

VALARIS



2022
SUSTAINABILITY
REPORT

ANCE • ENVIRONMENTAL • SOCIAL • GOVERNANCE • ENVIRONMENTAL • SOCIAL



FORWARD LOOKING STATEMENTS

Statements contained in this report, as well as materials or websites that are cross-referenced, that are not historical facts are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include words or phrases such as “anticipate,” “believe,” “commit,” “estimate,” “expect,” “intend,” “goal,” “likely,” “plan,” “project,” “target,” “could,” “may,” “might,” “should,” “will” and similar words and specifically include statements that are aspirational or reflective of our views about future performance and our expectations, aspirations, plans, targets, commitments, or goals, including statements about our corporate responsibility initiatives, strategy, reporting, programs, and governance on matters such as ethics, human rights, sustainability and the environment, employees, policy, business, procurement, supplier, data privacy and information security, compensation, and other strategies, risks and opportunities. Such statements are based on current or historic information, goals, assumptions, estimates, targets, commitments, methodologies, and internal control frameworks, which continue to develop and evolve, may still be in development, and are subject to change. Numerous risks, uncertainties, and assumptions may cause actual results to vary materially from those indicated, including technological advances and innovations, regulatory and legislative changes, stakeholder engagement, global political and economic trends, energy prices, and weather events or climate conditions, among others. You should carefully read and consider the risk factors described in our annual and periodic filings with the Securities and Exchange Commission, as well as in our other public statements, for these and other relevant risks and uncertainties.

Forward-looking statements are aspirational and are not guarantees or promises that such expectations, aspirations, targets, commitments, plans, or goals will be met. Each forward-looking statement speaks only as of the publication date, and we undertake no obligation to publicly update or revise any forward-looking statements, except as required by law.

The information included in, and any issues identified as material for purposes of, this document may not be considered material for Securities and Exchange Commission (“SEC”) reporting purposes. In the context of this Report, the term “material” is distinct from, and should not be confused with, such term as defined for SEC reporting purposes.

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Many of the images featured in the 2022 Sustainability Report have been captured by our employees during the course of their normal work using the employee communications app ValarisNOW. Not only does this provide users throughout the company an increased level of visibility of the activity taking place around the company and around the world but it also empowers our employees with a sense of pride in their work and an esprit de corps. Thank you to all employees who have shared glimpses of our world.

MESSAGE FROM OUR CEO

The last year was a transitional period for Valaris and the entire industry. While the world continues to face inflationary pressures and recession fears, energy security, sustainability and energy transition remain at the forefront of the conversation in our industry. At Valaris, our purpose is to provide responsible solutions that deliver energy to the world and we seek to do so in ways that balance the environmental, social, economic, and energy needs of our stakeholders and society as a whole.

In 2022, we established a Sustainability & New Energy function. This department is responsible for leading our efforts on reducing our carbon footprint and contributing to the energy transition. We also articulated a roadmap to support emissions reduction from our fleet based on four areas of focus that consist of energy efficient practices, energy saving upgrades, leveraging biofuels and electrifying jackups. We intend to roll out these initiatives across our fleet in partnership with our customers, who are important stakeholders in providing biofuels and electrification for our operations.

Furthermore, we set a 2030 target of reducing our Scope 1 greenhouse gas emission intensity by 10 to 20 percent compared to a 2019 baseline. We believe this to be a credible target range based on technologies that exist today and may increase our target as new technologies become available. We also expect to partner with our customers to help us achieve this target range. For 2022, our emission intensity was in line with our 2019 baseline despite a fleet mix that had a higher concentration of floaters, which have a higher emission intensity than jackups. This performance reflects some of the sustainability initiatives we have already initiated, such as engine optimization policies and equipment upgrades.

This year, we aligned our report with the standards of the Task Force on Climate-Related Financial Disclosures in addition to the Sustainability Accounting Standards Board standard. This provides additional transparency regarding our ESG efforts and promotes comparability with our peers. Our efforts are already being recognized by rating agencies such as MSCI and Sustainalytics, both of whom awarded us industry leading ratings.

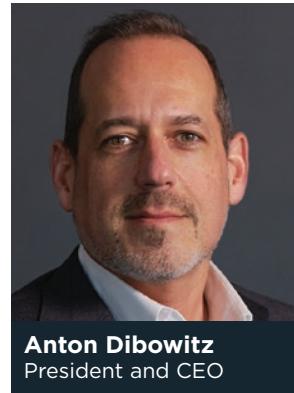
Beyond the work done with respect to emissions, we continue to make progress on our broader sustainability efforts. Our people are critical to our success and we continue to invest in our employees, both onshore and offshore. Our Building Organizational Leadership Development (BOLD) training for offshore supervisors was attended by approximately 650 personnel in 2022. We have also implemented a new onshore leadership program and have begun rolling out this program across the organization in 2023.

The heart of our business, and our primary focus every day, is delivering operational excellence to our customers, and safety is fundamental to that goal. The bulk of our training programs focus on the safety of all of our employees, contractors and other personnel working on our rigs. Our Behavior Based Safety program included 21,000 hours of engagement focused on improving the safety of our operations and 7,500 offshore incident response drills were conducted to prepare our crews to respond to various emergency situations.

We are broadening the geographic coverage of our mental-health and emotional well-being initiatives and plan to complement these with mental health training for our managers.

From a diversity perspective, we strive for a workforce that is representative of society and recognize that we and the industry still have some work to do to fully achieve this. Our DE&I Council whose role is to provide oversight of our DE&I strategy and to champion our standard continues the work to improve transparency and awareness through the development and reporting of measures, training and the establishment of resource groups creating a more inclusive and connected workplace.

I would like to extend my sincere appreciation again to the whole Valaris team for the significant progress achieved during 2022 and look forward to the progress that lies ahead in 2023 and beyond.



Anton Dibowitz
President and CEO

ABOUT THIS REPORT

Report Scope

Valaris has prepared this report in line with the Sustainability Accounting Standards Board (SASB) - Oil and Gas Services Sustainability Accounting Standard Version 2018-10 and aligned to recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) 2017 final report. We have also incorporated reference reporting from other frameworks such as the Global Reporting Initiative (GRI) and the Carbon Disclosure Project (CDP) where relevant. Our objective is to provide accurate, transparent, and industry specific sustainability information to stakeholders.



Deepak Munganahalli
Director, ESG Comm. Chair

We have a strong framework in place to advance our sustainability efforts, including a dedicated ESG board committee established in 2021, and a Sustainability & New Energy function launched in 2022. Our sustainability program is primarily focused on reducing emissions from our

own operations and partnering with our customers on their ESG efforts, and we intend to continue to make progress on this journey in 2023.

Reporting History

Valaris has been publishing annual sustainability reports since 2016.

Reporting Boundaries

This report consists of information and data for calendar year 2022 and covers Valaris' global onshore and offshore operational activities including our ARO joint venture emissions under our scope 3. Our base year for reporting is 2019. See Appendix-C "GHG Assessment Details".



Christophe Raimbault
VP, Sustainability & New Energy

I am happy to take on this new role and the challenges that come with it. I believe our roadmap to achieve our Scope 1 emissions intensity reduction target is both robust and credible. Our efforts in the new energy arena will be based on our strengths and should help Valaris manage the industry cycles and the transition towards a more sustainable future.



WE ARE VALARIS

Company Overview

Valaris Limited (NYSE: VAL) is the industry leader in offshore drilling services across all water depths and geographies. Valaris Limited is a Bermuda exempted company (Bermuda No. 56245). To learn more, visit our website at www.valaris.com.

Operational Overview

Operating a high-quality rig fleet of ultra-deepwater drillships, versatile semisubmersibles and modern shallow-water jackups, Valaris has experience operating in nearly every major offshore basin. Valaris maintains an unwavering commitment to safety, operational excellence, and customer satisfaction, with a focus on technology and innovation to drive our sustainability agenda.

Purpose and Values

Our purpose is “to provide responsible solutions that deliver energy to the world”. Our values of Integrity, Safety, Excellence, Respect, Ingenuity, and Stewardship guide us as we fulfill our Purpose. This report highlights our sustainability efforts in 2022 demonstrating our commitment to our purpose and values and to the communities where we work.

Involvement in Trade Associations

Valaris is involved in several trade associations to network with industry professionals, stay informed about industry trends and regulations, and have a collective voice in advocacy efforts. By participating in these associations, the company can access resources and support that help it operate more efficiently and effectively. In 2022 we contributed to the following associations:

IADC The International Association of Drilling Contractors is a non-profit trade association that leads advancement in the drilling industry. It is recognized worldwide for its accreditation programs, conferences, advocacy efforts, and industry news.

NOIA The National Offshore Industries Association is an advocacy association for the offshore energy sector, including offshore oil and gas, offshore wind, offshore minerals, and offshore carbon sequestration. NOIA also brings together the industry to learn, collaborate, and improve in areas of mutual interest. NOIA also has an ESG program which touches upon issues related to climate change.

ABS The American Bureau of Shipping, is a classification society that supports international marine initiatives and provides guidance, namely on sustainability, decarbonization, and ESG matters. It is a member of the International Association of Classification Societies (IACS).

DNV Det Norske Veritas, is a classification society that supports international initiatives and provides guidance, namely on sustainability, decarbonization, and ESG matters. It is a member of IACS.

IMO We are not directly involved in the International Maritime Organization but have representation via classification societies (ABS, DNV) and flag states for oil and gas organizations. We serve on the Board of the Center of Offshore Safety and participate in multiple working groups in support of the API.



ESG Strategy

Valaris has a strong commitment to environmental, social, and governance (ESG) principles, and embeds its policy commitments for responsible business conduct throughout its activities and business relationships. To allocate responsibilities for implementing its commitments, the organization assigns specific ESG roles and responsibilities to different levels within the organization and establishes a clear chain of accountability. These commitments are integrated into organizational strategies, operational policies, and procedures, in order for ESG considerations to be a part of our decision-making process.

Valaris also implements such commitments with and through its business relationships, engaging with suppliers, contractors, and other stakeholders so that they can share in the company's actions to support responsible business conduct. To help Valaris effectively implement its ESG commitments, Valaris provides comprehensive training on responsible business conduct designed to equip employees with the knowledge and skills they need to make ESG considerations an important part of their work.

Stakeholder Engagement

Customer Recognition

Based on customer satisfaction surveys conducted by EnergyPoint Research for 2022, we were recognized for our dedication to operational excellence, HSE performance, and sustainability. They ranked us as the top offshore driller in several categories monitored by EnergyPoint Research customer satisfaction surveys. Within the offshore contract drilling sector, we were rated first in 2022 for the Total Satisfaction, HSE, Job Quality, Deepwater Wells, HPHT Applications, Digital & Big Data categories.



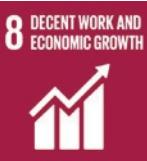
Sustainability Ratings

Our ESG and sustainability disclosures are independently evaluated by various ESG rating agencies. Valaris is focused on improving its ratings with key agencies year after year with transparency and disclosure of relevant information to enable its stakeholders to make informed decisions.



UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The United Nations 2030 Agenda and its Sustainable Development Goals (SDGs) concentrate the world's attention and efforts on 17 areas of concern. Our purpose of "providing responsible solutions that deliver energy to the world", provides us with the opportunity to aid in resolving several of these key challenges. At Valaris, we maintain the belief that we should aim to maximize our positive impact on people and the environment. We have identified the SDGs that we believe we can impact and shape through our operations.

 1 NO POVERTY 	End poverty in all its forms everywhere.	We operated in four UN Least Developed Countries (LDCs) in 2022 (Angola, Mauritania, Senegal and Timor Leste). We seek to support these and other local economies by: <ul style="list-style-type: none"> - Providing job opportunities for the local workforce - Offering competitive compensation - Supporting nationalization plans for long-term contracts - Sourcing goods and services locally where practicable - Developing local resources to drive economic growth and opportunities
 8 DECENT WORK AND ECONOMIC GROWTH 	Promote inclusive and sustainable economic growth, full and productive employment and decent work for all.	We endeavor to support the health and well-being of our crews and business partners onboard by: <ul style="list-style-type: none"> - Providing medical care to all personnel onboard our rigs - Providing medical fitness checks and immunizations for the local workforce - Offering healthy eating and recreation options onboard our rigs
 3 GOOD HEALTH AND WELL-BEING 	Ensure healthy lives and promote well-being for all at all ages.	We support learning opportunities for our personnel by: <ul style="list-style-type: none"> - Providing industrial work experience for the local workforce - Offering technical and HSE training for offshore crews - Supporting continuing education and professional certification for onshore and offshore personnel
 4 QUALITY EDUCATION 	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	We promote the efficient use of resources by: <ul style="list-style-type: none"> - Recycling operational and accommodation wastes - Seeking beneficial re-use for retired rig assets - Sourcing goods and services locally where practicable to support the "circular economy"
 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	Ensure sustainable consumption and production patterns.	Our operations require large amounts of energy, providing opportunities to reduce our impact. To reduce emissions, we have worked to: <ul style="list-style-type: none"> - Implement rig engine optimization projects to reduce emissions - Use biodiesel fuel on one jackup rig - Conduct engineering studies on rig electrification, alternative fuels, and other carbon reduction technologies - Optimize supply chain and logistics processes to improve efficiency and reduce Scope 3 emissions - Provide remote work opportunities to reduce commuting and need for company office space - Locate our Houston corporate office in a LEED certified building - Digitalize our power consumption and usage
 13 CLIMATE ACTION 	Take urgent action to combat climate change and its impacts.	Our operations require large amounts of energy, providing opportunities to reduce our impact. To reduce emissions, we have worked to: <ul style="list-style-type: none"> - Implement rig engine optimization projects to reduce emissions - Use biodiesel fuel on one jackup rig - Conduct engineering studies on rig electrification, alternative fuels, and other carbon reduction technologies - Optimize supply chain and logistics processes to improve efficiency and reduce Scope 3 emissions - Provide remote work opportunities to reduce commuting and need for company office space - Locate our Houston corporate office in a LEED certified building - Digitalize our power consumption and usage

	<p>Conserve and sustainably use the oceans, seas and marine resources for sustainable development.</p>	<p>Our workplace is the world's oceans. To protect them we have created policies and practices designed to:</p> <ul style="list-style-type: none"> - Manage operational discharges - Manage ballast water to prevent the spread of invasive species - Conduct hull or leg cleaning when required to move into a new marine environment - Support customer environmental impact assessments and 'zero discharge' projects with rig arrangements and resources - Prevent spills and marine debris and attempt recovery of items that may be lost overboard
	<p>Promote just, peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.</p>	<p>Consistent with our Integrity value, Valaris endeavors to do the right thing. This includes ethical conduct, good business practices, and being transparent in our business activities and interactions with the communities where we work, our customers, our employees, our suppliers, and other stakeholders. These expectations are outlined in our Code of Conduct and the following supporting policies:</p> <ul style="list-style-type: none"> - Human Rights Policy - Modern Slavery and Human Trafficking Statement - Ethics and Compliance Policy - Vendor and Supplier Business Integrity Principles



TCFD FRAMEWORK

Governance

The Valaris Board of Directors and its committees are primarily responsible for providing effective governance over the Company's affairs, including its strategy of being focused, value-driven and responsible. Through its ESG Committee, the Board is responsible for providing oversight and guidance with regards to environmental, social and governance matters, including ESG risks and opportunities, and for reviewing the Company's Sustainability Report.

In addition, the Nominating and Governance Committee identifies director candidates who have ESG experience to serve on the Board. The Board appointed two new members to the ESG Committee in 2022 who bring new and diverse perspectives on managing ESG risk. The Audit Committee reviews quarterly and annual financial reports which include certain climate risk disclosures about actual and potential impacts to our business, as applicable. The Compensation Committee monitors compensation metrics tied to ESG performance namely spill prevention and personal and process safety performance.

The Board and its committees meet at least once per quarter. In accordance with its charter, the ESG Committee reviews with management the Company's specific governance around climate and emissions related risks and opportunities, including strategy, risk management, metric and targets. The ESG Committee will also be responsible for monitoring the Company's go-forward performance against those targets.

In 2022, Valaris created a new VP of Sustainability and New Energy (SNE) executive position and established a dedicated team to support it. The VP SNE reports directly to the CEO, is a member of the Executive Management Committee and is responsible for identifying, assessing, and managing climate-related risks and opportunities across the company. In this capacity, the VP SNE is responsible for the integration of climate considerations into our governance processes and strategic financial decisions. Additionally, the VP SNE works to advance Valaris' efforts to reduce emissions from its operations, partner with customers to support their ESG efforts and actively identify and pursue new energy opportunities.



The Green Sustainability Committee is an internal cross-functional working group that includes representatives from various departments of the organization. This team meets regularly and assists the VP SNE in identifying and monitoring climate-related risks and opportunities affecting the company and the industry.

Strategy

Valaris recognizes that transparent, insightful metrics, targets, and disclosures provide a basis upon which investors, customers, regulators, employees, and other stakeholders can meaningfully compare organizations within a sector or industry. Valaris has identified climate-related risks and opportunities as follows.

Climate-Related Risks

Physical Risks

- Acute physical: Negative impact on business operations due to changes in weather patterns such as severe floods in our yard locations or hurricanes becoming more severe and frequent.
- Chronic physical: Negative impact on business operations due to changes in weather patterns such as sustained higher temperatures and increased wave heights.

Transition Risks

- Policy and regulation risks
- Increased insurance expenses due to negative weather patterns.

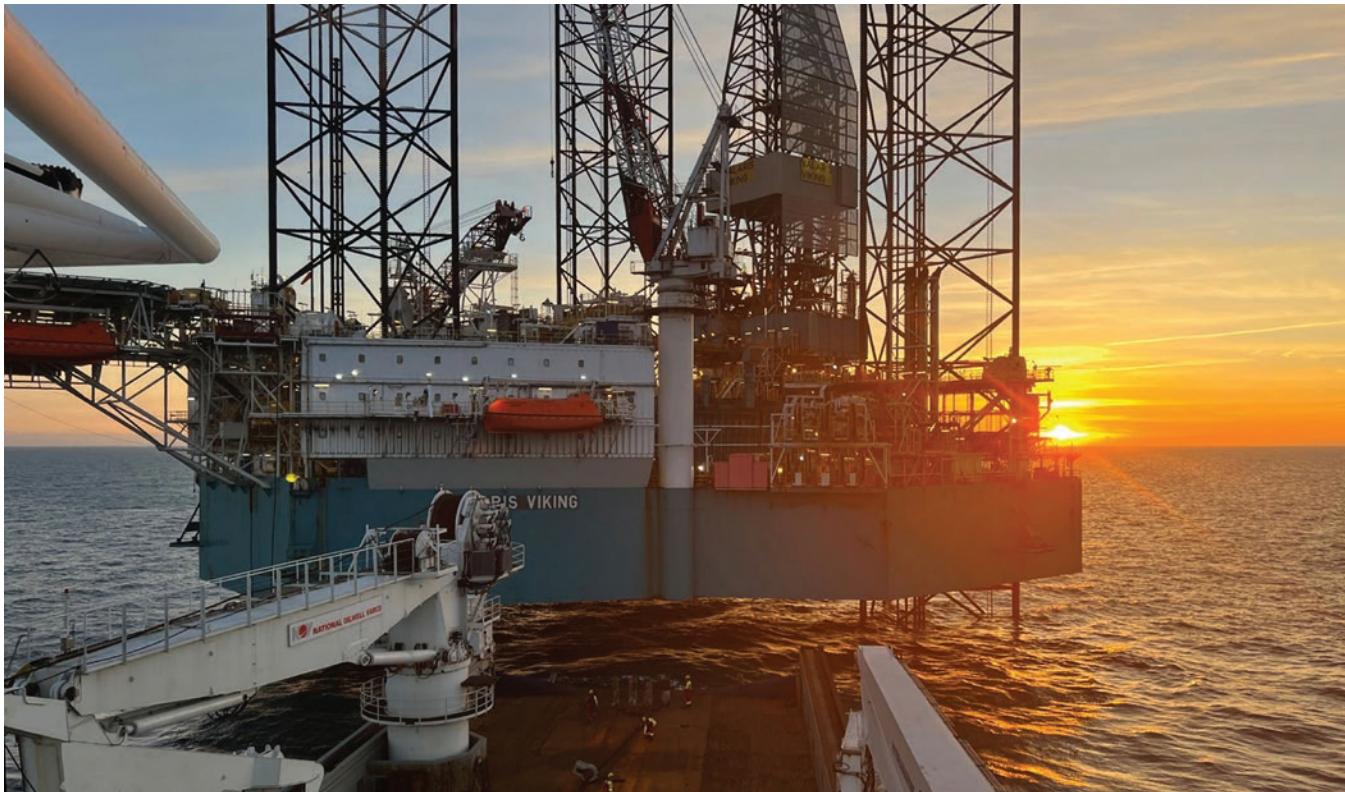
- New carbon taxes and tariffs introduced by regulators.
- Policies mandating a decrease in offshore licensing.
- Market risks
 - Reduced demand for services due to increased cost of consuming oil because of climate-change regulations.
 - Evolving customer preferences in terms of ESG-related requirements for our services.
 - Reduced demand for services due to changing consumer preferences from fossil fuels to alternative fuels e.g. electric vehicles.
- Technology risks
 - Costs to transition to lower-emission technologies.
 - Implementation risks of new technologies that have not been field tested.
- Reputation risks
 - Reduced or lack of funding by investors to the oil and gas industry.
 - Increased difficulty in recruiting and retaining talent.

Climate-Related Opportunities

- Improved efficiency across our operations including offshore and onshore.
- Use of lower-emission sources of energy such as biodiesels and green electricity.
- Innovation and development of new low-emission products and services to improve our competitive position and capitalize on shifting customer preferences.
- Transition of our energy generation to low emission alternatives such as wind, solar, wave, tidal, hydro, geothermal and biofuels.
- Access to new markets and new assets servicing the energy transition such as carbon capture and sequestration.
- Access to new sources of funding such as government grants supporting the energy transition.
- Attracting talent committed to ESG performance.

Risk Management

We conduct periodic risk assessments as part of our Enterprise Risk Management (ERM) process to support the appropriate and effective management of our



enterprise and compliance risk in an evolving regulatory and business environment. The risks evaluated through this process encompass a broad set of categories, including operational safety, operational performance, regulatory, environmental, climate, and cybersecurity risks. Control and mitigating factors are documented and monitored as part of this process. Valaris' ERM risk library is reviewed by the Executive Management Committee on a bi-monthly basis with quarterly reporting to the Board. The Board then reviews the identified risks, mitigation plans and monitoring reports and takes action as deemed appropriate. We actively participate in a variety of industry committees and workgroups so that Valaris has the appropriate involvement in the industry.

Metrics and Targets

Over the course of 2022, we conducted an extensive analysis of our operations and identified potential opportunities to reduce our Scope 1 GHG emissions. We determined that typically over 90% of our global Scope 1 emissions result from fuel combustion onboard our rigs to produce electric power. As a result, Valaris is prioritizing reducing its Scope 1 emissions intensity resulting from fuel combustion per active day based

on a 2019 baseline. Emission intensity ratios for years 2019 to 2021 were previously disclosed in our 2021 Sustainability Report. Valaris plans to continue publishing its emissions figures using a 2019 base year and a three-year rolling trend, as per tables 5A and 5B under Appendix D.

We have developed an emissions reduction roadmap designed to help us achieve our goal through adopting energy efficient practices, energy-saving upgrades and procedures and alternative power options for our rigs. We expect to achieve our Scope 1 emission reduction goal through a combination of the following areas of focus.

Area of Focus: Energy Efficient Practices

Optimizing the efficiency of our power generation is an important part of our efforts to reduce the fuel consumed on our drilling units. Valaris is implementing a fleet-wide digitalization of the monitoring of its diesel engines. Real time energy production and consumption is currently available on all our active rigs that have compatible systems (only four active rigs do not). In combination with the digitalization, Valaris is developing Power Management Plans for each of its drilling units, which are

Digitalization of Engine Monitoring

VOS and VIP reports tracking fuel consumption, engine load and number of engines running. This dashboard allows us to measure and optimize our power generation and usage on each of our rigs.



intended to optimize diesel engine fuel consumption. The Power Management Plans will also disseminate guidance on optimizing power generation efficiency to our crews to support reducing energy use and emissions of our offshore and onshore operations.

Area of Focus: Energy-Saving Upgrades and Procedures

As described below, we have identified opportunities to roll-out energy efficient technologies in the future, including more efficient equipment and energy management upgrades such as the ABS enhanced electrical system notation, EHS-E, installed on our drillship DS-12. The EHS-E upgrade is currently being installed on our drillship DS-17, which we expect to be completed in the summer of 2023. This upgrade enables the rig to operate efficiently with two generators online instead of three when operations allow.

We expect equipment upgrades to be implemented across portions of the Valaris fleet over the coming years to further reduce energy consumption, including:

- Variable Frequency Drive on large electric motors to reduce peak demand
- Replacement of current lights with more energy-efficient LED lights
- Peak electric load reduction systems
- Upgrade of engines and exhaust systems to accommodate the utilization of additives to reduce fuel consumption

Area of Focus: Biofuel Blends

We have been using biofuel blends on the VALARIS 106

and the VALARIS 67 (until it was retired in 2021) in their operations in Indonesia. The use of biofuel blends yields a significant reduction of GHG emissions, subject to the carbon content of such biofuel.

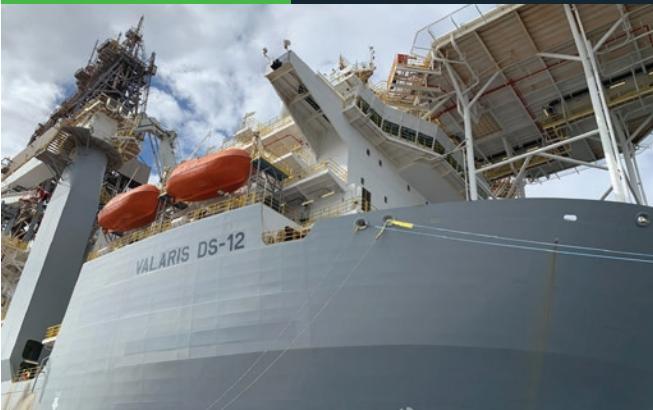
Biofuel blends are yet to be widely available across all geographies for use onboard our offshore fleet. As our customers provide the fuel for our rigs, this change will require their active participation in switching to biofuel blends. Our customers will need to purchase the biofuel blend, ensure its bunkering onshore, and contract supply vessels and other logistical services to deliver it to our rigs. This customer-provided logistical ecosystem is essential for the successful switch from diesel fuel to biofuel blends for our fleet.

Area of Focus: Jackup Rig Electrification

Electrifying our jackup drilling units is another important part of our roadmap. While this technology is field-proven, the required access to electricity is currently not available for our jackup operations offshore. Powering our jackup rigs using a local electric grid or from other sources such as offshore windfarms or offshore platforms would enable a significant reduction of our GHG emissions.

As is the case for biofuel blends, electrification will require the provision of electricity by our customers. We are already engaged with customers in several geographies to identify and develop solutions that could allow the electrification of some of our jackups. Wider access to this technology will also require the participation of other stakeholders, including regulatory bodies and local authorities.

VALARIS DS-12
Energy-saving Technologies Put Into Practice



The DS-12 has operated with the ABS EHS-E notation throughout 2022 after completing a successful upgrade and test program in late 2021.

The ship was able to operate successfully over fifty percent of the time using only 2 diesel generators, allowing for higher efficiency per generator. In addition to fuel savings, there is also considerable reduced engine maintenance needs, both due to fewer running hours and higher average engine load.

Based on a combination of the four areas of focus above, Valaris has set a target to reduce its emission intensity by 10 to 20% by 2030 compared to a 2019 base line. As described in prior years' Sustainability Reports, our emissions intensity is calculated by dividing the Scope 1 emissions resulting from the combustion of fuel by the number of rig active days. We have chosen to limit our intensity metric to Scope 1 to reflect the fact that in the case of jackup electrification, we will not control the choice of the source of electricity, which is provided by our customers.

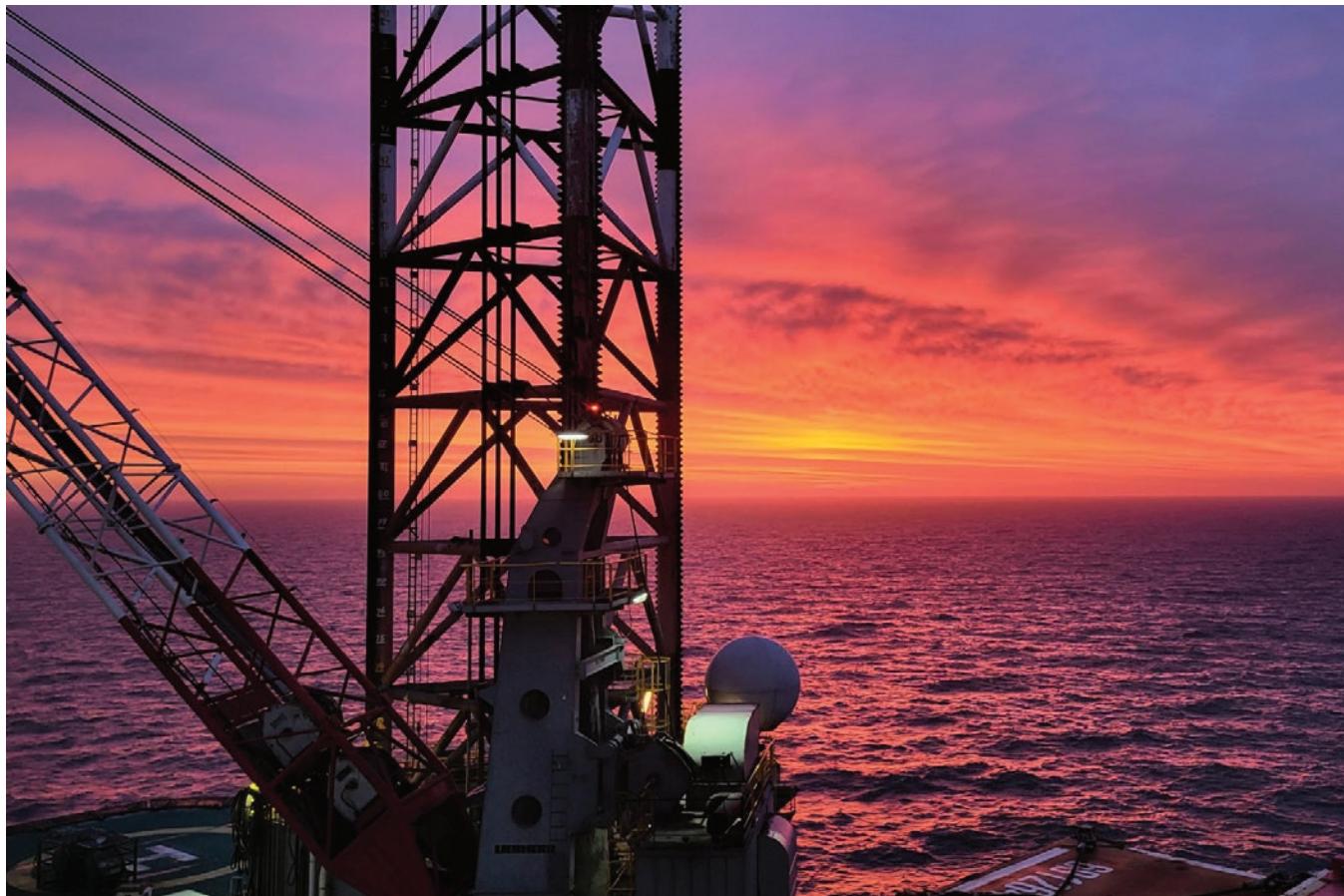
The lower end of our target - 10% intensity reduction - is expected to be achieved by implementing technologies and processes that are field-proven today.

The upper end of the target - 20% intensity reduction - would be possible through broad future access to biofuel blends and electrical power for our fleet of offshore drilling units. The pace of deployment of biofuels and electrical power across our fleet will be dependent on the

active engagement of our customers in providing biofuel blends and/or electric power to our drilling rigs.

Valaris' roadmap to emission reductions will continue to evolve as we progress towards 2030. New technologies may emerge, such as battery systems, new electric load reduction systems or access to alternative fuel, which we could incorporate into our roadmap as they become commercially and technically available. We may increase our target range as such new technologies become available.

Implementation and achievement of these initiatives and reduction in emission intensity ratio will also depend on a variety of factors, including our results of operations, business strategy, cost, macroeconomic conditions, legislative and regulatory developments, scientific developments, our expectations and assumptions, and the other risks and uncertainties described in our most recent reports with the Securities and Exchange Commission.



ENVIRONMENTAL STEWARDSHIP

Our Environmental and Energy Management Policy outlines our commitment to safeguarding the environment and the communities in which we operate while responsibly managing our company assets and resources.

Environmental Aspects and Impacts Process

Valaris has implemented an environmental aspect and impact process designed to conform to ISO 14001:2015 and intended to evaluate our activities and identify those aspects that are significant environmental aspects (SEAs). Aspect categories considered include:

- Air Emissions
- Energy Use
- Waste Management
- Discharges to Sea
- Natural Resource Use
- Water Management
- Chemical Management
- Site/Location Impacts

SEAs are prioritized for improvement efforts aimed at reducing their environmental impacts. In 2022, our Green Sustainability Committee continued its focus on energy efficiency and emission reduction efforts, and further evaluated emissions from Scope 3 activities.

Greenhouse Gas (GHG) and Other Emissions

To measure the impact of our operations and identify emission reduction opportunities, we monitor and track the amount of fuel used on our rigs, emissions from refrigeration equipment, and electricity consumption to determine Scope 1 and Scope 2 emissions. We also track relevant Scope 3 emission categories to better understand the environmental impact of our value chain.

We have reported our greenhouse gas emissions since 2016 in our annual report filings. See "GHG Assessment Details" for more information regarding our GHG accounting approach and organizational boundaries.

Scope 1 emissions

Our Scope 1 emissions in 2022 were 628,597 metric tons of CO₂ equivalent (mt CO₂e) an increase of 16% from 2021 due to rig

reactivations considering improving market conditions. These emissions are 35% lower than those from our base year of 2019 due to a lower number of active rigs in 2022.

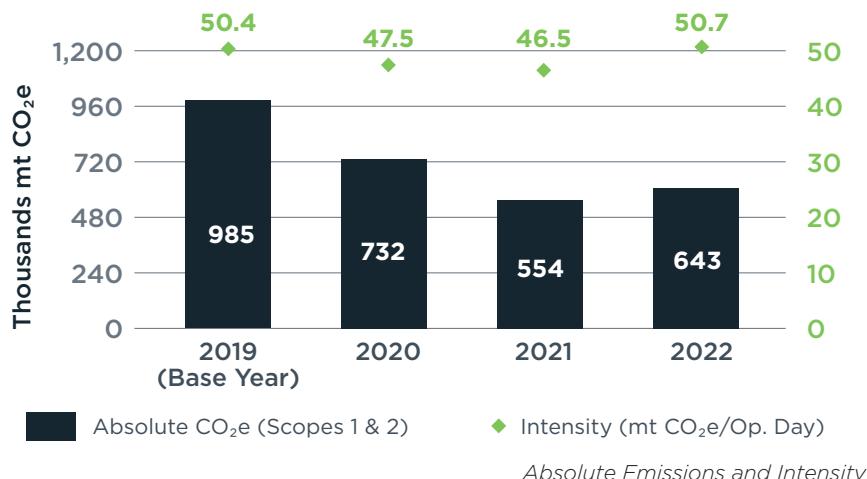
Our intensity ratio is calculated by dividing the Scope 1 emissions (in mt CO₂e) from fuel combustion (excluding refrigerants) by the number of operating days. It therefore excludes emissions during rig idle time or when rigs are not on contract. Our intensity ratio stood at 50.7 mt CO₂e / Operating Day an increase of 9% from 2021 due to the reactivation of four high intensity floaters. Our intensity ratio is in-line with that from our base year of 2019.

Scope 2 emissions

Our Scope 2 emissions are insignificant compared to our Scope 1 emissions. They represent the impact of electricity consumed at our yards. Idle rigs in shipyards receiving their electricity from the grid also impact our Scope 2 emissions.

Scope 3 emissions

Valaris started reporting its Scope 3 emissions in 2020, disclosing the emissions from Categories 4 and 6 for the years 2019 and 2020. In 2021, the company broadened its disclosures to encompass all relevant Scope 3 categories. After evaluating each category's boundaries and significance, the emissions were calculated for each relevant category. For the year 2022, Valaris is reporting on 10 out of the 15 categories,



the remaining five being inapplicable to its operations. For further details, refer to Data Tables - Table 6.

Other emissions

Valaris tracks other emissions based on the mass of fuel consumed using available emission factors from UK Environmental Emissions Monitoring System (EEMS) and US EPA AP-42. We track nitrogen oxides (NOx), sulfur dioxide (SO₂), volatile organic compounds (VOCs), carbon monoxide (CO), and particulate matter < 10 microns (PM10). Refer to Data Tables – Table 5A for more information.

Carbon Capture and Sequestration

Over the course of 2022 Valaris was involved in varying capacities on several Carbon Capture and Sequestration (CCS) projects:

- The VALARIS Norway was contracted for a work scope which included the drilling of a bore hole for the Northern Endurance Partnership (NEP) in the UK.
- The VALARIS 123, was contracted for the Porthos CO₂ project. The successfully completed contract scope included a workover of a wellbore in preparation for CO₂ transport and storage

offshore the Netherlands. Porthos is projected to store 2.5 million metric tons of CO₂ per year.

- The VALARIS 72 and VALARIS 92 were contracted in the UK for plug and abandonment work on multiple reservoirs potentially suitable for CCS.
- We undertook engineering studies to assess whether retrofits or upgrades of rig equipment is needed for the handling of CO₂.

Biodiversity

Our workplace is the world's oceans, and we operate in most offshore basins around the world to serve our customers. We recognize our operations can affect the flora, fauna, and natural marine environment around us. To protect the marine environment and its biodiversity, we implement measures designed to:

- Manage operational discharges per local and international requirements
- Manage ballast water to prevent the spread of invasive species and preserve natural biodiversity



- Conduct hull or jackup leg cleaning to remove marine growth / biofouling before moving into a new marine environment
- Align with and support customer obligations relating to environmental impact assessments and drilling or environmental permits
- Support customer ‘zero discharge’ projects with rig arrangements and resources
- Prevent spills and marine debris and attempt recovery of items that may be lost overboard

Water and Waste Management

Fresh Water Use

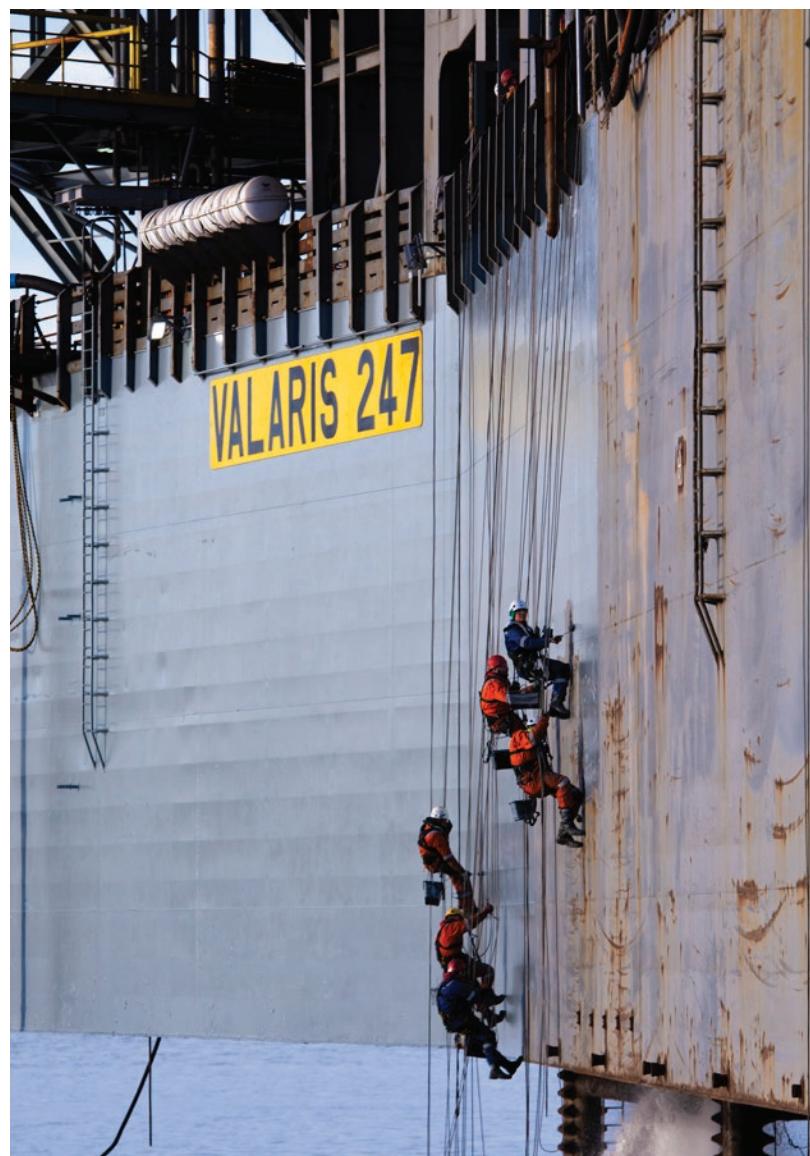
We use fresh water for several functions aboard our rigs including accommodations service, cooking, drinking, maintenance, cleaning, and well drilling and construction activities. Potable water is produced aboard our rigs using desalination units and may occasionally be supplemented by shore-based municipal supply. We do not operate in freshwater environments, nor do we directly extract freshwater from surface or ground water sources. Table 7 provides water use information for drill water and potable water.

The total volume of fresh water used for accommodation is processed through various internationally approved treatment processes, discharged to the sea, and returned to the water cycle.

Discharges to Sea and Spill Prevention

Spills and discharges to sea are significant environmental aspects relating to our drilling operations. We aim to prevent spills to sea and reduce the environmental impact of allowable discharges to as low as reasonably practicable. Discharges to sea are managed per the International Convention for the Prevention of Pollution from Ships (MARPOL), including treatment of bilge water, oily water, and sewage to acceptable levels prior to discharge. To control the spread of invasive species, ballast water is managed per ballast water management plans and is treated through ballast water treatment systems prior to discharge per the Ballast Water Management Convention.

The volume of hydrocarbon spills increased due to a single large event that occurred from a tank failure aboard a stacked rig in the Gulf of Mexico (Data Tables – Table 8). Excluding this single event resulting in the release of 125 barrels of marine diesel oil, our hydrocarbon spill prevention performance was near our 2021 performance level. We also experienced two medium volume releases of salt water/brine totaling 205 barrels while operating off the coast of Australia and one large volume release of 425 barrels of water-based drilling fluid while off the coast of Brazil. These releases were within permitted release allowances but were recorded as reportable events due to their unplanned nature.



We continue to strengthen and reinforce efforts to prevent spills to sea, including:

- Primary and secondary well control arrangements and well control work instructions for each rig
- Requirements for deck and drill floor containment barriers and drains
- Pollutant fluid transfer work instructions
- Treatment system inspection and maintenance
- Requirements for environmentally sensitive valves
- Transfer hose/dry-break connection standardization
- Bilge water management procedures
- Environmental awareness training for all offshore workers
- Valve lineup verification checklists
- Spill readiness and response

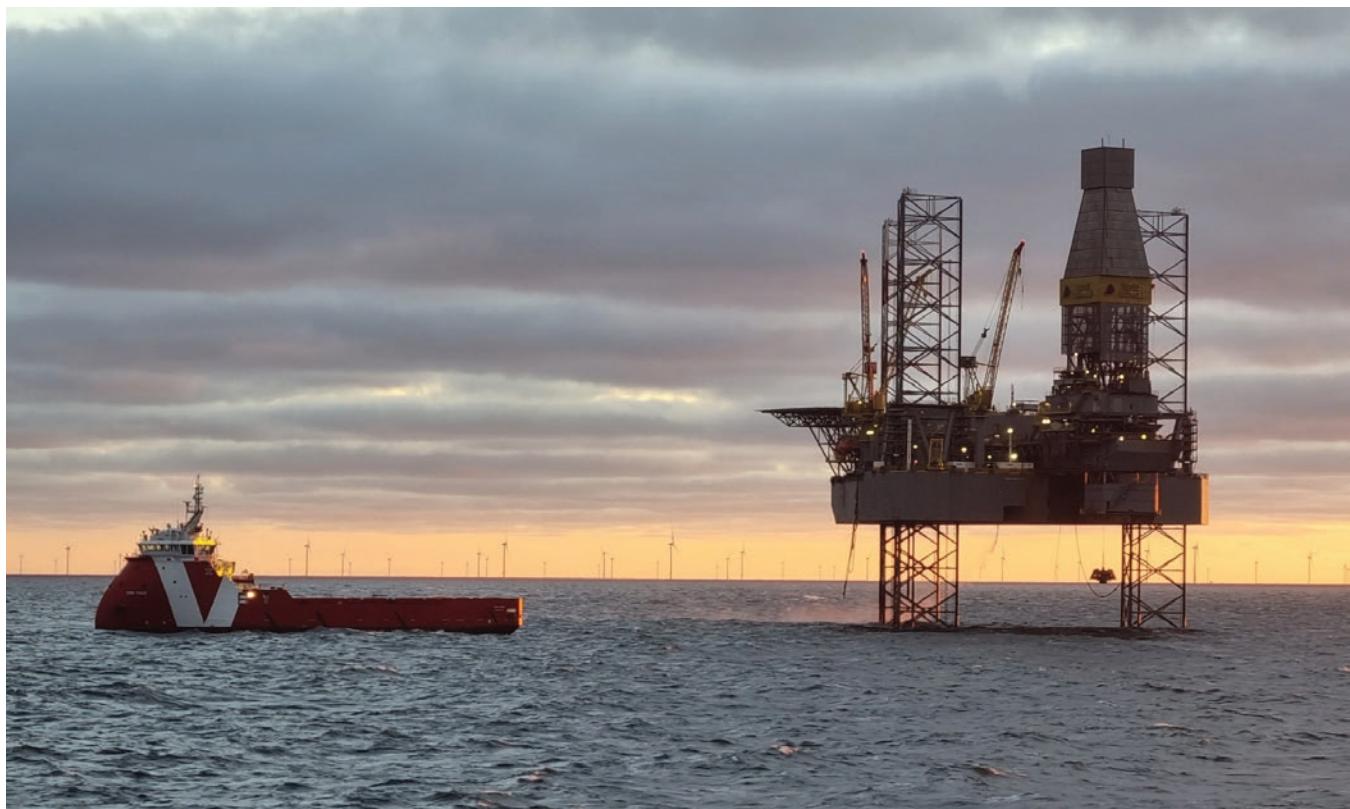
We implement several measures to control the well to prevent loss of containment of formation or well fluids. These include primary well control barriers, secondary well control barriers, well design review, implementation of our Well Control Standard and rig-specific well control work instructions. Well control and other safety and environment-critical

equipment are subject to inspection, testing and maintenance that are tracked through the Valaris Asset Management System (VAMS) to ensure relevant performance standards are met.

We plan for spill emergencies by ensuring our personnel are trained to identify and respond to a spill event before it can escalate. Each rig maintains a Shipboard Oil Pollution Emergency Plan (SOPEP) and we conduct periodic spill drills and exercises to test this plan. Spill response kits are distributed around our rigs in key locations. We interface with customer spill response arrangements and participate in their spill response drills and exercises.

Waste and Responsible Rig Retirement

Minimizing waste from our operations remains a focus to uphold our Stewardship value. General and industrial wastes generated as part of our operations are segregated into separate storage containers, marked, and recorded according to dangerous goods codes and then shipped back to shore for recycling or disposal per local regulatory requirements. The volume or weight of each waste



category are recorded as part of our MARPOL reporting. We are investigating better ways to capture waste generation, recycling, and disposal data to aid the development of improvement objectives.

Our responsible rig retirement process prioritizes repurposing options first. This includes re-using the rig for another purpose or allowing the rig to continue to operate in a non-competitive market after sale. Where repurposing options are not suitable for a retired asset, responsible recycling arrangements are made. This includes conducting a hazardous materials survey prior to transboundary movement of the rig per Basel Convention requirements, use of an approved ship breaking facility following Hong Kong Convention requirements, and certification of completion of recycling per relevant international conventions and regulations. We retired four rigs from the fleet in 2022. Three rigs were sold and continue drilling operations. One rig was sold for scrap, providing approximately 10,000 metric tons of steel for recycling (Table 9).

Chemical Management

Valaris and its customers require the use of an array of chemical products to successfully conduct operations.

We select chemicals based on our needs while seeking to reduce their impact on the environment. For chemicals that have the potential to enter the environment, such as subsea equipment control fluids, we seek to select chemicals with environmentally preferred formulations.

Where opportunities exist to further standardize our chemical purchases with environmentally preferred products, these are evaluated by our internal Rig Standardization Committee.

Environmental Impacts of the Product Portfolio

The environmental impact from our product portfolio is as shown below.

Energy Management and Emission Reduction Efforts

Valaris has several initiatives in place aimed at energy consumption and reducing our emissions.

Initiatives Implemented

- Valaris Intelligent Platform (VIP) has been rolled out to all our active rigs that have compatible systems (only four active rigs do not have

Environmental Impacts of the Product Portfolio	
Criteria	Discussion
Achieving sustainable agriculture and forestry	Continued improvements in our paperless efforts with the use of DocuSign and printing reduction
Conserving water	Contribution: Rigs use onboard water makers to generate potable water, reducing the need for water brought from shore-based surface or groundwater sources
Contributing to sustainable energy use	Use of biodiesel blend on VALARIS 106
Promoting sustainable buildings	Contribution: Corporate headquarters located in an Energy Star Certified and LEED Gold Building
Mitigating climate change	Contribution: Implement technologies, alternative fuels, and supply chain optimization where feasible to reduce carbon footprint Obstruction: Current operations continue to rely primarily on fossil fuels
Optimizing material use	Virtual inventory
Preserving marine ecosystems	Offshore produced waste being sent onshore for responsible recycling
Preserving terrestrial ecosystems	Valaris has limited impact on land use and terrestrial ecosystems. Our primary operations occur offshore. Onshore operations are limited to the use of offices, warehouses, shipyards, and storage yards. We typically use existing developed properties for these purposes, limiting the impact on terrestrial ecosystems

compatible systems). VIP allows for real-time data transmission from critical, power-consuming systems. This enables us to stream sensor data onshore to monitor equipment performance trends remotely, to aid in engineering optimization decision-making, and to study the impacts of other sustainability initiatives. For the four rigs without VIP, Valaris enhanced its operational data collection system (VOS) to gather fuel usage data and calculate daily emissions more accurately.

- Selective Catalytic Reduction (SCR) system has been successfully installed and utilized on the VALARIS 123 reducing our NOx emissions by more than 90% when in operation
- SCR system has been successfully recommissioned and utilized on the VALARIS DS-15 reducing our NOx emissions by more than 85% when in operation
- Front-End Engineering Design (FEED) studies were conducted for our Gusto P10,000 and DSME 12,000 drillships for possible future ABS EHS-E notation enhancements following the success of this upgrade on the VALARIS DS-12
- Implemented reusable collapsible crates for cargo ships to reduce the number of single use wood crates
- Compulsory training on Sustainability in the Oil and Gas industry deployed across all employees

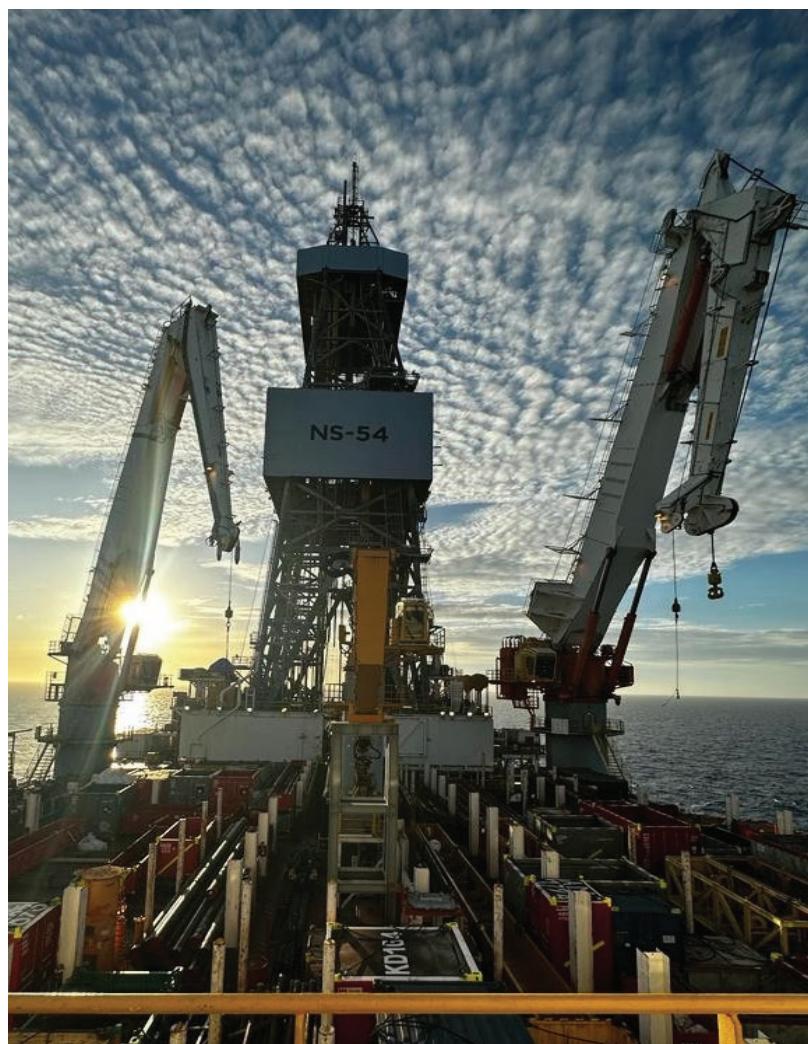
Initiatives in progress

- VALARIS DS-17 ABS EHS-E notation upgrade in preparation for its upcoming program in Brazil
- Installation of fuel meters on DS-17 allowing real time actual fuel consumption
- Development of Valaris fuel management procedure across the fleet
- Sustainability integration campaign intended to incorporate energy efficient practices into our culture

- Continued development of companywide sustainability and ESG training
- Inclusion of fuel consumption as a metric for our Rig of the Year and Rig of the Quarter ranking criteria
- Enhancement of suppliers' ESG due diligence and audit

Environmental Supply Chain Management

In 2023, Valaris' Supply Chain function aims to integrate evaluations of our suppliers' environmental impact into our due diligence process and supplier quality audits. This initiative will provide Valaris with a broader understanding of potential impacts and aid us in reducing our emissions within our value chain.



SOCIAL ASPECTS OF VALARIS

Quality, Health, Safety, and Training & Competency

Quality Management

Valaris' operational and workforce requirements are defined within the Valaris Management System (VMS), which provides a framework of policies, standards, and procedures designed to guide our work processes. VMS is an integrated management system that includes safety management, environmental management, and quality management. VMS is certified to the International Maritime Organization (IMO) International Management Code for the Safe Operation of Ships and Pollution Prevention (International Safety Management Code). VMS is also certificated to ISO 9001:2015 (Quality management systems) and ISO 14001:2015 (Environmental management systems) for Valaris' operations in the United Kingdom. Offshore operations covered by certified management system standards include:

- Environmental management system (ISO 14001 and ISM Code): 58% of active fleet
- Health and safety management system (ISM Code): 26% of active fleet
- Quality management system (ISO 9001): 26% of active fleet

VMS is electronically maintained and controlled, providing employees access to our documentation both onshore and offshore. Features of VMS include:

- VMS is hosted locally on our offshore assets, providing access to our employees even when external communications are interrupted.
- Content changes are highlighted and communicated through a "What's New" icon, visually flagged to help our employees remain aware of new changes and requirements.
- VMS includes translated versions of key management system documents to empower our local workforce.

- All employees are required to complete e-learning covering VMS orientation.
- VMS has an integrated change request process (Management System Improvement Request), offering a feedback mechanism for employees as part of our continuous improvement process. This functionality helps drive ownership of our management system to the workforce, so its requirements reflect our expectations.

Health and Safety Management

Valaris' policies establish our President and Chief Executive Officer's expectations for the entire organization. Our Health and Safety Policy sets the expectation that causing no harm is always our priority while conducting our operations. We seek to control major operational hazards with effective safeguards, and to implement our management system to protect the health and safety of our personnel.

Our Health and Safety Policy is built upon our Safety value, and commits all Valaris employees to keep themselves, their colleagues, and others safe by following all company requirements and applicable laws and regulations. Our Safe Systems of Work helps guide us to complete each job safely and efficiently. Our Health and Safety Policy applies to all Valaris personnel, contractors, and others working at our facilities. All personnel, including contractors, are expected to follow our Safe Systems of Work while performing work.



We implement a behavior-based safety (BBS) program to help build an interdependent safety culture onboard our rigs. We use this

Safe Systems of Work

2022 BBS Program



Behavior based safety program

program to develop safety observation and hazard identification skills, promote stop work authority, and conduct effective safety conversations aimed at resolving unsafe behaviors or conditions through mutually agreed upon solutions. BBS is also used to train crews who may be new to offshore drilling, teaching them to recognize hazardous situations and intervene before an incident may occur.

Personal Safety

Our industry uses Total Recordable Incident Rate (TRIR) and Lost Time Incident Rate (LTIR) to measure the frequency of work-related injuries. Our overall TRIR and LTIR performance in 2022 was disproportionately impacted by Valaris contractors and Valaris agency personnel as indicated in Data Tables, Table 2. Valaris implemented the following initiatives to improve engagement with our contractors, agency personnel and direct new-hire employees.



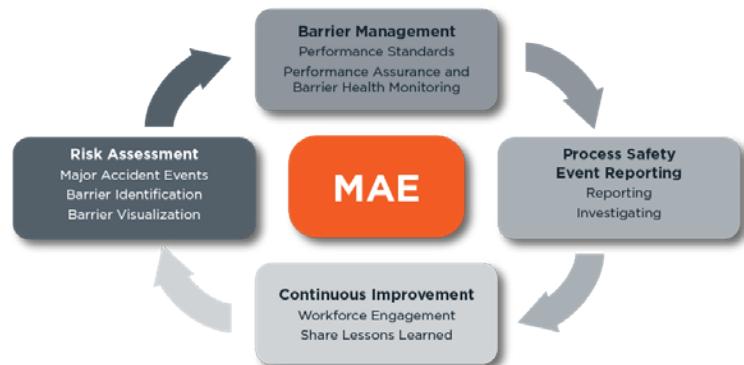
New employees aboard the Basic Training Rig

- To build experience and competency around our key safety practices, Valaris established our Basic Training Rig (BTR) utilizing the Valaris 75 in the Gulf of Mexico. The BTR is a 14-day orientation and rig training program focused on introducing new-hires to the industry and Valaris' Safe Systems of Work.

- Implemented a globally consistent new-hire orientation program.
- Made improvement to our short service mentoring program.
- Continued to progress the BOLD for Supervisors leadership training program throughout 2022, providing leadership tools for our offshore leaders, helping them assess and develop their team's understanding and use of our Safe Systems of Work.

Process Safety

As an integral part of our Enterprise Risk Management process, Valaris seeks to take measures to identify and assess major accident hazards and reduce their risks. Our Corporate Major Accident Prevention Policy sets expectations for organization, culture, operational control, audit, and management review to help prevent and mitigate these potentially catastrophic events. This policy is supported by our Process Safety Standard containing key elements for preventing major accident events including: Risk Assessment, Barrier Management, Process Safety Event Reporting, and Continuous Improvement.



Major accident events

We report nine different types of process safety events through our internal HSE reporting system, which are then investigated to implement corrective and preventive actions and to share lessons learned. Events are classified according to an internal severity matrix based on actual and potential consequences and assigned a severity level from 1 to 5 to calculate a Process Safety Rate (PSR, Data Tables – Table 3).

Our 2022 PSR improved significantly throughout the year with only a single level 3 process safety event brought on by severe weather during a shipyard stay while reactivating a drillship. This event was thoroughly investigated and our findings resulted in improvements being made to our shipyard assessment criteria and dockside mooring analysis.

In 2022, we progressed several initiatives to improve process safety awareness and performance, including:

- Internally developing a barrier health dashboard system that provides real time data on the health of people, property, and process barriers. Once fully tested and deployed, this tool will enable rig leadership to make better-informed operational decisions to prevent, detect, or mitigate major accident hazards.
- Full implementation of our License to Drill program, an assurance process to advance the competency, training, and performance of our Drillers. The program leveraged dynamic data to systematically present information of potential weak or degraded barriers and escalate issues without manual intervention.

Emergency Preparedness and Business Continuity

Valaris has an emergency management system to address effective response to emergency events that could harm people, the environment, assets, company reputation or our license to operate. Emergency events are classified using a severity matrix to define the scope of the emergency and select the appropriate level of response. Emergency response plans are in place and tested on a regular basis.

Business continuity arrangements are also in place to help continue the delivery of services following a disruptive incident. Such arrangements include IT disaster recovery, severe weather, and infectious disease preparedness and response.

Offshore Drills Conducted

7,495 TOTAL



Offshore, our rigs conduct a variety of drills and exercise scenarios to help prepare our offshore crews to respond to various emergency situations. Our Emergency Drills and Exercises Procedure defines more than 25 different drills / exercises to be conducted at various frequencies throughout the year. These drills and defined scenarios are managed through the Drills module of the Valaris Operating System (VOS). Refer to Discharges to Sea and Spill Prevention section for a description of emergency spill response information.



Training and Competency

With the reactivation of four Valaris rigs, approximately 1,660 offshore employees were hired with 1,300 (78%) of them participating in the new “Valaris Offshore New Hire Orientation” launched in 2022. This orientation was developed to introduce these new hires to the industry, Valaris and the “Safe Systems of Work” we have developed to ensure safe and efficient operations. All offshore employees take part in the Short Service Employee (SSE) program during the first three offshore rotations. During the SSE program, new employees are assigned a mentor that helps them develop the competencies required to perform their job offshore.

Over the course of 2022, approximately 211,811 total training hours were completed (68% more than the previous year due to an increase in offshore new hires). Onshore employees completed an average of 11 hours of training per employee (24% eLearning and 76% in-person training) and Offshore employees averaged 47 hours of training (25% eLearning and 75% in-person training). Approximately 25% of this training was conducted by external training providers offshore, 25% was delivered via eLearning, and 50% obtained through shore-based in person training. Health, safety, environmental and emergency response topics make up approximately 85% (approximately 180,000 hours) of total training hours.



Employees taking Enhanced Well Control training

Mandatory training completion across all active employees in 2022 was 95% putting us in the top tier in the industry.

In 2022 we continued to engage our offshore front-line leadership with the BOLD program and expanded it to additional junior supervisory personnel. We successfully trained approximately 650 personnel in 2022 by conducting 2 virtual workshops per month and multiple in-person workshops where English is not the primary language.

In 2022 we delivered 39 Internal IADC WellSharp Well Control courses, providing training to 340 Valaris offshore employees. Providing this critical training internally allows us to control the quality of training delivered and tailor the training so that it is in line with Valaris’ Well Control policies and procedures. We also delivered 39 Internal “Enhanced Well Control” courses, training 186 Valaris offshore employees. This training is critical to ensure that our offshore personnel with Well Control responsibilities can detect any potential issues with the well and keep our offshore crews safe.

Human Capital Management

Recruiting and Retaining Talented Employees

Valaris is dedicated to recruiting and retaining talented employees as a key part of its strategy. The company recognizes that the growth and success



Newly hired employees participate in orientation in Brazil

of its operations depend on the skills and expertise of its employees. To attract top talent, Valaris offers competitive salaries, benefits packages, and opportunities for professional development. The company also fosters a positive and supportive work environment to ensure employees are engaged and motivated. To retain top performers, Valaris regularly assesses employee satisfaction and provides opportunities for advancement within the organization. The company is committed to investing in its workforce, ensuring that its employees have the resources and support they need to succeed and grow in their careers.

Providing Opportunities for Career Development

At Valaris, we place great emphasis on providing opportunities for our employees to advance their careers. That's why we remain focused on employee development and have deployed our Supervisor Leadership program, BOLD (Building Organizational Leadership Development), to over 900 supervisors. BOLD was facilitated by our own employees, who helped demonstrate the importance and power of leadership through a key set of tools built by and for our organization. The program was a great success and will continue to be a valuable tool for future development and engagement of our diverse workforce. Through programs like BOLD, we are committed to helping our employees reach their full potential and achieve their career goals.

Organizational Health and Employee engagement

Organizational health describes an organization's ability to operate effectively, grow sustainably and adapt smoothly to change. Building on our prior years of having Organizational Health as a focus, in 2022 we rolled out a shortened survey to understand how we had measured against the three priority practices we chose in 2021 as well the employee engagement survey.

The scoring of two of the three priority practices increased. Employee engagement also showed a 10% increase, the highest during the three years we have conducted the survey. Employees felt a higher intent to stay and organizational advocacy as well as health increases across work and social engagement.



Supporting our employees physical and mental well-being

Our plan for 2023:

- Review the way we measure organizational health and employee engagement as an organization and implement appropriate changes to our model.
- Work with functional and operations heads of department to implement health actions to increase employee engagement in their areas.
- Continue to engage with our employees through pulse surveys and focus groups.

Employee Wellbeing

As we continue on our wellness journey, we recognize the importance of mental health and emotional well-being along with self-care as part of our overall employee well-being strategy. Using ValarisNOW and digital signage as our platforms to promote employee wellbeing we are able to support our employees in every country where we work. We can also measure the effectiveness and reach of our wellbeing campaigns through the ValarisNOW data analysis tools. We trained 24 employees in mental health first aid and we created a network for sharing resources to further strengthen our mental health awareness activities.

In 2022 our focus was to raise awareness about the help available to employee from wellness action plans,

Employee Assistance Programs, awareness days, videos and links to various resources and support. These were widely followed and saw overall engagement with the posts increase as we progressed through the year.

Separately in the UK we had a number of our rigs participate in a health initiative called RigRun which is held over a number of weeks and encourages teams to increase their physical health by participating in challenges. This not only increases employees' physical health but also their mental health. In addition, each month we encourage employees to participate in healthy activities by publishing a "Let's Get Moving" video compilation with activities such as yoga, meditation, light exercise and mobility.

Our plans for 2023:

- Roll out Mental Health First Aiders in Australia, Brazil and the USA
- Measure the success of our wellness campaigns through campaign dashboards
- Offer Mental Health Champion training to increase our Mental Health Network within Valaris
- Roll out of training for employees and managers on key mental health issues
- Continue with mental health programs onshore and offshore
- Support mental health and wellness appreciation days

Diversity, Equity, and Inclusion

In 2022, we set out our framework and roadmap to promote a culture that furthers Diversity, Equity and Inclusion (DE&I) through the retention, development and employment opportunities of underrepresented talent at all levels of Valaris' workforce.

We established a DE&I Council made up of employees from various fields and backgrounds, whose role is to provide oversight of our DE&I strategy and to champion our standard. As a mature organization, we already support DE&I in most of our policies and procedures but to further this, during 2022, an in-depth review of our existing processes was conducted to identify gaps which were then addressed.

We undertook a global exercise to get a clear understanding of our workforce demographics to provide us with a baseline which is essential in order for us to measure our future progress. We are committed to having a workforce that represents society but recognize that we still have some work to do to fully achieve this.

Our gender diversity is mixed with the following approximate distribution:

Work Location	Male	Female
Onshore	71%	29%
Offshore	99%	1%

Our plans for 2023 include continuing to work to improve our DE&I transparency and awareness through



the development and reporting of DE&I measures, training and the establishment of Resource Groups. These Resource Groups will enable employees who share a similar characteristic to connect, creating a more inclusive and connected workspace. Through awareness training we will help employees understand the value of an inclusive workplace and through positive action, we will take steps to improve equality in the workplace to achieve a closer representation of society.

Community Involvement

Valaris encourages sponsorships, charitable contributions, and volunteer activities that positively contribute to local communities in which we work. In 2022, Valaris and our employees made tremendous efforts to engage and support these communities by coordinating and volunteering at several events and raised money for several charities.

2022 Volunteering & Fundraising Event Highlights:

- Volunteer participation at the fifth Combined Gulf Cancer Conference in Dubai, which aims to unify Gulf efforts to develop the field of health care for cancer patients and raise awareness of best practices in all aspects and stages of disease control.



- Volunteered on two separate occasions at the Houston Food Bank for the Brighter Bites Boxing Project which builds produce orders for schools in Houston and the surrounding areas. This provides exposure to healthy eating habits and promotes better lifestyles.
- A team in Houston participated in the Houston Young Lawyers Foundation - Adopt an Angel gift drive. Team members received wish lists from children from a local elementary school, purchased and wrapped gifts, and delivered them to the organization so these children will know someone is thinking of them this holiday season.
- The Aberdeen team helped AberNeccessities organize and pack essential supplies for children from disadvantaged families.
- The Broussard Warehouse team participated in the Parish Proud Day helping repaint, replenish, and revitalize Girard Park, one of Lafayette's most beloved parks.
- The Houston based Supply Chain team participated in the annual Texas beach cleanup and gathered in Galveston to clean up the beach.
- Through the Kids' Meals Holiday Hope 2022 campaign, Valaris adopted a family in need for the holiday season.
- VALARIS 92 contributed to Leukemia UK.
- During the last festive period, the VALARIS 247 organized raffles for Christmas and New Year raising funds for two charities, Macmillan Cancer Support and Help for Heroes.
- VALARIS 122 sponsored a crew member and raised funds for the Wiltshire Air Ambulance event.
- Volunteered at Target Hunger, a nonprofit organization with the mission to alleviate hunger by providing supplemental, nutritious food to

families and seniors in Houston. Our team had packed 385 boxes of groceries weighing 10,780 pounds for Houston families in need.

- Houston's Buffalo Bayou Park volunteer assignment was to remove an invasive plant, the giant phragmites, a type of bamboo that was the primary invasive plant obscuring view of the bayou between Shepherd and Main St. These "reeds" were used by the native Caddo people to build structures called a Mudhif around 1,200 years ago just west of Nacogdoches. With the support of the Caddo Nation, Archeology Now is rebuilding a traditional grass house in Houston



using the phragmites we removed from the park, like the ones they are also building at the Caddo Mounds State Historic Site.

Human & Indigenous Rights

Our Code of Conduct and Code of Conduct training provide guidance on identifying and reporting human rights abuses (such as child labor, forced labor, or human trafficking) in our operations or those of our business partners.

Valaris is committed to protecting human rights and treating people with dignity as set out in our Code of Conduct.

Social Supply Chain Management

Supplier risk management is a key control and focus area for Valaris. We evaluate our third parties throughout our relationship with them, beginning with the due diligence process.

All suppliers, including those that act on our behalf with government officials (intermediaries), are required to abide by the U.N. Global Compact, the U.N. Universal Declaration of Human Rights, and the 1998 International Labor Organization Declaration on Fundamental Principles and Rights at Work. We screen our suppliers regularly against restricted party lists and require them to have principles and codes of conduct that align with ours, and to execute appropriate compliance language in our contracts.



Under our policies, prospective intermediaries are to be risk assessed on a three-tiered matrix basis, with increased levels of due diligence and approval based on risk. The intermediary assessment has multiple factors, including type of services provided and country of operations.

Our intermediaries go through a rigorous onboarding process that includes completion of questionnaires geared toward identifying potential red flags, and pre-screening for sanctions and negative media coverage. We require audit rights from our intermediaries, and we complete further enhanced due diligence for our proposed joint venture relationships. Ongoing monitoring throughout the relationship with an

intermediary is key to confirming compliance. Monitoring includes:

- heightened invoice review requirements
- audits based on our multi-factor internal risk audit plan assessments
- annual compliance certifications
- periodic in-person or online trainings required for higher-risk intermediaries
- periodic renewal of due diligence for higher-risk intermediaries



GOVERNANCE

Board Oversight

The Board seeks to provide effective governance over the Company's affairs for the benefit of Valaris' shareholders, employees, customers and other stakeholders and endeavors to regularly review and evolve its practices and structure.

38% of the Valaris Board's directors are diverse, including the female chair of the Board and all current directors are independent under New York Stock Exchange standards, except for our President and Chief Executive Officer. The Board maintains five chartered standing committees to support the execution of its responsibilities: an Audit Committee, Nominating and Governance Committee, Compensation Committee, Strategy Committee, and ESG Committee. The Audit, Compensation, ESG, and Nominating and Governance Committees are chaired by independent directors.

Our Corporate Governance Policy tasks the Nominating and Governance Committee with assessing the appropriate mix of skills and characteristics required of Board members in the context of the perceived needs of the Board. Diversity in personal background, ethnicity, gender, sexuality, age, and nationality may be taken into account favorably in considering director candidates.

The Board and its committees are actively involved in the oversight of risks that could impact the Company. The Board oversees the management of enterprise-wide risks, such as those related to macroeconomic and

market conditions, commodity prices, strategic decisions, significant operating risks, and disruptions.

Through its ESG Committee, the Board is responsible for providing oversight and guidance with regards to environmental, social and governance matters, including ESG risks and opportunities, and for reviewing the Company's Sustainability Report. In addition, the Nominating and Governance Committee identifies director candidates who have ESG experience to serve on the Board. The Board appointed two new members to the ESG Committee in 2022 who bring new and diverse perspectives on managing ESG risk. The Audit Committee reviews quarterly and annual financial reports which include certain climate risk disclosures impacting our business. The Compensation Committee monitors compensation metrics tied to ESG performance namely spill prevention and personal and process safety performance.

Our governance practices provide for strong independent leadership, independent discussion among directors, independent evaluation of, and communication with, members of senior management and independent oversight of the Company's operational, fiscal and risk management activities. These governance practices are reflected in our Corporate Governance Policy and the committee charters, all of which are available on our website.

Executive Management Compensation

Valaris further aligned compensation with ESG performance by setting a personal safety, process safety and spill prevention performance component of our short-term incentive plan for 2022. The ESG metric, Spill Prevention Performance, is based on measuring the volume of hydrocarbon and non-hydrocarbon discharge in the course of operations, normalized against 200,000 employee-hours worked, and considers the impact of the type of substance released.

Our executive compensation program is overseen by the Board Compensation Committee, composed of independent directors. The following compensation philosophy and objectives guide its approach.



Compensation Philosophy and Objectives

We design our compensation programs to accomplish the following primary objectives:

- Attract, retain and motivate highly qualified individuals capable of leading us to achieve our business goals.
- Pay for performance by placing a substantial majority of our executive officers' pay at risk and subject to the Company's achievement of operational, financial and ESG goals; and
- Ensure alignment with shareholders through an emphasis on long-term equity-based compensation, share ownership guidelines and associated holding requirements.

Consistent with these objectives, most of our executive compensation is variable and tied to specific ESG goals among others. These targets include safety, financial, operational, and strategic metrics determined based on our business priorities and market conditions.

Key Elements of Our Compensation Program

Executive officer compensation is composed of three principal components: base salary, annual cash bonuses under the Valaris Cash Incentive Program (VCIP), and long-term equity incentive awards under the Valaris Limited 2021 Management Incentive Plan (MIP), each of which contribute to the accomplishment of our compensation program objectives.

Other Executive Compensation Matters

Share Ownership Guidelines

Under our share ownership guidelines, which are intended to further encourage accumulation of share ownership, executive officers, within five years of being appointed to their position, are required to own shares having a value of at least:

- CEO: 6x base salary
- SVPs: 2x base salary
- Vice Presidents: 1x base salary

The guidelines are included in our Corporate Governance Policy.

Element		Primary Goals of our Executive Compensation Program		
		Attract/ Retain/ Motivate	Pay for Performance	Shareholder Alignment
Base Salary	Provides a fixed, market level of base compensation	•		
Annual Bonus	Provided under the VCIP Earned based on achievement of specified annual financial, operational, safety, environmental and strategic team goals	•	•	•
Long-Term Equity Incentives	Executive officer awards are provided under the MIP through a combination of: <ul style="list-style-type: none"> • Time-based restricted share units (RSUs); and • Performance share units (PSUs) RSUs generally vest over a three-year period, with settlement of vested units deferred until the end of such period PSUs are earned based on the attainment of challenging performance targets set by the Compensation Committee	•	•	•

Clawbacks and Award Disqualifications

We have clawback and award disqualification provisions in our MIP and VCIP. Using this authority, the Compensation Committee may seek to claw back equity incentive awards under any clawback policy adopted by the Company or reduce the size of cash incentive awards for executive officers who violate our Code of Conduct or in the case of financial restatements.

Hedging Policy

We have a Securities Trading Policy that specifically prohibits directors, NEOs and any employee deemed to have material non-public information from (i) short selling the Company's shares, (ii) engaging in hedging transactions of any kind related to our securities, and (iii) purchasing shares through a margin account.

Pledging Policy

We have a policy prohibiting officers and directors from pledging Company shares. The Compensation Committee requires that the officers and directors confirm annually that they do not hold shares subject to a pledging arrangement. None of our officers or directors hold shares subject to a pledging arrangement.

Executive Compensation Best Practices

We employ the best practices shown below to appropriately align compensation with our program philosophy and objectives, promote good corporate governance, and align shareholder and executive interests.

Result of the 2022 Advisory Vote on Executive Compensation

At our 2022 Annual General Meeting of Shareholders, approximately 95% of the votes cast were in favor of our named executive officers' compensation.

Roles of the Compensation Committee and Compensation Consultant

The principal functions of our Compensation Committee, as set forth in its charter, are to:

- review and approve executive compensation independently or, with regards to our CEO, in conjunction with the non-employee members of the Board
- review and approve any significant changes to the Company's compensation structure and various benefit plans
- oversee the administration of the Company's incentive-compensation and equity-based compensation plans, including the corporate goals and objectives applied to the compensation of the Company's executives
- oversee the compliance with SEC rules and regulations governing executive compensation
- periodically evaluate the compensation for non-employee members of the Board and recommend any changes

Executive Compensation Best Practices

What We Do	What We Don't Do
Majority of pay at-risk, based on company performance metrics and creation of long-term shareholder value	Permit the pledging of Company stock
Executive and director share ownership guidelines (at least a 6x base salary multiple for our CEO)	Permit the hedging of Company stock
Minimum holding periods for equity interests of the Company until share ownership guidelines are met	Excise tax gross-ups upon a change-in-control
Independent compensation assessment	Guarantee salary increases
Annual compensation risk assessments	Offer many executive perks
Deferred settlement of awards for executives	No single trigger cash severance benefits upon a change in control

In carrying out its responsibilities for establishing, implementing and monitoring the effectiveness of our general and executive compensation philosophy, plans and programs, our Compensation Committee relies on outside experts to assist in its deliberations. The Compensation Committee's independent compensation consultant is currently Lyons, Benenson & Company Inc. (LB&Co). For 2022, LB&Co was engaged by the Compensation Committee to provide advice regarding:

- Compensation philosophy and best practices
- Peer group composition
- Compensation program design
- Competitive compensation analyses for executive officers and non-executive directors.

Compensation Benchmarking

We compete for executive-level talent with companies primarily in the energy industry, and particularly in the drilling and oilfield services sector. To provide guidance to the Compensation Committee, comparative pay data is obtained from several sources, including industry-specific surveys and compensation peer group data compiled by LB&Co. The Compensation Committee, with advice from LB&Co, annually reviews the composition of the peer group used for compensation benchmarking to ensure that it continues to provide an appropriate reference point in terms of the business focus and financial size of the constituent companies.

Ethics

Code, Policies, and Procedures

Our Ethics and Compliance Policy and our Code of Conduct form the foundation of our Compliance and Ethics Program. They set forth our values and provide guidance on living out our Integrity and Respect values. Our offshore and onshore employees have access to the Code of Conduct in nine different languages.

The Code of Conduct is reviewed and approved by our Board on a periodic basis. To further support our Respect and Integrity values as well as enhance our anti-corruption efforts, we have policies prohibiting corruption, bribery (including facilitation payments), money laundering, retaliation, and reprisals for raising

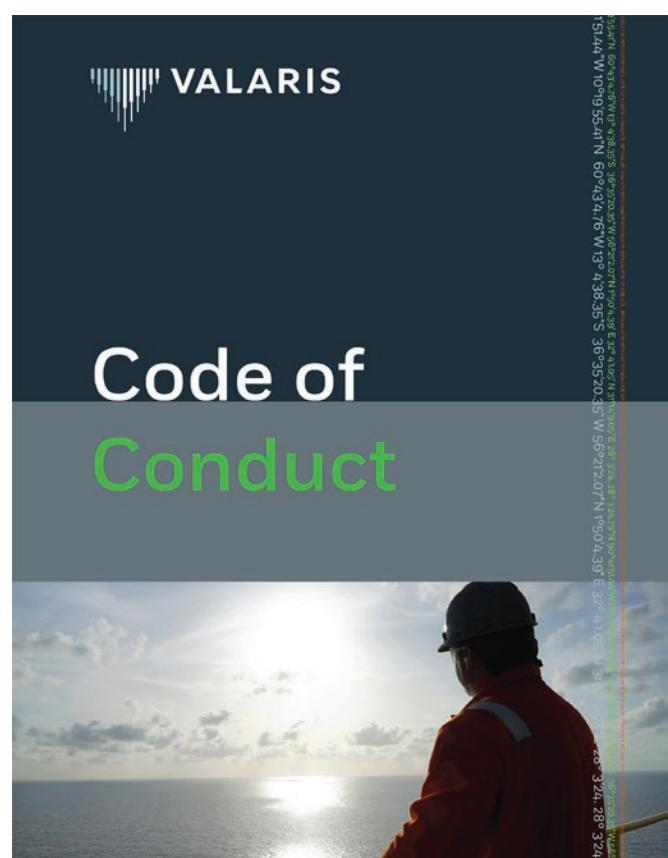
concerns, including those related to worker rights, working conditions, mistreatment, fraud, and misconduct. We require accurate bookkeeping and records for ourselves and our suppliers. We also have procedures governing intermediaries, restricted party screening, trade compliance, social and digital media, import and export controls, and other topics.

We strive to responsibly manage our records and information through policies and procedures for personnel as well as through technology.

Through our Equal Employment Opportunity procedure, we acknowledge our employees' freedom of association through trade unions, collective and employee bargaining agreements. Where applicable, the Company expects to engage with local representative bodies and follow the due process as per local regulations.

Anti-Bribery and Preventing Corruption Policy

Our Compliance and Ethics Program is designed to support the Company's management of regulatory risks



in the jurisdictions in which we operate, with a focus on anti-corruption and trade compliance.

Consistent with our value of Integrity, our Code of Conduct is clear that we do not tolerate any form of bribery or corruption. Valaris does not offer or accept bribes or kickbacks in any form and does not tolerate corruption in connection with any business dealings. Our expectations extend to business partners, including suppliers, contractors, and other intermediaries, particularly for those representing Valaris when interacting with government officials. These intermediaries are vetted through extensive initial due diligence and are regularly monitored and recertified annually.

Valaris defines bribery to include offering, promising, giving, or authorizing payment of anything of value to someone to retain business or secure an improper advantage. Anything of value is broader than just monetary payments and includes goods, services, and non-cash benefits or advantages. Neither gifts, travel, entertainment, sponsorships, nor charitable contributions may be used to improperly influence a decision, or be provided in exchange for business, services, or confidential information. Direct and indirect bribery payments are prohibited, same for bribes made through third parties such as brokers and agents. Valaris also prohibits facilitation payments. A facilitation payment is a small payment or item of value to a Government Official to expedite or secure the performance of routine actions (such as issuing licenses, clearing goods, or securing permits) that the official is already obliged to provide.

Refer to Data Tables – Table 11 for more information.

Doing Business Right

How we do business is as important as what we do. Our Compliance & Ethics Program includes components derived from the Foreign Corrupt Practices Act (FCPA), U.S. Federal Sentencing Guidelines, and U.K. Bribery Act describing the parameters of an effective compliance and ethics program. Led by the Chief Compliance Officer who reports to the General Counsel, the Compliance & Ethics team consists of experienced lawyers and other professionals dedicated to compliance and ethics work. The Compliance Committee, an executive management-level governance body comprised of at least six

members, helps drive and coordinate our compliance and ethics activities. It hosts several subcommittees to support its efforts including subcommittees addressing intermediary risks and investigations. To provide for the highest level of visibility and independence, the Compliance & Ethics Program is overseen by the Audit Committee of the Board with the active and consistent support of the Compliance Committee.

We periodically assess our Ethics & Compliance program and performance to measure our effectiveness against best practices and changing business environments. We leverage audits, surveys, and other tools as part of our assessment processes.

The Compliance & Ethics team conducts an annual multi-factor risk assessment to determine the highest risk areas for the Company. Based on this risk assessment and a variety of other considerations, each year, we select intermediaries for compliance audits and follow-up on recommendations resulting from that work. Additionally, company audits are performed annually by both the Internal Audit and Compliance & Ethics function and include testing of the effectiveness of Valaris' Entity-Level Controls (ELCs) covering training and adherence to the Valaris Code of Conduct, Anti-Corruption Compliance standard, and other ethics-related procedures and requirements.

Compliance & Ethics is also a component of our annual Enterprise Risk Management (ERM) assessment process and system. We use the collected data from our sources to inform how we improve our programs, including our training and communications, controls, and other program elements.

Compliance Training and Communications

Valaris maintains a robust compliance and ethics training and awareness program that includes core compliance training for all employees, targeted compliance training, and regular communications. All directors, employees and full-time contractors are required to complete annual compliance training.

We track employee, director, and contractor affirmations that they read, know, and comply with the principles in the Code of Conduct while performing their work for Valaris. We require all

employees to complete annual online training covering Code-related topics, including:

- Anti-Corruption & Working with Third Parties
- Safeguarding Information
- Workplace Behavior
- Gifts, Travel, and Entertainment & Business Practices
- Conflicts of Interest
- Reporting

Targeted trainings address topics such as invoice review, trade compliance, human trafficking, gifts, travel and entertainment, conducting internal investigations, and antitrust matters. Our targeted training courses are designed to provide in-depth training to employees in gatekeeper roles. We continue to expand our library of targeted courses each year.

The Compliance and Ethics team creates regular newsletters, maintains tool kits, and issues other relevant employee communications regarding compliance and ethics matters.



Conflict of Interest Policy

Our Code of Conduct directs employees to “report situations that could be or appear to be a conflict in line with Company guidelines”. Employees can report any potential or actual conflicts of interest by completing a disclosure form on the Company’s online portal hosted by our third-party provider: www.COvalaris.ethicspoint.com. The conflict categories include but are not limited to:

- Business relationship with close relatives or friends
- Family relationship with a government official
- Investments outside of the Company
- Membership on Board of Director of outside entities
- Outside employment or consulting services

As part of the annual online Code of Conduct training, employees are required to certify they have reported any potential or actual conflicts in our third-party reporting system. As part of the onboarding process, new employees are required to certify that they have reported any potential or actual conflicts on the portal as required by our Code of Conduct.

Compliance team members receive notification of each submission and evaluate the information. Additional investigative steps (e.g., interviews) may be conducted as necessary to determine if a potential or actual conflict exists. If a conflict does exist, Compliance will recommend mitigating steps to the employee, appropriate personnel in HR, and / or Head of Department or take other action deemed necessary to address the conflict. Mitigation plans will ensure that appropriate measures are implemented to demonstrate full transparency, eliminate or minimize the conflict, and ensure administrative and operational needs are not compromised.

Reporting and Investigation Process (Whistleblower Program)

We aim to create a working environment for our employees, contractors, and third parties that reflects our core values, including Respect and Integrity. In support of these aims, we provide multiple avenues for employees

and third parties to raise questions or concerns about our business practices.

Questions and concerns can be raised to managers, our designated person ashore, human resource business partners, the Compliance and Ethics team, any member of the Board, or anonymously through our confidential hotline system “Whistleblower Program”. Our hotline is available 24/7, in multiple languages by phone or web to employees, contractors, business partners, stakeholders and all third parties.

Valaris takes allegations of wrongdoing seriously. All allegations are managed by the Compliance and Ethics team with oversight by executive management and the Board of Directors. Valaris conducts fair and impartial investigations into reports of inappropriate or unethical conduct. We take appropriate action to address Code of



Speak Up

Are You Aware Of Unethical Conduct?

- | | |
|-------------------------|------------------------|
| ■ Bribery | ■ Theft |
| ■ Conflicts of Interest | ■ Safety Violations |
| ■ Fraud | ■ Discrimination |
| ■ Harassment | ■ Any other violations |

Go to www.valaris.com/responsible to file a report online or by phone.



You also may call collect to **1-704-731-0181** if your country is not listed on the website or you are calling from a rig.

24 HOURS A DAY, 7 DAYS A WEEK, 365 DAYS A YEAR

The hotline is administered through an independent company. Reports are confidential and may be made anonymously. Valaris has a strict non-retaliation policy to protect those who report concerns in good faith.

May 14-2019 POSTERCOMPLIANCE

Conduct violations and will contact legal authorities when warranted. Employees and representatives who violate the Code of Conduct are subject to appropriate discipline (including termination).

The Chief Compliance Officer reports on the Company’s compliance program to the Audit Committee on a quarterly basis. This includes a report on all investigations as well as various key performance indicators for the investigation program, such as the number of reports received, the type of allegations, the outcome, and measures taken to address the issue.

Valaris does not tolerate retaliation in any form. Examples of retaliation include termination, demotion, or transfer, threats, exclusion, intimidation, humiliation, bullying, or other harmful acts to an individual who has raised a concern. Valaris provides clear guidelines in the Code of Conduct (available to all employees and third parties) regarding why and how to speak up and confirming our zero-tolerance policy for retaliation.

Risk Management

Valaris has several key procedures and processes to identify and manage catastrophic risks. These include but are not limited to:

- Emergency and Business Continuity Management Standard ST-CO-HSE-001,
- Risk Management Standard, including Enterprise Risk - ST-CO-EXEC-002 and,
- Process Safety Standard - ST-CO-HSE-011.

We tactically manage the use of our Operational Assurance Standard (Protocols) - ST-CO-HSE-900 and have specific protocol to check and verify our emergency response capabilities. As a company, we transparently report, investigate, and monitor the performance of Process Safety (major accident hazards) with a Key Performance Indicators Process Safety Rate (PSR).

Cybersecurity & Data Privacy

Valaris is committed to protecting the cybersecurity and data privacy of our stakeholders. We understand the importance of safeguarding personal and sensitive information and have implemented robust security

measures to protect against unauthorized access, use, disclosure, and destruction of data. With the ever-increasing demand for data sharing and remote access driving more complex and sophisticated technologies, Valaris and the industry face increased cyber risks. For Valaris this means protecting both our Information Technology (IT) and Operations Technology (OT) ecosystems.

Following the U.S National Institute for Standards and Technology (NIST) cybersecurity framework, the IT department at Valaris looks after both the IT and OT facets of cybersecurity with a dedicated team by:

- Establishing and maintaining Valaris' security vision, strategy, and program to protect Information Technology and Operations Technology assets
- Establishing company-wide policies and procedures



- Designing and rolling out our cybersecurity training program in both a generic and focused manner
- Patching/updating systems and following best practices
- Working closely with Internal Audit to assess cybersecurity risks on a yearly basis
- Constantly testing our workforce with phishing simulations
- Reporting to the Audit Committee of the Board of Directors on a quarterly basis
- Preparing and rehearsing incident response plans
- Testing and deploying new cybersecurity technologies at scale
- Working closely with our customers
- Working closely with our OEMs (Original Equipment Manufacturers)
- Chairing the Cybersecurity Committee at the IADC.

Management of the Legal & Regulatory Environment

As a global offshore drilling company, our operations are affected by political initiatives, laws and regulations affecting the energy industry in the jurisdictions where we operate. These include initiatives that address or curtail exploration and development drilling for economic, safety, or other policy reasons and initiatives that control the discharge of materials into the environment, pollution, contamination and hazardous waste disposal or otherwise relating to the protection of the environment. The risks and opportunities these regulations and policies present to our business are described in detail in our publicly available annual and quarterly reports with the U.S. Securities and Exchange Commission. See "Item 1A. Risk Factors" in Part I and "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II of our annual report on Form 10-K for the year ended December 31, 2022, which is available on the U.S. Securities and Exchange Commission website at www.sec.gov.

APPENDICES

Appendix A - SASB Index

TOPIC	ACCOUNTING METRIC	CODE	RESPONSE
Emissions Reduction Services & Fuels Management	Total fuel consumed, percentage renewable, percentage used in: (1) on-road equipment and vehicles and (2) off-road equipment	EM-SV-110a.1	Table 5A
	Discussion of strategy or plans to address air emissions-related risks, opportunities, and impacts	EM-SV-110a.2	Environmental Stewardship
	Percentage of engines in service that meet Tier 4 compliance for non-road diesel engine emissions	EM-SV-110a.3	Not Applicable; Table 5A
Water Management Services	(1) Total volume of fresh water handled in operations, (2) percentage recycled	EM-SV-140a.1	Table 7
	Discussion of strategy or plans to address water consumption and disposal-related risks, opportunities, and impacts	EM-SV-140a.2	Environmental Stewardship
Chemicals Management	Volume of hydraulic fracturing fluid used, percentage hazardous	EM-SV-150a.1	Not applicable. Valaris' customers manage hydraulic fracturing fluid.
	Discussion of strategy or plans to address chemical-related risks, opportunities, and impacts	EM-SV-150a.2	Environmental Stewardship
Ecological Impact Management	Average disturbed acreage per (1) oil and (2) gas well site	EM-SV-160a.1	Not applicable, offshore operations.
	Discussion of strategy or plan to address risks and opportunities related to ecological impacts from core activities	EM-SV-160a.2	Environmental Stewardship, TCFD Framework
Workforce Health & Safety	(1) Total recordable incident rate (TRIR), (2) fatality rate, (3) near miss frequency rate (NMFR), (4) total vehicle incident rate (TVIR), and (5) average hours of health, safety, and emergency response training for (a) full-time employees, (b) contract employees, and (c) short-service employees	EM-SV-320a.1	Table 2
	Description of management systems used to integrate a culture of safety throughout the value chain and project lifecycle	EM-SV-320a.2	Social Aspects of Valaris
Business Ethics & Payments Transparency	Amount of net revenue in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	EM-SV-510a.1	Table 11
	Description of the management system for prevention of corruption and bribery throughout the value chain	EM-SV-510a.2	Governance
Management of the Legal & Regulatory Environment	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	EM-SV-530a.1	Governance; Annual Report on Form 10-K for the year ending Dec. 31, 2022.
Critical Incident Risk Management	Description of management systems used to identify and mitigate catastrophic and tail-end risks	EM-SV-540a.1	Governance

Appendix A - SASB Index (continued)

ACTIVITY METRIC	CODE	RESPONSE
Number of active rig sites	EM-SV-000.A	Table 1
Number of active well sites	EM-SV-000.B	Table 1
Total amount of drilling performed	EM-SV-000.C	Table 1
Total number of hours worked by all employees	EM-SV-000.D	Table 1

Appendix B - TCFD Framework Index

PILLAR	TOPIC	DISCLOSURE
Governance	(a) Describe the boards oversight of climate	Page 8
	(b) Describe management's role in addressing climate related risks and opportunities	Page 8
Strategy	(a) Climate-related risks and opportunities	Page 8, 9
	(b) Impact of climate-related risks and opportunities on the organization	Page 8
	(c) Resilience of the organization's strategy	Page 8, 9
Risk Management	(a) Describe the organization's processes for identifying and assessing climate-related risks and opportunities	Page 8
	(b) Describe the organization's processes for managing climate-related risks	Page 9, 10
	(c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management	Page 9, 10
Metrics & Targets	(a) Disclose the metrics by the organization to assess climate related risks and opportunities in line with its strategy and risk management process	Page 10, 11, 12
	(b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas emissions and the related risks	Page 13
	(c) Climate-related targets and performance	Page 12

Appendix C - GHG Assessment Details

Base Year:	2019		
Consolidation Approach:	Operational Control	Materiality Threshold:	1%
Assessment Methodology:	WBCSD/WRI, 2004. Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) and Corporate Value Chain (Scope 3) Standard. Additional emission factors from the UK EEMS Atmospheric Emissions Calculations and US EPA AP-42.		
Organizational Boundary:	Applicability		Organizational Boundary
	Within Valaris Organizational Boundary		All rigs, offices, warehouses, and shore bases owned or operated by Valaris, regardless of the subsidiary or legal entity under which the facility is registered. Rig(s) operating under the ODENL joint venture.
	Outside of Valaris Organizational Boundary		Rigs or facilities owned by or leased to the ARO Drilling JV. Valaris maintain a 50/50 unconsolidated joint venture in ARO Drilling. These rigs are not under Valaris' operational control for Scope 1 or Scope 2. Emissions from these rigs are Scope 3, Category 13 (rigs leased to ARO) and Category 15 (rigs owned by ARO). Managed operations where Valaris provides drilling crews and other services on customer-owned production / drilling platforms. Operational control of the facility is retained by Customer.

Appendix D - Data Tables

TABLE 1: FINANCIAL AND ACTIVITY METRICS		2019⁵	2020	2021	2022
Operating Revenues	\$ Million USD	2,053.2	1,427.2	397.4 835.0 ⁶	1,602.5
Number of active rig sites¹	#	18 / 38 / 2	12 / 36 / 2	6 / 25 / 2	10 / 24 / 2
Number of active well sites²	#	234	160	218	276
Total drilling performed	Meters	737,065	561,674	427,920	540,334
Total operating days³	Days	16,567	11,824	9,515	10,596
Total hours worked⁴	Hours	21,280,165	15,181,933	12,567,255	14,405,583

1. Number of rigs active and on contract at any point during the year (floaters/jackups/managed).
2. Count includes all wells worked, regardless of depth or service provided. Includes each well from multi-well drilling locations.
3. Total operating days are days in which a rig recorded less than 12 hours of IADC Code 21.070 (off-contract or otherwise idle).
4. Includes work hours for Valaris, Valaris Agency, and Valaris Contractor personnel (excludes customer and customer third party).
5. Data for 2019 accounts for full-year data for both legacy companies.
6. Revenue for 2021 shown as four months ended April 30 then eight months ended December 31 due to bankruptcy financial disclosure requirements.

TABLE 2: PERSONAL SAFETY PERFORMANCE ¹	2019	2020	2021	2022
Total Recordable Incident Rate (TRIR) - Per 200k work hours				
All Valaris Personnel ²	0.36	0.51	0.38	0.57
Valaris Contractor / Agency Personnel ³	0.24	0.43	0.83	1.20
IADC – Offshore Drilling Industry ⁴	0.37	0.29	0.31	0.36
Lost Time Incident Rate (LTIR) - Per 200k work hours				
All Valaris Personnel ²	0.07	0.09	0.08	0.11
Valaris Contractor / Agency Personnel ³	0.07	0.07	0.06	0.15
IADC – Offshore Drilling Industry ⁴	0.11	0.07	0.09	0.09
Work-Related Fatalities				
All Valaris Personnel ²	0	0	0	0
Valaris Contractor / Agency Personnel ³	0	0	0	0
Rig Performance				
Rigs with zero recordables⁵ - # (% of active fleet)	32 (55%)	31 (62%)	20 (61%)	15 (43%)

1. Valaris does not record a total vehicle incident rate (TVIR) as we do not operationally control a fleet of motor vehicles.
2. Valaris' incident rates include all worldwide operations, onshore and offshore, and include Valaris employees, agency personnel, and Valaris Third Party contractors. Comparison to IADC rates includes only "Water" category from [IADC Incident Statistics Program](#).
3. Contractor/agency personnel include personnel onboard from labor agencies fulfilling a Valaris role and Valaris third party contractors performing a service for Valaris. This data is a subset of All Valaris Personnel above.
4. International Association of Drilling Contractors – Offshore Industry Rate calculated from [IADC Incident Statistics Program](#) "Water" category for offshore operations.
5. Active rigs that recorded work hours and did not sustain a recordable injury/illness during the year.

TABLE 3: PROCESS SAFETY PERFORMANCE	2019	2020	2021	2022
Process Safety Rate (PSR)¹	Per 200k work hours	0.19	0.07	0.21
SECE WO on-time completion²	%	97.9	97.6	98.1

1. Process Safety Rate = (Weighted Value Based on Severity Level) * 200,000 / Work Hours
2. SECE WO = Safety and Environmental Critical Equipment Work Order. Preventive and predictive work orders assigned to equipment with a safety criticality of 4 or 5 within the Valaris Asset Management System (VAMS).

TABLE 4: OPERATIONAL ASSURANCE PROGRAM (OAP) ACTIVITY		2019	2020	2021	2022
External Audit (Level III) Activity	#	N/A	98	185	270
Core Value Team Audit (Level II) Activity¹	#	N/A	87	240	284
Regional Audit Activity (Level I)²	#	N/A	165	415	567
Oversight Activities	#	N/A	N/A	852	1704
Self-Verification Activities³	#	N/A	N/A	17,143	22,838

1. Includes the number of OAP Protocols and Critical Area Verifications completed by the Core Value Team during rig audits.
2. Includes the number of OAP Protocols completed by regional operations and QHSE personnel.
3. Includes the number of OAP self-verification Barrier Authority Checks and Critical Area Verifications conducted by offshore personnel.

TABLE 5A: EMISSIONS AND ENERGY CONSUMPTION		2019 (Base Year)	2020	2021	2022
Total CO₂e¹ Scopes 1 & 2	metric tons CO₂e	985,058	731,738	553,722	642,548
Scope 1 Direct GHG Emissions^{2,3}	mt CO ₂ e	970,569	717,050	540,639	628,597
CO₂	mt	944,868	696,992	516,047	592,849
CH₄	mt	127	94	70	80
N₂O	mt	8	6	4	5
HFCs (Refrigerants)	mt CO ₂ e	20,109	15,929	21,533	32,235
Scope 2 Indirect GHG Emissions⁵	mt CO ₂ e	14,489	14,687	13,083	13,951
Energy Consumption					
Fossil Fuel - Marine Gas Oil^{6,8}	mt	295,190	217,489	170,634	187,058
Fossil Fuel - Propane	mt	NA	NA	1.7	1.0
Biofuel - 100% Biodiesel⁶	Mt	1,070	1,317	1,514	1,082
Electricity	mWh	28,460	23,793	20,878	22,956
Total Energy Consumption⁷	terajoules	12,797	9,461	7,067	7,724
Other Emissions⁴					
NO_x	mt	17,598	12,997	10,226	11,733
SO₂	mt	1,185	875	689	790
CO	mt	4,651	3,435	2,703	3,101
VOC	mt	593	438	344	395
Particulate Matter (PM10)	mt	328	242	190	218

1. Total CO₂e is the amount of CO₂ equivalent (CO₂e) emissions from Scope 1 and Scope 2 sources. Scope 3 emissions are excluded from this total (see Table 6). We use IPCC Fifth Assessment Report (AR5) values to calculate CO₂e.
2. Scope 1 refers to direct emissions from fuel consumption and refrigerant emissions. Fuel consumption emission factors are from the WBCSD/WRI, 2004 Greenhouse Gas Protocol. Refrigerant emission factors are from IPCC AR5 and ANSI/ASHRAE Standard 34. CH₄ and N₂O are reported in absolute metric ton. Their CO₂ equivalent figures for year 2022 are respectively 2,241 and 1,272 mt CO₂e.
3. Some of our customers consider emissions from drilling rigs as part their own Scope 1 emissions. In 2022, we estimate that at least 50% of our Scope 1 emissions could also be reported by those customers as their own Scope 1 emissions.
4. Other emissions are calculated based on the mass of fuel consumed using UK EEMS Atmospheric Emissions Calculations Table 8.2 (for NO_x, SO₂, CO and VOS), and AP-42 Volume I, Table 3.4-2 (for PM10).
5. Scope 2 refers to indirect emissions from purchased electricity for rig shore power. Other electricity consumption is below our materiality threshold. We use country-specific electric grid emission factors available from government agencies, where available; otherwise, we use Institute for Global Environmental Strategies List of Grid Emission Factors.

6. Fuel energy consumption includes marine diesel or biodiesel used in Valaris equipment such as rig main engines, emergency generators, cranes, and survival craft. Biodiesel amounts reported are the pure biodiesel portions within blends. Starting in 2021, density value used for marine fuel is 0.890 kg/l (ISO 8217:2010) per Valaris purchasing standard. Density value used for biodiesel is 0.88 kg/l from EN 14214:2012.
7. Total energy consumption includes underlying energy use from fuels and Scope 2 purchased electricity.
8. Fuel transferred to customer platforms, customer third-party equipment, or used in oil-based mud systems is outside of our operational boundaries and is excluded.

Note: Valaris operates a fleet of offshore drilling rigs powered by marine diesel engines that are compliant with International Maritime Organization MARPOL Annex VI requirements. These engines do not fall under the jurisdiction of the EPA and are not required to comply with onshore Tier 4 emission regulations.

TABLE 5B: INTENSITY RATIOS ¹		2019 (Base Year)	2020	2021	2022
Operational Activity (Primary)	mt CO ₂ e / Op. Day	50.4	47.5	46.5	50.7
Floater (Primary)	mt CO ₂ e / Op. Day	100.9	111.3	115.0	113.4
Jackup (Primary)	mt CO ₂ e / Op. Day	28.3	26.9	28.8	27.2
Installed Horsepower (Secondary)²	mt CO ₂ e / 1,000hp-Op. Day	2.30	2.20	2.36	2.15
Floater (secondary)	mt CO ₂ e / 1,000hp-Op. Day	2.10	2.02	2.18	2.05
Jackup (secondary)	mt CO ₂ e / 1,000hp-Op. Day	2.69	2.50	2.59	2.35

1. Intensity ratios are based on Scope 1 emissions from fuel combustion that occur on an operating day. An operating day is a day in which IADC code 21.070 (idle/non-contract time) is < 12 hours as recorded in the IADC time log hours of each rig's Daily Operation Report. The secondary intensity ratio allows normalization of intensity data across different rig types based on total installed horsepower (1,000hp-Operating Day).
2. Secondary intensity has been re-calculated based on a weighted average basis versus a simple average previously to improve the quality of the metric.

TABLE 6: SCOPE 3 INDIRECT GHG EMISSIONS^{1,4} (mt CO₂e)	2019 (Base Year)	2020	2021	2022
Total Scope 3 Emissions	51,627	19,331	634,882	904,399
Category 1: Purchased Goods & Services	No Data	No Data	442,344	575,664 ⁵
Category 2: Purchased Services	No Data	No Data	49,163	171,709 ⁵
Category 4: Upstream Transport and distribution (Total, Air + Ocean)	13,713 (13,033 + 680)	4,754 (4,212 + 542)	6,078 (4,679 + 1,399)	12,486 (11,720 + 766)
Category 5: Waste from operations	No Data	No Data	1,268	1,773
Category 6: Business travel	37,914	14,577	9,751	15,671
Category 7: Employee commuting	No Data	No Data	1,020	6,686
Category 9: Downstream transportation & distribution	No Data	No Data	14,382	4,180
Category 12: End-of-life treatment of sold products	No Data	No Data	1,564 ³	409
Category 13: Downstream leased assets²	No Data	77,636	75,208	82,185
Category 15: Investments²	No Data	37,498	34,104	33,636
Scope 3 Intensity Ratio				
Operational Activity (Scope 3 mt CO₂e / Operating Day)	NA	NA	66.7	85.4

1. Scope 3 includes other indirect emissions that occur in our value chain. Valaris have conducted an assessment to determine the Scope 3 categories that are applicable, relevant, and material to warrant disclosure. Calculations from GHG Protocol Scope 3 Evaluator tool (Quantis) and internal company calculations / estimates using available emission factors. The materiality threshold for Scope 3 is 1%.
2. Data is from fuel combustion emissions only. Emissions are estimated using the same GHG Protocol methods as Valaris Scope 1 data. Scope 2 information is currently not available from lessee/owner.
3. 2021 figure has been restated to reflect CO₂e applied as of 2022. 39,627 reported last year reflected total mass (MT) of sold products.
4. Calculation methodology of each of the listed categories is as follows: Category 1 spend-based method, Category 2 spend-based method, Category 4 Air + Ocean Freight distance-based method, Category 5 spend-based method, Category 6 distance-based method, Category 7 based on number of employees, Category 9 rig mobilization via wet or dry tow distance-based method, Category 12 responsible rig recycling mass of sold products method, Category 13 scope 1 emissions from rigs leased to the ARO joint venture, Category 15 50% of Scope 1 emissions from rigs owned by the ARO JV.
5. We improved our calculation methodology for categories 1 and 2 this year. 2021 figures have been restated accordingly.

TABLE 7: WATER USE¹		2019	2020	2021	2022
Drill Water (well drilling and construction)	Thousand m ³	483	348	428	251
Potable Water (accommodation and cleaning)	Thousand m ³	557	377	523	319
Potable Water Use Intensity²	m ³ / Operating Day	33.6	31.9	55.0	30.1

1. Water use data is from our offshore rig operations. Onshore water use in offices and warehouses is immaterial compared to that used in rig operations.
2. Water used for well drilling and construction is at the direction of our customers and under their operational control, thus our intensity metric focuses on potable water use onboard, which is under our operational control.

TABLE 8: SPILL PREVENTION PERFORMANCE		2019	2020	2021	2022
Hydrocarbon Spills to Sea					
Hydrocarbon Spill to Sea	#	17	9	15	17
Hydrocarbon Spill to Sea Volume	m ³	3.4	7.3	0.6	20.0
Hydrocarbon Spill to Sea Volume Intensity	Liters / Operating Day	0.2	0.6	0.1	1.9
Non-Hydrocarbon Spills to Sea					
Non-Hydrocarbon Spill to Sea	#	30	4	18	21
Non-Hydrocarbon Spill to Sea Volume	m ³	110.2	90.8	68.8	108.6
Non-Hydrocarbon Spill to Sea Volume Intensity	Liters / Operating Day	0.7	7.7	6.5	10.3

TABLE 9: RESPONSIBLE RIG RETIREMENT		2019	2020	2021	2022
Total rigs sold / retired from Valaris fleet	#	5	15	5	4
Rigs sold for continued operations¹	#	0	0	2	3
Rigs sold for beneficial reuse²	#	1	3	0	0
Rigs sold for responsible recycling	#	4	12	3	1
Total steel provided for recycling³	Metric Tons	45,590	202,234	39,109	10,224

1. Rigs sold and allowed to continue to operate in a drilling mode.
2. Rigs sold for reuse in a mode other than drilling (conversion to mobile offshore personnel unit, offshore platform, or similar).
3. Estimated from the Light Displacement Tonnage (LDT) of the rigs sold for recycling.

TABLE 10: PEOPLE OF VALARIS	2019	2020	2021	2022
Number of Employees¹	5,822	3,417	3,425	3,933
Women in Workforce				
Women in workforce - Onshore	29.6%	29.8%	28%	29%
Women in workforce - Offshore	1.10%	0.90%	0.99%	0.97%
Women in workforce (total)	5.5%	5.7%	4.9%	5%
Women in Leadership				
Women in leadership (manager and above)	0.86%	0.94%	0.90%	0.91%
Women on Board of Directors	22%	25%	17%	25%
Other Demographics				
Nationalities represented	NA	NA	66	71
Average age (Onshore)	NA	NA	43	45
Average age (Offshore)	NA	NA	42	43
Offshore Headcount				
Expats	NA	NA	16%	16%
Nationals	NA	NA	84%	84%

1. Headcount values do not include contractor or agency personnel

TABLE 11: REVENUE FROM CPI 20 LOWEST RANKED COUNTRIES ¹	2019	2020	2021	2022
Operating Revenue	\$ Million USD	573.28	297.25	228.9
% of Total Operating Revenues	%	27.9%	20.8%	18.6%

1. Transparency International Corruption Perceptions Index (CPI)

Appendix E – Referenced Documents

Code of Conduct

[Environmental and Energy Management Policy](#)

[Human Rights Policy](#)

[Modern Slavery and Human Trafficking Statement](#)

[Ethics and Compliance Policy](#)

[Vendor & Supplier Business Integrity Principles](#)

Appendix F - Website References

Website references are provided for convenience only. The content on any referenced third-party websites is not incorporated by reference into this report, nor does it constitute a part of this report. We assume no liability for any third-party content contained on the referenced websites.

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