

Summary of Requirements for Associate Members

The Poseidon Principles are a framework for assessing and disclosing the climate alignment of ship finance portfolios. Associate membership offers financial institutions that may not be ready or able to disclose this information the opportunity to demonstrate their support for the objectives of the Poseidon Principles and the goals of the international shipping industry.

BACKGROUND

The shipping industry is a cornerstone of international trade, transporting around 90% of all global goods. However, its significant carbon footprint poses an urgent challenge: for the world to decarbonise, shipping must decarbonise. Recognising the pivotal role finance plays in this transition, workshops held in 2018 in Singapore, London, and New York explored practical approaches to integrating climate risk into financial decision-making in the maritime industry, eventually leading to the launch of the Poseidon Principles in June 2019. The drafting group included Citi, Societe Generale, DNB, industry representatives from A.P. Møller-Mærsk, Cargill, Euronav, Gram Car Carriers, Lloyd's Register, and Watson Farley & Williams, along with the support of the Global Maritime Forum, the Rocky Mountain Institute, and the University College London.

The Poseidon Principles aim to bring together committed financial institutions and establish a set of principles to help members integrate climate considerations into their business activities and support the implementation of other environmental initiatives and reporting requirements. The principles of assessment, accountability, enforcement, and transparency govern a methodology for calculating the climate alignment of shipping finance portfolios designed to ensure that lending practices align with the climate-related goals set by the International Maritime Organization (IMO). Climate alignment is currently the only environmental metric considered by the Poseidon Principles, however the scope is intended to evolve over time based on the interests of the members and the international shipping community.

ASSOCIATE MEMBERSHIP OVERVIEW AND ELIGIBILITY

At the Annual Meeting of the Poseidon Principles Association held in London on 21 May 2025, signatories voted unanimously to create an associate membership to enable financial institutions who do not meet the criteria of being able to report the climate alignment of their secured exposure, or who are not yet ready to do so, to express their support for the goals and ambitions of the Poseidon Principles.

Associate membership is applicable to financial institutions that underwrite and arrange transactions for the shipping industry in the debt and equity capital markets, including hedge funds and private equity firms. This includes financial institutions whose business activities fall outside the current reporting scope (for example, those that lend on an unsecured basis) or those that are not yet ready to report the climate alignment of their secured exposure.

BENEFITS OF MEMBERSHIP

Associate members will be invited to participate in and attend all relevant events and meetings (including an in-person Annual Meeting in the spring, and a virtual All Members Meeting in the fall). Associate members will also be able to join relevant working groups and will be encouraged to actively contribute to the development of the Poseidon Principles. The benefits include:

- Joining a leading climate alignment initiative tailored for shipping that has set the standard for

transparent disclosure and inspired other industries (i.e., steel, aviation, aluminium).

- Connecting with peers and joining a network of like-minded organisations. The Poseidon Principles Association has 36 signatories as of January 2026, which represents approximately two-thirds of the global ship finance market.
- Gaining access to peer learning opportunities, including exchanging expertise and best practices from members in different geographies.
- Accessing deep insights into the Poseidon Principles methodology and participating in working groups and other meetings to give input into core methodology evolution.
- Being able to use transparent, well-defined data collection methods that help with the strategic management of maritime assets and internal decision-making.
- Getting the necessary support to facilitate internal capacity building as a stepping stone to prepare for a potential transition to signatory membership within a reasonable timeline (i.e., develop internal systems, knowledge, and data infrastructure to prepare for future reporting requirements).
- Signalling support to ESG topics, the efforts made by the international shipping industry to decarbonise, and the IMO GHG ambition.
- Using the Poseidon Principles methodology, branding, and logo (which is trademarked) for inclusion in internal and external corporate reports, websites, social media, etc.
- Being included as a member on the Poseidon Principles website and other materials as relevant.

OBLIGATIONS AND FEES

Associate members demonstrate support for the four principles and participate in relevant activities of the Association. They will be encouraged to utilise the methodology where appropriate to be transparent about their activities in their own reporting processes. Calculating climate alignment in accordance with the four principles is not a requirement, and associate members will not disclose information for Annual Disclosure Reports at this stage. However, organisations that join as associate members and can report on secured exposure will be encouraged to do so as a signatory within the first three years of joining.

The sign-on fee for associate members is €6,000 and is paid once upon joining. The annual fee for associate members in 2026 is €5,000 and is paid annually in accordance with the Governance Rules. In the first year, the annual fee is required in addition to the sign-on fee.

HOW TO JOIN

Entities wishing to become an affiliate member must submit the following documents to the Secretariat of the Poseidon Principles Association:

- **Standard Declaration for Associate Members:** The formal commitment required of the financial institution to become an associate member, which announces the intent of the financial institution to support the Poseidon Principles.
- **Membership Agreement:** The formal agreement between the financial institution and the Poseidon Principles Association for the institution to become a member of the Association. By signing the membership agreement, the new member agrees to abide by the Association's Governance Rules.
- **Application:** Outlines the primary contacts responsible for reporting, invoicing and other necessary functions so that the Poseidon Principles are implemented and maintained by the financial institution.

Reach out to the Secretariat at info@poseidonprinciples.org for documents listed above and more information.