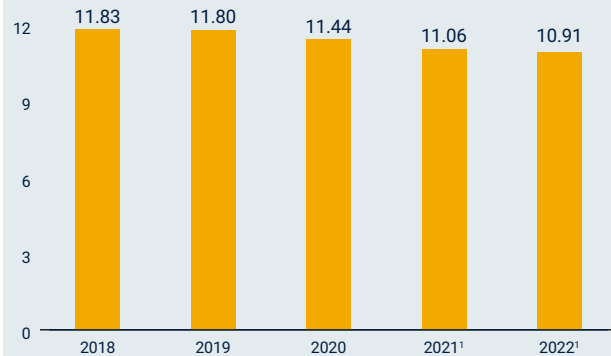
Stolt Tankers' environmental efforts received positive recognition during the year. We improved our overall EcoVadis rating, achieving gold, which placed us in the 95th percentile. We also received a C rating under the Carbon Disclosure Project (CDP). During the year, 59 of our ships were awarded the CSA Certificate of Environmental Achievement. 57% of our ships (39 in total) that called at US ports during the past three years became eligible for the US Coast Guard's Qualship 21 certification. Membership is testament to the quality of our fleet, as less than 20% of all foreign-flagged vessels operating in the US meet the strict eligibility requirements.

Reducing emissions

Stolt Tankers is, by far, Stolt-Nielsen's largest greenhouse gas emitter and its ambition is to cut emissions by 50% by 2030 (relative to 2008 levels). Our key indicator for the Climate Action SDG is the Annual Efficiency Ratio (AER), which we use to calculate carbon intensity across the fleet in line with International Maritime Organization (IMO) and shipping industry reporting. Our 2022 AER was 10.91, compared with 11.06 in 2021. Despite the strong tanker market requiring our ships to increase speed, thus consuming more fuel, the improvement in our AER means we are on track to meet IMO targets and our 2030 goal.

Annual Efficiency Ratio (AER)

Gram CO₂ emitted per deadweight tonne of capacity and distance travelled



1. Includes E&S Tankers fleet.

This year, we continued measuring Scope 1 and Scope 2 emissions across the fleet and began measuring Scope 2 emissions for our offices. We also worked on expanded digital capabilities for reporting carbon emissions using the Sea Cargo Charter framework to help customers better understand the sustainability of their supply chains. Despite adding several ships to the fleet, year on year we saw a 6% decrease in our Scope 1 emissions.

We reduced Scope 1 emissions through the deployment of innovative energy-efficient technologies and voyage optimisation. For example, we trialled and implemented *FuelOpt*, which delivers direct, real-time propulsion optimisation and leads to greater energy efficiency and lower fuel costs. Our existing practice of proactive hull and propeller cleaning progressed, with 13 new advanced propeller boss cap installations completed during 2022. We also trialled in-transit hull cleaning to reduce biofouling and emissions, and a graphene coating for propellers that also improves fuel efficiency. We continued to investigate the use of marine biofuels produced from certified sustainable feedstocks, building on last year's trials by investigating suppliers and mechanisms for scaling use. In addition, we established a working group for the use of second-generation biofuel as a drop-in fuel on ships employed in certain trade lanes.

2022 was the first full year of our partnership with the Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping. We appointed another secondee to the centre, and now have two Stolt Tankers representatives actively contributing to future regulations and technologies to decarbonise shipping.

We expanded our other partnerships, as well. Work continued as part of our two-year consortium agreement with Concepts of Ammonia/Hydrogen Engines for Marine Application (Cahema). We reached an agreement with the Global Centre for Maritime Decarbonisation, and we began collaborating with the Bellona Foundation to develop an industry-wide standard for hull cleaning. As part of our ongoing work with a coalition exploring cold ironing, we agreed a pilot project in Rotterdam, the Netherlands which has the potential to reduce emissions from chemical tankers by using electricity supplies in port rather than running ship engines.

Promoting biodiversity

Stolt Tankers works in accordance with Ballast Water Convention D-2 requirements, which dictate the maximum levels of viable organisms allowed to be discharged into the ocean. This year marked a milestone in our collaboration with Stolthaven Terminals to treat wastewater shoreside instead of discharging it at sea. As part of this unique project, 11,899m³ of tank wash water in Houston, US was voluntarily directed to our onsite wastewater treatment plant, and initial layby tank cleaning saved 246 tonnes of fuel (compared with 5,800m³ and 139 tonnes in 2021). Based on this success, our intention is to expand the approach to other ports.

Other initiatives related to the Life Below Water SDG included exploring options to recycle ships' consumables as part of a circular economy vision. To further tackle pollution, we launched a collaboration to trial a new technology that filters microplastics during ballast water treatment, preventing them from entering seawater. The first installation will be on the *Stolt Sagaland* in 2023. As part of our underwater noise pollution mitigation efforts, our advanced propeller boss cap fins have actively contributed to a five-decibel reduction within a range of 100 to 1,000 kHz. In line with guidance from the International Maritime Organization (IMO) and other experts in the field of marine animal welfare, Stolt Tankers ships travelling south of Sri Lanka, the north-west of the Mediterranean Sea, around Vancouver Island and along the east coast of the US where large marine animals live and feed, will modify their routes and reduce their speed by 20% to minimise the impact of shipping on the whale population.

Stolt Tankers also contributed to broader biodiversity efforts this year through its support of non-profit organisations WeForest and OneTreePlanted; both have extensive experience managing reforestation, carbon absorption and environmental impact projects.

Managing waste

Stolt Tankers is certified to international environmental standard ISO 14001, and all waste from ships – including hazardous waste – is disposed of in line with the International Convention for the Prevention of Pollution from Ships (MARPOL). During 2022, waste to landfill from Stolt Tankers' shipping operations was 5,968m³ (2021: 5,964 m³). As a member of IMPA ACT and as part of our responsible procurement programme, we also work closely with our suppliers to look for sustainable alternatives to single-use plastics.

Stolt Tankers and its preferred recycling yards operate in accordance with the IMO 2009 Hong Kong Convention for the Safe and Environmentally Sound Recycling of Ships. Stolt Tankers has a director on the ITOPF Board, an organisation that specialises in preparedness for and response to accidental marine spills. We are also a founding member of the Ship Recycling Transparency Initiative: www.shiprecyclingtransparency.org, an online platform reporting ship recycling practices against a set of predefined criteria. Ships delivered for recycling hold an inventory of hazardous materials, and an accredited auditor verifies that each vessel has been properly prepared before issuing a 'Certificate Ready to Recycle'. Weekly reports track the entire recycling process, including all required environmental permits and waste management. One ship was sold for recycling in 2022.

To learn more about sustainability at Stolt Tankers, please visit: stolt-nielsen.com/our-businesses/stolt-tankers/sustainability



Stolthaven Terminals

Sustainability ambition

Primary activities, including the storage and handling of products, to be carbon-neutral by 2040

In 2022, Stolthaven Terminals updated its materiality assessment, surveying external stakeholders including customers, vendors and port authorities. The results reinforced the key topics identified last year. We also began measuring our carbon footprint against the GHG Protocol, with preparation carried out to seek validation in 2023. Our dedicated sustainability team expanded this year, and now includes at least one member from all wholly-owned terminals driving local initiatives. We continued to use our online ideation platform to crowd-source environmental ideas from front-line employees. Notable projects included upgrading lights to LEDs at our Dagenham, UK site, saving 48 MWh, and donating 50 tonnes of timber from our old Dagenham jetty for recycling into benches and planters for a local skate park.

Stolthaven sought an EcoVadis rating for the first time and achieved silver for all wholly-owned terminals, ranking in the top 4% for sustainability performance in the warehousing and storage industry. Our terminal in Moerdijk, the Netherlands received International Sustainability and Carbon Certification (ISCC) and CAT-3 certification. We intend to achieve these certifications at other terminals in our network.

Managing emissions

Stolthaven's carbon emissions are relatively low, but we continued our ongoing reduction initiatives in line with our Climate Action SDG commitment. We progressed with energy scans to inform terminals' carbon-neutral roadmaps, completing three more this year for a total of four. We also partnered with Deloitte to pilot their decarbonisation tool at our sites in Houston and New Orleans, US, using data from the energy scans and terminal initiatives to identify areas for improvement. At our terminal in Santos, Brazil, we opened the company's first nitrogen plant. The plant covers most of the terminal's tank capacity and is expected to reduce supply vehicle movement onsite by 80%, with a corresponding reduction in fuel consumption and emissions.

In addition to driving our own transition to greener energy, we are supporting our customers through their transitions. In 2022, we partnered with Pecém Industrial and Port Complex to launch a green hydrogen hub in Brazil. This will provide storage and handling services at the Port of Pecém for green hydrogen and associated products. In partnership with Fluxys and Advorio Gas Terminal, we began to study the feasibility of building an open-access green ammonia import terminal at the Port of Antwerp-Bruges. We have also announced a partnership with XL Batteries to develop an industrial-scale flow battery with the potential to apply it in the port and industrial sector as well as potentially providing shore power to ships calling at terminals. To help establish an industry-wide vision for sustainable storage and warehousing, we joined the Terminal of the Future research partnership.

Some products stored at our terminals can emit vapours, and we use several techniques to prevent these from entering the atmosphere, including vapour recovery systems, scrubbers, flares, internal floating roofs and nitrogen blankets. Our new tank designs feature higher design pressure, which reduces emissions as more vapour is retained in the tank. In 2022, we approved a project to reduce volatile organic compound (VOC) emissions by converting the East Property Flare at our Houston terminal into a vapour combustor unit (VCU). This project will serve as a pilot for potential implementation at other terminals.

To learn more about sustainability at Stolthaven Terminals please visit: stolt-nielsen.com/our-businesses/stolthaven-terminals/sustainability



Stolt Tank Containers

Sustainability ambitions

50% renewable energy consumption at wholly-owned depots by 2030

In line with IMO commitments, a 40% reduction in our transportation partners' carbon footprint (relative to 2008 levels) by 2030

In 2022, Stolt Tank Containers established a new, dedicated sustainability workstream with a defined short-, medium- and long-term strategy linked to three priority SDGs: Climate Action, Clean Water and Sanitation, and Life on Land.

As part of these efforts, we updated our materiality assessment to include input from key customers and regulatory authorities. This latest feedback led us to increase our focus on supporting customers with reducing Scope 3 emissions from the purchase of transportation services. We are creating a Scope 3 baseline for all transport modes using EcotransIT emissions calculation tools, complying with the Global Logistics Emissions Council (GLEC) framework. We are also continuously improving and expanding our reporting on resource use and Scope 1 and 2 emissions from our wholly-owned depots using BearingPoint's Emissions Calculator.

We renewed our EcoVadis assessment resulting in an improved silver rating, our scores in both environmental and ethics increased from 60% to 70%, and we renewed our Chemical Distribution Institute Marine Packed Cargo Assessment Scheme (CDI-MPCAS) for our main global offices; which also showed significant improvement in environmental scores.

Transitioning to a greener future

2022 was STC's first full year of measuring Scope 1 and 2 emissions at wholly-owned depots – and of implementing targeted reduction initiatives. Our primary focus was on incorporating greener fuel sources into operations. Our depot in Moerdijk, the Netherlands now uses certified wind energy and certified biofuels; Houston, US is purchasing certified green electricity and has started offsetting emissions by using wind and solar power; and Singapore has switched from diesel to natural gas for heating. Switching to greener gas and offsetting led to a 4.5% decrease in Scope 1 emissions. Electricity and fuel-related reductions led to a 39.5% reduction in Scope 2 emissions.

We are investigating ways in which to provide alternative lower GHG-emitting transportation solutions to our customers across all modes of transport. We have included sustainability requirements in our ocean freight tenders using Smart Freight Centre guidelines from the Clean Cargo Working Group. We are the only tank container operator that is a member of this working group, which is an organisation dedicated to reducing the environmental impact of global goods transportation and promoting responsible shipping.

Reduce, recycle, reuse

Our materiality assessment update highlighted an increased need for STC to focus on GHG reduction, water (re)use and on zero waste to landfill. We will use 2023 to clarify our data and define a baseline against which waste reduction targets can be set.

This year, we piloted circular recycling projects in Moerdijk, the Netherlands and Houston, US, focusing on reusing cleaning water, as well as on collecting, cleaning and reusing manlid gaskets to reduce plastic going to landfill while fostering compliance with forthcoming perfluorooctane sulfonate (PFOS) legislation. In Houston, US, we also trialled recycling other plastic elements used during tank container handling.

To learn more about sustainability at Stolt Tank Containers please visit: stolttankcontainers.com/sustainability



Stolt Sea Farm

Sustainability ambitions

Zero waste to landfill by 2030, focusing on recycling and energy recovery

Reduction of fish products in our ongrowing feed (relative to 2020 levels) by 2030: 65% reduction for sole and 50% reduction for tubot

During the year, Stolt Sea Farm continued to establish baselines for measuring environmental performance to support our efforts to achieve zero waste to landfill by 2030. We now have a completed baseline for Norway in addition to the baselines for France, Spain and Portugal that were completed in 2021. Data analysis continued as part of work towards establishing baselines for our operations in Iceland.

This year, we renewed Global GAP certifications for all operations and renewed our ISO 9001 and ISO 14001 certifications for France, Spain, Portugal and Norway. We also maintained our International Featured Standards (IFS) and Specific Self-inspection Systems (SAE) food safety certifications at our processing plant in Lira, Spain.

Reducing our carbon footprint

Seafood has one of the lowest carbon footprints of all animal-based protein sources, and SSF works to minimise emissions as much as possible across its operations and supply chain in line with our commitment to the Climate Action SDG. 100% of electricity used in our operations in Iceland and Portugal is certified renewable. In 2022, we installed 193 kW of solar panels at our farm in Quilmas, Spain, which adds to the 230 kW already installed in Cervo, Spain. We also began installation of solar panels in Tocha, Portugal, these have a maximum capacity of 950kW.

Stolt Sea Farm does not currently measure GHG emissions. It measures energy and fuel consumption, and is working towards better recording and measurement of emissions and capturing baseline data.

Responsible farming

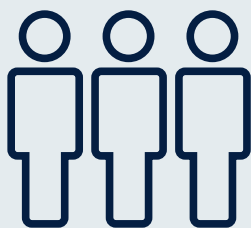
SSF is committed to responsible farming and transparency as part of our wider commitment to the Responsible Consumption and Production SDG. We continued to work with feed manufacturers to investigate new feed formulas with lower fishmeal and fish oil content, reinforcing our leadership position when it comes to preserving scarce natural resources.

This year, we also helped establish a new platform for collaboration between non-profit organisations and the scientific community in Spain to drive fish welfare progress in aquaculture. The project has published an initial set of general fish welfare guidelines for the Spanish aquaculture sector.

Waste reduction

In 2022, we joined the *Life Refish* partnership project to reduce waste and optimise the use of by-products from aquaculture activity. In addition, we launched an initiative to improve circularity at our processing plant in Spain and identify higher-value solutions for seafood by-products. We are committed to incorporating environmental considerations into our value-added product (VAP) development, and defined sustainability criteria for new packaging.

To learn more about sustainability at Stolt Sea Farm please visit: stoltseafarm.com/sustainability



People

We are a diverse company comprised of four distinct divisions which store and transport the essential materials for many everyday products – as well as providing a sustainable source of seafood. But what really makes us tick? Our incredible people. You'll find almost 7,000 of us in more than 30 countries across the globe. And we are continuing to innovate, drive quality and work together to build a sustainable business.

Indicator	Group	Stolt Tankers	Stolthaven Terminals	Stolt Tank Containers	Stolt Sea Farm	Corporate
Number of People Employed	6,767 ↑ (2021: 6,549 ¹)	4,647 ↑ (2021: 4,536)	540 ↑ (2021: 520)	739 ↑ (2021: 711)	435 ↑ (2021: 401)	406 ↑ (2021: 381)
Voluntary Employee Turnover	5.6% ↑ (2021: 4.2% ¹)	2.9% ↑ (2021: 2.6%)	14.4% ↑ (2021: 6.6%)	11.5% ↑ (2021: 10.6)	2.8% ↑ (2021: 2.2)	19.8% ↑ (2021: 11.9%)
Sustainable Engagement Score	87% ↑ (2021: 85%)	84% ² ↓ (2021: 85% ²)	87% ↑ (2021: 81%)	88% ↑ (2021: 85%)	N/A	88% ↑ (2021: 87%)
Employees by Gender³	67.9% ↔ Male (2021: 67.8%)	67.9% ↓ Male (2021: 69.0%)	86.8% ↑ Male (2021: 85.8%)	64.0% ↑ Male (2021: 63.6%)	75.5% ↑ Male (2021: 73.9%)	42.2% ↓ Male (2021: 43.8%)
	32.1% ↔ Female (2021: 32.2%)	32.1% ↑ Female (2021: 31.0%)	13.2% ↓ Female (2021: 14.2%)	36.0% ↓ Female (2021: 36.4%)	24.5% ↓ Female (2021: 26.1%)	57.8% ↑ Female (2021: 56.2%)
Speak Up Reports⁴	41 ↑ (2021: 16)	6 ↑ (2021: 4)	11 ↑ (2021: 8)	7 ↑ (2021: 0)	0 ↓ (2021: 1)	16 ↑ (2021: 3)

Performance key

↑ Increase since prior year ↓ Decrease since prior year ↔ No change since prior year

1. Restated to reflect small correction to Stolt Sea Farm data.

2. Excluding seafarers.

3. Excluding seafarers. Shipping is a very male-dominated industry with limited female entrants. 0.4% of our seafarer population are female.

4. Function / division not specified for one speak up report in 2022.

Sustainability continued

A great place to work and grow

We pride ourselves on being a great place to work. Our ambition is to be the employer of choice in our industries, with competitive benefits and fair remuneration. Stolt-Nielsen (SNL) compensates employees through salaries and incentive plans comprising cash rewards and benefits. In February 2022, our profit-sharing and performance incentive plans made payments of \$9.5 million.

Ongoing employee engagement is central to our success. In 2022, we completed our annual employee engagement surveys with Stolt Tankers, Stolthaven Terminals, Stolt Tank Containers and Stolt-Nielsen corporate functions. These give us important insights into how our employees are feeling and what issues are important to them. This year, the sustainable engagement score for the company (excluding Stolt Sea Farm) was 87%. This score measures the intensity of employees' connection to their organisation. Our voluntary turnover remains lower than comparable industry average benchmarks at 5.6% (2021: 4.2%).

During the year, we also introduced exit surveys for those employees who leave us voluntarily. The feedback from these gives us a deeper look at our workplace culture, day-to-day processes, management solutions and employee morale. We use these insights together with those from employee engagement surveys to assess the overall employee experience within our organisation and identify opportunities to improve retention and engagement.

Supporting our people to navigate change

The world is changing at an extraordinary rate, and Stolt-Nielsen is adapting to ensure our business is fit for the future. Following the success of our people working from home during the Covid-19 lockdowns, we introduced hybrid working policies at our offices around the world. These give our people greater flexibility to choose where, when and how they do their jobs. In some locations, we have also reconfigured our offices to make it easier for people to work together.

Change of any kind can be unsettling, and it is more important than ever that we help our people look after their health and wellbeing. During the year, we ran a mental health awareness campaign and expanded our online learning platform with #feelingwellatstolt training modules about mental health and resilience.

Supporting seafarer welfare

In 2022, we continued to offer seafarers a range of support to promote wellbeing and improve recruitment and retention. Support includes:

- Medical insurance for all immediate family members
- Onboard exercise equipment
- Daily, free-of-charge internet access for all seafarers
- Career counselling, guidance and management, emphasising continuous employment to ensure high levels of expertise and to develop outstanding cadets for life-long careers
- Cutting-edge training programmes covering safety and operational requirements, as well as mental health
- Dedicated helpline for accessing professional mental health support, anonymously if desired
- Onboard social events
- Empowerment of ship management teams, which helps to drive pride of ownership

The Stolt Way

We have four core values that shape the way we do business. We call these 'The Stolt Way' – reflecting the principles we have committed to since the company began.



Commit to go further

We always look to do better and achieve more



Collaborate for success

Working together we are stronger



Act pragmatically

We are clear and straightforward in everything we do



Create solutions

We find new ideas and make them work

Diversity and inclusion

We are proud of our diverse team. Our people represent more than 50 nationalities, and we understand that diverse teams, supported by an inclusive culture, are essential for growing a successful business. Therefore, we are committed to providing an inclusive and safe environment that celebrates differences. We do this by:

- Encouraging people to share their ideas and experiences
- Listening to and respecting the views of others
- Supporting actions that help to make a difference
- Understanding our own unconscious biases
- Continuing to recruit and promote talent – wherever we find it
- Providing training that promotes mutual respect and an inclusive culture

To help strengthen relationships with managers and ensure people feel their successes are recognised, we aim to make performance conversations positive and collaborative experiences with 360-degree feedback. 100% of those eligible received a performance review in 2022.

Employee gender by seniority ¹	Male	Female
Executive management team	90.9%	9.1%
Senior managers	79.2%	20.8%
Middle Managers / Sr. professionals	74.5%	25.5%
Supervisors / Professionals	39.3%	60.7%
Blue collar	91.7%	8.3%
Grand Total	67.9%	32.1%

1. Excluding seafarers. Shipping is a very male-dominated industry with limited female entrants. 0.4% of our seafarer population are female.

Equal opportunities

Stolt-Nielsen recruits, trains and develops people who are best suited to the requirements of each role, regardless of gender, ethnic origin, age, religion or belief, marriage or civil partnership, pregnancy or parenthood, sexual orientation, gender identity or disability.

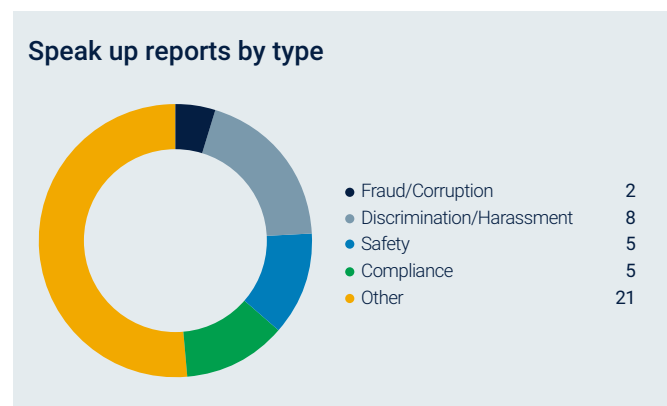
Ethics and compliance

We are proud of our reputation for upholding the highest ethical standards in everything we do, which makes us a company people want to work for and do business with.

We comply with relevant laws wherever we operate, and our Code of Business Conduct is displayed at all our sites and available in local languages. The Code provides a global framework that applies to everyone who works with and for us – from Directors and officers to staff, contractors and consultants. It requires everyone to act ethically, with integrity and in accordance with relevant laws, regulations and company policies. It also sets standards for maintaining professional relationships and avoiding conflicts of interest, bribery and corruption. Anyone who breaches the Code is subject to disciplinary action, up to and including employment termination.

The Board of Directors, through its Audit Committee, reviews the Code annually to ensure it meets the company's evolving needs. Each year, all shore-based staff must reconfirm compliance with the Code, and those with access to our online learning platform complete an online training module to maintain their awareness and understanding of anti-bribery and corruption measures. For 2022, 100% of those required to do so successfully completed the module.

You can find our Code of Business Conduct online at: stolt-nielsen.com/investors/code-of-business-conduct



Encouraging people to 'speak up'

We encourage employees to raise concerns about unethical behaviour and any potential, suspected or actual breaches of our Code of Business Conduct with their local managers, HR or legal representatives.

We also have an online platform known as 'speak up', which anyone internal or external can use to report concerns confidentially (and, where local law permits, anonymously) without fear of retaliation, victimisation, discrimination or disadvantage. These reports are taken seriously and investigated thoroughly by the Head of Internal Audit with oversight from the Audit Committee.

In 2022, 41 (2021: 16) speak up reports were received. The relatively high number in the 'other' category related to broad employee relations issues that were all addressed. Both speak ups relating to allegations of fraud/corruption were investigated and found to be unsubstantiated. The reports themselves are also included as part of our ongoing internal audit fraud risk assessment.

We note the increase in the number of reports received in 2022 compared with 2021. This is partly due to an increase in internal communications designed to ensure that our people are aware of the speak up platform, and the importance of our speak up culture. Concerns can be reported online here: report.whistleb.com/en/stolt-nielsen

Sustainability continued

Upholding human rights

We are a signatory to the UN Global Compact and support the principles set out in the UN Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights and the International Labour Organization Core Conventions. Stolt Tankers is also a member of IMPA ACT and supports its Code of Conduct relating to labour and human rights. This year, Stolt Tankers received an EcoVadis gold rating, with a notable 10-point year-on-year improvement in scores for labour and human rights practices. Stolthaven Terminals' and Stolt Tank Containers' sustainability policies include commitments to upholding internationally proclaimed human rights and preventing child labour.

These human rights commitments extend across our supply chains. Many of the countries we operate in have high risks of human rights, environmental or business ethics abuses, and we closely monitor these areas across our supply chain partners.

For ship recycling, we only select yards that operate in accordance with the International Maritime Organization's (IMO) 2009 Hong Kong Convention for the Safe and Environmentally Sound Recycling of Ships. Stolt Tankers always has one surveyor onsite per vessel to ensure workers' rights and conditions are protected. Onsite surveyors monitor the process from start to finish in areas such as safe working practices and compliance. During ship recycling, we randomly validate the status, permits, salary and insurance for five workers each month to mitigate against human rights breaches. We are also rigorous in enforcing health and safety protocols to protect workers.

We received no human rights or child labour grievance reports against Stolt-Nielsen during the year. You can find our Modern Slavery and Human Trafficking Statement 2022 at: stolt-nielsen.com/sustainability/modern-slavery-and-human-trafficking-statement-2022

Ensuring compliance at sea

Stolt Tankers' ships operate with valid International Transport Workers' Federation (ITF) union agreements on collective bargaining for all seafarers onboard. We also adhere to the Maritime Labour Convention (MLC) Seafarers' Bill of Rights; the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW); the International Convention for the Safety of Life at Sea (SOLAS); and the International Convention for the Prevention of Pollution from Ships (MARPOL). Port state control and flag state inspections verify our compliance with these conventions.

We document MLC compliance within our ship management system. Additional vetting is conducted during routine onboard inspections as part of the Oil Companies International Marine Forum/Chemical Distribution Institute (OCIMF/CDI) tanker management and self-assessment process. Compliance is also verified through periodic International Safety Management (ISM) audits, which are carried out on behalf of flag states by DNV, the world's largest ship classification society.

Supporting our communities

We are responsible members of our communities. Our support goes beyond the financial; we play an active part in wider communities that include our customers, employees, neighbours, local authorities, government organisations, NGOs and suppliers.

We contribute both as an employer and as a purchaser of goods and services from local businesses. We hire locally and train people for rewarding careers. And our teams are active in supporting projects related to the environment, education and social and economic development.

You can find more stories about our community activities in the news section of stolt-nielsen.com

Corporate Governance



Chairman's Statement

 Pages 38-39

Board of Directors

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Corporate Governance Report

 Pages 42-47

Chairman's statement

The Board's role is an essential element in ensuring that Stolt-Nielsen (SNL) maintains its position as an industry leader and sustainable business.

My responsibilities

As Chairman, I am responsible for ensuring the Board has a deep and diverse range of business experience. This knowledge helps us support and challenge the management team as it develops and implements the business strategy of the company. The Board's experience is also essential in carrying out our vital governance role on behalf of shareholders, and all stakeholders.

The Board is also responsible for ensuring stakeholder interests are effectively and comprehensively considered on issues such as investments, compliance, sustainability and health and safety. As Chairman I am responsible for conducting regular Board meetings to confirm that internal controls and risk management systems are effective, the business strategy is sound and operational execution is well managed. In addition, I oversee the internal audit function, which ensures SNL is compliant with regulations and company policy, particularly in financial reporting.

For anyone who may have a concern or wants to raise an issue about our business, SNL has an online reporting 'speak up' system (see page 35). SNL's internal audit function manages 'speak up', and I oversee the processes for investigating any reports received.

Board responsibilities

Each Director, elected by SNL shareholders, is required to put common interests first. The Board's primary role is to ensure that good governance, risk management and financial controls are in place and that the best interests of the company are upheld. Board members hold positions on two committees. I chair both the Audit Committee which assures the accuracy of financial reporting and the Compensation Committee which oversees the remuneration and benefits structure to ensure it is competitive.



“This year, the hard work and dedication of our people is reflected in our record financial performance.”

Samuel Cooperman
Chairman of the Board

In April 2022, Håkan Larsson stepped down from the Board. I would like to extend my thanks for his friendship, valuable contributions, and wise counsel during the past 15 years. The SNL Board currently has seven members, four of whom are independent. The Board follows the provisions set out in the Norwegian Code of Practice for Corporate Governance (see page 42), and I am confident it can discharge its responsibilities effectively.

At the Annual General Meeting held in April 2022, shareholders approved that I would step down as your Chairman and that Niels G. Stolt-Nielsen will succeed me, once a new CEO has been appointed. The search for a new CEO is ongoing as we focus on finding the right person to successfully lead our company into the future. Until then, the Board looks forward to supporting Niels and his team in continuing to deliver sustainable value creation for our shareholders and other stakeholders.

Knowledge sharing and oversight

Each year, the Directors strive to expand our knowledge to provide effective guidance. To support management with decision-making and act in the company's best interests, Directors must have an in-depth, up-to-date understanding of the way SNL operates its businesses. Therefore, Directors regularly meet senior management teams and participate in strategic and operational reviews.

During 2022, the SNL Board of Directors and Audit Committee held three in-person meetings, two in Bermuda and one in Oslo, and one virtual meeting. Each business reports to the Board throughout the year, and Directors also receive quarterly safety data and monthly reports which provide insight into market trends and each business' performance and position.

A sustainable business

The Board is committed to sustainable operations. This includes formulating, communicating and measuring progress towards improving safety, protecting the environment, ensuring employee wellbeing and implementing effective quality management systems. SNL is a signatory of the UN Global Compact (UNGC), and we have several ambitions for reducing our environmental impact in line with the UN Sustainable Development Goals (SDGs) – particularly Climate Action, Life Below Water and Responsible Consumption and Production.

In 2022, SNL continued to enhance its environmental efforts, achieving recognition from ratings agencies including EcoVadis. Thanks to continued efforts establishing data baselines aligned with identified material topics, SNL businesses can measure their impact and work strategically towards the company's environmental aims. Read more about our 2022 environmental progress on pages 26 to 32 of this report. View the Board's sustainability pledge at: stolt-nielsen.com/sustainability/our-commitment/

People and culture

The Board continually monitors issues related to SNL's culture and values. SNL's Code of Business Conduct and approach to health and safety are outlined on pages 35 and 21 to 25 of this report and can also be viewed at stolt-nielsen.com.

This year, the hard work and dedication of our people is reflected in our record financial performance. The Board and I would like to extend our thanks to management and all employees for their great efforts and commitment which led to the extraordinary financial results in a difficult and volatile business environment. We are also proud of the company's strategic accomplishments in which SNL businesses continue to be the global leaders in many of the markets in which we operate.

Samuel Cooperman

Chairman of the Board
Stolt-Nielsen Limited

Board of Directors



1. Samuel Cooperman



2. Niels G. Stolt-Nielsen



3. Janet Ashdown



4. Jan Chr. Engelhardtson






5. Rolf Habben Jansen



6. Jacob B. Stolt-Nielsen



7. Tor Olav Trøim

-  Committee Chairman
-  Audit Committee
-  Compensation Committee

1. Samuel Cooperman

Chairman of the Board of Directors

Appointment

Mr Samuel Cooperman is an independent Board member and has served as Chairman of the Board of Directors since 2016. He has been a Director of Stolt-Nielsen Limited since 2008 and Chairman of the Audit Committee since 2009. He became the Chairman of the Compensation Committee in 2022.

Experience

Mr Cooperman joined Stolt-Nielsen in 1974 and held a number of senior management positions, including Chairman and Chief Executive Officer of Stolt-Nielsen Transportation Group, before retiring from the company in 2003. Mr Cooperman was a member of the Executive Committee of the International Chamber of Shipping until May 2010, and also served as Vice-Chairman for two years. He holds BS and MS degrees in Electrical Engineering from Columbia University and from the Graduate School at the University of Pennsylvania, respectively, and an MBA from Temple University. Mr Cooperman is a US citizen.

Other Appointments

Mr Cooperman is the Chief Executive Officer of Cooperman Weiss Consulting LLC.

2. Niels G. Stolt-Nielsen

Director and Chief Executive Officer

Appointment

Mr Niels G. Stolt-Nielsen has served as Chief Executive Officer since November 2000. He has been a Director of Stolt-Nielsen Limited since 1996.

Experience

Mr Stolt-Nielsen joined Stolt Tankers in 1990 in Greenwich, Connecticut, US. In 1994 he relocated to China to open and head Stolt-Nielsen Limited's representative office in Shanghai. He was the President of Stolt Sea Farm from 1996 until 2000 when he became Chief Executive Officer of Stolt-Nielsen Limited. From September 2002 until March 2003, he also served as Interim Chief Executive Officer of Stolt Offshore S.A. Mr Stolt-Nielsen graduated from Hofstra University in 1990 with a BS degree in Business and Finance. He is a Norwegian citizen.

Other appointments

Mr Stolt-Nielsen is the Chairman of the Board of Avenir LNG and a Director of Golar LNG Ltd.

Tenure



3. Janet Ashdown

Director

Appointment

Ms Janet Ashdown is an independent Board member and was appointed as a Director of Stolt-Nielsen Limited in April 2021. She is a member of the Audit and Compensation Committees.

Experience

Ms Ashdown is a highly experienced Independent Director and has served on the boards of four FTSE 250 companies. She joined BP plc in 1980 and led several large businesses as a senior executive during her 30 years with the company. In her last role with BP, Ms Ashdown was responsible for a £20bn network of fuel outlets across the UK. With experience of managing complex supply chain operations, Ms Ashdown also has a deep understanding of industrial distribution businesses and a strong interest in the energy transition, hydrogen and carbon capture, and the broader ESG agenda. Ms Ashdown holds a BSc in Engineering from Swansea University, UK and is a British citizen.

Other Appointments

Ms Ashdown is Non-Executive Director and Chair, Corporate Sustainability Committee and Remuneration Committee at RHI Magnesita N.V.; Non-Executive Director and Chair, Remuneration Committee at Victrex plc; Senior Independent Director and Chair Sustainability and Governance Committee Nuclear Decommissioning Authority at the Department for Energy Security and Net Zero, UK.

4. Jan Chr. Engelhardtson

Director

Appointment

Jan Chr. Engelhardtson was appointed to the Board of Directors in March 2018 and is a member of the Audit Committee.

Experience

Mr Engelhardtson served as Chief Financial Officer of Stolt-Nielsen Limited for 26 years. He held several key positions during his career with the company, including President of Stolt Tank Containers, which saw him play an important role in our entry into this sector and in setting the foundation for what is a very successful business today. Mr Engelhardtson also served as President of Stolthaven Terminals, Chief Financial Officer of Stolt Offshore S.A., and President and General Manager of Stolt-Nielsen Singapore Pte. Mr. Engelhardtson holds an MBA from the Sloan School of Management at the Massachusetts Institute of Technology, as well as undergraduate degrees in Business Administration and Finance. He is an American citizen.

Other appointments

Mr Engelhardtson is a Director of Avenir Limited and New York Cruise Lines, Inc.

5. Rolf Habben Jansen

Director

Appointment

Mr Rolf Habben Jansen is an independent Board member and has served as a Director of Stolt-Nielsen Limited since December 2015.

Experience

Mr Habben Jansen began his career at Royal Nedlloyd before joining Danzas, the Swiss logistics firm, which merged with DHL in 1999. He was Head of Global Customer Solutions at DHL from 2006 until joining Damco as Chief Executive Officer in 2009, leaving in 2014 to join Hapag-Lloyd. He is a Dutch citizen and graduated from Rotterdam's Erasmus University in 1991 with a degree in Economics.

Other appointments

Mr Habben Jansen is Chief Executive Officer of Hapag-Lloyd AG and Co-Chairman of the World Shipping Council.

6. Jacob B. Stolt-Nielsen

Director

Appointment

Mr Jacob B. Stolt-Nielsen has served as a Director of Stolt-Nielsen Limited since 1995.

Experience

Mr Jacob B. Stolt-Nielsen joined the company in 1987 and served in various positions in Oslo, Singapore, Greenwich, Connecticut, Houston, Texas and London. He was President of Stolthaven Terminals from 1992 until 2000, when he founded and served as Chief Executive Officer of SeaSupplier Ltd. Mr Stolt-Nielsen was Executive Vice President of Stolt-Nielsen Limited from 2003 to 2005 and in 2012 founded Norterminal AS. He is also a founder of Hydrogen Source AS and Narvik Batteri AS. Mr Stolt-Nielsen graduated from Babson College in 1987 with a BS degree in Finance and Entrepreneurial studies. He is a Norwegian citizen.

Other appointments

Mr Stolt-Nielsen is Chief Executive Officer of Norterminal AS and is a board member of Stolt-Nielsen Holdings AS, SN Terminal AS, Hydrogen Source AS, New York Cruise Lines, Inc and Narvik Batteri AS.

7. Tor Olav Trøim

Director

Appointment

Mr Tor Olav Trøim is an independent Board member and has served as a Director of Stolt-Nielsen Limited since April 2016.

Experience

Mr Trøim was an equity portfolio manager with Storebrand ASA and Chief Executive Officer for the Norwegian Oil Company DNO AS until 1995. He was employed by Seatankers Management Co. from 1995 to 2014. During this period he was also, at various times, Chief Executive Officer of a number of related public companies, including Frontline Limited, Knightsbridge Tankers, Ship Finance Ltd. and Seadrill Ltd. He has served as a director on the boards of Frontline, Marine Harvest ASA, Golden Ocean Group Limited, Seadrill Ltd, Archer Limited and Aktiv Kapital ASA, among others. In 2014, Mr Trøim established Magni Partners UK, which focuses on research and consultancy in the energy industry. He graduated as M.Sc. Naval Architect from the University of Trondheim, Norway in 1985 and is a Norwegian citizen.

Other appointments

Mr Trøim is Chairman of Golar LNG Ltd and Borr Drilling Ltd, Director at Vaalerenga Fotball AS and owner of Magni Sport and Magni Partners UK, where he is also Managing Partner.

Corporate Governance Report

Relevant Legislation and Codes of Practice for Corporate Governance

Stolt-Nielsen Limited's ('SNL' or the 'Company') Corporate Governance addresses the division of roles between SNL's shareholders, Board of Directors, and executive management.

SNL is a company incorporated in Bermuda with Norway as its home state in the European Economic Area. The Companies Act 1981 of Bermuda (the 'Bermuda Companies Act') governs the incorporation, organisation and executive management of SNL. As a company listed on Oslo Børs, SNL is also subject to certain obligations set out in Euronext Rule Book I and Oslo Børs Rulebook II and, in addition, certain provisions of the Norwegian Securities Trading Act and other relevant Norwegian rules and regulations, including certain provisions of the Norwegian Securities Trading Regulations.

According to the Oslo Børs Rulebook II, the Norwegian Code of Practice for Corporate Governance (the 'Norwegian Code of Practice') also applies to the Company as no such code has been implemented in Bermuda. Adherence to the Norwegian Code of Practice is based on a 'comply or explain' principle, whereby companies are expected to either comply with its principles and recommendations, or explain the deviation and what alternative solutions it has selected.

Pursuant to the Norwegian Accounting Act and the Oslo Børs Rulebook II, the Company has summarised any expansions or deviations in the SNL Bye-Laws from the provisions of Chapter 5 of the Norwegian Public Limited Liability Companies Act (dealing with General Meetings of Shareholders). This summary, together with the Company's Bye-Laws, are available at www.stolt-nielsen.com/investors/governance/. The Norwegian Code of Practice is available at www.nues.no/English

1. Implementation and Reporting on Corporate Governance

SNL has a Code of Business Conduct which applies to all directors, officers, employees, contractors and consultants of the Group. The Code of Business Conduct is reviewed annually by the Audit Committee and approved by the Board of Directors. The Company's overarching business conduct guidelines, including ethical and social responsibility guidance, are set out in its Code of Business Conduct and, where appropriate, more specific policies have been developed to provide more detailed guidance.

The reasons for the deviations from the principles and recommendations of the Norwegian Code of Practice and the solutions the Company has selected are explained throughout this Corporate Governance Report.

2. Business

In compliance with the Bermuda Companies Act and common practice for Bermuda companies, SNL's Memorandum of Association describes its objectives and purposes as 'unrestricted'.

The Board of Directors sets, evaluates, and regularly reviews the Group's objectives, overall strategy and principal risks, taking into account sustainability, including how matters relating to the environment, social issues, the working environment, equality and non-discrimination are integrated into the value creation. This is further described in the Business Review and Sustainability sections of this Annual Report.

Deviation from the Norwegian Code of Practice: the Company's objects are unrestricted under the SNL Bye-Laws, which is customary for a Bermuda company, but publicly disclosed in a manner that enables SNL's shareholders to anticipate its activities.

3. Equity and Dividends

The Board of Directors is of the opinion that the Company currently has a suitable capital structure to meet its objectives, strategy and risk profile. The authorised share capital of SNL is \$65,016,250, divided into 65,000,000 Common Shares, each with a par value of \$1.00, and 16,250,000 Founder's Shares, each with a par value of \$0.001. As of November 30, 2022, 58,523,796 Common Shares and 14,630,949 Founder's Shares were issued, and 53,523,796 Common Shares and 13,380,949 Founder's Shares were outstanding. In accordance with provisions of the SNL Bye-Laws, the authorised share capital of SNL may only be increased, reduced or otherwise altered by resolution of the shareholders. The Board of Directors, subject to any shareholder resolution to the contrary, has the power to issue any unissued shares of the Company within the limits of the authorised capital.

In accordance with the provisions of the SNL Bye-Laws and the Bermuda Companies Act, the Company may purchase its own shares for cancellation or acquire such shares as treasury shares on such terms as the Board of Directors shall think fit. Historically, the Annual General Meeting of Shareholders of SNL has authorised the Company, or any wholly-owned subsidiary, to purchase Common Shares of the Company from time to time in the open market, subject to certain conditions and in conformity with applicable laws and standards. The Board of Directors has resolved to continue share purchases, if any, on the terms approved at the Annual General Meeting.

The Board of Directors has established a dividend policy that is available on the SNL website: www.stolt-nielsen.com/investors/dividends/. Under Bermuda law, a company's board of directors may not declare or pay dividends if there are reasonable grounds for believing that the company is, or would after the payment, be unable to pay its liabilities as they become due or that the realisable value of its assets would thereby be less than its liabilities.

Deviation from the Norwegian Code of Practice: none

4. Equal Treatment of Shareholders

SNL has two classes of shares, Common Shares and Founder's Shares, which carry rights as set forth in the SNL Bye-Laws. Subject to such rights, the Company treats shareholders within each class equally, in accordance with the Norwegian Code of Practice and the Norwegian Securities Trading Act. Only the Common Shares are listed on Oslo Børs. You can find the list of our major shareholders at www.stolt-nielsen.com/investors/shareholder-information/, and the SNL Bye-Laws at www.stolt-nielsen.com/investors/governance/

Any transactions SNL carries out in its own shares are carried out either through Oslo Børs or at prevailing stock exchange prices if carried out in any other way.

Deviation from the Norwegian Code of Practice: none.

5. Shares and Negotiability

Only the SNL Common Shares are listed on Oslo Børs. The SNL Bye-Laws limit individual shareholdings of the Company's shares to 20% of the issued and outstanding shares (unless such ownership shall have been approved in advance by the Board of Directors), single US person shareholdings to 9.9% and shareholders of any single country in aggregate to 49.9%. However, these restrictions do not apply to any person who was a shareholder of Stolt-Nielsen S.A. (which amalgamated with the Company on November 18, 2010) as of August 31, 1987 or any Affiliate or Associate (as such terms are defined in the SNL Bye-Laws) of such person, except in certain circumstances as outlined in Bye-Law 74 of the SNL Bye-Laws, which are available at: www.stolt-nielsen.com/investors/governance/

According to the SNL Bye-Laws, the Board of Directors is authorised to further restrict, reduce or prevent the ownership of shares if it appears to the Board of Directors that such ownership may threaten SNL with adverse consequences, including but not limited to adverse tax consequences, hostile takeover attempts or adverse governmental sanctions. The Board of Directors has to date not made use of its authority and will not use its authority unless the transfer will have sufficient adverse consequences for the Company and in no event if the exercise of such rights may cause disturbances in the market or would be in conflict with mandatory laws or regulations. Please also refer to Section 14. below for an explanation of the Board's approach to takeovers.

Deviation from the Norwegian Code of Practice: a summary of provisions of Chapter 5 of the Norwegian Public Limited Liability Companies Act where the SNL Bye-Laws expand or deviate from the provisions of such Act can also be found on the Company's website at www.stolt-nielsen.com/investors/governance/

6. General Meetings

The Board of Directors or the Chairman are responsible for calling both Annual and Special General Meetings of Shareholders. At any General Meeting, two or more persons present in person throughout the meeting and representing in person or by proxy issued voting shares in the Company shall form a quorum for the transaction of business, except for those matters under the Bermuda Companies Act for which a specified super majority vote is required, in which case a quorum representing one-third of the issued and outstanding shares entitled to vote is required.

The Company is obligated to hold an Annual General Meeting every year at such time and place as the Board of Directors or Chairman shall designate.

A shareholder or group of shareholders representing at least one-tenth of the outstanding voting shares may request a Special General Meeting in writing indicating the agenda thereof. The Board of Directors will be obligated to convene the meeting forthwith.

Notices for both Annual and Special General Meetings shall be sent by mail (or by such other method pursuant to the SNL Bye-Laws) to all holders entitled to attend and vote no later than 21 days before the date set for the General Meeting. Notices shall provide sufficiently detailed, comprehensive, and specific information on all matters to be considered at the General Meeting, voting instructions and the opportunity to vote by proxy. Matters at the General Meetings are restricted to those set forth in the agenda.

The foregoing provisions relating to the holding of, and conduct at, General Meetings are set forth in the SNL Bye-Laws, as well as in relevant provisions of the Bermuda Companies Act.

SNL is under the majority control of Fiducia Ltd, a company owned by a trust established for the benefit of the Stolt-Nielsen family. As of November 30, 2022, Fiducia Ltd. controls 64.8% of the outstanding shares of SNL entitled to vote generally on matters brought to a vote of the shareholders of SNL. When the shares held by trusts established for the benefit of members of the Stolt-Nielsen family together with shares held by individual members of the Stolt-Nielsen family are taken into account, the combined shareholdings total 66.3% of the outstanding shares of SNL entitled to vote generally on matters brought to a vote of the shareholders of SNL.

Deviation from the Norwegian Code of Practice: General Meetings are typically held by shareholders granting proxies, with voting instructions being given to such proxies ahead of the General Meeting. As such, the Chairman or the full Board of Directors may, but do not always, attend General Meetings.

7. Nomination Committee

Neither Bermuda law nor the SNL Bye-Laws require that a nomination committee be established. Consequently, SNL has not established a nomination committee. Members of the Board of Directors identify and evaluate proposed candidates for nomination to the Board of Directors based on merit. Individuals are selected for nomination to the Board of Directors because of their business or professional experience, and their array of talents and perspectives, to promote a culture that generates the diversity of thought, approach and ideas needed to further the Company's strategic objectives.

The Board of Directors regularly reviews its composition, to ensure that it can attend to the common interests of all shareholders and meet the Company's need for expertise, capability, diversity and independence. The Board of Directors also monitors that its members have sufficient capacity to carry out their duties. Directors' external commitments are described earlier in this Corporate Governance Report.

Deviation from the Norwegian Code of Practice: the Company does not have a Nomination Committee, but the Board of Directors has put processes in place to review its performance and composition on an ongoing basis, as described above.

8. Board of Directors: Composition and Independence

The business affairs of SNL are managed under the direction of the Board of Directors. The Board of Directors may delegate authority to the Chairman, specified committees of the Board of Directors, or to SNL's executive management. SNL does not have a corporate assembly as this is not required under Bermuda law.

As provided in the SNL Bye-Laws, the Board of Directors shall be composed of at least three and not more than nine Directors. The Board of Directors believes that the optimal size for the Board of Directors should be six to eight Directors. The Board of Directors' size is flexible depending on the circumstances and the qualifications of proposed candidates.

Directors are elected at the Annual General Meeting. Directors shall hold office for such term as decided by the General Meeting, or in absence of such determination, until the next Annual General Meeting or until their successors are elected or appointed or their office is otherwise vacated. Directors may be removed only for cause by a vote at a Special General Meeting held for that purpose. In the event of a vacancy on the Board of Directors, the remaining members of the Board of Directors may fill such vacancy and appoint a member to act until the next General Meeting at which the Directors are re-elected. The foregoing provisions relating to the election, removal and replacement of Directors are set forth in the SNL Bye-Laws.

Four of the current seven SNL Directors, Samuel Cooperman, Janet Ashdown, Rolf Habben Jansen and Tor Olav Trøim, are considered to be independent from the Company's major shareholders, the executive management, and the Company's main business associates according to the Norwegian Code of Practice. In the view of the Board of Directors, the composition of the Board of Directors and Board Committees ensures continuity and experience and is suitable to represent the interests of the minority shareholders.

The Chairman of the Board of Directors is elected by the Annual General Meeting. The Chief Executive Officer is a member of the Board of Directors.

Information on the members of the Board of Directors can be found earlier in this Corporate Governance Report, and an up-to-date composition of the Board of Directors is maintained and available on the Company's website at: www.stolt-nielsen.com/about-us/leadership-team/

Deviation from the Norwegian Code of Practice: as permitted under Bermuda law and customary for Bermuda companies, the Company's Chief Executive Officer has been elected to the Board of Directors by the Annual General Meeting. Bermuda law further permits non-independent board members to be nominated for election as board chair.

9. The Work of the Board of Directors

Board Meetings

The Board of Directors, acting as a collegiate body, has the ultimate responsibility for the management of the Company. The Board of Directors holds at least four regularly scheduled meetings a year, as well as ad-hoc meetings when required. Meeting schedules are approved annually by all members of the Board of Directors. The Board of Directors may appoint a Board Secretary who does not need to be a member of the Board of Directors.

Decisions of the Board of Directors shall be taken by a majority of the votes cast by the Directors present and represented at such meeting provided a quorum is present. A majority of the Directors then in office shall constitute a quorum. The Board of Directors may also act by unanimous written consent.

The Audit Committee has established processes to monitor all transactions which may give rise to conflict or potential conflict of interest. Members of the Board of Directors and executive management must notify the Audit Committee and Board of Directors if they have any material direct or indirect interest in any proposed transaction to be entered into by SNL. Following such notification, and unless disqualified by the chair of the relevant Audit Committee or Board of Directors meeting, a Director may vote in respect of any such matter and may be counted in the quorum for such meeting.

Board Meetings – Executive Sessions

Executive management is available to discuss matters of concern to the Board of Directors, and the Board of Directors has regular access to executive management. The basic duties and responsibilities of the Directors include attending Board of Directors' meetings, preparing for meetings by advance review of any meeting materials and actively participating in the Board of Directors' discussions. Directors are also expected to make themselves available outside scheduled meetings for advice and consultation.

The Board of Directors ensures that SNL has effective internal controls in accordance with the regulations that apply to its activities, including SNL's corporate values and ethical guidelines.

Board Committees

The Board of Directors has established an Audit Committee and a Compensation Committee. The Board of Directors periodically reviews the size, structure and function of the Board Committees. The Audit Committee and Compensation Committee have written terms of reference, which are reviewed and reassessed by the relevant Committee and approved by the Board of Directors on an annual basis.

The Audit Committee is composed of at least two members, a majority of whom should normally qualify as independent pursuant to all applicable regulatory requirements.

The Audit Committee has overall responsibility for overseeing the accounting and financial reporting processes of the Company, the audits of the Company's financial statements, and the work of the Company's external auditor and Internal Audit department. The Audit Committee also recommends the external auditor's appointment, compensation and retention. Under Bermuda law the appointment of the external auditor has to be made by shareholders in General Meeting, but the approval of the external auditor's compensation may be delegated by the shareholders to the Board of Directors.

The Compensation Committee is composed of at least two members, at least one of whom should normally qualify as independent pursuant to all applicable regulatory requirements.

The Compensation Committee is responsible for compensation strategy, overall salary reviews and awards under its compensation programmes. It reviews and approves all aspects of senior executive management compensation, including performance incentive and equity-based compensation plans.

Each Committee has a Chair who reports on the activities of such Committee at each meeting of the full Board of Directors.

The members of the Committees are set out earlier in this Corporate Governance Report, and an up-to-date list is also maintained on the Company's website at: www.stolt-nielsen.com/about-us/leadership-team/

Agreements with Related Parties

The Board of Directors reviews, at least annually, the financial and other relationships between each Director and SNL. Through the Audit Committee, the Board of Directors has adopted guidelines and procedures to ensure that, should any transaction involving related parties be considered, such transaction be appropriately reviewed for potential conflict of interest situations, with the aim of preventing value from being transferred to related parties. Any such transactions would require approval from the Audit Committee or Board of Directors and be disclosed in the Notes to the Financial Statements of this Annual Report.

Deviation from the Norwegian Code of Practice: none.

10. Risk Management and Internal Control

The Board of Directors is ultimately responsible for SNL's system of internal control, which covers financial, operational and compliance controls as well as risk management processes. SNL's system of internal control is designed to manage rather than eliminate the risk of failure to achieve business objectives and provide reasonable assurance that SNL is operating legally, ethically and within approved financial and operational policies and procedures with sufficient safeguards against material financial statement misstatements or loss of assets.

The main elements of the Company's system of internal control over financial reporting include the Code of Business Conduct and other corporate governance and compliance policies, global accounting policies and procedures, financial reporting risk assessments, annual budgets, authorisation limits, periodic reporting and evaluation of budgeted versus actual results. The different layers of control allow for a greater probability that errors in the financial reporting are identified early and corrected.

SNL's business heads conduct an annual review of SNL's most significant areas of exposure to risk, which are detailed in the Directors' Report of this Annual Report. The Internal Audit department provides assurance that the Company has appropriate internal control, risk management and related corporate governance systems in place throughout the organisation, performs regular independent audit reviews of these systems to assure adherence and recommend improvements, and reports to the Audit Committee accordingly.

The Board of Directors, through the Audit Committee, oversees the monitoring of compliance with the system of internal control over financial reporting. At its quarterly meeting the Audit Committee reviews and discusses results of internal audits performed by the Internal Audit department. This also includes matters of an ethical nature. All employees, customers, suppliers and other parties have direct access to the Audit Committee, through the Company's whistleblowing system, to report any potential illegal or unethical matters. This confidential system can be accessed on the Company's website at: <https://report.whistleb.com/en/stolt-nielsen>

Deviation from the Norwegian Code of Practice: none.

11. Remuneration of the Board of Directors

The Board of Directors reviews the Directors' compensation periodically. The review includes a comparison of the Company's compensation practices against the practices of comparable US and European companies. The remuneration of the Board of Directors reflects its responsibility, expertise, time commitment and the complexity of SNL's activities. The remuneration is not linked to the performance of the Company.

Members of the Board of Directors and/or companies with which they are associated shall not in principle take on specific assignments for SNL in addition to their appointment as a member of the Board of Directors. If they do nonetheless take on such assignments this shall be disclosed to and receive prior approval from the full Board of Directors. The remuneration for such additional duties shall be approved by the Board of Directors.

The remuneration awarded to the Board of Directors for their service as Directors is disclosed in aggregate in this Annual Report. Any remuneration in addition to normal directors' fees is specifically identified.

Deviations from the Norwegian Code of Practice: none.

12. Salary and Other Remuneration for Executive Management

The Compensation Committee of SNL is responsible for compensation strategy, overall salary reviews and awards under its compensation programmes. It reviews and approves all aspects of executive management compensation, including performance incentive compensation plans to ensure that such plans are linked to long-term value creation for the shareholders or the Company's earnings performance over time.

The Company has in place an annual and a long-term incentive plan aimed at tying executive management's compensation with the performance of the Company. All performance related compensation is capped at a maximum percent of the salary of the executive management.

Deviation from the Norwegian Code of Practice: Bermuda law does not require guidelines for the remuneration of executive personnel to be communicated to the Annual General Meeting, but the Compensation Committee carefully evaluates executive management's salary and other remuneration based on the key principles described above.

13. Information and Communications

All information distributed to SNL shareholders is published on SNL's website. SNL promptly submits all press releases to Oslo Børs, and disseminates such press releases through an approved news wire service that provides simultaneous and broad distribution.

Copies of audited financial statements of SNL are distributed to shareholders prior to the Annual General Meeting and filed with Oslo Børs in accordance with its requirements. SNL publishes each year the dates for major events such as its Annual General Meeting, publication of interim reports, public presentations and dividend payment date if appropriate. These dates are available on SNL's website at: www.stolt-nielsen.com/investors/financial-calendar/

After each quarterly earnings release, SNL holds a conference call to discuss the results and respond to investor and analyst questions. The conference call is open to all those who wish to participate. Twice per year, executive management endeavours to hold the results conference call in front of a live audience. All conference calls have a telephone dial-in and are webcast with playback options available.

Deviation from the Norwegian Code of Practice: none.

14. Take-Overs

The Board of Directors will publicly disclose any serious offer for SNL, or a substantial portion of the assets of SNL, and will to the extent applicable follow the Norwegian Securities Trading Act and the recommendation in the Norwegian Code of Practice, and act in the best interests of the Company, if any serious offer is received.

In most of SNL's financing agreements the Company has certain change of control provisions that would trigger a default in the event of a take-over, unless waivers were obtained from lenders.

Fiducia Ltd. currently has an ownership interest in the Company which may deter a third party from attempting to take control of SNL.

Deviation from the Norwegian Code of Practice: none

15. Independent Auditor

The Audit Committee is responsible for the oversight of the work of the Company's Independent Auditor, and for recommending the Independent Auditor's appointment. The Audit Committee has established guidelines in respect of the use of the Independent Auditor by the Company's executive management for services other than the audit, which should be approved in advance. The Audit Committee shall receive annual written confirmation from the Independent Auditor that such firm continues to satisfy all applicable requirements for independence. In addition, the Independent Auditor shall provide the Audit Committee with a summary of all services in addition to audit work that has been undertaken for the Company. The Independent Auditor shall submit the main features of the plan for the audit of SNL to the Audit Committee annually.

The Independent Auditor shall participate in meetings of the Audit Committee that deal with the annual accounts and half-year results. At these meetings, the Independent Auditor shall comment on any material changes in the Company's accounting principles and critical management estimates and judgements, and report all matters on which there have been disagreements between the firm and the executive management of the Company, if any.

The Independent Auditor shall at least once a year present to the Audit Committee commentary on any significant internal control findings arising during the audit.

The Audit Committee shall hold a meeting with the Independent Auditor at least once a year at which neither the Chief Executive Officer nor any other member of the executive management is present.

Deviation from the Norwegian Code of Practice: none.

Financial Performance



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Financial Review



Jens F. Grüner-Hegge
Chief Financial Officer

Management's Discussion of Operating Performance

This section discusses Stolt-Nielsen Limited's (SNL) operating results and financial condition for the years ended November 30, 2022 and 2021. This discussion consists of:

- Results of Operations
- Business Segment Information
- Liquidity and Capital Resources
- Critical Accounting Estimates
- Principal Risks
- Treasury Shares
- Going Concern
- Audit Tender Process and
- Subsequent Events

Results of Operations

Below is a summary of SNL's consolidated financial data for November 30, 2022 and 2021:

(in thousands)	For the years ended November 30	
	2022	2021
Operating Revenue	\$ 2,771,843	\$ 2,181,082
Operating expenses	(1,851,608)	(1,459,706)
Depreciation and amortisation	(282,123)	(295,459)
Impairment of assets	–	(10,000)
Gross Profit	638,112	415,917
Gross margin	23.0%	19.1%
Share of profit of joint ventures and associates	53,963	39,470
Administrative and general expenses	(249,022)	(220,464)
Gain (loss) on disposal of assets, net	5,562	(3,010)
Other operating income	4,132	2,218
Other operating expense	(5,215)	(436)
Operating Profit	447,532	233,695
Operating margin	16.1%	10.7%
Non-operating income (expense):		
Finance expense		
– finance leases	(10,451)	(11,072)
Finance expense – debt and other	(112,188)	(116,212)
Loss on early extinguishment of debt	(11,149)	–
Finance income	3,979	2,375
Foreign currency exchange loss, net	(9,151)	(2,673)
Other non-operating income (expense), net	347	(2,902)
Profit before income tax	308,919	103,211
Income tax expense	(28,064)	(24,405)
Net Profit	\$ 280,855	\$ 78,806

(in thousands)	For the years ended November 30,	
	2022	2021
Profit before one-time items	\$ 292,004	\$ 89,306
One-time items:		
Impairment of assets	–	(10,000)
Distribution from insurance company	–	12,500
Loss on early extinguishment of debt	(11,149)	–
Stolt Groenland loss, net of insurance settlement	–	(13,000)
Net Profit	\$ 280,855	\$ 78,806

Consolidated Income Statement

Net profit of SNL was \$280.9 million for 2022, compared with \$78.8 million in 2021. Excluding the one-time items described in the table on the previous page, net profit was \$292.0 million for 2022, compared with \$89.3 million in 2021, or a \$202.7 million improvement. The most significant factors affecting SNL's performance in 2022 were:

- Stolt Tankers reported an operating profit of \$205.1 million, an increase of \$136.3 million compared to the prior year operating profit of \$68.8 million. Deep-sea and regional fleets results improved, driven by an increase in operating days, higher spot rates and other favourable market developments.
- Stolthaven Terminals reported an operating profit of \$89.2 million compared to \$62.3 million as a result of improved utilisation and a \$10.0 million impairment of the Australia terminal assets in 2021.
- Stolt Tank Containers (STC) reported an operating profit of \$172.7 million, up from \$81.6 million in 2021, an increase of \$91.1 million. The higher operating profit was the result of an increase in transportation margins due to tight carrier capacity and an increase in demurrage.
- Stolt Sea Farm reported an operating profit of \$19.5 million, compared with \$24.4 million in 2021, a decrease of \$4.9 million. Excluding the fair value on the biological assets in both years, operating profit increased by \$13.5 million, driven by the higher volumes sold from its own farm-raised turbot and sole, together with the higher average sales prices obtained for both species. Fair value brought a \$1.0 million negative impact in 2022 from turbot price decreases in November anticipating Christmas seasonality, while 2021 had a \$17.4 million positive impact in fair value due to the recovery from the Covid-19 pandemic.
- Stolt-Nielsen Gas reported an operating loss of \$3.0 million in 2022 versus a profit of \$2.1 million in 2021. The profit in 2021 was largely due to a \$3.2 million gain on a land sale. Excluding this gain, the losses in both years were mainly attributable to the Group's share of losses related to the development of various small-scale LNG projects at Avenir LNG.
- Corporate and Other operating loss was \$36.0 million, compared to the prior year loss of \$5.5 million. The increased loss was mainly due to additional costs related to profit sharing and long-term incentive plans as a result of the higher profit in 2022.

Operating revenue

Operating revenue was \$2,771.8 million in 2022, which was 27.1% higher than in 2021, mainly owing to higher deep-sea freight and bunker surcharge revenue at Stolt Tankers and higher transportation rates and demurrage revenue at Stolt Tank Containers.

Stolt Tankers' revenue increased by \$331.5 million, mainly due to \$181.8 million higher deep-sea freight revenue primarily from additional average number of ships operated between the two years, a 50.5% increase in spot rates causing average rates to increase by 17.7% and an \$80.0 million increase in deep-sea bunker surcharge revenue. The higher bunker surcharge revenue was caused by the 50.0% increase in bunker prices compared to last year.

Stolthaven Terminals' revenue increased by \$32.6 million compared to 2021, an increase of 13.4%. This increase was primarily due to higher operating revenue in Houston and New Orleans, US, as a result of rate escalations and improved utilisation. Average utilisation rates for all terminals increased, with the average for owned terminals increasing to 97.4% in 2022 from 90.9% in 2021.

Stolt Tank Containers' revenue increased by \$232.2 million, or 35.1%, in 2022 largely due to the impact of increased ocean freight rates as well as increased demurrage and ancillary revenues of \$71.3 million. This was offset partially by lower shipment levels between the years as space on ships was constrained.

Stolt Sea Farm's operating revenue was \$102.7 million in 2022, decreasing by \$5.9 million, or 5.4%, which was a result of phasing out the traded turbot business. Partially offsetting this, sales volumes and average prices increased on its own farm-raised turbot and sole.

Gross profit

SNL's gross profit increased by \$222.2 million or 53.4% to \$638.1 million in 2022 compared to the prior year, reflecting the higher revenues in Stolt Tankers and Stolt Tank Containers.

Stolt Tankers' gross profit increased by \$104.3 million in 2022, to \$260.8 million, as the increase in revenues was significant enough to cover \$135.7 million higher bunker costs and more variable time charter hire expenses.

Gross profit for Stolthaven Terminals was \$107.9 million in 2022, compared with \$78.1 million in 2021, an increase of \$29.8 million. Gross profit increased from the impact of higher operating revenue in 2022 and the impairment of the Australian terminal of \$10.0 million in 2021.

Stolt Tank Containers saw an increase in gross profit of \$90.0 million to \$243.8 million as a result of the higher revenue partially offset by higher ocean freight and ancillary costs,

Stolt Sea Farm's gross profit decreased by \$4.1 million to \$28.3 million from \$32.4 million in 2021. Excluding the fair value of biological assets, gross profit increased \$14.3 million in 2022 as a result of the higher volumes sold from its own farm-raised turbot and sole, together with the higher average sales prices and stable operating expenses obtained in both species.

Share of profit of joint ventures and associates

SNL's share of the profits from non-consolidated joint ventures and associates in 2022 was \$54.0 million, up from \$39.5 million in 2021.

Stolt Tankers' share of profit from joint ventures increased by \$20.9 million to \$30.0 million notably owing to NYK Stolt Tankers S.A. and Hassel Shipping 4 AS from the improved deep-sea spot markets and Stolt NYK Asia Pacific Services Inc. (SNAPS) from a strong regional performance.

Administrative and general expenses

Administrative and general expenses were \$249.0 million in 2022, up from \$220.5 million in 2021, an increase of \$28.5 million. This was largely due to expenses for profit sharing and long-term incentive expenses being higher in the current year due to SNL's improved earnings.

Gain (loss) on disposal of assets, net

SNL recorded a net gain on disposal of assets of \$5.6 million in 2022 compared with a loss of \$3.0 million in 2021. In 2022, the gain included amounts related to the sale of the *Stolt Shearwater* and the recycling of the *Stolt Groenland*. In 2021, the loss included a \$13.0 million loss on the derecognition of the *Stolt Groenland*, net of insurance, partially offset by the gain on sale of three ships and land in Canada.

Other operating income and other operating expense

Other operating income was \$4.1 million in 2022, compared with \$2.2 million in 2021.

Other operating expense was \$5.2 million in 2022, compared with \$0.4 million in 2021.

Finance expense

Finance expense was \$122.6 million in 2022, down from \$127.3 million in 2021. Interest on debt decreased by \$4.0 million, owing to lower outstanding debt balances. Interest on leases was \$10.5 million, compared with \$11.1 million in 2021.

Loss on early extinguishment of debt

SNL recorded an accelerated recognition of deferred financing costs and fees of \$11.1 million related to the early repayment of the loan with Export-Import Bank of China and Standard Chartered Bank. The debt was refinanced as part of a sustainability-linked agreement of which \$180.9 million was drawn down to fully repay the above loan.

Finance income

Finance income was \$4.0 million in 2022, up by \$1.6 million compared with 2021.

Foreign currency exchange loss

In 2022, SNL had a foreign currency exchange loss of \$9.2 million, compared with a \$2.7 million loss in 2021. The 2022 loss was mainly due to the strengthening of the USD against the BRL, ARS and ISK as well as additional hedging losses.

Other non-operating income, net

Non-operating income was \$0.3 million in 2022 compared with a non-operating expense of \$2.9 million in 2021.

Income tax expense

Income tax expense was \$28.1 million in 2022, compared to \$24.4 million in 2021. The increase in income tax expense was the result of strong performances of all divisions.

Business Segment Information

This section summarises the operating performance for each of SNL's principal business segments. The Corporate and Other category includes corporate-related expenses and all other operations which are not reportable as separate business segments.

(in thousands)	For the years ended November 30,	
	2022	2021
Operating revenue:		
Stolt Tankers	\$ 1,497,108	\$ 1,165,617
Stolthaven Terminals	276,177	243,592
Stolt Tank Containers	894,647	662,443
Stolt Sea Farm	102,688	108,568
Corporate and Other	1,223	862
Total	\$ 2,771,843	\$ 2,181,082
Operating profit:		
Stolt Tankers	\$ 205,124	\$ 68,817
Stolthaven Terminals	89,208	62,259
Stolt Tank Containers	172,728	81,597
Stolt Sea Farm	19,544	24,440
Stolt-Nielsen Gas	(3,028)	2,096
Corporate and Other	(36,044)	(5,514)
Total	\$ 447,532	\$ 233,695

Financial Review continued

Stolt Tankers

Operating revenue

Operating revenue increased by \$331.5 million in 2022 versus 2021, with deep-sea revenue increasing by \$288.5 million and regional revenues increasing by \$43.0 million.

Deep-sea revenue increased from a combination of higher freight, bunker surcharge and demurrage revenue. Deep-sea freight revenue increased by \$181.8 million as total operating days were up 6.7% due to the prior and current year's net acquisition of ships and full-year effect of the inclusion of Tufton Investments (Tufton) ships in the Stolt Tankers Joint Service (STJS) in 2021. Average freight rates also increased by 17.7% between the periods, mainly driven by a 50.5% increase in the rates on spot business, which contributed approximately 45% of total deep-sea freight revenue. Bunker surcharge revenue increased by \$80.0 million due to 50.0% higher bunker prices compared to the prior year. Demurrage revenue increased by \$15.2 million due to more waiting time spent in port and an increase in spot demurrage rates.

Regional fleet revenue increased by \$43.0 million mainly driven by a \$23.9 million increase on the Caribbean coastal fleet influenced by improved spot rates, bunker surcharge revenue and more operating days.

The sailed-in revenue (revenue less trading expenses) per operating day for the deep-sea fleet for 2022 was \$22,804 versus \$18,524 in 2021, an increase of 23.1%.

As of November 30, 2022, Stolt Tankers owned and/or operated 165 ships and barges, representing 3.05 million deadweight tonnes (dwt), compared to 158 ships and barges and 2.93 million dwt at the end of 2021.

	Number of ships	Millions of dwt	% of STJS net earnings for the year ended November 30, 2022
Stolt Tankers Joint Service:			
Stolt Tankers Limited (55 owned ships)	58	1.91	71%
NYK Stolt Tankers S.A.	9	0.27	11%
Hassel Shipping 4 AS	8	0.26	12%
Tufton Investment	8	0.17	6%
Total Stolt Tankers Joint Service	83	2.61	100%
Ships in wholly-owned regional services (23 owned ships)	61	0.27	
Ships in joint venture regional services (20 owned by joint ventures)	21	0.17	
Total	165	3.05	

Operating profit

Operating profit increased by \$136.3 million, to \$205.1 million in 2022 from \$68.8 million in 2021. This was a result of the \$331.5 million increase in revenues discussed above and \$20.9 million increase in share of profit in joint ventures and associates being partially offset by increases in operating expenses.

Operating expenses increased by \$244.1 million, with \$135.7 million of the increase being the result of higher bunker costs. The average price of very low sulphur fuel (VLSF) and intermediate fuel oil (IFO) consumed in 2022 was \$728 per tonne, up 56.6% from \$465 per tonne in 2021. Variable time charter hire expenses increased by \$76.4 million, driven by the full-year effect of the inclusion of Tufton in the STJS and the stronger results of the STJS. Ship management costs were \$7.7 million or 3.7% higher than prior year mainly due to the higher number of ships owned during the year.

Stolt Tankers' share of profit from joint ventures increased by \$20.9 million to \$30.0 million where all joint ventures improved their results, most notably the two deep-sea joint ventures due to additional number of operating days and improved rates and SNAPS, which benefited from improved rates.

Stolthaven Terminals

Operating revenue

Stolthaven Terminals' revenue increased to \$276.2 million in 2022 from \$243.6 million in 2021. This increase of \$32.6 million or 13.4% was mainly due to higher operating revenue in the US, Brazil, Singapore and Australia and an increase in the average utilisation rate to 97.4% in 2022 from 90.9% in 2021.

Total available average capacity at the wholly-owned terminals decreased to 1,724,619 cubic metres in 2022 from 1,745,680 cubic metres in 2021. This decrease in capacity was a result of the sale of the Port Alma terminal. Product handled increased to 14.1 million tonnes in 2022 from 13.3 million tonnes in 2021.

Operating profit

Operating profit increased by \$26.9 million to \$89.2 million in 2022 from \$62.3 million in 2021. The revenue increase of \$32.6 million in 2022, discussed above, and the \$10.0 million one-time impairment of Australia property, plant and equipment in 2021 was partly offset by higher operating expenses and a lower share of joint venture equity income.

Operating expenses increased by \$12.4 million to \$105.5 million in 2022 from \$93.1 million in 2021. This increase was driven by higher personnel and utility costs at almost all terminals, higher property taxes and costs associated with higher railcar activities in Houston, US and the recognition of an environmental provision in Moerdijk, the Netherlands as well as the cost related to an unplanned jetty outage.

Share of profit of Stolthaven Terminals' joint ventures and associates decreased by \$4.8 million. The decrease was due to the lower margin and throughput and loss on disposal of assets at the joint venture in Antwerp, Belgium as well as the weakening of the Euro and the South Korean Won against the US dollar.

Stolt Tank Containers (STC)

Operating revenue

Stolt Tank Containers' revenue increased to \$894.6 million in 2022 from \$662.4 million in 2021, an increase of \$232.2 million or 35.1%. This was primarily due to the impact of increased freight rates as a result of tight container ship capacity and a shortage of truck drivers contributing to world-wide supply chain congestion. STC's rates were also impacted by changing trade patterns as a result of Covid-19 lockdowns in China during 2022. Further improving revenue was an increase in demurrage and ancillary revenues totalling \$71.3 million due to further bottlenecks throughout the supply chain.

In 2022, STC handled 129,574 tank container shipments, compared with 140,395 shipments in 2021, which represents a 7.7% decrease as a result of shipping constraints and congestion discussed above. Average utilisation decreased slightly to 69.0% in 2022, from 71.6% in 2021. The owned and operated fleet increased by 8.4% to 46,994 tank containers at the end of 2022 compared to 43,342 tank containers at the end of 2021.

Operating profit

Stolt Tank Containers reported an operating profit of \$172.7 million, up from \$81.6 million in 2021, an increase of \$91.1 million or 111.7%. The increase was largely due to the revenue increase discussed above. Partially offsetting this were increases in ocean and inland freight costs as the result of higher rates charged and impact of higher fuel costs.

Stolt Sea Farm (SSF)

Operating revenue

Stolt Sea Farm's revenue decreased by \$5.9 million, or 5.4%, to \$102.7 million in 2022 from \$108.6 million in 2021 due to its traded turbot business being phased out. Partially offsetting this were higher volumes sold and higher average sales prices on its own farm-raised turbot and sole. The farm-raised turbot volume increased by 23.0% while prices increased by 13.8% between the periods. Sole volumes increased by 45.6% and prices increased by 19.1%.

Operating profit

Stolt Sea Farm reported an operating profit including fair value loss on biological assets of \$19.5 million in 2022 compared to an operating profit of \$24.4 million in 2021, a year-on-year decrease of \$4.9 million. Excluding the fair value loss on biological assets of \$1.0 million in 2022 and gain of \$17.4 million in 2021, operating profit increased by \$13.5 million. This operating profit increase was due to the higher volumes sold of its own farm-raised turbot and sole, together with the higher average sales prices obtained on both species. The decrease in the fair market value of the biological assets was the result of the large turbot price increase in 2021 due to the recovery of the market from the Covid-19 pandemic.

Stolt-Nielsen Gas (SNG)

Stolt-Nielsen Gas is an investment arm of SNL focusing on the liquefied natural gas (LNG) segment with holdings in Avenir LNG Limited (Avenir), Golar LNG Limited (Golar) and Cool Company Limited (CoolCo). Avenir's results are reported as a joint venture, while changes in the share price of the Golar and CoolCo investments are reported as Other Comprehensive Income. Stolt-Nielsen Gas reported an operating loss of \$3.0 million in 2022 versus a profit of \$2.1 million in 2022. The prior year profit was due to a gain on the disposal of land in Canada, while the underlying losses in both years were mainly attributable to SNL's share of Avenir.

Corporate and Other

Corporate and Other operating loss was \$36.0 million, compared with the prior year loss of \$5.5 million. The loss increased by \$30.5 million, primarily due to higher profit sharing and long-term incentive plan costs in the current year as a result of higher profits.

Financial Review continued

Liquidity and Capital Resources

(in thousands)	For the years ended November 30,	
	2022	2021
Summary Cash Flows		
Net cash provided by operating activities:		
Net profit	\$ 280,855	\$ 78,806
Depreciation, impairment and amortisation	282,123	305,459
Share of profit of joint ventures and associates	(53,963)	(39,470)
Finance expense, net of income	129,809	124,909
Income tax expense	28,064	24,405
Fair value loss (gain) on biological assets	974	(17,379)
Other adjustments to reconcile net profit to net cash from operating activities	(3,151)	7,716
Changes in working capital assets and liabilities	59,101	(60,225)
Dividends from joint ventures and associates	41,060	22,869
Other, net	(3,447)	1,326
Cash generated from operations	761,425	448,416
Net interest paid, including debt issuance costs	(124,943)	(121,786)
Income taxes paid	(16,673)	(2,803)
Net cash generated from operating activities	\$ 619,809	\$ 323,827
Cash flows from investing activities:		
Capital expenditures	(199,429)	(185,486)
Purchase of intangible assets	(3,959)	(4,688)
Investment in joint venture and associate	(14,314)	(21,173)
Proceeds from sales of assets	7,934	29,741
Purchase of shares in equity instruments	(37,291)	(3,000)
Other	2,120	4,005
Net cash used in investing activities	\$ (244,939)	\$ (180,601)
Net cash used for financing activities:		
(Decrease) increase in short-term bank loans	(40,000)	40,000
Repayment of long-term debt	(684,741)	(312,827)
Proceeds from issuance of long-term debt	484,533	141,950
Principal payments on leases	(51,210)	(43,432)
Dividends paid	(53,591)	(26,829)
Net cash used in financing activities	\$ (345,009)	\$ (201,138)
Effect of exchange rate changes on cash	(1,588)	(5,987)
Net increase (decrease) in cash and cash equivalents	\$ 28,273	\$ (63,899)

Net cash provided by operating activities

In 2022, SNL generated cash of \$619.8 million, compared with \$323.8 million in 2021. The increase in cash generated from operations was owing to increased EBITDA as a result of improved performance in Stolt Tankers and STC and improved net working capital inflows.

Net cash used in investing activities

Net cash used in investing activities was \$244.9 million in 2022, compared with \$180.6 million in 2021. The most significant uses of cash for investing during 2022 were:

- i. capital expenditures of \$199.4 million, \$13.9 million higher than in 2021
- ii. purchase of computer software of \$4.0 million
- iii. net purchase of shares in CoolCo for \$9.4 million
- iv. purchase of shares in Odfjell SE for \$20.7 million
- v. purchase of shares in The Kingfish Company for \$7.4 million
- vi. investment of \$13.2 million in a new terminal joint venture, Stolthaven Revivegen Kaohsiung Co., Ltd. in Taiwan

Offsetting the uses of cash were proceeds from the sale of ships and other assets of \$7.9 million, compared with \$29.7 million in 2021.

Cash capital expenditures by business are summarised below:

(in thousands)	For the years ended November 30	
	2022	2021
Stolt Tankers	\$ 94,885	\$ 119,584
Stolthaven Terminals	69,015	43,650
Stolt Tank Containers	27,968	13,745
Stolt Sea Farm	5,471	7,698
Corporate and Other	2,090	809
Total	\$ 199,429	\$ 185,486

During the year ended November 30, 2022, the Group spent \$199.4 million on property, plant and equipment. Cash spent during the period primarily reflected:

- i. \$76.3 million on tanker projects, including amounts related to the purchase of two second-hand 33,600 dwt ships and deposits for a barge newbuilding
- ii. \$18.6 million on drydocking of ships
- iii. \$69.0 million on terminals expansion and maintenance projects
- iv. \$28.0 million on the purchase of tank containers and construction at depots
- v. \$5.5 million on Stolt Sea Farm capital expenditures

Net cash used in financing activities

Net cash outflow from financing activities totalled \$345.0 million in 2022, compared with \$201.1 million in 2021.

The significant cash sources from 2022 financing activities were \$484.5 million, compared with \$142.0 million in 2021. The 2022 debt issuances mainly comprised:

- i. \$180.9 million term loan to refinance a previous loan as part of a new \$415.0 million sustainability-linked secured loan agreement of which the remainder is a new revolving credit line.
- ii. \$127.6 million fixed-rate borrowing agreement with ING Bank N.V., using a group of tank containers as collateral

- iii. \$110.0 million fixed-rate borrowing agreement with ING Bank N.V., using a group of tank containers as collateral
- iv. \$66.0 million top-up of a term loan with Danish Ship Finance A/S

The principal uses of cash for financing activities in 2022 were:

- i. \$684.7 million in repayment of long-term debt, compared with \$312.8 million in 2021
- ii. \$51.2 million of principal payments on lease liabilities, compared with \$43.4 million in 2021
- iii. \$53.6 million in dividend payments, compared with \$26.8 million in 2021
- iv. \$40.0 million repayment of the revolving credit facility

Indebtedness

SNL's total consolidated debt, excluding debt issuance costs, was \$2,207.8 million as of November 30, 2022 and \$2,460.3 million as of November 30, 2021, as set out in the table below.

(in thousands)	2022	2021
Short-term bank loans	\$ -	\$ 40,000
Long-term debt (including current portion)	1,984,221	2,209,803
Long-term lease liabilities (including current maturities)	223,584	210,450
Total debt on Consolidated Financial Statements	2,207,805	2,460,253
Available unused facilities:		
Committed revolving credit line	320,950	309,883
Uncommitted short-term bank lines of credit	25,000	45,000
Total unused facilities	345,950	354,883
Total debt and unused facilities	\$ 2,553,755	\$ 2,815,136

Long-term debt in the table above excludes debt issuance costs of \$17.4 million and \$24.2 million as of November 30, 2022 and 2021, respectively.

Short-term debt

Short-term debt consists of debt obligations to banks under uncommitted lines of credit and bank overdraft facilities which can be withdrawn by the banks on short notice. SNL had access to \$25.0 million of such facilities, which were unused during the year ended November 30, 2022.

During 2021 and 2022, SNL also had two committed revolving credit lines. The \$209.9 million Secured Multicurrency Revolving Loan Facility ("Secured RCF") was terminated in February 2022 and replaced with a \$234.1 million sustainability-linked revolving credit facility with 14 banks and led by Nordea Bank Abp, Danske Bank A/S and DNB (UK) Limited. In addition, STL had a \$100.0 million credit line with DNB (UK) Limited and Swedbank AB. As of November 30, 2022, the amount available under the two committed revolving credit lines amounted to \$320.9 million.

Amounts borrowed pursuant to the Secured RCF facility and the RCF bore an average interest rate of 2.6% and 5.3%, respectively, for the year ended November 30, 2022.

Financial Review continued

Long-term debt

Long-term debt consists of debt collateralised by mortgages on SNL's ships, tank containers and terminals and unsecured bank loans at Stolt Sea Farm as well as \$259.2 million unsecured bond financing denominated in NOK (NOK 2,550 million after removing the effect of the cross-currency interest rate swaps and debt issuance costs). It does not include the off-balance sheet arrangements discussed below. SNL's long-term debt (including debt issuance costs) was \$1,966.8 million and \$2,185.6 million as of November 30, 2022 and 2021, respectively, as set out below:

(in thousands)	2022	2021
Long-term debt	\$ 1,966,779	\$ 2,185,644
Less: Current maturities	(288,958)	(490,502)
	\$ 1,677,821	\$ 1,695,142

Long-term lease liabilities

IFRS 16, Leases (IFRS 16), requires all but immaterial or short-term leases to be recorded on the balance sheet. As of November 30, 2022, SNL had long-term lease liabilities for ships, terminal facilities, tank containers, barges, land, permits, computer and office equipment and offices. Certain of the leases contain clauses requiring payments in excess of the base amounts to cover operating expenses related to the leased assets. Such payments are expensed in the period of payment.

Reconciliation of Net Cash Flows to Movement in Net Debt

SNL had the following changes in net debt, which is defined as short-term loans, long-term debt and lease liabilities, less cash and cash equivalents.

(in thousands)	2022	2021
(Increase) decrease in cash and cash equivalents for the year	\$ (28,273)	\$ 63,899
Cash inflow from increase in debt	484,533	181,950
Cash outflow from repayments of debt	(724,741)	(312,827)
Cash outflow from finance leases	(51,210)	(43,432)
Change in net debt resulting from cash flows	(319,691)	(110,410)
Lease liabilities capitalised, net of retirements	70,200	63,591
Currency movements	(31,790)	38,255
Debt issuance costs and other movements	7,277	5,901
Movement in net debt in the year	(274,004)	(2,663)
Opening net debt	2,312,226	2,314,889
Closing net debt	\$ 2,038,222	\$ 2,312,226

During 2022, SNL met its liquidity needs through a combination of cash generated from operations, borrowings from commercial banks and other financial institutions and proceeds from the sale of assets.

Generally, Stolt Tankers was able to operate with a minimum of working capital by extending tight credit terms to customers, keeping accounts receivable to a minimum, and by obtaining standard credit terms of 30 to 90 days from most suppliers.

For Stolthaven Terminals and Stolt Tank Containers, a normal business operating cycle prevails with balanced credit terms. For Stolt Sea Farm, the production cycle for various farmed fish species is several months to years, requiring a normal level of working capital to finance inventory.

Ships, terminals, tank containers and investments in equity instruments can be an important source of liquidity, as these assets can be used to secure debt or can be sold and, if needed, leased back. SNL realised proceeds from the sale of ships and other assets of \$7.9 million in 2022, compared to \$29.7 million in 2021.

SNL's objectives when managing capital are to safeguard its ability to continue as a going concern, in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. SNL monitors capital on the basis of the ratio of debt to tangible net worth (shareholders' equity less intangible assets, non-controlling interests and other components of equity). During the year ended November 30, 2022, debt and lease liabilities decreased by \$245.7 million. Tangible net worth increased by \$205.3 million from November 30, 2021. This was primarily due to net profit of \$280.9 million partially offset by declared dividends of \$80.4 million. The debt to tangible net worth ratio was 1.16 at November 30, 2022 from 1.44 at November 30, 2021. This is below the 2.25 threshold included as a debt covenant in most of SNL's debt agreements.

Off-Balance Sheet Arrangements

In addition to the obligations recorded on SNL's consolidated balance sheets, certain commitments that will result in future cash outlays are not recorded on the Company's consolidated balance sheets. In addition to long-term debt interest payments, these off-balance sheet arrangements consist of immaterial or short-term leases, committed capital expenditures and the retained and contingent interests discussed in the Significant Contractual Obligations table below.

Leases

In accordance with IFRS 16, all leases other than those that are immaterial or less than one year are capitalised. Future commitments for short-term or immaterial leases were \$3.4 million at November 30, 2022, compared with \$3.2 million at November 30, 2021.

Significant Contractual Obligations

SNL has various contractual obligations, some of which are required to be recorded as liabilities in the Consolidated Financial Statements. SNL's operating leases, committed capital expenditures, long-term debt and lease liability interest payments and other executory contracts are not required to be recognised as liabilities on the Company's consolidated balance sheets. As of November 30, 2022, SNL's other purchase obligations were not material. The following summarises SNL's significant contractual obligations as of November 30, 2022, including those reported on the Company's consolidated balance sheet and others that are not:

(in thousands)	Total	Less than 1 yr	2-3 yrs.	4-5 yrs.	More than 5 yrs.
Contractual cash obligations:					
Long-term debt ¹	\$ 1,984,221	\$ 293,109	\$ 817,069	\$ 450,480	\$ 423,563
Lease principal payments	223,584	49,017	67,454	24,653	82,460
Lease interest payments	104,626	9,806	13,684	9,181	71,955
Operating leases	3,402	2,214	967	221	–
Committed capital expenditures	66,565	55,628	10,937	–	–
Long-term fixed rate debt interest payments	228,672	73,379	81,351	49,360	24,582
Long-term variable rate debt interest payments ²	99,581	22,903	36,188	23,530	16,960
Derivative financial liabilities ²	8,463	2,240	6,223	–	–
Pension and post-retirement benefit obligations ³	2,043	2,043	–	–	–
Total contractual cash obligations:	\$ 2,721,157	\$ 510,339	\$ 1,033,873	\$ 557,425	\$ 619,520

1. Excludes debt-issuance cost.

2. Long-term variable rate debt interest payments and derivative financial liabilities are based on the rates in effect at November 30, 2022. Derivative financial liabilities are based on undiscounted cash flows.

3. Pension and post-retirement benefits contributions – SNL includes these amounts based on current estimates of contributions to the pension plans that may be required. The Company has not disclosed possible payments beyond the next 12 months owing to the significant difficulty in forecasting these amounts with any accuracy.

Financial Risk Management

SNL is exposed to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on SNL's financial performance. This is covered in more detail in the annual Financial Statements.

Critical Accounting Estimates and Judgements

In the preparation of SNL's Financial Statements, there are a number of areas involving management judgements and estimates as well as assumptions about the future. Such areas could experience significantly different outcomes should these assumptions, judgements and estimates differ from actual results. The key areas where estimates and judgements make significant differences are:

- Voyage revenue and costs
- Depreciation and residual values
- Review of impairment triggers
- Investments in joint ventures and associates
- Insurance claims receivable and provisions
- Pension and other post-retirement benefits
- Right-of-use assets and lease liabilities

To obtain a better understanding of SNL's detailed accounting policies in these areas, please see Note 2 to the Financial Statements.

Principal Risks

Each business segment considers strategic, operational and financial risks and identifies actions to mitigate those risks. These risk profiles are updated at least annually. The principal risks and uncertainties for the next financial year are discussed below.

Bunker fuel and freight costs

Bunker fuel constitutes one of the major operating costs of the tanker fleet and price changes can have a material impact on SNL's results. Although efforts are made to reduce the impact of price changes by passing bunker fuel costs through to customers or through the Company's bunker hedging programme, a significant portion is incurred solely by the Company. Approximately 64% of Stolt Tankers' STJS sales volume in 2022 was derived from COA. Approximately 99% of these COA had provisions to pass through fluctuations in fuel prices to customers. As a result the expected cover from COA equals approximately 63% of the total deep-sea bunker price exposure.

The profitability of the remaining Stolt Tankers' STJS revenue earned under COA and all spot revenue was directly impacted by changes in fuel prices, subject to the Company's hedging programme. In addition, the bunker surcharge clauses can result in the Company providing customers with rebates in periods of lower bunker prices. SNL's policy is to hedge a minimum of 50% of expected bunker purchases within the next 12 months, either through bunker surcharge clauses included in COA or through financial instruments.

Ships are required to use marine fuels with a sulphur content of no more than 0.50% against the previous limit of 3.50%. Stolt Tankers is taking a multifaceted approach to low-sulphur fuel. Thirteen vessels have been fitted with wet hybrid scrubbers in order to reduce sulphur emission, of which three are still to be certified.

Financial Review continued

The rest of the Stolt Tankers fleet has switched to Marine Gas Oil or alternative fuels, depending on availability, usability and cost efficiency.

The vast majority of the COA now include adapted bunker surcharge clauses to cover the higher fuel prices.

For Stolt Tank Containers, the impact of increased freight costs due to tight capacity on container ships in select markets, additional surcharges, and fluctuations in fuel prices can result in downward pressure on margins. Cost increases are passed on to customers when possible. Given quoted rate validity periods to customers, there is a negative impact on margins in periods of rising freight costs until rates can be increased.

Tanker and tank container industry risk

The tanker industry is cyclical and volatile, which may lead to reductions and/or volatility in freight rates, volumes and ship values. Fluctuations in the rates that Stolt Tankers can charge result from changes in the supply and demand for ship capacity and changes in the supply and demand for the products carried, particularly the bulk liquids, chemicals, edible oils, acids and other specialty liquids that are the majority of the products that the Company transports. Factors influencing demand include supply for products shipped, economic growth, environmental development and the distances that products are moved by sea. Factors influencing supply include the number of new ships and recycling of old ships, changes in regulations, the strength of the clean petroleum product tanker markets and availability of capacity at shipyards.

Stolt Tankers mitigates these risks by actively managing the mix of business between COA and spot and utilises various tools to increase fleet flexibility and decrease risk. Contract business tends to be less volatile in terms of both rates and volumes than spot business. Management endeavours to increase the contract percentage and lengthen contract duration during periods of uncertainty or when management determines that market conditions are likely to deteriorate, while they reduce the contract percentage and shorten the contract duration when prices are strengthening and ship supply tightens. Stolt Tankers also actively manages its charter periods to allow a certain number of ships to be redelivered on short notice. Within the owned fleet, Stolt Tankers endeavours to maintain a balanced age profile. Through this technique, fleet size can be managed by early retirement of older ships when demand is soft and life extension of ships during periods of higher demand.

The tank container industry is also cyclical and volatile, which may lead to reductions and/or volatility in freight rates and shipment volumes. Fluctuations in the rates that Stolt Tank Containers can charge its customers result from new competition attempting to aggressively grow market share combined with an over-supply of tank containers in the market. Stolt Tank Containers mitigates this risk by actively managing customer relationships and pricing as well as maintaining a balance of owned and leased tanks. Fleet size can easily be managed by the on-hire and off-hire of leased tanks.

Climate change risk

SNL may incur substantial costs as a result of changes in weather patterns due to climate change. Increases in the frequency, severity or duration of severe weather events such as hurricanes, typhoons or other severe weather events could result in asset loss, injuries, lost earnings, difficulty in obtaining insurance and higher costs. Changes in sea water temperature can adversely impact growth rates of fish, harm the fish and lead to losses of fish. To counteract future climate changes, there have been increasingly stringent regulations, such as the requirement to use low sulphur fuels, and violations can lead to significant fines and penalties. Future regulations could result in making SNL assets prematurely obsolete or require costly investments. We are also monitoring regulations, such as the EU Emissions Trading System, which – with inclusion of shipping starting in 2024 – will require the purchase of EU allowances equivalent to its carbon emissions. This will drive an increase in the Company's operating expenses and could impact the profitability and cash flow of the Group unless offset by higher revenue. In order to mitigate the cost increase, SNL is including wording in its COAs that either would allow for the recovery of these costs from its customers, or in the absence of such, would allow cancellation of the contracts if no amicable solution is found for the recovery of the added cost. In addition, SNL continues in its efforts to reduce bunker consumption and thereby reduce the anticipated cost of the EU Emissions Trading System regulation.

SNL's assets and procedures are designed to avoid contaminations, spills, leaks, fires and explosions, with safety equipment installed to minimise the impact of such incidents. SNL employees regularly review and test emergency response plans through safety drills, partnering with local incident response services and regulatory agencies. Drills involve the safe evacuation of the workforce, visitors and all other parties from the ships, terminals, depots, farms and offices. SNL is also using its expertise and strong industry relationships to investigate and explore new technologies to enable the move towards a low-carbon future.

Newbuilding risk

SNL spends substantial sums during the construction of parcel tanker newbuildings without earning revenue and without assurance that ships will be completed on time or at all.

The risks with respect to newbuildings arise because SNL is typically required to pay substantial amounts as progress payments during construction of a newbuilding but does not derive any revenue from the ship until after its delivery. SNL's receipt of newbuildings could be delayed temporarily or indefinitely because of:

- Quality or engineering problems
- Work stoppages or other labour disturbances at the shipyard
- Bankruptcy or another financial crisis of the shipbuilder
- A backlog of orders at the shipyard
- SNL requests for changes to the original ship specifications
- Shortages of, or delays in, the receipt of necessary equipment or construction materials, such as steel

If the delivery of a ship is materially delayed, this could adversely affect the business and its results of operations, cash flow and financial condition. SNL manages these risks by agreeing to industry standard provisions dealing with compensation for delays and rights to terminate the newbuilding contract. Any progress or down payments made by the Company under the newbuilding contracts are secured by refund guarantees issued by commercial banks or government institutions to cover the repayment obligation by the shipyards in case of a yard default.

Political and geopolitical risk

SNL has international operations, and its business, financial condition and results of operations may be adversely affected by changing economic, political and government conditions in the countries and regions where SNL's ships and tank containers are employed, and terminals are located.

SNL is also exposed to geopolitical risks where territorial and other disputes between countries could lead to the outbreak of war or the existence of international hostilities that could damage the world economy, adversely affect the availability of, and demand for, petroleum and chemical products and adversely affect SNL's ability to operate ships, terminals or tank containers. Moreover, SNL operates in a sector of the economy that is likely to be adversely affected by the impact of political instability, terrorist or other attacks and war or international hostilities, for example, the invasion of Ukraine by Russia.

For an effective and competitive global chemical shipping business, managing geopolitical risk is a strategic imperative. Cross-border expansion to facilitate corporate growth is a significant contributor to growth. In some cases, cargoes are located in – or destined for – troubled or developing markets where considerable cultural, infrastructure, security or technology challenges must be met. At the same time, economic and population growth, especially in Asia, is creating new demand for petroleum and chemical products. Sufficient supply must be in place with supporting infrastructure and distribution to meet demand in these high growth markets.

Project development risks

Stolthaven Terminals is working on various projects at its wholly owned and joint venture terminals. The development of terminal operations and jetties involves significant upfront investment in infrastructure and there are risks inherent in such developments, including political, regulatory, currency exchange, liquidity, financial, contractual and structural risks. The occurrence of one or more of these risk factors could delay the project and result in increased project costs. Different countries carry varying degrees of risk depending on social, cultural, political and financial development and stability. Efforts are made to mitigate these risks by employing local country and regional representatives to act as liaisons with local authorities and to devise appropriate mitigating actions.

Stolt Sea Farm biological asset inventory price risk

All mature turbot and sole are held at fair value less costs of sale and costs related to harvest. A fair-value adjustment is also made at the point when previously juvenile turbot and sole are considered to become mature, which typically occurs when the fish reach a specified weight. Fair value is determined on the basis of market prices, and gains and losses from changes in fair value are recognised in the income statement.

The fair value of these assets fluctuates significantly based upon the season, competition, market conditions and existing supply. The fair-value adjustment recognised in the current year was a loss of \$1.0 million in operating profit, compared with a \$17.4 million gain in 2021. Fair value adjustments have a direct impact on SNL's income statement and there is a risk that the fair value adjustment recognised in a year could negatively impact SNL's income statement.

Currency risk

Most of the revenue earned by Stolt Tankers and Stolt Tank Containers is denominated in US dollars, whilst a significant portion of the divisions' operating expenses is incurred in other currencies, primarily the euro, the Singapore dollar, Japanese yen, Philippines peso and the British pound. When there is a mismatch between revenue and expense currencies, any depreciation of the revenue currency relative to the expense currency will decrease profit margins.

On average in 2022, the US dollar has strengthened by approximately 8.2% against the euro, causing an increase in profit margins. SNL's foreign currency hedging policy is to hedge between 50% to 80% of the Company's expected foreign currency operating exposures over the next 12 months.

Financial Review continued

Cyber risk

SNL relies on information technology (IT) systems in all of the businesses and is dependent on contractors supporting the delivery of information technology services. Given SNL's dependence on IT systems, a successful cyber-security attack could cause significant harm to SNL and negatively impact SNL's cash flow and financial position as well as result in a loss of productivity, intellectual property, regulatory fines and reputational damage.

To mitigate the risk of a cyber-attack, SNL continually measures, reviews and strives to improve its cyber-security capabilities. SNL has implemented preventive, protective and detective technologies and controls, including response and recovery capabilities, while adhering to industry best practices. SNL also requires training and has prepared awareness campaigns for staff. Risks are detected by actively monitoring SNL's information systems and applying lessons learned from security incidents. To limit the duration and impact of a cyber incident, SNL has implemented and tested response and recovery procedures to recover and restore business processes and services. When external companies provide SNL with critical IT services, security is managed through contractual clauses and supplier assurance reports. In addition, remote support by third-parties is closely monitored with restricted access and time limitations.

Disease outbreaks and pandemic risks

SNL's operations are global in nature and rely on a significant number of operational staff and third-party suppliers to run smoothly. As has been evidenced by the recent Covid-19 pandemic, disease outbreaks can put significant restrictions on the movement of people and their ability to get to their place of work as well as restrictions on the operations of our assets. Although SNL's ship operations continued mostly uninterrupted, there was a delay in the performance of shore-side support operations and a delay in transferring crew to and from the ships. Tank containers are dependent on SNL container depots for cleaning and pre-load preparations, and the depots are reliant on their employees being able to come to work, and third-party truckers and rail lines being able to transport the containers. Stolt Sea Farm's sales suffered as demand for turbot decreased drastically during lockdown since a large percentage of its sales are to the hotel, restaurant and catering sectors.

If the movement of people and transport operations are restricted, this could limit SNL's ability to meet commitments to customers and could impact financial results. Likewise, any outbreak on-board our ships or at one of our terminals could impact operations of individual assets. The severity of the impact of such disruptions would depend on the spread and duration of the disease. To the extent possible, business continuity plans have been updated and implemented to mitigate any negative impact on the businesses from a wide-spread and long-lasting disease of the coronavirus type.

Financing risk

The Group's businesses are capital intensive and, to the extent the Group does not generate sufficient cash from operations, the Group may need to raise additional funds through public or private debt to fund capital expenditures and to refinance maturing debt instruments. Adequate sources of capital may not be available when needed or may not be available at favourable terms. The Group's ability to obtain financing is dependent on various factors, such as financial market conditions for unsecured debt and financial institutions' appetite for secured ship, tank container or terminal financing.

The Group has a diversified debt structure and has access to a wide range of funding sources from banks, leasing companies and the Nordic bond market. The Group also maintains significant availability under its committed credit facilities, as well as cash on hand, to mitigate the risk of short-term interruptions to the financial markets.

Treasury Shares

At November 30, 2022 and 2021, SNL held 5,000,000 Treasury Shares. See Note 30 to the Financial Statements.

Going Concern

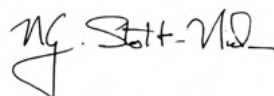
The annual Financial Statements have been prepared under the going concern assumption.

Audit Tender Process

In 2022, SNL went through a tender process for Independent Auditors and PricewaterhouseCoopers LLP was reappointed.

Subsequent Events

See Note 33 to the Consolidated Financial Statements for significant events occurring after November 30, 2022.



Niels G. Stolt-Nielsen

Chief Executive Officer
Stolt-Nielsen Limited



Jens F. Grüner-Hegge

Chief Financial Officer
Stolt-Nielsen Limited

March 15, 2023