



**POSEIDON
PRINCIPLES**

A global framework for responsible ship finance

April 2026

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- Development of the Poseidon Principles
- The principles
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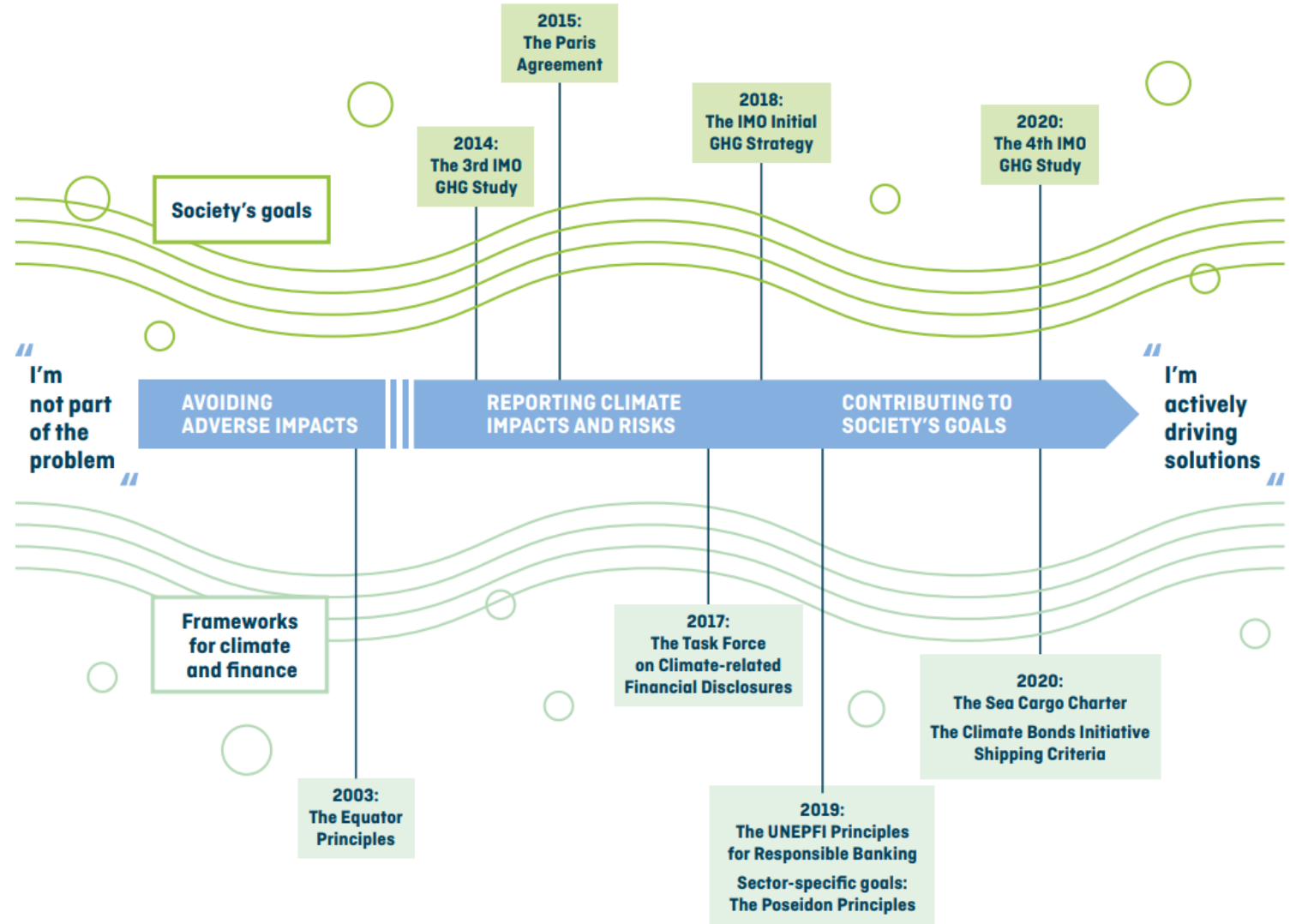


Banks recognise the role they must play in decarbonisation...

Learn more about the development of the Poseidon Principles and their purpose in the video below:



www.youtube.com/watch?v=tFWVd cgP4uo



So the Poseidon Principles were born



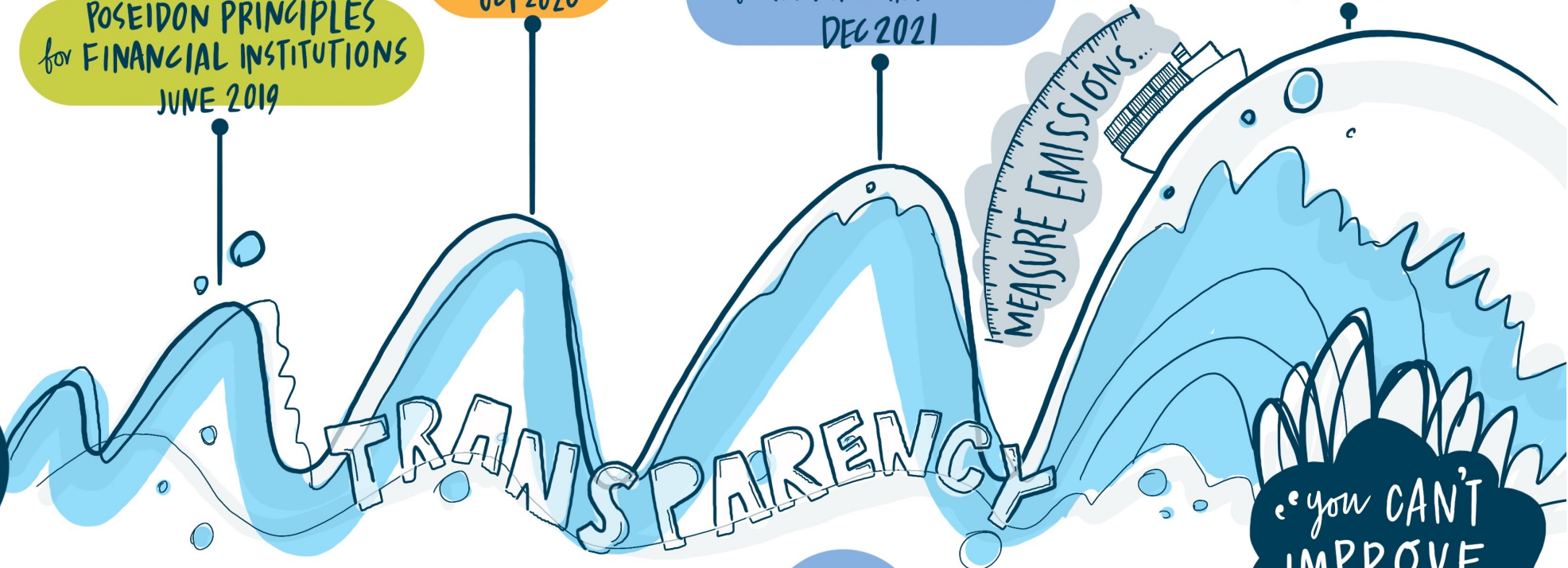
How did we get here?

POSEIDON PRINCIPLES for FINANCIAL INSTITUTIONS
JUNE 2019

SEA CARGO CHARTER
OCT 2020

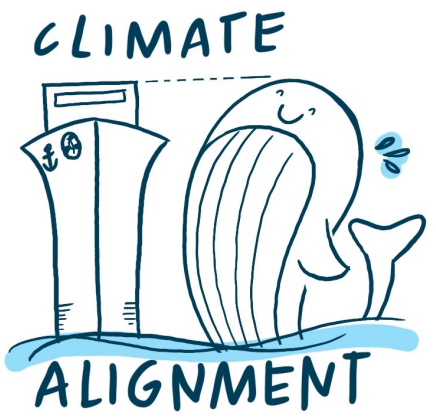
POSEIDON PRINCIPLES for MARINE INSURANCE
DEC 2021

IMO REVISED GHG AMBITION
JULY 2023

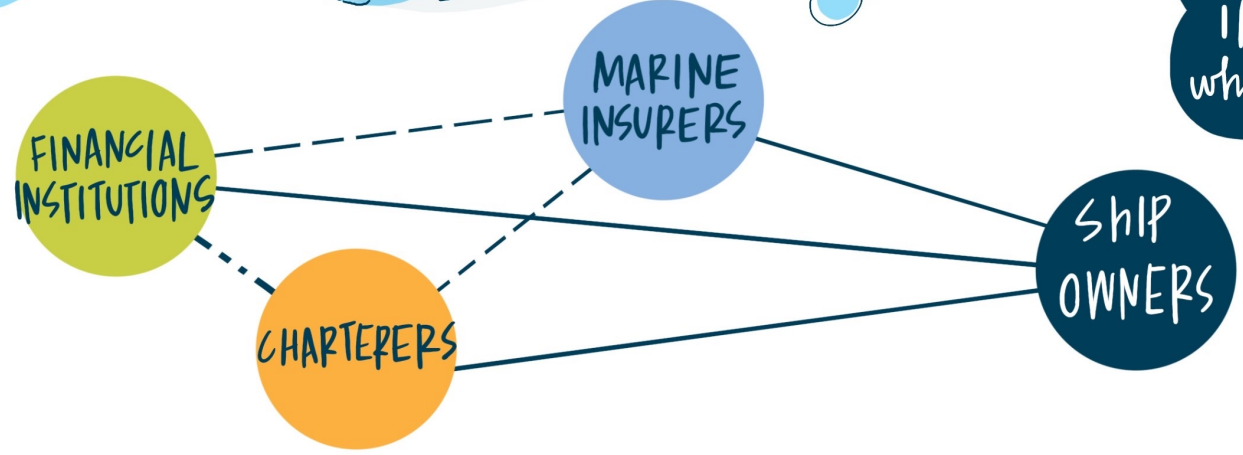


APRIL 2018
IMO SETS
INITIAL
AMBITION

APRIL 2018
GMF



the ECOSYSTEM



“you CAN'T IMPROVE what you can't MEASURE”

Connecting IMO ambitions to finance

Financial initiatives



POSEIDON PRINCIPLES

Shipping sector commitments and ambitions



Transparent disclosure framework made specifically for ship finance

What is the objective?

To create common, global baselines that are consistent with and supportive of the shipping industry's goals, enabling financial institutions to align their portfolios with responsible environmental impacts.

Who are they for?

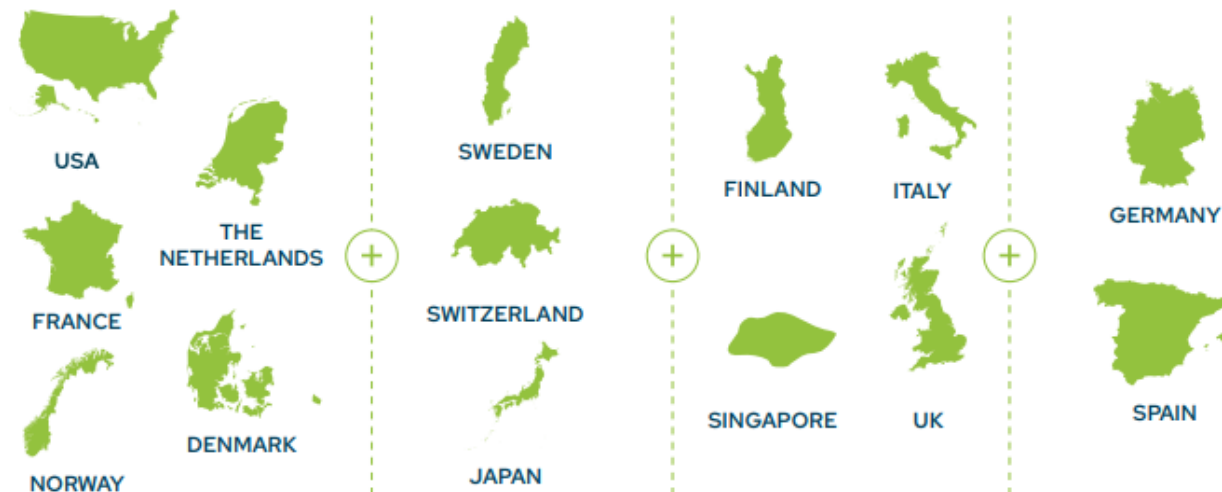
Any financial institution that provides products, underwrites, and/or arranges transactions for the international shipping industry. There are two types of membership depending on business activities: signatory and associate member.

What is disclosed?

Climate alignment is the only quantitative measurement that is disclosed annually. This metric is then supported by answers to open ended questions. Only signatories are required to report annually in accordance with the four principles.



36 signatories from 14 countries, representing about three quarters of global ship finance



Structured around four Principles

1 Requires assessment of portfolio climate alignment and defines methodology for calculation.



Assessment

Relies on IMO standards and RO's for the provision of data across all signatories.

2



Accountability

3 Inclusion of a mechanism which ensures access to high quality data from clients, securely.



Enforcement

Publication of information in the Annual Disclosure Report and individual corporate reports

4



Transparency



Principle 1: Assessment

Signatories will measure the emission intensity of their shipping portfolios on an annual basis and assess their climate alignment relative to established decarbonisation trajectories. This assessment is based on a robust industry-appropriate methodology outlined in the Technical Guidance.

Signatory commitment:

“We will annually assess climate alignment in line with the Technical Guidance for all business activities.”



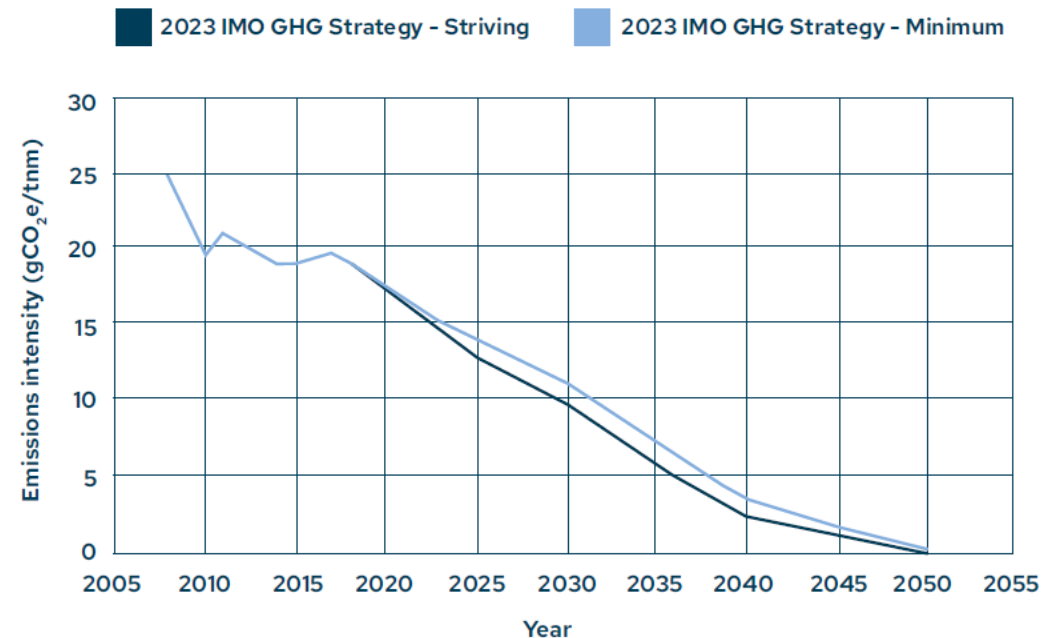
Principle 1: Assessment

What are climate alignment scores?

- A representation of the relationships between the **actual emissions intensity** and the **allowed emissions intensity** based on a pre-defined **decarbonisation trajectory**.

A decarbonisation trajectory is a representation of how many grams of CO₂e can be emitted to move one tonne of goods one nautical mile (gCO₂e/tnm) over a time horizon to be in line with given emissions targets.

The method used for establishing the decarbonisation trajectory up to 2050 is derived from emission and transport work data from the Fourth IMO GHG Study.



Principle 1: Assessment

What is emissions intensity based on?

- The **AER (Annual Efficiency Ratio)** is the emissions intensity metric used to calculate actual emissions intensity in the Poseidon Principles.

$$\text{AER} = \frac{\sum_i C_i}{\sum_i dwt D_i}$$

CO₂ emissions ↓

↗ *Cargo proxy (ship size)* ↖ *Distance sailed*

Data required to calculate AER:

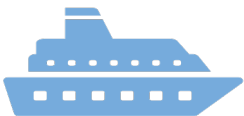








- fuel consumption
- distance traveled
- deadweight at maximum summer draught

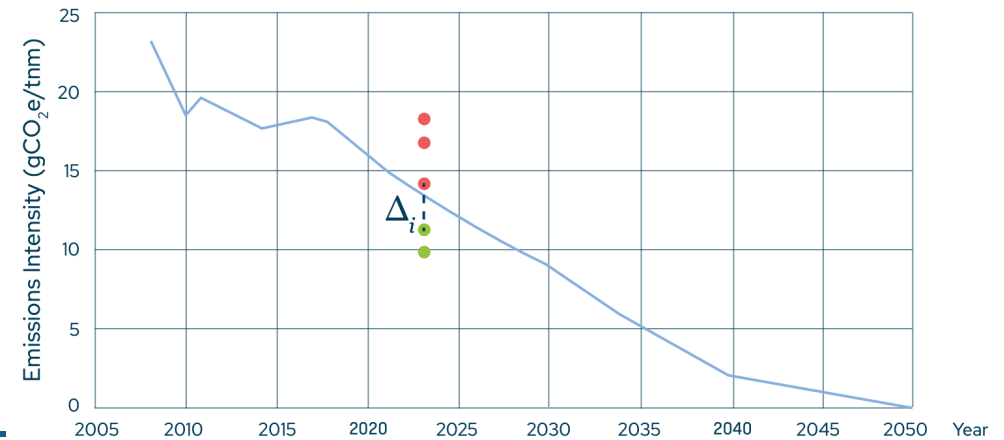
Note: A well-to-wake emission factor is used in place of a carbon emission factor in the calculation of C_i to calculate the emissions intensity.

Principle 1: Assessment

How are climate alignment scores calculated?

- First, vessel level climate alignment is calculated. Then, these values are aggregated to produce an overall portfolio climate alignment score.

Actual Emissions	Allowed Emissions	Vessel Alignment
 6.7 gCO ₂ e/tnm	 4.3 gCO ₂ e/tnm	 +56.2%
 29.0 gCO ₂ e/tnm	 38.6 gCO ₂ e/tnm	 -24.7%
 10.0 gCO ₂ e/tnm	 8.5 gCO ₂ e/tnm	 +18.2%



A positive climate alignment score is **misaligned**, or above the decarbonisation trajectory.

A negative or zero climate alignment score is **aligned**, or below the decarbonisation trajectory.

Principle 2: Accountability

Signatories will rely on the International Maritime Organization (IMO) standards and recognised organisations (ROs), along with data types, data sources, and reporting pathways for the provision of identical, unbiased information in all steps of assessing climate alignment as identified in the Technical Guidance.

Signatory commitment:

“We recognise the important role that classification societies and other IMO ROs play in providing unbiased information to the industry and the mandatory regulation established by the IMO for the data collection and reporting of fuel oil consumption from ships. We will rely on such entities and mandatory regulations as explicitly identified in the Technical Guidance for the provision of information used to assess and report on climate alignment.”



Principle 2: Accountability

- Specific requirements regarding data types, data sources, and service providers are stated at each information flow step.

Information flow step	Options at each information flow step	
	Preferred Pathways Track	Allowed Pathways Track
1. Sourcing IMO DCS data and verification	RO	Shipowner
2. Calculating vessel emissions intensity and climate alignment	RO	Internal, RO, Third party
3. Calculating portfolio climate alignment	Internal, RO, Third party	Internal, RO, Third party
4. Disclosure	Internal	Internal

Two information flows to choose from.

The Preferred Pathway is recommended and relies on IMO recognised organisations (ROs)

Principle 2: Accountability

- Regardless of the pathway used, signatories meet the accountability requirements in **Step 4. Disclosure** by submitting information to the secretariat by a set deadline every year.
- This includes information publicly disclosed in the report and internally disclosed amongst other members as set in the Signatory Reporting Template (also available on the website).

POSEIDON PRINCIPLES
Signatory Reporting Template

This sheet is to be filled in by signatories and returned to the Secretariat by 15 November 2025. Please fill in all cells in light blue. Cells that are not filled in light blue are optional. Please round all numeric values to one decimal point. Reach out to info@poseidonprinciples.org if you have any questions.

Year of submission (i.e., current year):		2025
Sailing year (i.e., year the data covers):		2024
Signatory's name (as you would like to have it stated in the report):		[text]
Link to institutional report (optional):		[text]

PUBLIC DISCLOSURE (to be included in the report and shared publicly)			
2023 IMO GHG Strategy			
Climate alignment scores		Minimum	Striving
Overall climate alignment score	[rounded to one decimal]	x.x%	x.x%
Optional: Climate alignment score cargo vessels	[rounded to one decimal]	x.x%	x.x%
Optional: Climate alignment score passenger vessels	[rounded to one decimal]	x.x%	x.x%
Open ended questions			
What are your key takeaways from your climate alignment score? *	[50 words max]	[text]	
How have the Poseidon Principles influenced your business activities and decision-making, or how will they inform these areas in the future?	[50 words max]	[text]	
<small>* Optional comment: 1) For signatories with shuttle services in their portfolio, please include 1-2 sentences at the end of your answer explaining how applying the CO₂ correction factor, in accordance with section 4.2 of MEPC.333(7), would impact your overall climate alignment score. 2) For signatories who use the CO₂ cruise trajectory to optionally calculate additional climate alignment scores, feel free to comment as you see fit. Please note that the CO₂ trajectory can not be used to calculate the overall climate alignment scores submitted above, and should only be done as an additional exercise. Go to MEPC.333(7)</small>			
Quote			
Quote (from head of shipping or similar)	[approx. 50 words]	[text]	
Quotee	Name	[text]	
	Title	[text]	
Reporting percentages			
Portion of eligible shipping portfolio reported	[against % of signatory's debt in portfolio]	x.x%	
Portion of eligible shipping portfolio not reported	[against % of signatory's debt in portfolio]	x.x%	
		<small>Validation (automatically calculated) [reported + non-reported = 100%]</small>	

INTERNAL DISCLOSURE (to be shared with other signatories)			
Preferred vs. allowed pathway			
[please round all values to one decimal]	% of portfolio for which Preferred pathway tracks are used	% of portfolio for which Allowed pathway tracks are used	Note the providers used and any additional comments
Step 1. Sourcing IMO DCS data and verification	x.x%	x.x%	[text]
Step 2. Calculating vessel level emissions intensity and climate alignment	x.x%	x.x%	[text]
Step 3. Calculating climate alignment of portfolio	x.x%	x.x%	[text]
Overall average [automatically calculated]	0.0%	0.0%	
		<small>Validation (automatically calculated) [preferred + allowed = 100%]</small>	
Non-reporting open-ended questions			
What are the main reasons behind the non-reporting percentage score for this year? [required for those signatories whose reporting percentage is 90% or below - this is only internal]	[text]		
Are there any other challenges you are facing in data collection and reporting?	[text]		
Additional information			
What emission factors were used?	[please use the drop down menu]		
Are shuttle tankers in your portfolio?	[please use the drop down menu]		
Did you use the CO ₂ cruise trajectory to optionally calculate additional climate alignment scores?	[please use the drop down menu]		
Total shipping portfolio value in USD**	[please indicate the total shipping portfolio size, including outside of the Poseidon Principles scope]	\$0.00	

** The portfolio should not be shared publicly or with other signatories, it will only be used to calculate an aggregated number on behalf of the Poseidon Principles Association.

Principle 3: Enforcement

Signatories will include a covenant clause, or a binding agreement, in all new shipping business activities which ensures access to high quality data and compliance with the Poseidon Principles. Signatories commit to working with clients to gather the necessary information to assess climate alignment.

Signatory commitment:

“We will require that ongoing compliance with the Poseidon Principles is made contractual in our new business activities using standardised covenant clauses. We will contribute to the update and addition of standardised clauses through the annual review process.”



Principle 3: Enforcement

What is the purpose of covenant clause?

- A Standard Covenant Clause is available on the website and used by signatories to ensure access to high quality data from their clients, securely.
- To reduce the administrative burden on clients, the data requested is the same information already required to be submitted to the IMO Data Collection System.



| 🔍 Principle 4: Transparency

Signatories will publicly acknowledge their participation in the Poseidon Principles and publish their climate alignment scores in the Poseidon Principles Annual Disclosure Report and their own corporate reports each year. Transparency ensures the overall awareness of the Poseidon Principles and that accurate information can be published by the secretariat in a timely manner.

Signatory commitment:

“We will publicly acknowledge that we are a signatory of the Poseidon Principles and we will publish the results of the portfolio climate alignment score of our business activities on an annual basis in line with the Technical Guidance.”



🔍 Principle 4: Transparency

Requirement 1

Upon becoming a member, the financial institution will publicly acknowledge that it is a member of the Poseidon Principles.

Requirement 2

On an annual basis, each signatory will report the overall climate alignment of its shipping portfolio and supporting information, as per the Accountability requirements, to the secretariat no later than 15 November. This requirement takes effect for each signatory in the calendar year after the year in which it became a signatory.

Requirement 3

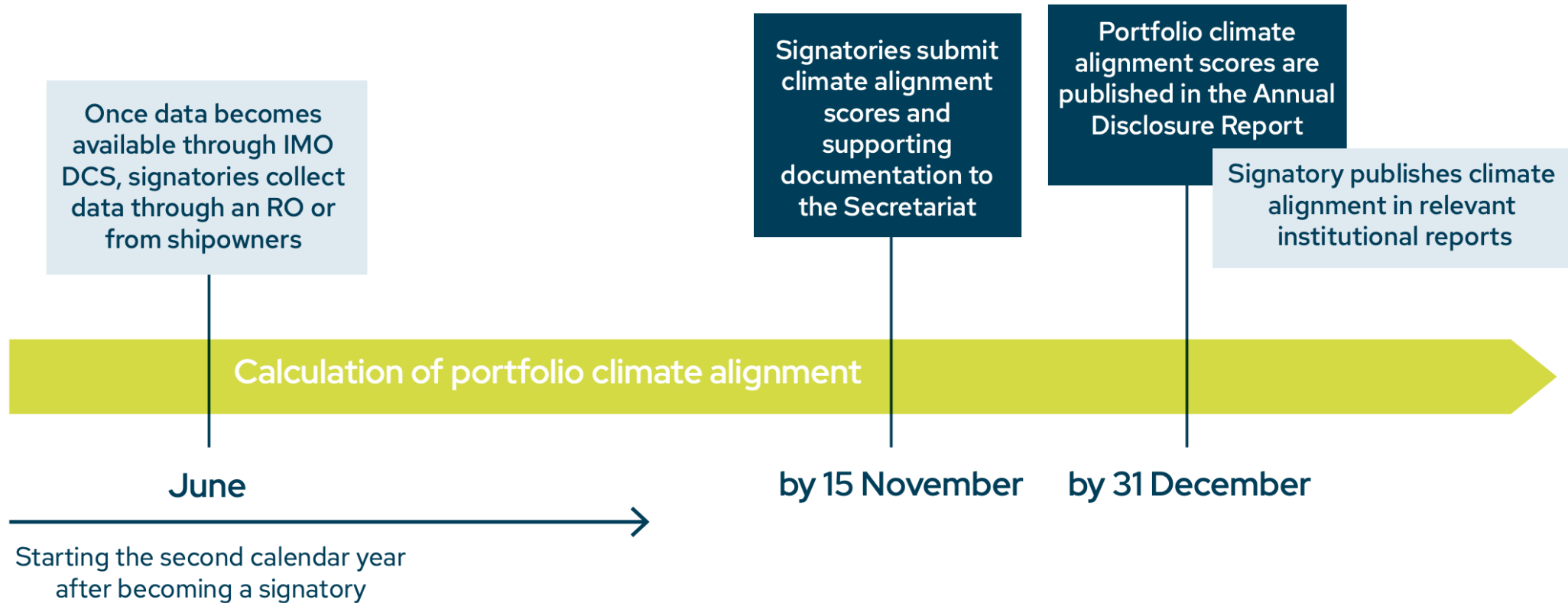
On an annual basis, each signatory will publish the overall climate alignment of its shipping portfolio in relevant institutional reports on a timeline that is appropriate for that signatory.

Annual Disclosure Report

The secretariat collects the reported submissions from all eligible signatories and publishes the information in the Annual Disclosure Report.



A clear reporting timeline



Governed by members

- The Poseidon Principles Association, a distinct legal entity, is responsible for the governance, management, administration, and development of the Poseidon Principles. All signatories and associate members are members of the Association.
- The Association is led by a Steering Committee made up of elected signatories. The current Chair is Paul Taylor of Societe Generale and the Vice Chair is Stephen Fewster of ING.
- Global Maritime Forum acts as the secretariat.
- CE Delft acts as the technical advisory.
- The Association is self-funded by signatories and associate members.



Benefits of membership

- Recognition of the role financial institutions play in promoting responsible environmental stewardship throughout the maritime value chain.
- Signal commitment to sustainable development and well-being of society and the international shipping industry.
- Join a network of like-minded organisations, who support and exchange best practices.
- Gain access to valuable asset-level information that can be used to assess potential climate risks that may impair returns in the future.
- Collect data which helps with the strategic management of maritime assets, as it brings precious input into internal decision making.



Results in 2025 show scores moving closer to alignment and improvements in data collection

3/4

of global ship finance represented in the sixth report (36 signatories, 35 reporting)

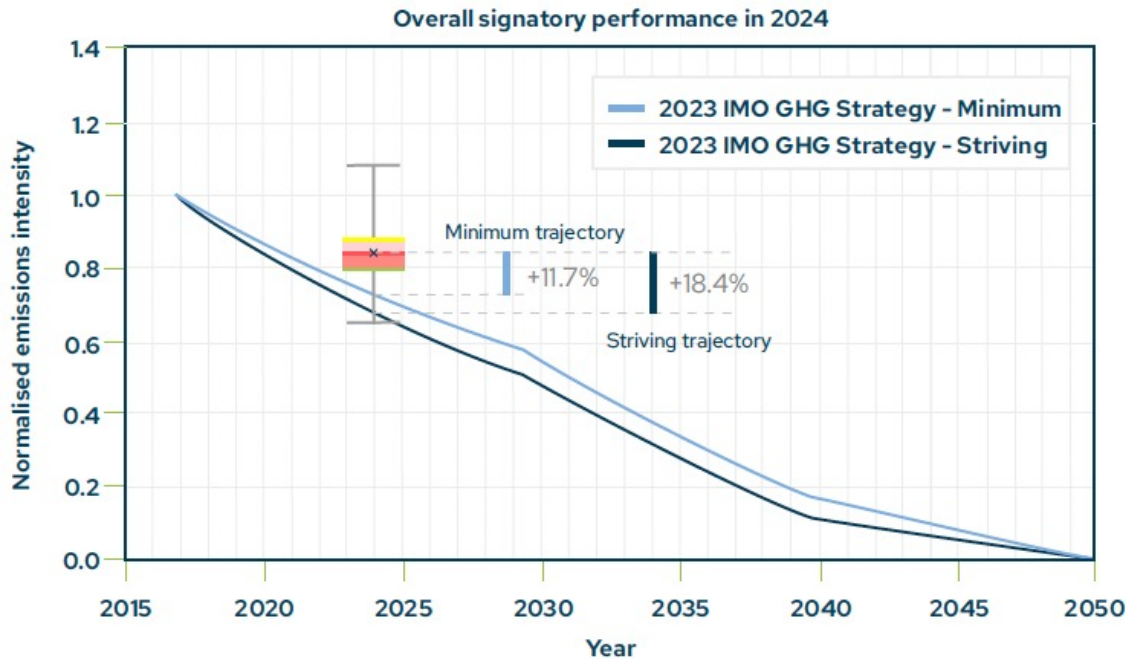
95.1%

Average reporting percentage (29 > 90% and 9 = 100%)
Improved from 93.3%

[Read the latest Annual Disclosure Report here](#)



Results in 2025 show scores moving closer to alignment and improvements in data collection



+11.7%

Average misalignment to the minimum trajectory

Improved from +19.4%

16 scored +10% or lower, 3 aligned

+18.4%

Average misalignment to the striving trajectory

Improved from +25.0%

8 scored +10% or lower, 1 aligned

Four key takeaways from reporting signatories

1. The Poseidon Principles are a valuable tool in guiding climate-aligned ship finance.
2. Portfolio composition remains key in shaping climate alignment scores.
3. Improvements in scores are driven by vessel efficiency, low-emission technologies, and sustainable fuels.
4. The Poseidon Principles framework positions signatories as proactive partners in the industry's transition.



Staying the course and reinforcing long-term vision and impact

- The Poseidon Principles Association looks forward to welcoming new associate members, continuing collaboration on new environmental metrics with shipowners and industry experts, and ensuring the calculation methods provide invaluable information for signatories and their clients.
- Transparency and accountability are increasingly critical. Delays in global frameworks (IMO Net-Zero Framework) create continued uncertainty, and the Poseidon Principles play a key role in enabling climate-aligned decision-making and industry collaboration. Members can guide future portfolio management and lending decisions and help structure sustainability-linked loans based on climate alignment.
- Increasing interest in investments in technology, fuel efficiency, unconventional fuels (like biofuels), and alternative propulsion systems is due in part to regulations (like the CII) and the revised IMO GHG ambition. Continued collaboration with clients ensures that decarbonisation goals are met while considering the unique nature of certain vessel types and activities.
- The Poseidon Principles methodology has been included as an acceptable method to set near term and long-term portfolio alignment targets as part of the Science Based Targets initiative's (SBTi) Financial Institutions Net-Zero (FINZ) Standard.

Staying the course and reinforcing long-term vision and impact

- The Future Principles Committee is exploring possible topics beyond decarbonisation for potential inclusion in the Poseidon Principles, such as crew welfare, biodiversity, ship recycling, and more, in collaboration with experts.
- The Technical Committee continues work on refining trajectories, including relevant adjustments for specific vessel types (like cruise) to ensure the methodology is robust, relevant, while also remaining consistent and comparable year after year.
- An Advisory Council will be established to serve as a sounding board for the PPA membership, enabling closer collaboration with clients and sectors across the industry.

This work is currently ongoing, and any future topic inclusion is subject to the signatories' approval.

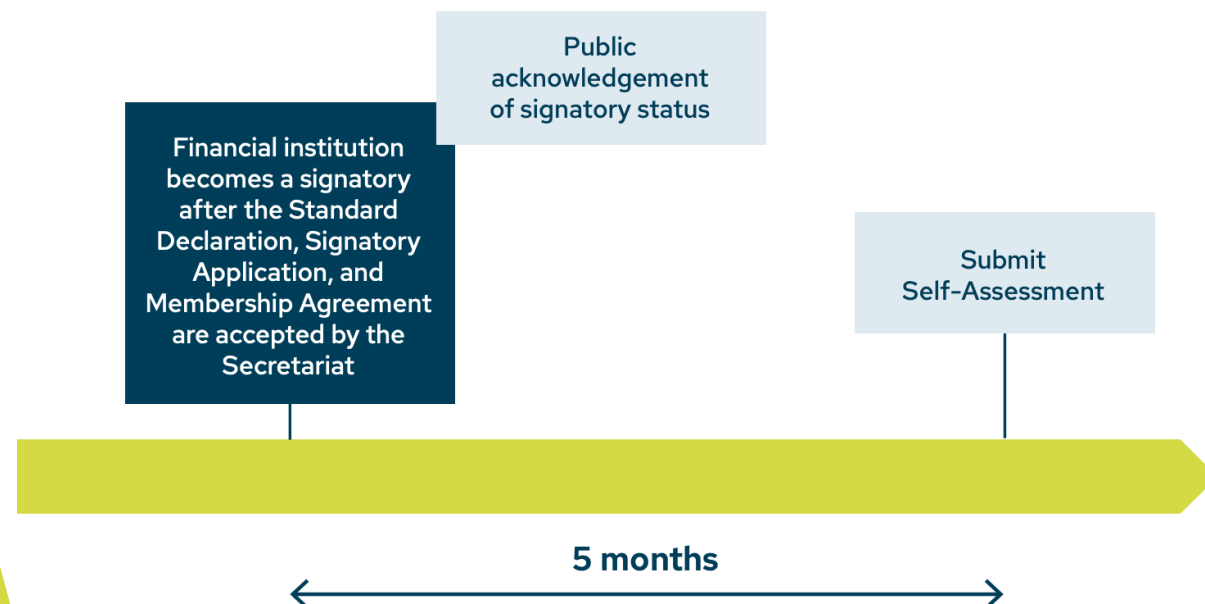
How to become a member

Step 1

- Submit the relevant documentation to the secretariat, including the:
 - Application (contacts and practical information)
 - Standard Declaration (formal commitment)
 - Membership Agreement (agreeing with rules of the Association)

Step 2 (only for signatories)

- Prepare and submit the Self-Assessment within 5 months.



How to become a member

Step 3

- With the support of the secretariat, publicly announce that the financial institution has become a member.
- The new member logo and quote will be added to relevant public material.

Step 4

- Pay the sign-on and annual fee, which are agreed upon by all members every year at the Annual Meeting.

Sign-on fee

One-time sign-on fee when joining the Poseidon Principles Association.

€12,000 in 2026 for signatories
€6,000 in 2026 for associate members

Annual fee

Fee paid annually by all signatories. In the first year, the Annual Fee is required in addition to the Sign-on Fee.

€10,000 in 2026 for signatories
€5,000 in 2026 for associate members



Get in touch!

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🌐 www.poseidonprinciples.org/finance/

in www.linkedin.com/company/poseidon-principles/



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