SEA CARGO CHARTER

Annual Disclosure Report 2023

June 2023

Sea Cargo Charter
Amaliegade 33 B, 3rd floor
1256 Copenhagen K
Denmark

www.seacargocharter.org
info@seacargocharter.org

Foreword

This second edition of the Sea Cargo Charter Annual Disclosure Report comes as the maritime industry is increasingly focusing on its environmental impact. The industry is realising the importance of decisions taken now towards achieving the goal of full decarbonisation by 2050.

The Sea Cargo Charter, bringing together charterers, operators, shipowners and industry experts to assess current performance, contributes to decarbonisation efforts by providing a global framework for voluntary and transparent emissions reporting which also enables chartering decisions to be taken with a clear assessment of implications for the climate.

While all Signatories differ in their businesses, they share the same ambitions to decarbonise. Transparent data, sharing best practices and learning from one another are fundamental for taking positive action. With this in mind, we are continuing to work on strengthening the Sea Cargo Charter methodology to reflect the environmental impact of maritime activities more accurately.

While charterers can take some actions on their own to reduce emissions, for instance measures which improve efficiency and thus reduce fuel consumption and expenses, the full decarbonisation of the maritime sector will require involvement of the full value chain as well as policymakers.

There are good reasons for optimism. More technologies – related to fuels, efficiency and data to measure whether interventions are having an impact – are coming closer to market, while financial institutions are helping to de-risk investments and support and incentivise clients and business partners to transition to net-zero. Ever more customers are calling for greener supply chains and regulations to support decarbonisation of shipping are developing rapidly, at both regional and international levels.

In July, the International Maritime Organization (IMO) is expected to adopt a revised Strategy for reduction of greenhouse gas (GHG) emissions for ships. This is anticipated to include higher ambitions for decarbonisation and identify global policies which would help to achieve these targets. We would like to add our voice to those calling for ambitious targets and for a policy framework that allows companies to take the operational and commercial decisions needed to accelerate decarbonisation.

Achieving full decarbonisation will require pursuing a holistic solution, in which we use all the available levers to reduce emissions. As the United Nations (UN) Secretary-General António Guterres has said, every country and every sector must fast-track climate efforts and on every timeframe.

For the maritime industry, we believe the Sea Cargo Charter is a vital tool in that journey where the shipping industry can come together in global standardised emissions reporting providing like-for-like transparency for all. We look forward to further refining and developing it – and inviting others to join – for the benefit of the individual Signatory, the maritime industry and the world.

June 2023

Rasmus Bach Nielsen
Chair, Sea Cargo Charter Association
Global Head Fuel Decarbonisation, Trafigura Maritime Logistics

Eman Abdalla
Vice Chair, Sea Cargo Charter Association
Global Operations and Supply Chain Director, Cargill Ocean Transportation

Executive summary

The Sea Cargo Charter is a global framework for measuring and reporting how ship charterers' activities align with society's goals. In the Sea Cargo Charter Annual Disclosure Report 2023, the Signatories disclose the climate alignment of their activities for the second time, using the Energy Efficiency Operational Indicator (EEOI) as a metric.

Signatories to the Sea Cargo Charter recognise that their role in the industry gives them opportunities to promote responsible environmental stewardship and drive change throughout the maritime value chain. The Sea Cargo Charter is a basis for further developing cooperation with shipping business partners, providing insights that enhance strategic decision-making and drive reductions in GHG emissions.

In this report, a total 33 Signatories, accounting for more than 17% of total bulk cargo transported by sea over the year, disclose the climate alignment of their chartering activity for 2022. The results show that the activities of 14 of these Signatories were aligned with the IMO's Initial GHG Strategy.

The simple average score, i.e., all of the reported climate alignment scores calculated with each score being assigned equal weight, was +1.7% and the median was +2.7%. Scores ranged from -21.8% to +21.4%, and 60% of Signatories had a score of +5% or less. These alignment scores are based on an average reporting rate of 90% from Signatories for their annual activity. A negative score implies alignment while a positive score denotes misalignment to the decarbonisation trajectory.

The average alignment has increased slightly since 2021 and the variation has decreased significantly. The improvement can be attributed to several reasons including the changes carried out to the chemical and liquified gas tanker baselines as well as trade patterns and possibly better operational efficiency. Given the diversity of operational and trade profiles amongst Signatories, the Sea Cargo Charter disclosure gives insight into the alignment at a vessel category level. Most of the Signatories operate in specific markets and the particular characteristics of their trade and associated vessels thus affect their annual activity alignment. These trade-specific factors can have a significant impact on voyage EEOI and thus on overall alignment and they make comparisons difficult.

Table of contents

1. Introduction

About the Sea Cargo Charter

The Sea Cargo Charter is a global framework for assessing and disclosing the climate alignment of ship chartering activities worldwide with the aim of promoting international shipping decarbonisation. It enables cargo owners, operators and shipowners to align their chartering activities with responsible environmental behaviour and shape a better future for the maritime industry and society as a whole.

The Sea Cargo Charter sets a benchmark for what it means to be a responsible charterer. It also serves as an important tool to support decision-making as it establishes a common, global baseline to quantitatively assess and disclose the alignment of chartering activities with climate targets. Guided by four overall principles, Signatories to the Sea Cargo Charter comply with transparency requirements under a robust and industry-appropriate climate alignment assessment methodology and carefully considered accountability and enforcement requirements that support practical and robust data collection and analysis.

The Sea Cargo Charter was established to support charterers in integrating climate considerations into their business decisions in line with the climate-related goals of the IMO. It was developed in an effort spearheaded by a diverse group of cargo owners – Anglo American, Cargill, Dow, Total, Trafigura – and shipowners – Euronav, Norden, Stena Bulk – in collaboration with Stephenson Harwood and with expert support provided by the Global Maritime Forum, University Maritime Advisory Services (UMAS) and Smart Freight Centre.

The Sea Cargo Charter was launched in October 2020, one year after the launch of the Poseidon Principles, which similarly establish a framework for assessing and disclosing the climate alignment but of ship finance portfolios. Both frameworks share the same vision and ambition and are built around the same four key principles. The insurance sector has followed this lead, with the establishment of the Poseidon Principles for Marine Insurance in 2021.

This report is the second publication by the Sea Cargo Charter Signatories. The very first one was published in June 2022.

See the Annual Disclosure Report 2022

Evolution of the Sea Cargo Charter

April 2018

IMO Agreement sets level of ambition

June 2018

Workshop on climate risk and collective ambition for the Poseidon Principles in London

September 2018 & April 2019

Workshops in Singapore and Geneva to gather feedback from a broad group of stakeholders

June 2019

Launch of the Poseidon Principles

October 2019

Drafting group kick-off meeting at the Global Maritime Forum Annual Summit in Singapore

November 2019 – March 2020

Drafting group begins work on initial principles, which become known as the Sea Cargo Charter

March 2020

Series of webinars to seek feedback on initial draft of the Sea Cargo Charter from a wider group of stakeholders

March 2020 – July 2020

Drafting group completes the Sea Cargo Charter

7 October 2020

Launch of the Sea Cargo Charter during the Global Maritime Forum Virtual High-Level Meeting

15 December 2021

Launch of the Poseidon Principles for Marine Insurance

15 June 2022

Publication of the first Sea Cargo Charter Annual Disclosure Report

Scope

The Sea Cargo Charter is applicable to all bulk charterers: those with interest in the cargo on board; those who simply charter out the vessels they charter in; disponent owners; all charterers in a charterparty chain; companies involved in pools. It must be applied by Signatories in bulk ship chartering activities that are:

- on time and voyage charters, including contracts of affreightment and parceling, with a mechanism to allocate emissions from ballast voyages
- for voyages carried out by dry bulk carriers, chemical tankers, oil (crude and product) tankers, and liquefied gas carriers
- and where a vessel or vessels are engaged in international trade (excluding inland waterway trade).

In recognition of the diversity of a charterer's role, the Sea Cargo Charter adopts a twin approach: firstly, flexibility as to the Signatories' choice of reporting segments, so as to encourage the widest adoption possible; secondly, certain minimum reporting requirements so as to maximise impact.

As to choice of reporting segments:

SEGMENT 1

Charterparties where the Signatory is the only time charterer and there is no charterparty chain or, if there is a charterparty chain, the Signatory is the final time charterer.

SEGMENT 2

Charterparties where the Signatory is the voyage charterer.

SEGMENT 3

Charterparties where the Signatory is an intermediate time charterer in a charterparty chain, or the bareboat charterer.

SEGMENT 4

Owned vessels: if, in addition to being a charterer on certain transactions, Signatories or companies within the same group also own vessels, they can also choose to include voyages of their owned vessels in their reporting.

As to minimum reporting requirements, Segments 1 and 2 are mandatory, Segment 3 is optional. Segment 4 is optional and only open to Signatories also reporting within Segments 1-3.

Climate alignment is currently the only environmental factor considered by the Sea Cargo Charter. This scope may be reviewed and may be expanded by Signatories on a timeline that is at their discretion.

[Visit the Sea Cargo Charter website]

The Principles

Principle 1

Assessment of climate alignment

"We will annually assess climate alignment in line with the Technical Guidance for all chartering activities."

Our commitment:

Signatories will, on an annual basis, calculate the GHG emission intensity and total GHG emissions, and will assess climate alignment (carbon intensity relative to established decarbonisation trajectories) of their chartering activities. This requirement takes effect for each Signatory in the following calendar year after the calendar year in which it became a Signatory.

Principle 2

Accountability

"We recognise the important role that verification mechanisms play in providing unbiased information to the industry. We will make our best efforts to rely on such mechanisms, and any mandatory regulations, as explicitly identified in the Technical Guidance, for the provision of information used to assess and report on climate alignment."

Our commitment:

For each step in the assessment of climate alignment, Signatories will rely exclusively on the data types, data sources, and service providers identified in the Technical Guidance.

Principle 3

Enforcement

"We will ensure ongoing compliance with the Sea Cargo Charter for new chartering activities through contractual means by using the Sea Cargo Charter Clause in charter parties. We will contribute to the update of the Sea Cargo Charter Clause through the annual review process."

Our commitment:

Signatories will agree to work with owners, disponent owners and business partners to collect and process the information necessary to calculate carbon intensity and total GHG emissions and assess climate alignment.

Principle 4

Transparency

"We will publicly acknowledge that we are a Signatory of the Sea Cargo Charter and we will publish the results of the climate alignment scores of our chartering activities on an annual basis in line with the Technical Guidance."

Our commitment:

1. Upon becoming a Signatory, the Signatory will publicly acknowledge that it is a Signatory of the Sea Cargo Charter.
2. On an annual basis, each Signatory will report the vessel category climate alignment scores and total annual activity climate alignment score of its chartering activities and supporting information, as per the Accountability requirements, to the Secretariat no later than April 30. This requirement takes effect for each Signatory in the calendar year after the calendar year in which it became a Signatory.
3. On an annual basis, each Signatory will publish the vessel category climate alignment scores and total annual activity alignment score of its chartering activities in relevant institutional reports on a timeline that is appropriate for that Signatory. This requirement takes effect for each Signatory in the calendar year after the calendar year in which it became a Signatory.

Read the Technical Guidance

The Signatories

36 companies have come together to commit to the Sea Cargo Charter. Signatories are bulk charterers who have an interest in advancing good environmental stewardship through their business activities from a variety of segments – agricultural products, chemicals, oil & gas, energy, metals, mining, cement, wood - as well as commodity traders, shipowners, and pools.

See all Signatories here

Steering Committee

All Signatories are members of the Sea Cargo Charter Association, the governing body of the Sea Cargo Charter. The Steering Committee, composed of 14 committed Signatories, coordinates the Association and the Sea Cargo Charter on behalf of its members.

ADM — Hans Christian Jensen, Director Global Ocean Freight, and Jonathan Canaan, Senior Operations Manager

Anglo American — Peter Lye, Director and Head of Shipping, and Raghav Gulati, Safety, Sustainability and Technical Operations Manager

Bunge — Marcio Valentim Moura, Global Logistics Director

Cargill Ocean Transportation — Eman Abdalla, Global Operations and Supply Chain Director (Vice Chair)

Chevron — Matt Turns, General Manager for Strategy & Business Performance

Dow — Jürgen Willemsen, Bulk Marine & Terminals Mode Leader

Equinor — Heidi Aakre, Vice President Shipping

Louis Dreyfus Company — Seb Landerretche, Global Head of Freight, and Martin Viquesnel, Technical Supervisor

Norden — Henrik Røjel, Head of Fuel Efficiency and Decarbonisation

Shell — Claire Wright, General Manager Shipping Commercial & Strategy (Treasurer), and Justine Clark, Shipping Consultancy Manager

Torvald Klaveness — Engebret Dahm, Chief Executive Officer, Klaveness Combination Carriers, and Martin Wattum, Senior Manager, Head of Project & Business Transformation

TotalEnergies — Sebastien Roche, Head of Shipping Technical Department

Trafigura Maritime Logistics — Rasmus Bach Nielsen, Global Head Fuel Decarbonisation (Chair)

Viterra Chartering — Jeff Wakker, Global head Chartering, Operations & Sustainability

Learn more about governance of the Sea Cargo Charter

2. A major transformation in the shipping industry

The Sea Cargo Charter is part of a growing global momentum towards transparency on GHG emissions and action. Launched in October 2020 with 17 founding Signatories, the Sea Cargo Charter now includes 36 committed cargo owners, shipowners, and pools of merchant vessels, which are grouped together under a common goal. Together, these represent significant volumes of cargo shipped by sea and thus a substantial part of shipping emissions.

The demands for decarbonisation are continuing to grow, both from society and in terms of regulation and standards. The imperative for the sector to decarbonise presents major challenges as well as business opportunities. It will require a coordinated effort across the full value chain.

In contrast to road transport, most maritime transport is out of sight for everyone not directly involved in the sector. Yet it accounts for by far the biggest share of global freight transport, accounting for over 80% of global trade while producing around 3% of GHG emissions, and current projections suggest that maritime transport is set to have the largest growth of all modes in the coming 25 years.

The fact that maritime freight transport can conduct three times as much transport activity as road freight transport with three times less GHG emissions reflects its inherent efficiency. However, its expected growth would lead to a corresponding increase in total emissions at a time where there is a need for reduction, meaning the sector cannot afford to rely on past or structural efficiencies and must play its part with a strong, global decarbonisation ambition, or risk losing its ability to play its part in this global transition.

Collective ambition for maritime sector

The continued success of the maritime sector is intrinsically linked to the well-being and prosperity of the society it supports. Thus, the shipping industry is facing a major transformation and all maritime stakeholders must work collectively to completely overhaul its fuel mix and fleet.

This decarbonisation requires both supportive policies and industry action, and there are encouraging signs in both areas.

The regulatory landscape is evolving rapidly at both the regional and international levels. The IMO's Energy Efficiency Existing Ships Index (EEXI) and Carbon Intensity Indicator (CII), focusing on reduction of carbon intensity and improving the energy efficiency of existing vessels, came into force at the start of 2023. The 80th meeting of the IMO's Marine Environment Protection Committee (MEPC) in July 2023 is expected to adopt more ambitious revisions to its GHG strategy and is likely to be followed by concrete policy measures, potentially including a GHG fuel standard and a carbon price mechanism.

There are also several national and regional initiatives to encourage maritime decarbonisation, including support schemes such as those in the US Inflation Reduction Act, and regulatory initiatives like the EU's Fit for 55 package of legislative proposals. These include extending the EU Emissions Trading System (EU ETS), a cap-and-trade system that aims to reduce GHG emissions by setting a limit for sectors of the economy, to shipping, and FuelEU Maritime, which is expected to require merchant ships operating in European waters to reduce the carbon intensity of the fuels they use.

The Sea Cargo Charter will be an important tool for supporting Signatories in complying with such regulations, by allowing better assessment of their present positions and how these align with the various targets set by governments as well as companies, customers and financial institutions.

Enabling emissions reductions

There are positive trends in terms of industry action, too. With the long lifetime of vessels, decisions taken to invest in assets now will still have implications up until and beyond 2050. But zero-emission technologies and fuels are not commercially available at scale today and their adoption will increase costs at first.

The rapid growth of coalitions, voluntary initiatives and pilots and demonstration projects focused on developing zero-emission shipping technologies, fuels and supportive bunkering and infrastructure is a sign of increased industry action to address these challenges. An example includes the 373 pilots and demonstration projects registered in the **annual Mapping of Zero-Emission Pilots and Demonstration Projects report** published in May 2023.

Cutting fuel costs by improving the operational and technical efficiency of ships will be a prerequisite for the widespread adoption of zero-emission fuels and setting the foundation for **green shipping corridors**, more than 20 of which have been announced since the launch of the Clydebank Declaration at COP26. These are specific shipping routes where the technological, economic and regulatory feasibility of zero-emission shipping is catalysed by a combination of public and private actions. Zero-emission shipping can be assessed on these corridors and the knowledge gained utilised to scale up to wider use.

Improving the operational efficiency of the ship itself will need to go hand in hand with a more efficient supply chain which will require much broader collaboration. The industry's efforts are further encouraged by customers, who are increasingly demanding that suppliers make documented reductions in emissions and other impacts. The Cargo Owners for Zero Emissions Vessels (coZEV) brings together major container customers – including Amazon, Unilever and IKEA – to reduce their ocean freight to zero emissions by 2040 and is an important example of this trend.

The data transparency provided by the Sea Cargo Charter will be an important tool for companies to assess current performance and identify and undertake potential optimisations. This not only contributes to emissions reduction in the short term, but also ensures compliance with increasingly ambitious regulations and enables longer-term efforts to reduce shipping's impact on the planet.

3. Climate alignment & decarbonisation trajectories

Signatories to the Sea Cargo Charter have committed to reporting the climate alignment of their shipping activities for each calendar year. Underpinning this annual activity score are individual voyage climate alignment scores which express the difference (as a percentage) between measured carbon intensity and the required ship type/size decarbonisation trajectory value for the year under review.

Figure 1 shows a stylised depiction of a decarbonisation trajectory (blue line) for a ship type and size category. Each dot represents the carbon intensity of a voyage. The green dots represent voyages that are aligned, while the red dots represent vessels that are misaligned because they lie above the decarbonisation trajectory.

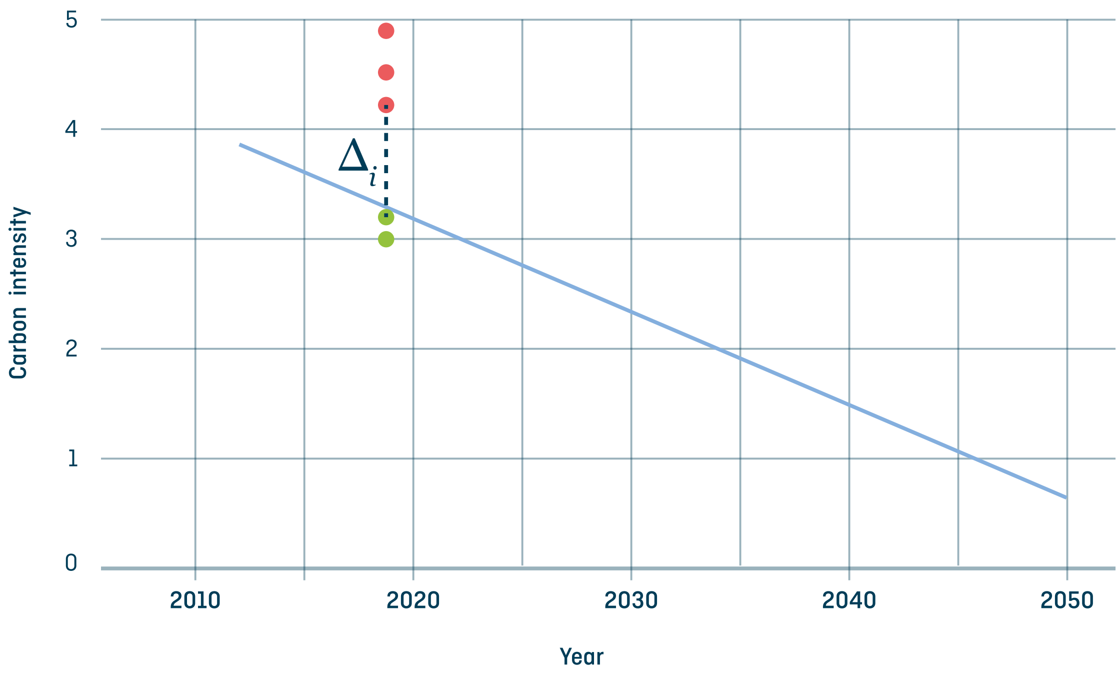


Figure 1.
Assessing alignment at the voyage level

Decarbonisation trajectories in the Sea Cargo Charter

The trajectories used in the Sea Cargo Charter were constructed by connecting historical carbon intensity data relating to the Fourth IMO GHG Study with the IMO's Initial GHG Strategy. The Strategy sets out the following levels of ambition:

1. To reduce the total annual GHG emissions by at least 50% by 2050 compared to 2008 ("the IMO Absolute Target").
2. To reduce CO_2 emissions per transport work by at least 40% by 2030, pursuing efforts towards 70% by 2050 compared to 2008 ("the IMO Intensity Targets").

The Sea Cargo Charter trajectory is consistent with achieving a 50% reduction in absolute carbon emissions by 2050 compared to 2008 (the minimum absolute threshold of the IMO Absolute Target above). Under a demand scenario from the Fourth IMO GHG Study, this represents an 81% reduction in global carbon intensity by 2050 from the 2008 level, which is more ambitious than the IMO Intensity Targets. To ensure both targets can be met, the Sea Cargo Charter uses the minimum of the IMO's Absolute Target.

	2008	2012	2050
Total transport demand (billion tonne nautical miles)	46,000	54,000	119,000
Total CO_2 emissions (million tonnes) estimated	921	848	461
Estimated aggregate carbon intensity (gCO_2/tnm)	20.0	15.7	3.9

Table 1.
Transport demand emissions, and carbon intensity for international shipping

Values for the total transport demand, total CO_2 emissions, and aggregate carbon intensity in 2008, 2012 and the projections for 2050 are shown in Table 1. Figure 2 plots the carbon intensity values in Table 1 and a linear trend line connecting them. There are many different assumptions that could be applied to specify the shape of the curve that defines the rate of carbon intensity reduction between 2012 and 2050. As it stands, the trajectories do not account for projected efficiency or alternative fuel technology uptake by the industry and are not designed to forecast any changes in operating profile. The linear nature of the trajectories provides a method to overcome uncertainty introduced by projections relating to technology uptake or operational variation. The chosen trajectory represents a gradual and consistent rate of improvement on average across the fleet; the assumption applied here is for a constant improvement year-on-year, which is described by a straight line between 2012 and 2050.

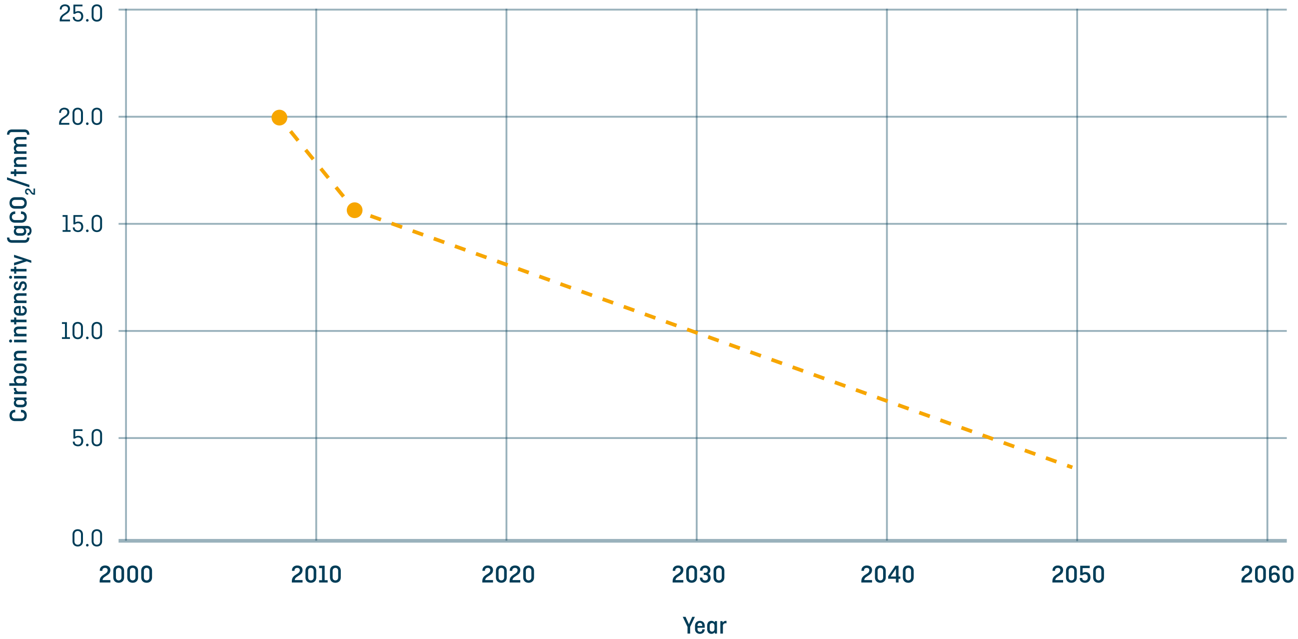


Figure 2.
Global carbon intensity trajectory

Figure 3 transforms the global carbon intensity trajectory (from Figure 2) into the rate of reduction required per year relative to 2012. For example, to be in line with the trajectory, voyage EEOI (in gCO_2/t-nm) would need to reduce by 10% every five years. Each ship type and size category needs to achieve the same rate of reduction relative to their respective 2012 baseline.

Carbon intensity can be measured in a number of different ways. To provide the most accurate representation of a voyage's climate impact, carbon intensity is ideally calculated using measured performance in real operating conditions. The IMO established the voluntary EEOI which relates the amount of CO_2 emissions to the actual quantity of cargo transported whilst also taking into account any time spent on ballast.

$$EEOI = \frac{\textit{total } CO_2 \textit{ emitted during voyage (ballast + laden)}}{\textit{amount of cargo transported x total distance laden}}$$

Since this data is not available to charterers (except those chartering vessels on time charter), they are required to collect it directly from owners through agreements set in place in charter parties. For this purpose, the Sea Cargo Charter has **drafted a clause and reporting template** to ease the administrative burden of both Signatories and owners. From the very beginning of this initiative, collecting and disclosing alignment against measured data has been the priority rather than using estimates or assumptions which introduce further uncertainty and may skew alignment scores.

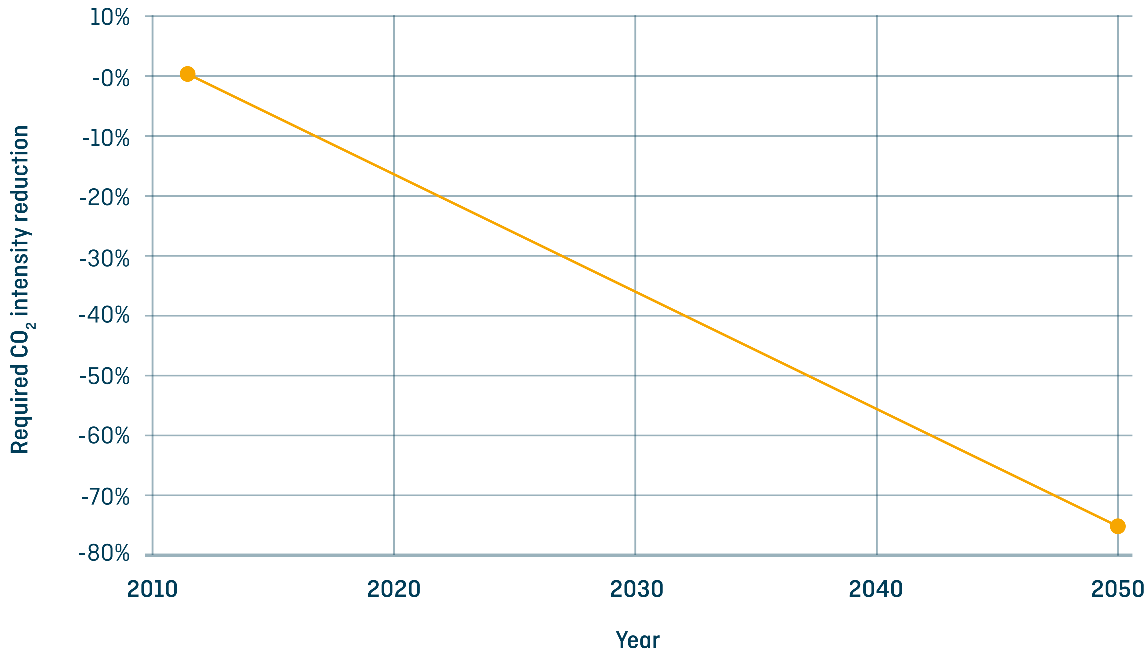


Figure 3.
Required CO_2 intensity reduction

There are several operational levers that can be used to reduce EEOI. Maximising loading and utilisation by reducing ballast legs helps increase the amount of transport work carried out whilst on a voyage. On the vessel side, more efficient engines operated at optimal loading and not sailing at excessive speeds to avoid waiting at terminals can help reduce emissions. In the near future, the use of zero-emission fuels will be another important lever that can be used to improve EEOI and, subsequently, alignment to the decarbonisation trajectory. Depending on the kind of charter being undertaken (spot, time, bareboat), the charterer and owner have differing ownership of the above factors. Communication through data sharing can thus result in mutually beneficial decision-making.

The Global Maritime Forum's Short-Term Action Taskforce has been particularly looking at these opportunities on how to improve operational efficiency. Read more here.

Lessons learnt applied to vessel-specific baselines

As pointed out in the Annual Disclosure report for 2022, reporting of alignment for chemical tankers and liquefied gas carriers in particular was not seen to be representative of observed activity. Throughout the intervening year, the Technical Committee and Advisory have been hard at work to understand the root cause of this and design a robust solution.

The existing carbon intensity benchmarks set for chemical tankers and liquefied gas carriers were based on the Fourth IMO GHG Study. After extensive independent verification of measured data by the Advisory, as well as evaluation of the validation carried out for the Fourth IMO GHG Study against EU MRV data, the existing baselines were found to have high uncertainty.

For chemical tankers, uncertainty around the way that cargo on board is estimated in the Fourth IMO GHG Study introduces high variation when compared to EU MRV data (comparing like for like journeys). For liquefied gas tankers, several reasons have been identified which might be causing misalignment including uncertainty around specific fuel consumption of propulsion systems, cargo on board (which is estimated using draught that may be highly inaccurate) and the difference in operating profile and vessel characteristics for smaller LPG tankers (size 1 and 2) and larger LNG tankers (size 3 and 4).

Following this data analysis, the baselines for these two vessels types have been modified for this reporting cycle to be based on EU MRV data. However, the same method of curve fitting through vessel size bin median EEOI values to obtain a continuous baseline was applied.

4. Reporting results

In this Sea Cargo Charter Annual Disclosure Report, 33 Signatories have reported the climate alignment of their chartering activity for 2022. Together, these 33 Signatories moved over 17% of total bulk cargo transported by sea in 2022. The results show that the activities of 14 Signatories were aligned with the IMO's Initial GHG Strategy, just under half of the reported results.

The simple average score, i.e., all of the reported climate alignment scores calculated with each score being assigned equal weight, was +1.7% and the median was +2.7%. Scores ranged from -21.8% to +21.4%, and 60% of Signatories had a score of +5% or less, as shown in Figure 4. These alignment scores are based on an average reporting rate of 90% from Signatories for their annual activity. A negative score implies alignment while a positive score denotes misalignment to the decarbonisation trajectory.

The average alignment has increased slightly since 2021 and the variation has decreased significantly. The improvement may be attributed to several reasons including the changes carried out to the chemical and liquified gas tanker baselines as well as trade patterns and possibly better operational efficiency.

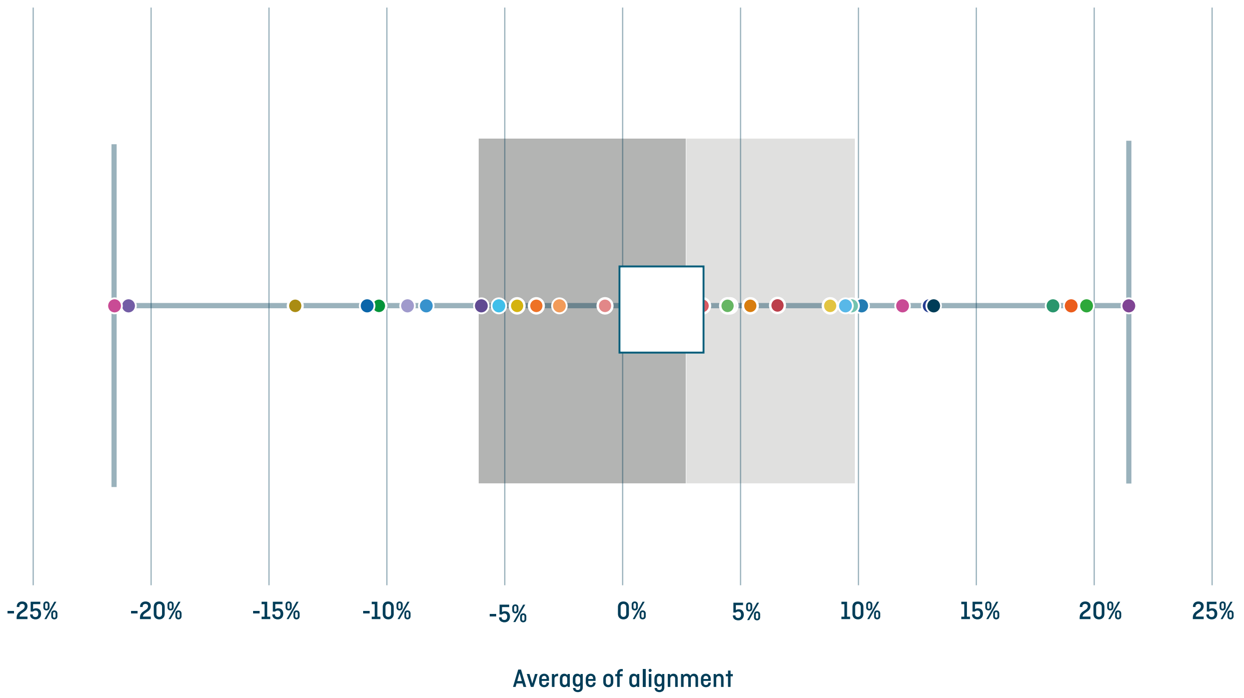


Figure 4.
Box plot illustrating range of overall Signatory annual activity alignments

How to read this graph

A box plot is a good way of presenting a data set to show variation but describe distribution over a range. The dots represent data points and their position in the box or along the whisker communicates where they fall within quartiles of the dataset. Points along the whiskers fall in the first and fourth quartile while the points in the dark and light side of the box fall in the second and third quartiles. Where the colours meet in the box represents the median while the white box presents the mean.

Given this diversity of operational and trade profiles amongst Signatories, the Sea Cargo Charter disclosure gives insight into the alignment at a vessel category level, as shown in Table 2 and Figure 5. Most of the Signatories operate in specific markets and the particular characteristics of their trade and associated vessels thus affect their annual activity alignment. These trade-specific factors can have a significant impact on voyage EEOI and thus on overall alignment. The larger variations seen in Figure 5 for some vessel categories are related to individual outliers which is why the median values presented in Table 2 are more representative on an overall basis.

Bulk carrier 0-9,999 (dwt)	28.4%
Bulk carrier 10,000-34,999 (dwt)	14.1%
Bulk carrier 35,000-59,999 (dwt)	7.6%
Bulk carrier 60,000-99,999 (dwt)	4.2%
Bulk carrier 100,000-199,999 (dwt)	-1.8%
Bulk carrier 200,000-+ (dwt)	-3.3%
Chemical tanker 0-4,999 (dwt)	-9.9%
Chemical tanker 5,000-9,999 (dwt)	-5.7%
Chemical tanker 10,000-19,999 (dwt)	25.1%
Chemical tanker 20,000-39,999 (dwt)	9.6%
Chemical tanker 40,000-+ (dwt)	10.8%
Liquefied gas tanker 0-49,999 (cbm)	4.5%
Liquefied gas tanker 50,000-99,999 (cbm)	0.1%
Liquefied gas tanker 100,000-199,999 (cbm)	0.8%
Oil tanker 0-4,999 (dwt)	33.0%
Oil tanker 5,000-9,999 (dwt)	15.9%
Oil tanker 10,000-19,999 (dwt)	5.1%
Oil tanker 20,000-59,999 (dwt)	-12.9%
Oil tanker 60,000-79,999 (dwt)	-16.6%
Oil tanker 80,000-119,999 (dwt)	-19.0%
Oil tanker 120,000-199,999 (dwt)	-19.8%
Oil tanker 200,000-+ (dwt)	-26.3%

Table 2.

Median voyage alignment by vessel category

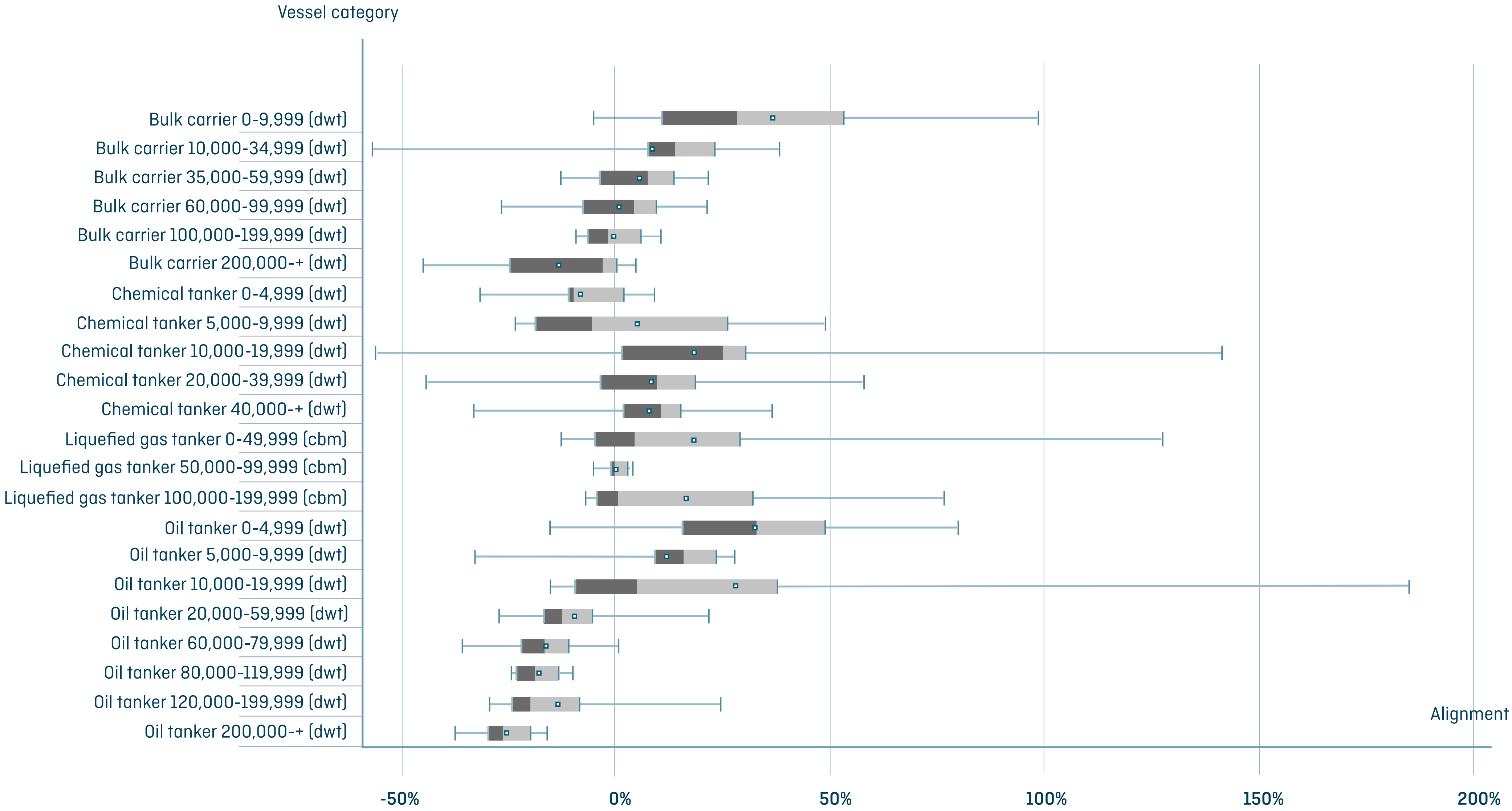


Figure 5.
Box plot illustrating range of Signatory weighted vessel category level alignment

As Signatories gather more data from owners and operators, a better understanding is gained as to the factors that most influence the carbon intensity of voyages. Loading cargo in terminals with a draught constraint, specific routes operating at higher speeds due to market conditions and short haul movements on small vessels were some of the factors that influenced performance in 2022. The Russia-Ukraine conflict has also played an important role in shaping vessel activity over 2022 due to the shift in petrochemical transport as well as grain and fertiliser trade.

Generally, the trend for smaller categories across all vessel types to be less aligned and have higher variation when compared to larger sizes of the same type has remained consistent. One reason for this is the high diversity of ship designs and heterogeneous operating profiles even within the same vessel type, making the required carbon intensity baseline a median that may be more or less applicable, depending on the predominant activity in a Signatory's overall portfolio of activities. In many cases, high misalignment of voyages undertaken by smaller vessels, which account for a small amount of transport work, is diluted when the weighted average is calculated where larger vessels perform better due to their inherently lower carbon intensity.

The reporting from 2022 shows that the Signatories' overall annual activity was, on average, marginally misaligned for bulk carriers and chemical tankers, with liquefied gas carriers and oil tankers being aligned on a weighted average basis.

The change in chemical and liquefied gas carriers baselines has resulted in a much more representative performance of voyages in this category with the median being much closer to zero across all vessel sizes when compared to reporting in 2021. This provides confidence in the representativeness of the baselines and fits well with the spirit of constant improvement that the Sea Cargo Charter strives for.

Despite specific factors that influence alignment scores, the key take away from Signatories this year has been the increase in volume of voyage data that they are obtaining through building relationships with vessel owners and operators. Signatories have commented that this has meant significant investment of resources in setting up internal systems for collecting and processing this data; however they are increasingly benefiting from the transparency and granularity they are getting on their activity. The Sea Cargo Charter has become a tool for both internal and external reporting and target setting while also being a mark of a Signatory's commitment to active participation in the decarbonisation of the industry.

This data is providing a solid evidence base which Signatories are using to assess which levers they can use to improve their carbon intensity as well as make business cases for strategic investments and building relationships with owners. These levers can include ballast leg optimisation, chartering newer vessels where possible and sharing the cost of retrofitting vessels with owners and entering into long time charter contracts to share the benefit. Moreover, there is a shift in the questions being asked when vessels are fixed, with this data now being also shared internally with the commercial desks as GHG performance becomes increasingly important along with financial performance.

The Sea Cargo Charter, as it continues to expand in its second year of reporting, remains committed to staying at the forefront of transparency and ambition and to continuously improving the reporting methodology. This implies embracing new scientific evidence and revising the methodology as needed to ensure that the Sea Cargo Charter continues to be a salient tool for Signatories and a credible public disclosure initiative.

	Bulkers	**Chemical**	**Liquefied gas carriers**	**Oil tankers**
Median	6.6%	9.1%	1.0%	-14.1%
Mean	7.1%	7.5%	11.9%	-3.5%

Table 3.
Average alignment of vessel activity by type

5. Fulfilling the Signatory requirements

ADM

Founding Signatory as of October 2020
Reporting period: Q1, Q2, Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

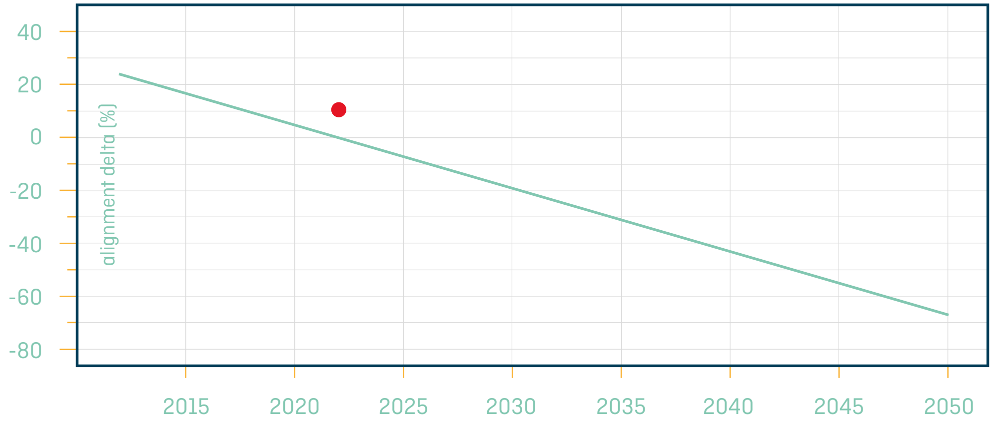
2022 is the second year ADM is reporting its climate alignment score for the Sea Cargo Charter. There is a significant improvement in the overall climate alignment score compared to 2021, which will help ADM to reach its announced 2021 goal to reduce Scope 3 GHG emissions by 2035, against a 2019 baseline. We are currently focusing our reduction efforts on five material categories: purchased goods and services, fuel and energy related emissions, upstream transportation and distribution, waste, and processing of sold products/goods. The climate alignment score will continue to enable us to have a holistic view of the environmental impact of our ocean freight operations and will guide our decisions and processes towards the achievement of our Strive 35 sustainability goals.

How does the Sea Cargo Charter influence your business activities and decision-making?

The Sea Cargo Charter and its methodology fit well within ADM's commitment to reducing carbon emissions. Going through the second cycle of Sea Cargo Charter reporting has enabled us to further drive digitalisation in our activities, consequently better informing our decision making process.

> **The 2022 overall climate alignment score illustrates that we made further progress on our decarbonisation journey. The harmonised way to measure our emissions footprint enables deeper data analysis. We see significant improvements in our own time charter operations, which we aim to build on through more digitalisation in our operational processes. For the coming years, we plan to identify other potential actions to reduce our individual emissions and create a positive change for ourselves and the industry.**
>
> Hans-Christian Jensen, Director, Global Ocean Freight

Annual activity climate alignment score: 10.1%



Vessel category climate alignment

Bulk carrier	
0-9999 dwt	**11.4%**
10000-34999 dwt	**23.7%**
35000-59999 dwt	**19.3%**
60,000-99,999 dwt	**8.1%**
100,000-199,999 dwt	**-9.2%**
200000-+ dwt	**N/A**
Chemical tanker	
0-4,999 dwt	**N/A**
5,000-9,999 dwt	**-5.7%**
10,000-19,999 dwt	**3.4%**
20,000-39,999 dwt	**4.7%**
40,000-+ dwt	**-17.0%**

Liquefied gas tanker	
0-49,999 dwt	**N/A**
50,000-99,999 dwt	**N/A**
100,000-199,999 dwt	**N/A**
200,000-+ dwt	**N/A**
Oil tanker	
0-4,999 dwt	**N/A**
5,000-9,999 dwt	**N/A**
10,000-19,999 dwt	**N/A**
20,000-59,999 dwt	**-17.7%**
60,000-79,999 dwt	**N/A**
80,000-119,999 dwt	**N/A**
120,000-199,999 dwt	**N/A**
200,000-+ dwt	**N/A**

Segment 1 *Only time charterer & final time charterer*	**Segment 2** *Voyage charterer*	**Segment 3** *Intermediate time charterer & bareboat charterer*	**Segment 4** *Owned vessels*
Included	**Included**	**Excluded**	**Excluded**

Amaggi

Signatory as of March 2022
Reporting period: Q1, Q2, Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

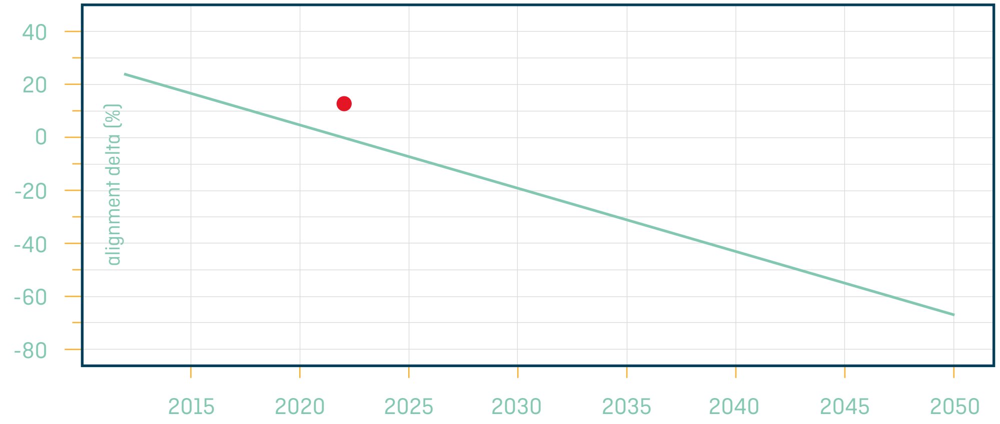
Measuring is the very first step towards improvement. Our vessels are operating to a large extent in draft restricted ports with less than full cargo intake, which is penalising our score. Although overaligned in 2022, average ballast is down by more than 1,000 nautical miles since 2021 and we are investing in vessel energy efficiency on long-terms period charters. Amaggi/ZeroLab are beginning to discuss emission reduction measures in workshops.

How does the Sea Cargo Charter influence your business activities and decision-making?

Amaggi's target is to reduce GHG emissions in the entire agricultural supply chain. By calculating and reporing our alignment scores though Sea Cargo Charter, we can better understand how consistent our decarbonisation efforts are. It also give us a tool to engage in discussions with third parties.

> **At Amaggi, we strive to reduce our carbon footprint across our entire value chain. In 2022, we implemented tools and allocated resources towards optimising our maritime flows, enabling us to reduce our global emissions per ton and improve our overall EEOI rating.**
>
> Alex Haubert, Head of Ocean Freight

Annual activity climate alignment score: 13.0%



Vessel category climate alignment

Bulk carrier	
0-9,999 dwt	93.5%
10,000-34,999 dwt	13.8%
35,000-59,999 dwt	17.3%
60,000-99,999 dwt	12.6%
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Chemical tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	-27.0%
20,000-39,999 dwt	N/A
40,000-+ dwt	N/A

Liquefied gas tanker	
0-49,999 dwt	N/A
50,000-99,999 dwt	N/A
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Oil tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	N/A
20,000-59,999 dwt	N/A
60,000-79,999 dwt	N/A
80,000-119,999 dwt	N/A
120,000-199,999 dwt	N/A
200,000-+ dwt	N/A

Segment 1 *Only time charterer & final time charterer*	Segment 2 *Voyage charterer*	Segment 3 *Intermediate time charterer & bareboat charterer*	Segment 4 *Owned vessels*
Included	Included	Included	Not Applicable

Anglo American

Founding Signatory as of October 2020
Reporting period: Q1, Q2, Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

Anglo American has been driving measures to improve the efficiency of its shipping operations. These efforts yielded the desired results, and in 2022 our operations were well within the limits of the permitted alignment trajectory. Anglo American transports most of its volume on bigger bulk carriers, which significantly impact overall climate alignment scores. We are seeing improved operational efficiencies, driven by minimising the reduced ballast legs across our diverse cargo portfolio through backhaul trade and conscious decision making in terms of vessel selection, improved vessel utilisation rates, proactive voyage monitoring and exploring vessel design improvements. We are working continuously and collaboratively across the industry to improve efficiencies in our trading operations.

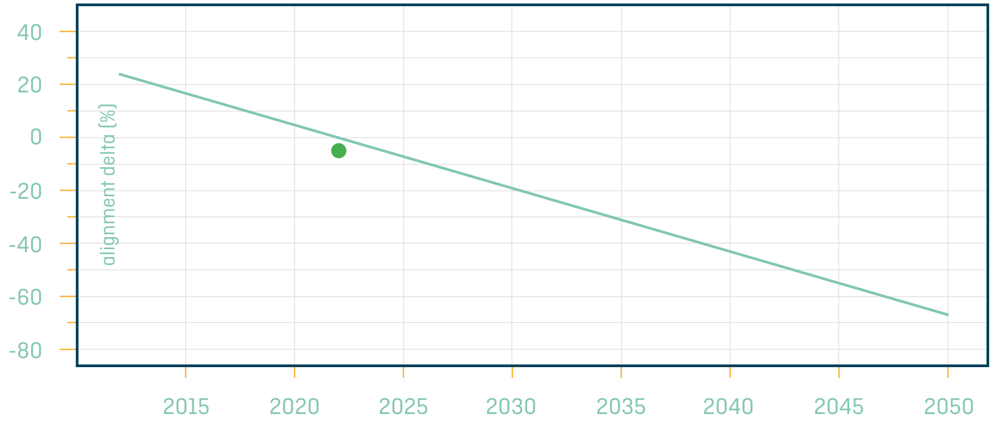
How does the Sea Cargo Charter influence your business activities and decision-making?

The Sea Cargo Charter provides a standard framework for the signatories to record, measure and report data that can be compared and benchmarked. This has allowed us to appropriately and accurately factor climate impact into our decision making process when reviewing the nominations and operating voyages and contracts. Voyage alignment as a metric is helping us to accurately assess carbon emission saving opportunities against considerations and is helping to make informed and accountable decisions.

> **Our efforts to decarbonise our shipping activities rely on a comprehensive approach, underpinned by the trial of alternative fuels and the deployment of new technologies onboard our charter vessels, to achieve greater efficiency and a reduced footprint. By adopting the Sea Cargo Charter framework, we can rely on transparent and accurate methodologies to track our decarbonisation trajectory, ensuring its consistency with IMO standards and alignment with our ambition to reach carbon neutrality for our controlled ocean freight by 2040.**
>
> Peter Lye, Head of Shipping

AngloAmerican

Annual activity climate alignment score: -3.7%



Vessel category climate alignment

Bulk carrier	
0-9,999 dwt	N/A
10,000-34,999 dwt	-9.0%
35,000-59,999 dwt	-12.6%
60,000-99,999 dwt	-12.9%
100,000-199,999 dwt	-3.5%
200,000-+ dwt	-3.3%
Chemical tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	N/A
20,000-39,999 dwt	N/A
40,000-+ dwt	N/A

Liquefied gas tanker	
0-49,999 dwt	N/A
50,000-99,999 dwt	N/A
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Oil tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	N/A
20,000-59,999 dwt	N/A
60,000-79,999 dwt	N/A
80,000-119,999 dwt	N/A
120,000-199,999 dwt	N/A
200,000-+ dwt	N/A

Segment 1 *Only time charterer & final time charterer*	Segment 2 *Voyage charterer*	Segment 3 *Intermediate time charterer &bareboat charterer*	Segment 4 *Owned vessels*
Included	Included	Not Applicable	Not Applicable

Bunge

BUNGE

Founding Signatory as of October 2020
Reporting period: Q1, Q2, Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

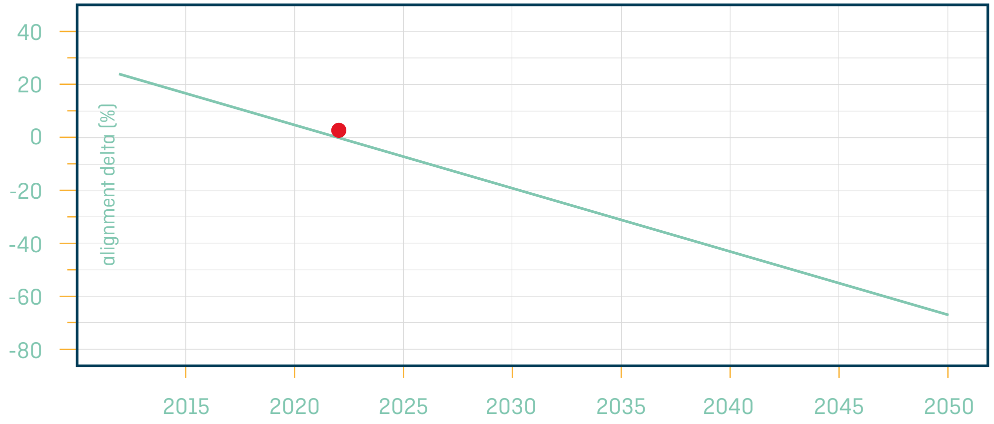
The actions we took in recent years to measure emissions in our logistics flows were important first steps on our journey to reducing the environmental footprint of our shipping operations. It has enabled us to seek out solutions that result in more efficient chartering and optimisation of voyages, helping reduce emissions overall.

How does the Sea Cargo Charter influence your business activities and decision-making?

The Sea Cargo Charter remains an indispensable venue for collaboration and a framework for highlighting progress and accountability for Signatories. We look forward to learning from our peers and offering our own best practices so that we can achieve collective success on our shared objectives.

> **We greatly value the framework provided by the Sea Caro Charter that has enabled us to take meaningful actions to reduce the GHG emissions in our supply chains.**
>
> Marcio Valentim Moura, Global Logistics Director

Annual activity climate alignment score: 2.4%



Vessel category climate alignment

Bulk carrier	
0-9,999 dwt	**30.2%**
10,000-34,999 dwt	**7.9%**
35,000-59,999 dwt	**3.4%**
60,000-99,999 dwt	**6.4%**
100,000-199,999 dwt	**-1.8%**
200,000-+ dwt	**-44.0%**
Chemical tanker	
0-4,999 dwt	**-32.3%**
5,000-9,999 dwt	**-18.5%**
10,000-19,999 dwt	**-35.9%**
20,000-39,999 dwt	**-36.3%**
40,000-+ dwt	**-32.8%**

Liquefied gas tanker	
0-49,999 dwt	**N/A**
50,000-99,999 dwt	**N/A**
100,000-199,999 dwt	**N/A**
200,000-+ dwt	**N/A**
Oil tanker	
0-4,999 dwt	**N/A**
5,000-9,999 dwt	**N/A**
10,000-19,999 dwt	**N/A**
20,000-59,999 dwt	**N/A**
60,000-79,999 dwt	**N/A**
80,000-119,999 dwt	**N/A**
120,000-199,999 dwt	**N/A**
200,000-+ dwt	**N/A**

Segment 1 *Only time charterer & final time charterer*	**Segment 2** *Voyage charterer*	**Segment 3** *Intermediate time charterer & bareboat charterer*	**Segment 4** *Owned vessels*
Included	**Included**	**Not Applicable**	**Not Applicable**

Cargill Ocean Transportation

Founding Signatory as of October 2020
Reporting period: Q1, Q2, Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

We have improved our overall climate alignment from 5.9% last year to 4.5% this year. The efforts we have made during the year to deliver improvements in both technical (ship) and operational efficiencies have contributed to this improvement, but we recognise that the majority of the improvement is a result of market-driven speed reductions within the mid- to large-size dry bulk categories during the 2022 reporting period. With 94% of our tonne-miles coming from the bulkers of 35,000 tonnes and above, our overall score is heavily weighted towards these segments. The very large alignments in some of the other vessel categories are mostly due to a small number of voyages leading to variable results.

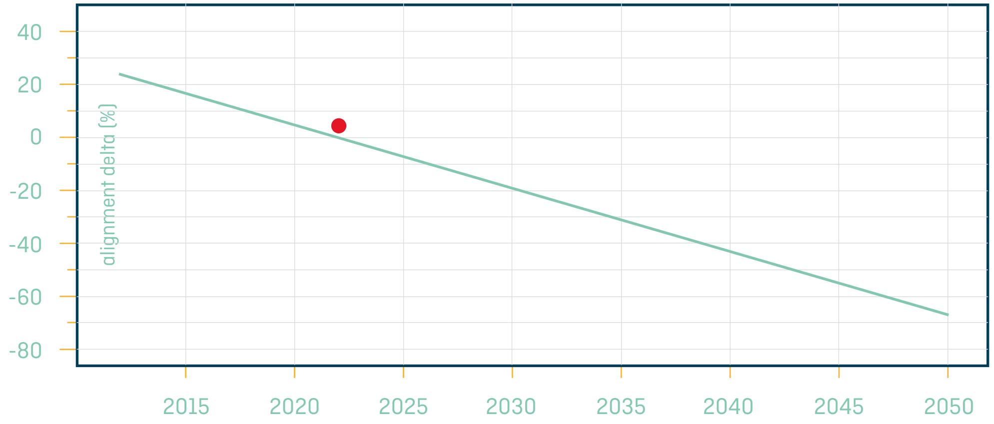
How does the Sea Cargo Charter influence your business activities and decision-making?

The Sea Cargo Charter provides us with a transparent and consistent mechanism to track the carbon intensity of our fleet. The Sea Cargo Charter, EEOI and climate alignment have become a common language used across all levels of our business and increasingly with our counterparties. We work closely with our customers to help them achieve their own decarbonisation goals, and the Sea Cargo Charter provides a credible methodology for us to quantify and monitor progress. The Sea Cargo Charter also continues to drive us to improve our emissions data quality and granularity, and our in-house digital emissions monitoring systems enable us to monitor the Sea Cargo Charter results instantly throughout the year.

> **I'm pleased to be able to report an improvement in our climate alignment versus last year's result. However, we are also acutely aware that fleet-wide speed reductions have contributed to this, and we still have work to do if we are to catch up to the trajectory. In the past year we have made investments in alternative fuel ships, energy efficiency retrofits, digital solutions and various other initiatives that I hope will pave the way towards an accelerated pace of carbon intensity reductions in future years.**
>
> Eman Abdalla, Global Operations Director

Cargill
Helping the world thrive

Annual activity climate alignment score: 4.5%



Vessel category climate alignment

Bulk carrier	
0-9,999 dwt	28.4%
10,000-34,999 dwt	11.5%
35,000-59,999 dwt	7.6%
60,000-99,999 dwt	3.9%
100,000-199,999 dwt	6.0%
200,000-+ dwt	-3.2%
Chemical tanker	
0-4,999 dwt	-11.0%
5,000-9,999 dwt	-22.2%
10,000-19,999 dwt	0.0%
20,000-39,999 dwt	2.4%
40,000-+ dwt	-2.6%

Liquefied gas tanker	
0-49,999 dwt	N/A
50,000-99,999 dwt	N/A
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Oil tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	27.8%
10,000-19,999 dwt	N/A
20,000-59,999 dwt	N/A
60,000-79,999 dwt	N/A
80,000-119,999 dwt	-17.8%
120,000-199,999 dwt	N/A
200,000-+ dwt	N/A

Segment 1 *Only time charterer & final time charterer*	Segment 2 *Voyage charterer*	Segment 3 *Intermediate time charterer & bareboat charterer*	Segment 4 *Owned vessels*
Included	Included	Excluded	Not Applicable

Copenhagen Commercial Platform (CCP)

Signatory as of January 2022
Reporting period: Q1, Q2, Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

CCP is pleased to report our climate alignment score for the second time. The structured collection of emission data and transport work has provided CCP with increased insights into the carbon footprint of the fleet of bulk carriers that we operate on behalf of shipowners.

We can confirm that the climate alignment score for a vessel is heavly influenced by the commercial operation of the vessel, such as instructed speed, laden/ballast ratio and deadweight tonnage utilisation on laden voyages.

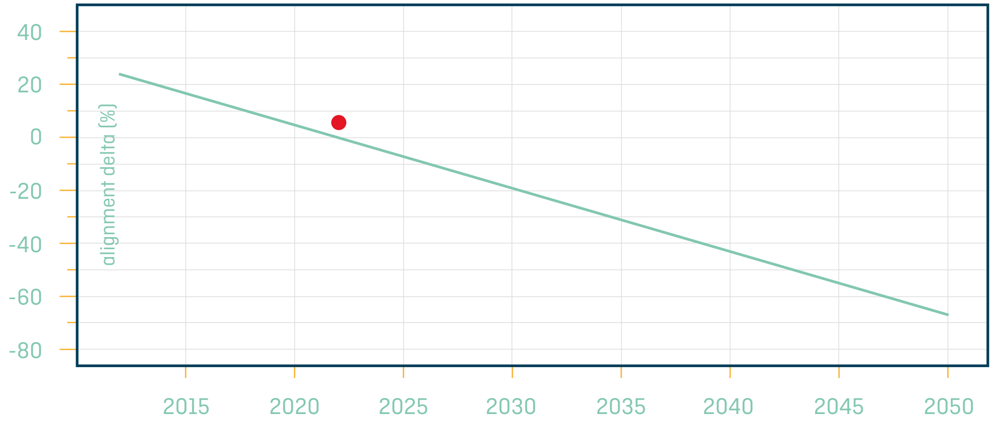
How does the Sea Cargo Charter influence your business activities and decision-making?

The climate alignment score obtained in 2022 provides CCP with the information and data that enables us to facilitate discussion between shipowners and chareterers on how to reduce the carbon footprint on both the ship and fleet level. CCP will also urge shipowners and charterers to set common goals for climate alignment scores for 2023.

CCP is proud to be part of the Sea Cargo Charter and we view the initiative as an important contribution in the decarbonisation of shipping. CCP is committed to transparentlyreporting the climate alignment score on behalf of our clients and we will assist shipowners and charterers in reducing the carbon footprint of their shipping operations.

Christian Bonfils, Chief Executive Officer

Annual activity climate alignment score: 6.7%



Vessel category climate alignment

Bulk carrier	
0-9,999 dwt	N/A
10,000-34,999 dwt	N/A
35,000-59,999 dwt	N/A
60,000-99,999 dwt	**6.7%**
100,000-199,999 dwt	**6.9%**
200,000-+ dwt	N/A
Chemical tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	N/A
20,000-39,999 dwt	N/A
40,000-+ dwt	N/A

Liquefied gas tanker	
0-49,999 dwt	N/A
50,000-99,999 dwt	N/A
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Oil tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	N/A
20,000-59,999 dwt	N/A
60,000-79,999 dwt	N/A
80,000-119,999 dwt	N/A
120,000-199,999 dwt	N/A
200,000-+ dwt	N/A

Segment 1 *Only time charterer & final time charterer*	Segment 2 *Voyage charterer*	Segment 3 *Intermediate time charterer & bareboat charterer*	Segment 4 *Owned vessels*
Included	**Not Applicable**	**Not Applicable**	**Not Applicable**

Chevron Shipping Company

Signatory as of November 2021
Reporting period: Q1, Q2, Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

Chevron Shipping Company is pleased to share our first disclosure as part of the Sea Cargo Charter. The process of measuring our emissions and having the measurements validated has sharpened our focus. We charter and operate crude oil, products and liquified gas carriers which are relatively new and efficient and can take advantage of scheduling and triangulation optimisation within our programme to achieve further efficiencies. There is an opportunity for improvement with our LNG fleet; we have committed to efficiency retrofits for our owned vessels and we are implementing a programme designed to better manage boil-off gas.

How does the Sea Cargo Charter influence your business activities and decision-making?

The Sea Cargo Charter provides a global standard for reporting shipping emissions, thereby advancing Chevron Shipping's efforts towards meeting IMO goals. We believe that transparency and accuracy of GHG reporting is foundational to lowering marine carbon intensity. The emissions metric within Chevron Shipping aligns with the Sea Cargo Charter targets and serves as the minimum annual carbon reduction target.

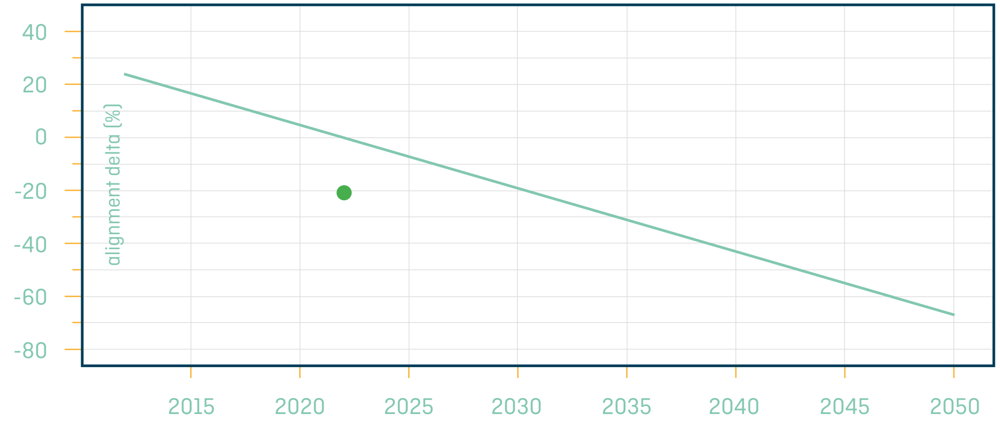
"

We are pleased to share our first annual disclosure as part of the Sea Cargo Charter. This is an important step towards advancing the transparency and accuracy of marine GHG reporting.

Mark Ross, President

"

Annual activity climate alignment score: -21.1%



Vessel category climate alignment

Bulk carrier	
0-9,999 dwt	N/A
10,000-34,999 dwt	N/A
35,000-59,999 dwt	N/A
60,000-99,999 dwt	N/A
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Chemical tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	N/A
20,000-39,999 dwt	N/A
40,000-+ dwt	N/A

Liquefied gas tanker	
0-49,999 dwt	-6.9%
50,000-99,999 dwt	-5.2%
100,000-199,999 dwt	5.3%
200,000-+ dwt	N/A
Oil tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	-15.1%
20,000-59,999 dwt	-14.8%
60,000-79,999 dwt	-15.6%
80,000-119,999 dwt	-15.3%
120,000-199,999 dwt	-29.8%
200,000-+ dwt	-31.7%

Segment 1 *Only time charterer & final time charterer*	Segment 2 *Voyage charterer*	Segment 3 *Intermediate time charterer & bareboat charterer*	Segment 4 *Owned vessels*
Included	Included	Included	Included

Partial submission - Partial submission - the following is excluded from reporting: chemical parceling

COFCO International

COFCO INTL

Founding Signatory as of October 2020
Reporting period: Q1, Q2, Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

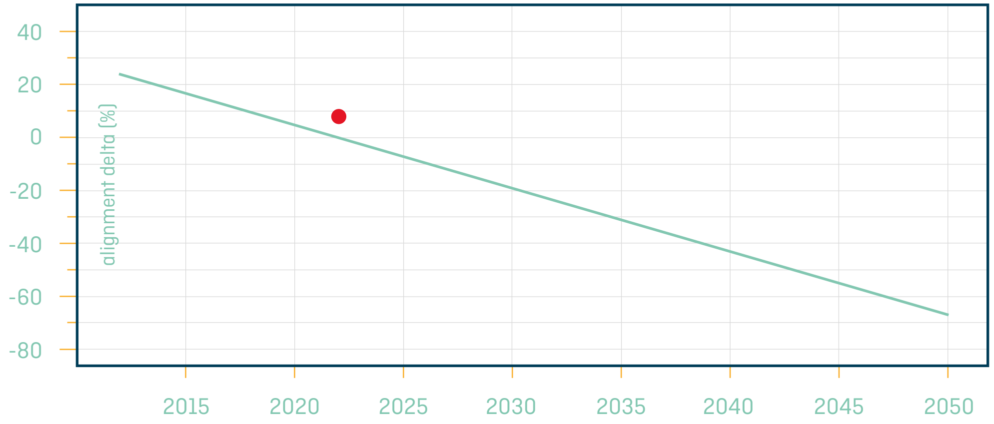
Our 2023 score of +8.9%, compared to -3.2% in 2022, demonstrates some misalignment with the decarbonisation trajectory and raises the need to further deepen collaboration with vessel owners.

In 2023, we deepened our understanding of the vessel sizes requiring further carbon reduction efforts, and have put efforts in place to improve the collection of fuel emissions reports for chartered vessels, but we still need to invest further in measures to reduce the emissions of the fleet we operate.

How does the Sea Cargo Charter influence your business activities and decision-making?

Our monitoring contributes to greater transparency and comparability within the sector, and complements our efforts to improve the overall understanding of GHG emissions for our freight operations.

Annual activity climate alignment score: 8.9%



Vessel category climate alignment

Bulk carrier	
0-9,999 dwt	**N/A**
10,000-34,999 dwt	**21.9%**
35,000-59,999 dwt	**9.3%**
60,000-99,999 dwt	**9.1%**
100,000-199,999 dwt	**4.6%**
200,000-+ dwt	**-45.3%**
Chemical tanker	
0-4,999 dwt	**N/A**
5,000-9,999 dwt	**N/A**
10,000-19,999 dwt	**N/A**
20,000-39,999 dwt	**N/A**
40,000-+ dwt	**N/A**

Liquefied gas tanker	
0-49,999 dwt	**N/A**
50,000-99,999 dwt	**N/A**
100,000-199,999 dwt	**N/A**
200,000-+ dwt	**N/A**
Oil tanker	
0-4,999 dwt	**N/A**
5,000-9,999 dwt	**N/A**
10,000-19,999 dwt	**N/A**
20,000-59,999 dwt	**N/A**
60,000-79,999 dwt	**N/A**
80,000-119,999 dwt	**N/A**
120,000-199,999 dwt	**N/A**
200,000-+ dwt	**N/A**

Segment 1 *Only time charterer & final time charterer*	**Segment 2** *Voyage charterer*	**Segment 3** *Intermediate time charterer & bareboat charterer*	**Segment 4** *Owned vessels*
Included	**Included**	**Excluded**	**Not Applicable**

"

Significantly reducing shipping emissions by 2050 is vital to preventing further global warming as trade expands to support the world's growing population. Together with our peers and in line with IMO ambitions, we are committed to accelerating this journey.

Marcelo Martins, MD Global Product Lines & EMEA

"

Diamond Bulk Carriers

Signatory as of March 2021
Reporting period: Q1, Q2, Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

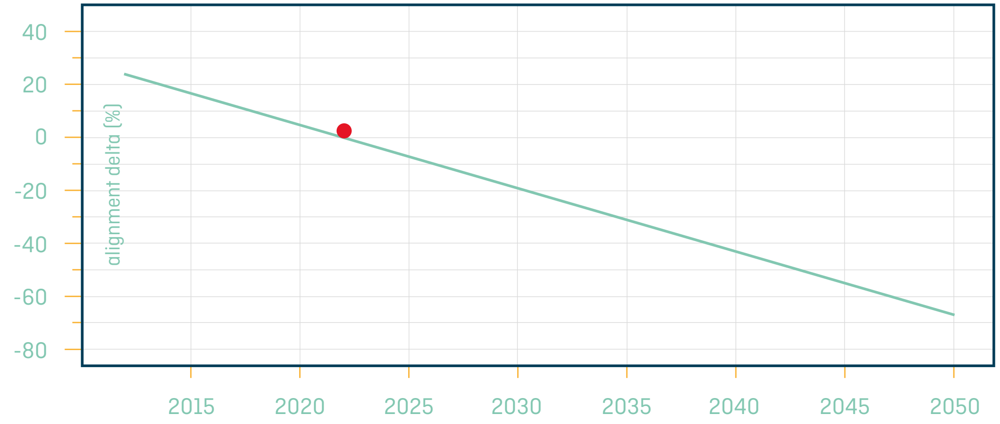
We have seen a steady improvement in the reduction of emissions for the year ended December 2022, thanks to changes in trading routes and less congestion as well as better fuel efficiency in our fleet. Together with the required emission trajectory, the climate alignment score not only works as a benchmark of our continuous emission reduction efforts but also assists us to develop a grand design on how to achieve the climate friendliness of cargo transportation towards 2050. This requires concerted efforts among the parties across the shipping chain, including owners, charterers, fuel suppliers, port operators and cargo owners.

How does the Sea Cargo Charter influence your business activities and decision-making?

The Sea Cargo Charter will provide us with the transparency we need in decarbonising our own shipping activities and give us the tool for engaging in the discussion with our various stakeholders, including both in-house and third party clients, who wish to have more visibility as well as to reduce the scope 3 emissions.

> **We are pleased to report the second year results of our climate alignment, which show an improved performance in our emissions reduction. This report works as the internal benchmark of decarbonisation efforts, and it is an important step to bring climate transparency to the shipping industry together with the other like-minded Signatories.**
>
> Naozumi Nagamitsu, Managing Director

Annual activity climate alignment score: 2.7%



Vessel category climate alignment

Bulk carrier	
0-9,999 dwt	N/A
10,000-34,999 dwt	-56.5%
35,000-59,999 dwt	-4.0%
60,000-99,999 dwt	9.5%
100,000-199,999 dwt	-7.0%
200,000-+ dwt	N/A
Chemical tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	N/A
20,000-39,999 dwt	N/A
40,000-+ dwt	N/A

Liquefied gas tanker	
0-49,999 dwt	N/A
50,000-99,999 dwt	N/A
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Oil tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	N/A
20,000-59,999 dwt	N/A
60,000-79,999 dwt	N/A
80,000-119,999 dwt	N/A
120,000-199,999 dwt	N/A
200,000-+ dwt	N/A

Segment 1 *Only time charterer & final time charterer*	Segment 2 *Voyage charterer*	Segment 3 *Intermediate time charterer & bareboat charterer*	Segment 4 *Owned vessels*
Included	Included	Included	Not Applicable

Dow

Founding Signatory as of October 2020
Reporting period: Q1, Q2, Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

Dow is proud of the improved alignment score in 2023. While it demonstrates significant effort, commitment and progress, we recognise it is one milestone in a longer journey. Achieving our climate objectives will require unparalled innovation and cooperation with our logistics and business partners.

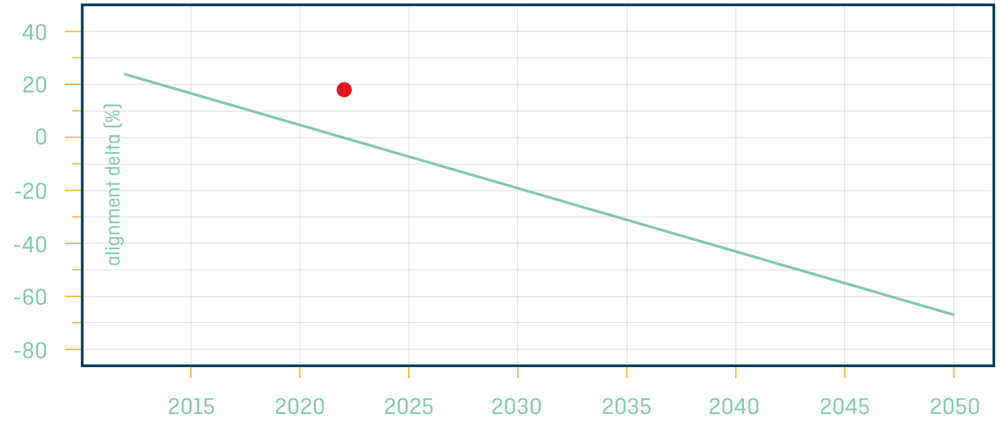
How does the Sea Cargo Charter influence your business activities and decision-making?

In our second year of Sea Cargo Charter, we have learned a tremendous amount about our emissions and how our chartering decisions impact those emissions. We're using what we've learned to drive initiatives in the areas of voyage utilisation, voyage efficiency and digitisation. The Sea Cargo Charter has helped us better engage with our carriers, and it will continue to be a key tool in our climate strategy.

Thanks to the diligent efforts of our Dow team and cooperation from our carriers, this report represents a significant improvement in our scoring compared to last year. We are committed to our amibition to be the most innovative, customer centric, inclusive and sustainable materials science company in the world.

Lance Nunez, Global Marine and Terminal Director

Annual activity climate alignment score: 19.5%



Vessel category climate alignment

Bulk carrier	
0-9,999 dwt	N/A
10,000-34,999 dwt	N/A
35,000-59,999 dwt	N/A
60,000-99,999 dwt	N/A
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Chemical tanker	
0-4,999 dwt	4.6%
5,000-9,999 dwt	37.9%
10,000-19,999 dwt	28.8%
20,000-39,999 dwt	9.3%
40,000-+ dwt	36.4%

Liquefied gas tanker	
0-49,999 dwt	86.0%
50,000-99,999 dwt	N/A
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Oil tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	3.0%
10,000-19,999 dwt	N/A
20,000-59,999 dwt	-24.9%
60,000-79,999 dwt	-11.4%
80,000-119,999 dwt	N/A
120,000-199,999 dwt	N/A
200,000-+ dwt	N/A

Segment 1 *Only time charterer & final time charterer*	Segment 2 *Voyage charterer*	Segment 3 *Intermediate time charterer & bareboat charterer*	Segment 4 *Owned vessels*
Included	**Included**	**Not Applicable**	**Not Applicable**

DS Norden

NORDEN

Founding Signatory as of October 2020
Reporting period: Q1, Q2, Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

NORDEN remains committed to further reducing our emissions and reaching our climate targets. Partly due to high operational speed in 2022 and new trading routes due to the war in Ukraine, our emissions are above trajectory.

How does the Sea Cargo Charter influence your business activities and decision-making?

During the second year as Signatory of the Sea Cargo Charter, NORDEN has advanced its use of emissions data, resulting in even better understanding of operational emissions. This has been a driver for internal target-setting and implementation of several actions to reduce CO_2. We still see a need for further collaboration between vessel owners, operators and cargo customers to reach these targets, engaging in discussions with customers on emissions, efficient operations and alternative fuel types.

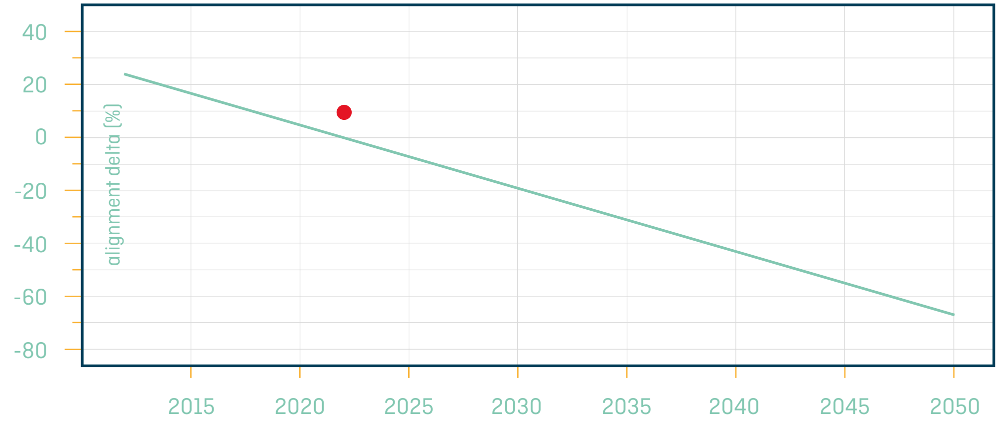
"

Working with the Sea Cargo Charter has led to an increased focus on accurate and reliable emissions data and further internal focus on climate alignment and being able to measure it. This has led to the implementation of CO_2 reducing actions.

Henrik Røjel, Head of Decarbonisation and Climate Solutions

"

Annual activity climate alignment score: 9.4%



Vessel category climate alignment

Bulk carrier	
0-9,999 dwt	N/A
10,000-34,999 dwt	14.4%
35,000-59,999 dwt	10.2%
60,000-99,999 dwt	6.5%
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Chemical tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	N/A
20,000-39,999 dwt	41.8%
40,000-+ dwt	15.4%

Liquefied gas tanker	
0-49,999 dwt	N/A
50,000-99,999 dwt	N/A
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Oil tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	N/A
20,000-59,999 dwt	2.4%
60,000-79,999 dwt	N/A
80,000-119,999 dwt	N/A
120,000-199,999 dwt	N/A
200,000-+ dwt	N/A

Segment 1 *Only time charterer & final time charterer*	Segment 2 *Voyage charterer*	Segment 3 *Intermediate time charterer & bareboat charterer*	Segment 4 *Owned vessels*
Included	**Not Applicable**	**Included**	**Included**

Eagle Bulk

Signatory as of November 2020
Reporting period: Q1, Q2, Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

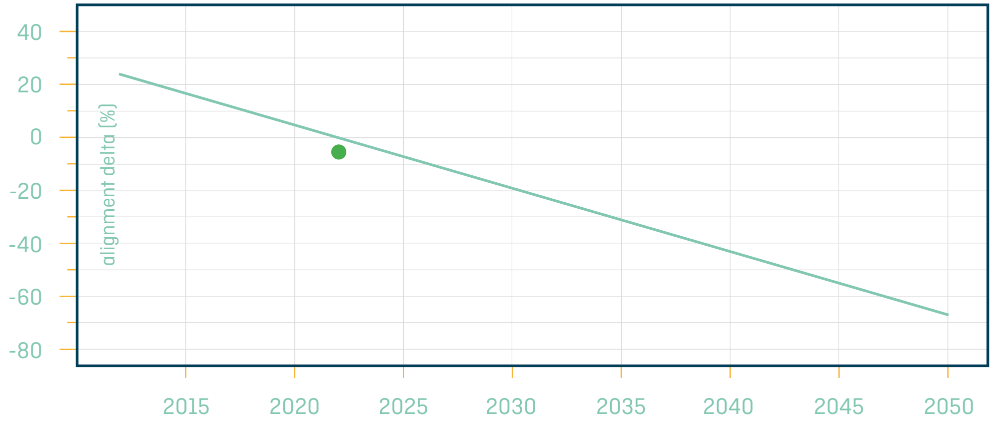
Improvement of environmental performance is an integral part of Eagle Bulk's culture, and we are pleased to see these efforts reflected in our Sea Cargo Charter climate alignment result. During 2022, our chartered-in fleet operations were 5% more efficient than the Sea Cargo Charter's target climate alignment trajectory. The knowledge gained in measuring and reporting on our operations through the Sea Cargo Charter in 2021 and 2022 will support our continuous focus on improving efficiencies in our chartered-in operations in the future.

How does the Sea Cargo Charter influence your business activities and decision-making?

The Sea Cargo Charter allows stakeholders across the shipping value chain to use the same language to understand climate alignment performance against a transparent benchmark. We have been encouraged by the dialogues this toolset has enabled us to have with our chartered-in vessel owners and other partners. The use of an EEOI metric (as opposed to an Annual Efficiency Ratio (AER) metric) to determine climate alignment is intuitive and has allowed Eagle Bulk to utilise efficiency improvement initiatives such as cargo intake optimisation, optimal speed selection and routing optimisation to improve voyage efficiency.

> **We are pleased to report our second annual Sea Cargo Charter climate alignment score. The satisfactory result is a welcome indication of our continued focus on efficiency when selecting and operating chartered-in vessels. We look forward to leveraging what we have learned in our first two years as we continue to work to improve our performance.**
>
> Gary Vogel, Chief Executive Officer

Annual activity climate alignment score: -5.1%



Vessel category climate alignment

Bulk carrier	
0-9,999 dwt	N/A
10,000-34,999 dwt	N/A
35,000-59,999 dwt	7.3%
60,000-99,999 dwt	-10.2%
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Chemical tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	N/A
20,000-39,999 dwt	N/A
40,000-+ dwt	N/A

Liquefied gas tanker	
0-49,999 dwt	N/A
50,000-99,999 dwt	N/A
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Oil tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	N/A
20,000-59,999 dwt	N/A
60,000-79,999 dwt	N/A
80,000-119,999 dwt	N/A
120,000-199,999 dwt	N/A
200,000-+ dwt	N/A

Segment 1 *Only time charterer & final time charterer*	Segment 2 *Voyage charterer*	Segment 3 *Intermediate time charterer & bareboat charterer*	Segment 4 *Owned vessels*
Included	Included	Not Applicable	Excluded

Equinor

Founding Signatory as of October 2020
Reporting period: Q1, Q2, Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

Equinor's total climate alignment score for 2022 shows that we are in line with the current Sea Cargo Charter ambition for the commercial shipping operation in Equinor. Similar to last year, some segments are performing better than others, due to trading patterns and vessel types. The scores give an indication of where additional emphasis on emissions reduction measures might be needed. It is important to celebrate good performance, but it is equally important to focus on the road ahead. The shipping industry is up against complex challenges in the years to come, and working together as industry partners is essential. Equinor supports an update of the Sea Cargo Charter ambition. We believe that a benchmark better reflecting the world's climate ambition will provide valuable insight and support for decisions that companies need to take.

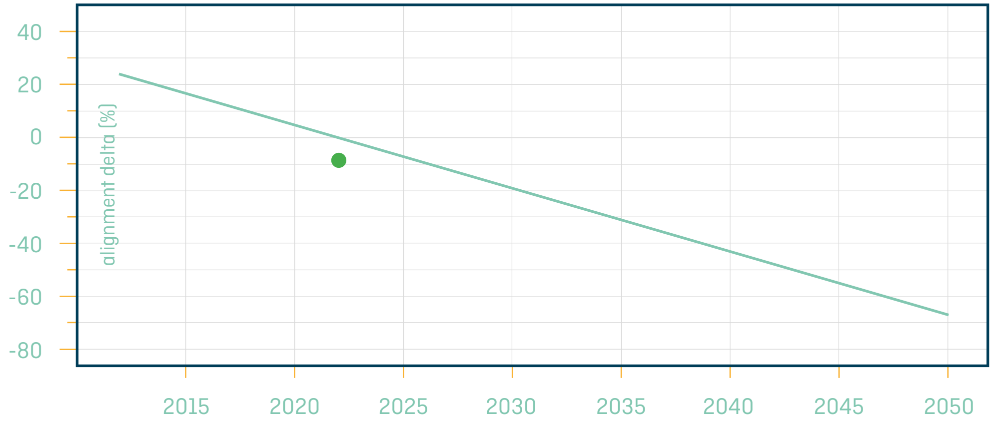
How does the Sea Cargo Charter influence your business activities and decision-making?

Equinor's focus is to run our ships with as low emissions as possible, while remaining competitive and continuing to transport our products in a safe, effective and environmentally friendly manner. The Sea Cargo Charter is an important arena for Equinor, complementary to other initiatives and organisations we are engaging with. Having an external collaborative arena where challenging topics related to decarbonisation can be addressed and discussed among industry peers is highly valuable. We are committed to having a shared framework and methodology for calculating, reporting and assessing our climate alignment.

This is Equinor's second reporting year for the Sea Cargo Charter. It is evident that achieving the long-term targets of decarbonisation will require a change within the industry. Joining forces in initiatives like the Sea Cargo Charter is key to driving the industry in the right direction. I highly value the discussions and learnings we have in our meetings.

Heidi Aakre, Vice President

Annual activity climate alignment score: -8.4%



Vessel category climate alignment

Bulk carrier	
0-9,999 dwt	**98.4%**
10,000-34,999 dwt	**N/A**
35,000-59,999 dwt	**N/A**
60,000-99,999 dwt	**N/A**
100,000-199,999 dwt	**N/A**
200,000-+ dwt	**N/A**
Chemical tanker	
0-4,999 dwt	**10.4%**
5,000-9,999 dwt	**10.8%**
10,000-19,999 dwt	**26.6%**
20,000-39,999 dwt	**57.9%**
40,000-+ dwt	**12.9%**

Liquefied gas tanker	
0-49,999 dwt	**4.5%**
50,000-99,999 dwt	**3.8%**
100,000-199,999 dwt	**76.5%**
200,000-+ dwt	**N/A**
Oil tanker	
0-4,999 dwt	**48.8%**
5,000-9,999 dwt	**12.9%**
10,000-19,999 dwt	**184.4%**
20,000-59,999 dwt	**-4.5%**
60,000-79,999 dwt	**-35.9%**
80,000-119,999 dwt	**-23.9%**
120,000-199,999 dwt	**24.0%**
200,000-+ dwt	**-37.7%**

Segment 1 *Only time charterer & final time charterer*	**Segment 2** *Voyage charterer*	**Segment 3** *Intermediate time charterer & bareboat charterer*	**Segment 4** *Owned vessels*
Included	**Included**	**Included**	**Not Applicable**

Global Chartering Limited

Global Chartering

Global Chartering is a joint venture between ArcelorMittal and Drylog

Signatory as of January 2022
Reporting period: Q1, Q2, Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

We are happy with our overall climate alignment score and will need to continue to increase our efforts in reducing GHG as the updated continuous trajectories will make it difficult for dry bulk vessels to achieve their required intensity. Data accuracy is an important part of the climate alignment score and we have stepped up our efforts on collection of accurate data related to CO_2 emissions for each voyage. The support for the Sea Cargo Charter climate alignment calculation and the data collection template provided can be further simplified and made more user friendly.

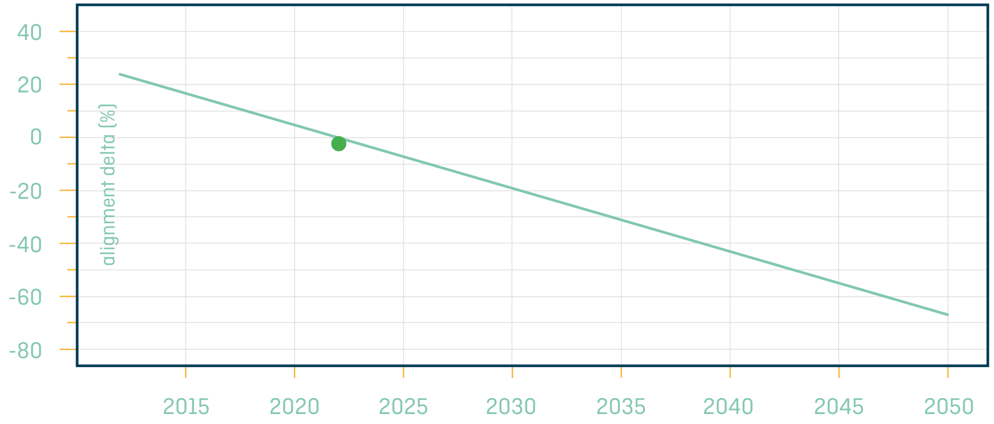
How does the Sea Cargo Charter influence your business activities and decision-making?

The Sea Cargo Charter guides us to better assess our present position and to develop strategies for our fleet to align with IMO targets. It promotes awareness of climate change in the shipping fraternity and increases consciousness of how to reduce CO_2 emissions.

We are very happy to report our first annual Sea Cargo Charter climate alignment score. The satisfactory result is a good indication of our focus on decarbonisation. We continue to work to improve our decarbonisation performance and look forward to improving our climate alignment score by adopting various energy saving measures available in the market.

Nitin Mehrotra, General Manager

Annual activity climate alignment score: -2.8%



Vessel category climate alignment

Bulk carrier	
0-9,999 dwt	N/A
10,000-34,999 dwt	N/A
35,000-59,999 dwt	N/A
60,000-99,999 dwt	4.2%
100,000-199,999 dwt	-8.3%
200,000-+ dwt	N/A
Chemical tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	N/A
20,000-39,999 dwt	N/A
40,000-+ dwt	N/A

Liquefied gas tanker	
0-49,999 dwt	N/A
50,000-99,999 dwt	N/A
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Oil tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	N/A
20,000-59,999 dwt	N/A
60,000-79,999 dwt	N/A
80,000-119,999 dwt	N/A
120,000-199,999 dwt	N/A
200,000-+ dwt	N/A

Segment 1 *Only time charterer & final time charterer*	Segment 2 *Voyage charterer*	Segment 3 *Intermediate time charterer & bareboat charterer*	Segment 4 *Owned vessels*
Included	**Not Applicable**	**Excluded**	**Excluded**

Golden Agri

Signatory as of March 2022
Reporting period: Q2, Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

We are pleased to provide our first year's reporting. We feel it's a good starting point for us and we will work towards achieving better results through tracking.

How does the Sea Cargo Charter influence your business activities and decision-making?

Knowing our footprint allows us to create awareness, set goals and work towards lowering our emissions.

"

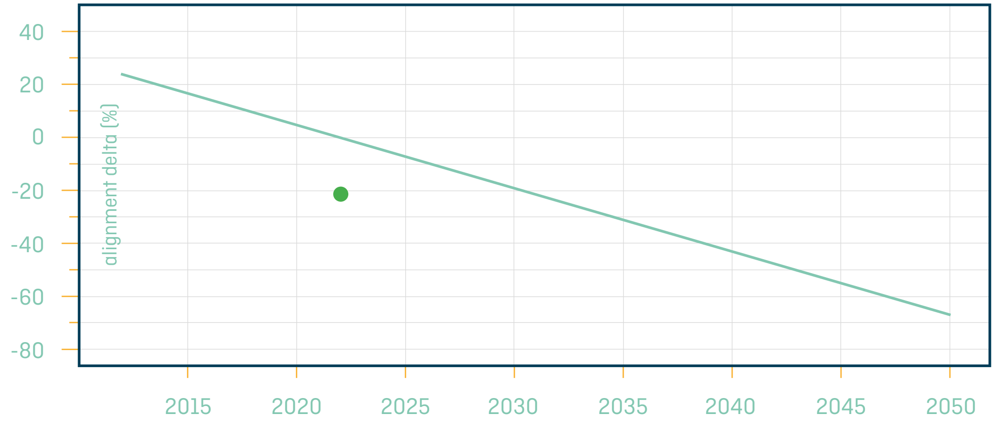
**We believe that very soon all customers will demand to know the GHG footprint of their products and we want to be one step ahead.
The future is here.**

Bjorn Stignor, Managing Director

"

gar agribusiness and food

Annual activity climate alignment score: -21.8%



Vessel category climate alignment

Bulk carrier	
0-9,999 dwt	N/A
10,000-34,999 dwt	N/A
35,000-59,999 dwt	N/A
60,000-99,999 dwt	N/A
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Chemical tanker	
0-4,999 dwt	-9.9%
5,000-9,999 dwt	26.1%
10,000-19,999 dwt	25.9%
20,000-39,999 dwt	N/A
40,000-+ dwt	0.5%

Liquefied gas tanker	
0-49,999 dwt	N/A
50,000-99,999 dwt	N/A
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Oil tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	2.2%
20,000-59,999 dwt	-27.4%
60,000-79,999 dwt	N/A
80,000-119,999 dwt	N/A
120,000-199,999 dwt	N/A
200,000-+ dwt	N/A

Segment 1 *Only time charterer & final time charterer*	Segment 2 *Voyage charterer*	Segment 3 *Intermediate time charterer & bareboat charterer*	Segment 4 *Owned vessels*
Included	Included	Not Applicable	Not Applicable

Gunvor Group / Clearlake Shipping

Founding Signatory as of October 2020
Reporting period: Q1, Q2, Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

Takeaways from a climate alignment score could include identifying areas falling short in climate action and highlighting the specific type of ships that require steps to improve alignment.

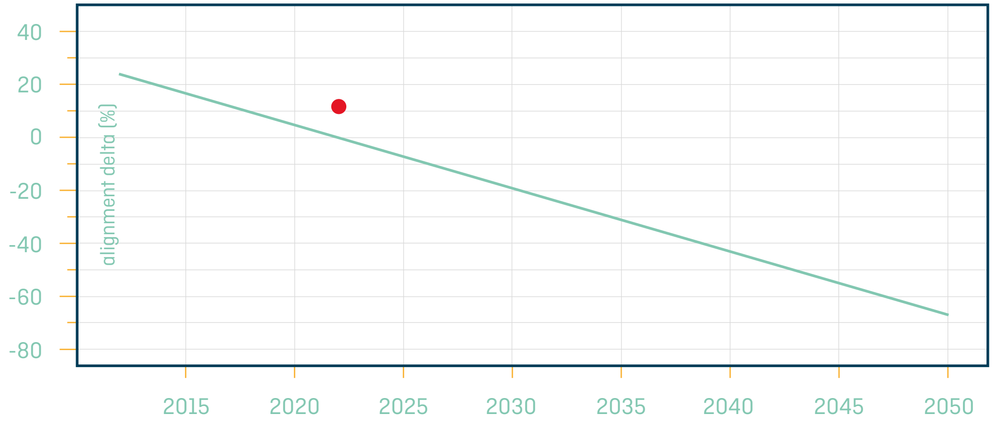
How does the Sea Cargo Charter influence your business activities and decision-making?

The Sea Cargo Charter can stimulate innovation and collaboration within the company and with shipping operators and other stakeholders to develop new technologies and practices that reduce carbon emissions.

The Earth's atmosphere is ours, and we act diligently to preserve it.

Capt Siva Mani Raaj, Managing Director

Annual activity climate alignment score: 11.9%



Vessel category climate alignment

Bulk carrier	
0-9,999 dwt	N/A
10,000-34,999 dwt	N/A
35,000-59,999 dwt	N/A
60,000-99,999 dwt	N/A
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Chemical tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	-22.4%
10,000-19,999 dwt	39.1%
20,000-39,999 dwt	18.7%
40,000-+ dwt	18.3%

Liquefied gas tanker	
0-49,999 dwt	N/A
50,000-99,999 dwt	-1.0%
100,000-199,999 dwt	31.8%
200,000-+ dwt	N/A
Oil tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	9.4%
10,000-19,999 dwt	-15.7%
20,000-59,999 dwt	21.4%
60,000-79,999 dwt	0.3%
80,000-119,999 dwt	-20.9%
120,000-199,999 dwt	-18.8%
200,000-+ dwt	-27.6%

Segment 1 *Only time charterer & final time charterer*	Segment 2 *Voyage charterer*	Segment 3 *Intermediate time charterer & bareboat charterer*	Segment 4 *Owned vessels*
Included	Included	Not Applicable	Not Applicable

Holcim Trading

Signatory as of June 2021
Reporting period: Q1, Q2, Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

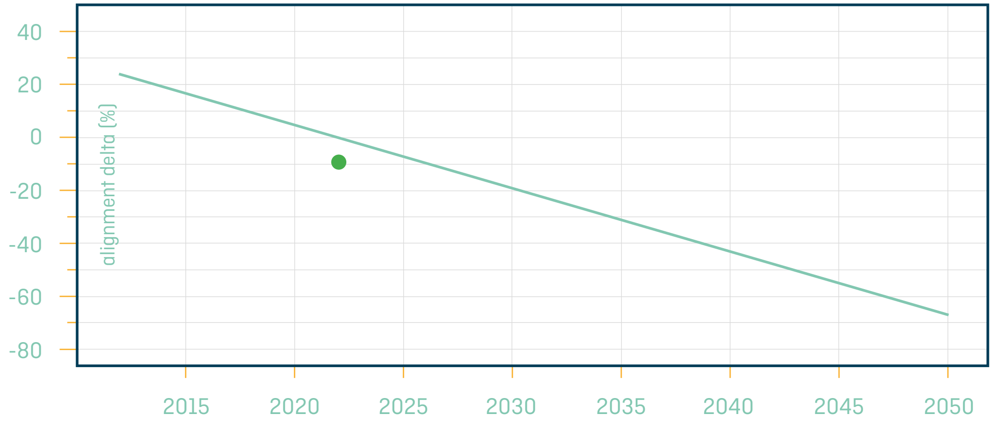
In 2022, while focusing on the IMO targets, we also made steps towards improving data collection and data quality. We have aligned with a platform and made necessary steps to collect the data from owners and validate the data correctness. Compared to last year, we are happy to report a significantly higher response rate. Our big challenge is the short sea coaster shipments where our score requires improvement. We have set targets on our decarbonisation road-map and brought awareness to our suppliers and customers with transparency on emission sharing.

How does the Sea Cargo Charter influence your business activities and decision-making?

We have worked on contract conditions which make it compulsory for vessel owners to share the CO_2 emissions. Through our established digital logistics platform, we analysed our shipments where we can optimise and save on shipments. We are connecting with our shipping suppliers based on their performance on CO_2 emissions, which opens discussions on ways to decarbonise our shipments.

> **To achieve our target net-zero at Holcim, we need to collaborate more than ever within the industry, within and across functions, and sharing best practices across the full value chain for a sustainable future. This will multiply our positive impact across all levers on decarbonisation.**
>
> Berna Voigt, Head of Supply Chain

Annual activity climate alignment score: -9.1%



Vessel category climate alignment

Bulk carrier	
0-9,999 dwt	**15.6%**
10,000-34,999 dwt	**-13.7%**
35,000-59,999 dwt	**-2.9%**
60,000-99,999 dwt	**-27.1%**
100,000-199,999 dwt	**N/A**
200,000-+ dwt	**N/A**
Chemical tanker	
0-4,999 dwt	**N/A**
5,000-9,999 dwt	**N/A**
10,000-19,999 dwt	**N/A**
20,000-39,999 dwt	**N/A**
40,000-+ dwt	**N/A**

Liquefied gas tanker	
0-49,999 dwt	**N/A**
50,000-99,999 dwt	**N/A**
100,000-199,999 dwt	**N/A**
200,000-+ dwt	**N/A**
Oil tanker	
0-4,999 dwt	**N/A**
5,000-9,999 dwt	**N/A**
10,000-19,999 dwt	**N/A**
20,000-59,999 dwt	**N/A**
60,000-79,999 dwt	**N/A**
80,000-119,999 dwt	**N/A**
120,000-199,999 dwt	**N/A**
200,000-+ dwt	**N/A**

Segment 1 *Only time charterer & final time charterer*	**Segment 2** *Voyage charterer*	**Segment 3** *Intermediate time charterer & bareboat charterer*	**Segment 4** *Owned vessels*
Included	**Included**	**Not Applicable**	**Not Applicable**

K&S Minerals and Agriculture

Signatory as of January 2022
Reporting period: Q1, Q2, Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

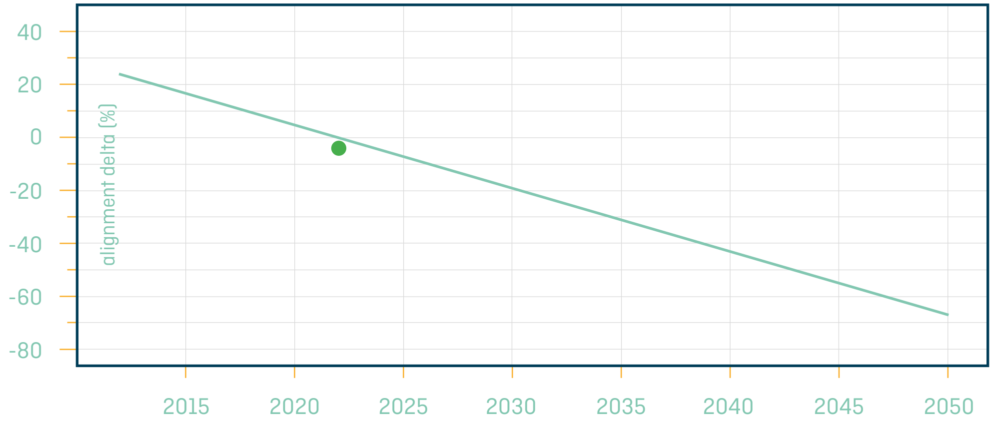
From our reporting in 2022, we identified which shipments trigger higher carbon emissions and which are beyond the IMO target. This is a perfect basis for our internal target setting and considerations about our future business.

How does the Sea Cargo Charter influence your business activities and decision-making?

The ambitious targets and alignments show us a straightforward path to reducing the carbon emissions in our shipping activities, which are a tramendous part of our supply chain. The set standard allows us to track our real emissions data so that we can align our own specific target, which considers our business activities and motivates us on our way to decarbonisation.

> **K+S is proud to be a member of a community which is prioritising an ambitious way to a sustainable and healthy future. As a mining company, K+S takes responsibility for and makes all efforts to extend the strong environmental commitment beyond our mining activities.**
> **Our shipping activities are quite restricted to our core trades. Hence we are reviewing different projects to reduce carbon emissions as a main aspect within our chartering processes.**
>
> Cathrin Köchling, Senior Chartering Manager Bulk Chartering

Annual activity climate alignment score: -4.4%



Vessel category climate alignment

Bulk carrier	
0-9,999 dwt	N/A
10,000-34,999 dwt	10.1%
35,000-59,999 dwt	-6.3%
60,000-99,999 dwt	-4.6%
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Chemical tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	N/A
20,000-39,999 dwt	N/A
40,000-+ dwt	N/A

Liquefied gas tanker	
0-49,999 dwt	N/A
50,000-99,999 dwt	N/A
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Oil tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	N/A
20,000-59,999 dwt	N/A
60,000-79,999 dwt	N/A
80,000-119,999 dwt	N/A
120,000-199,999 dwt	N/A
200,000-+ dwt	N/A

Segment 1 *Only time charterer & final time charterer*	Segment 2 *Voyage charterer*	Segment 3 *Intermediate time charterer & bareboat charterer*	Segment 4 *Owned vessels*
Not Applicable	**Included**	**Not Applicable**	**Not Applicable**

Klaveness Combination Carriers

Founding Signatory as of October 2020
Reporting period: Q1, Q2, Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

1) The Sea Cargo Charter format, where our combination carriers (i.e., both a tanker vessel and a bulk carrier) are reported against the baseline for bulk carriers, is penalising our score. The IMO's CII -reporting has established a separate baseline for combination carriers, being between tankers and dry bulk carriers. We would recommend this distinction should also be made in the Sea Cargo Charter.
2) Our vessels are operating to a large extent in draft restricted ports with less than full cargo intake, which is also penalising the score.
3) In 2022, KCC's fleet achieved an EEOI score of 6.9, considerably better than 7.4 in 2021. The 4%-points improvement in climate alignment therefore makes sense.
4) Ongoing energy efficiency investments in the fleet, with several installations in H2 2022 and more coming in the period 2023-2026, are expected to have a positive effect on our score in 2023 and onwards.

How does the Sea Cargo Charter influence your business activities and decision-making?

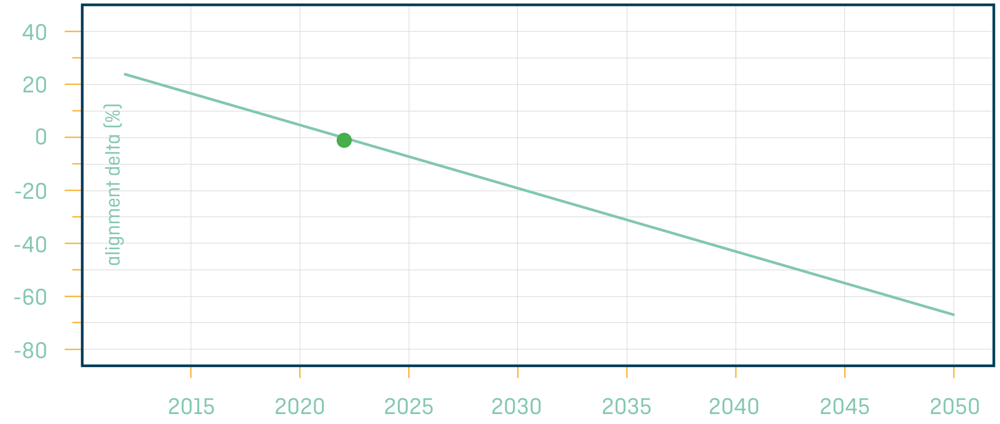
Decarbonisation is a central part of our company's strategy, impacting every part of our business including ambitious targets to improve the trading, operational and energy efficiency of our business and vessels. The Sea Cargo Charter and the principles behind it are reflected in our policy of full transparency and high-quality reporting of our emission performance.

Our decarbonisation journey has just started and through our involvement in the Sea Cargo Charter, we are learning from and are inspired by our fellow Signatories. We are pleased to report a significant improvement in our emission performance in 2022 relative to 2021, driven by implementation of several energy efficiency measures and improvements in both trading and operational efficiency.

Engebret Dahm, Chief Executive Officer

Klaveness Combination Carriers

Annual activity climate alignment score: -0.8%



Vessel category climate alignment

Bulk carrier	
0-9,999 dwt	N/A
10,000-34,999 dwt	N/A
35,000-59,999 dwt	N/A
60,000-99,999 dwt	-0.8%
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Chemical tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	N/A
20,000-39,999 dwt	N/A
40,000-+ dwt	N/A

Liquefied gas tanker	
0-49,999 dwt	N/A
50,000-99,999 dwt	N/A
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Oil tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	N/A
20,000-59,999 dwt	N/A
60,000-79,999 dwt	N/A
80,000-119,999 dwt	N/A
120,000-199,999 dwt	N/A
200,000-+ dwt	N/A

Segment 1 *Only time charterer & final time charterer*	Segment 2 *Voyage charterer*	Segment 3 *Intermediate time charterer & bareboat charterer*	Segment 4 *Owned vessels*
Not Applicable	Included	Not Applicable	Included

Louis Dreyfus Company

Founding Signatory as of October 2020
Reporting period: Q1, Q2, Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

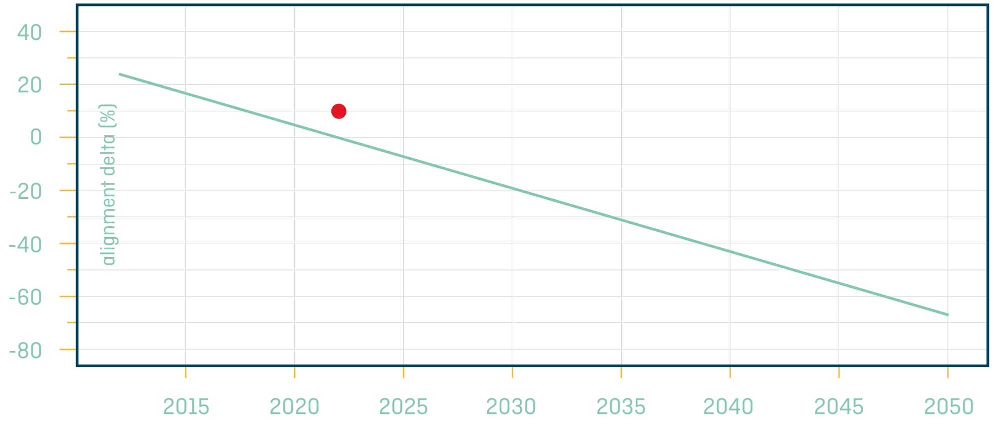
This year's alignment score saw a positive progression due to multiple factors. Global fleet average speed and congestion reduced compared to 2021, which has a positive impact on the fleet carbon footprint and efficiency. In addition, LDC has been putting a strong effort into better monitoring of the quality of data received by its owners, helping to reduce the uncertainty and conservative extrapolations necessary to estimate the missing data points. Finally, LDC has started implementing energy efficiency solutions as part of its activities such as vessel performance analysis systems, sensors installations and benefiting from dry docks to invest in efficiency gain technologies onboard vessels. Overall, a large part of this progress is coming from exogenous factors but 2022 marked the first step in the effort LDC has been making in order to reconnect with the benchmark target line.

How does the Sea Cargo Charter influence your business activities and decision-making?

Now that we have two years' worth of data, LDC is able to identify which problems are systematic and which are circumstance related. We are noticing the emergence of trends and flow which will require more focus and attention than others and we can benefit from this experience to influence our way of chartering vessels. Similarly, we have stronger arguments with regards to behaviour from our chartering and operations teams, which will link to a reduction in efficiency. Finally, we are also able to use this data to backtest the impact of our investments in efficiency improvement solutions.

> **LDC's shipping decarbonisation journey is on a strong trend, as shown by the Sea Cargo Charter results. Thanks to the creation of a dedicated team, we now have the necessary knowledge and data to press forward, accelerate our agenda and invest further. 2022 was the year of laying the foundations and we are looking forward to more progress in the coming years.**
>
> Sebastien Landerretche, Global Head of Freight

Annual activity climate alignment score: 9.7%



Vessel category climate alignment

Bulk carrier	
0-9,999 dwt	**43.9%**
10,000-34,999 dwt	**18.5%**
35,000-59,999 dwt	**8.4%**
60,000-99,999 dwt	**14.6%**
100,000-199,999 dwt	**-1.9%**
200,000-+ dwt	**4.8%**
Chemical tanker	
0-4,999 dwt	**N/A**
5,000-9,999 dwt	**-23.9%**
10,000-19,999 dwt	**-55.8%**
20,000-39,999 dwt	**-43.8%**
40,000-+ dwt	**4.4%**

Liquefied gas tanker	
0-49,999 dwt	**N/A**
50,000-99,999 dwt	**N/A**
100,000-199,999 dwt	**N/A**
200,000-+ dwt	**N/A**
Oil tanker	
0-4,999 dwt	**N/A**
5,000-9,999 dwt	**N/A**
10,000-19,999 dwt	**N/A**
20,000-59,999 dwt	**N/A**
60,000-79,999 dwt	**N/A**
80,000-119,999 dwt	**N/A**
120,000-199,999 dwt	**N/A**
200,000-+ dwt	**N/A**

Segment 1 *Only time charterer & final time charterer*	**Segment 2** *Voyage charterer*	**Segment 3** *Intermediate time charterer & bareboat charterer*	**Segment 4** *Owned vessels*
Included	**Included**	**Excluded**	**Not Applicable**

Maersk Tankers

MAERSK TANKERS

Signatory as of January 2021
Reporting period: Q1, Q2, Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

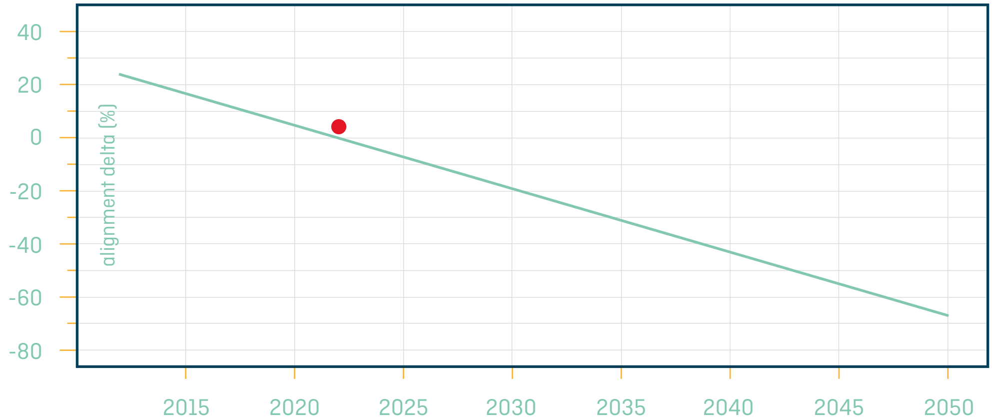
The Maersk Tankers pools are covering product tankers ranging from 10,000 to 120,000 deadweight tonnage, with a majority of vessels centered around 35,000-59,999 deadweight tonnage. Though we have continued our work on optimising the fuel efficiency and voyage optimisation, our climate alignment score has developed negatively since the last reporting cycle. The reason for this is two-fold. Firstly, the product tanker market has experienced a tightening in supply/demand. As a result, the average service speed has gone up, impacting the EEOI performance negatively. Secondly, the issue of classification of vessels based on the IHS Stat code remains a challenge, where now 70% (up 10 percentage points from last year) of our fleet is categorised as chemical tankers, though the work carried out is oil/product by nature.

How does the Sea Cargo Charter influence your business activities and decision-making?

Working with the Sea Cargo Charter has increased transparency and we continue to improve our data structure so we can act, measure, adjust and report in a smooth way. Furthermore, our decarbonisation team is focusing on how we can support owners in optimising their time charter equivalent while operating in an increasingly complex regulatory market.

> **The implementation of CII shows that the industry and regulatory bodies need a more consistent and transparent overview of emissions, combined with cause and effect, to create a stable environment to spur sustainable investments. The Sea Cargo Charter is part of that equation.**
>
> Lars Sprogoe Bentzen, Head of Go-To-Market

Annual activity climate alignment score: 4.4%



Vessel category climate alignment

Bulk carrier	
0-9,999 dwt	N/A
10,000-34,999 dwt	N/A
35,000-59,999 dwt	N/A
60,000-99,999 dwt	N/A
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Chemical tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	15.9%
20,000-39,999 dwt	13.5%
40,000-+ dwt	12.1%

Liquefied gas tanker	
0-49,999 dwt	N/A
50,000-99,999 dwt	N/A
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Oil tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	N/A
20,000-59,999 dwt	0.9%
60,000-79,999 dwt	-16.6%
80,000-119,999 dwt	-13.4%
120,000-199,999 dwt	-24.9%
200,000-+ dwt	N/A

Segment 1 *Only time charterer & final time charterer*	Segment 2 *Voyage charterer*	Segment 3 *Intermediate time charterer & bareboat charterer*	Segment 4 *Owned vessels*
Included	Not Applicable	Included	Not Applicable

Navig8 Group

Signatory as of October 2021
Reporting period: Q1, Q2, Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

We are pleased to report a 10.4% improvement (delta) from the alignment curve this year. Navig8 and the Sea Cargo Charter community aspire to drive fundamental and long-lasting positive change for the environment. Reflecting that commitment, Navig8 will continue to invest in climate-positive initiatives internally and actively engage with the shipping community in an effort to promote collaboration and transparency in our efforts to achieve the environmental change we want to contribute to as a group.

How does the Sea Cargo Charter influence your business activities and decision-making?

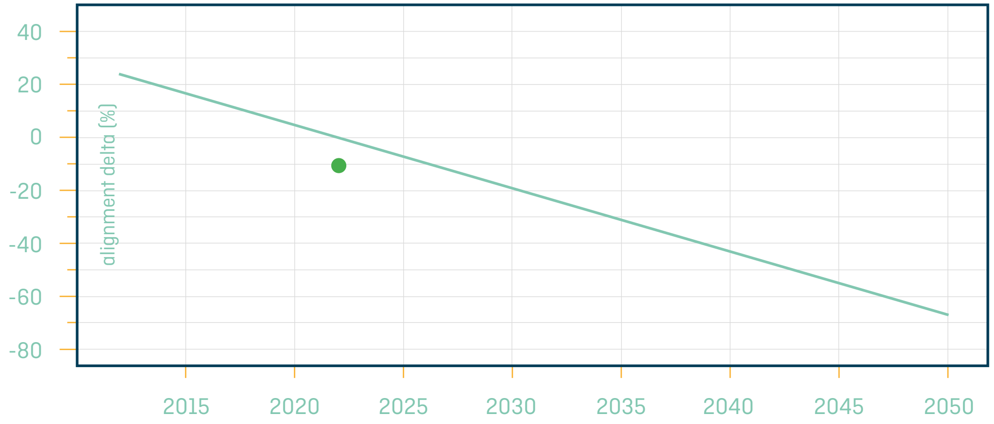
The Sea Cargo Charter provides a valuable framework within which Signatories can benchmark their environmental performance against peers and, most importantly, desired alignment scores. These reference points are vital tools in support of high-quality commercial decision-making that takes proper consideration of the environmental footprint.

As an active member of the shipping community and committed Signatory to the Sea Cargo Charter, we recognise the role and responsibility we have to transparency, both in the disclosure of emissions data and our decarbonisation efforts. Navig8 promotes economic growth by serving the needs of the global energy transportation market, while constantly seeking to develop means by which to reduce the long-term environmental impact of this vital industry which is key to the sustainable future of shipping.

Gary Brocklesby, Chairman

Navig8

Annual activity climate alignment score: -10.4%



Vessel category climate alignment

Bulk carrier	
0-9,999 dwt	N/A
10,000-34,999 dwt	N/A
35,000-59,999 dwt	N/A
60,000-99,999 dwt	N/A
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Chemical tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	N/A
20,000-39,999 dwt	-3.2%
40,000-+ dwt	14.9%

Liquefied gas tanker	
0-49,999 dwt	N/A
50,000-99,999 dwt	N/A
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Oil tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	N/A
20,000-59,999 dwt	-13.1%
60,000-79,999 dwt	-2.8%
80,000-119,999 dwt	-20.2%
120,000-199,999 dwt	-16.6%
200,000-+ dwt	-16.3%

Segment 1 *Only time charterer & final time charterer*	Segment 2 *Voyage charterer*	Segment 3 *Intermediate time charterer & bareboat charterer*	Segment 4 *Owned vessels*
Included	Not Applicable	Not Applicable	Not Applicable

Nova Marine Carriers

Founding Signatory as of October 2020
Reporting period: Q1, Q2, Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

This year we observed that our smaller vessels had a low alignment score. Part of that is down to longer ballast legs, and lower cargo load due to high stowing cargos during the year. However, we also looked at one of our modern coasters (built in 2022) and struggled to see why it had a low alignment score. In the end, Nova's business model suffers as our vessels' laden to ballast ratio is not beneficial to our EEOI score.

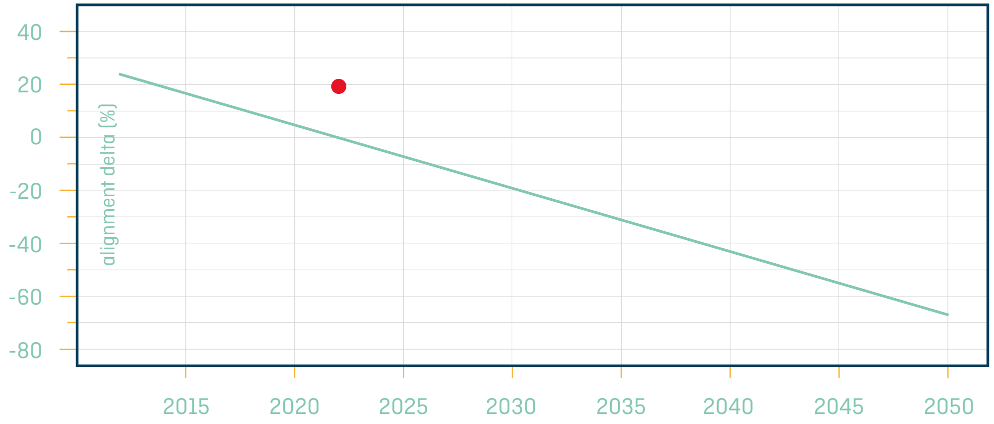
How does the Sea Cargo Charter influence your business activities and decision-making?

It builds internal awareness that we need to further analyse our business activities and decision-making. It also leads to further and meaningful discussions with our suppliers and customers about decarbonisation and the roles that we play.

> **The Sea Cargo Charter and the EEOI indicator have provided many insights to our group. We continue to learn as we go through the details of our alignment scores. In doing so, we adapt our organisation's approach to the business as we work towards decarbonisation.**
>
> Vincenzo Romeo di Santillo, Chief Executive Officer

Nova Marine Carriers

Annual activity climate alignment score: 19.0%



Vessel category climate alignment

Bulk carrier	
0-9,999 dwt	**83.5%**
10,000-34,999 dwt	**11.5%**
35,000-59,999 dwt	**21.5%**
60,000-99,999 dwt	**N/A**
100,000-199,999 dwt	**N/A**
200,000-+ dwt	**N/A**
Chemical tanker	
0-4,999 dwt	**N/A**
5,000-9,999 dwt	**N/A**
10,000-19,999 dwt	**N/A**
20,000-39,999 dwt	**N/A**
40,000-+ dwt	**N/A**

Liquefied gas tanker	
0-49,999 dwt	**N/A**
50,000-99,999 dwt	**N/A**
100,000-199,999 dwt	**N/A**
200,000-+ dwt	**N/A**
Oil tanker	
0-4,999 dwt	**N/A**
5,000-9,999 dwt	**N/A**
10,000-19,999 dwt	**N/A**
20,000-59,999 dwt	**N/A**
60,000-79,999 dwt	**N/A**
80,000-119,999 dwt	**N/A**
120,000-199,999 dwt	**N/A**
200,000-+ dwt	**N/A**

Segment 1 *Only time charterer & final time charterer*	**Segment 2** *Voyage charterer*	**Segment 3** *Intermediate time charterer & bareboat charterer*	**Segment 4** *Owned vessels*
Included	**Included**	**Not Applicable**	**Not Applicable**

NYK Bulkship Atlantic NV

NYK BULKSHIP (ATLANTIC) NV

Signatory as of July 2021
Reporting period: Q1, Q2, Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

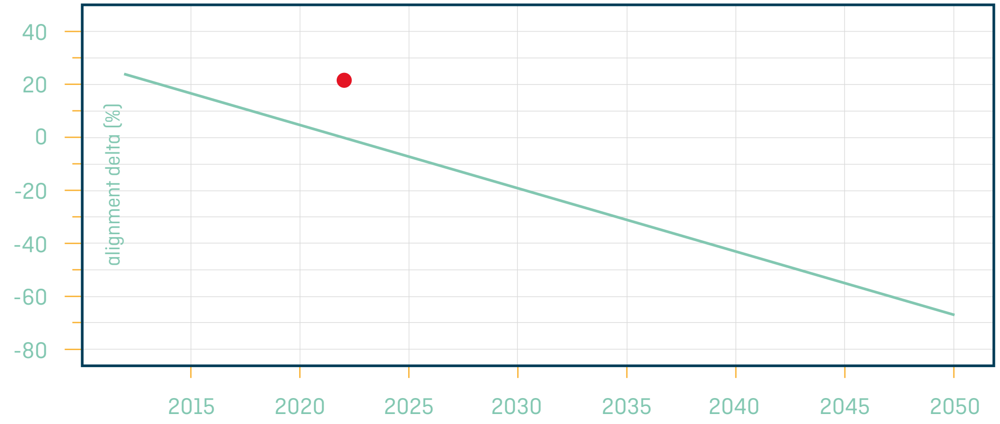
We are pleased to report the 2022 data and contribute to the transparency goal.

How does the Sea Cargo Charter influence your business activities and decision-making?

The Sea Cargo Charter provides good support for the industry's efforts related to the climate.

> **The Sea Cargo Charter assists in better understanding the CO_2 emission parameters.**
>
> Kris Salden, Financial Officer

Annual activity climate alignment score: 21.4%



Vessel category climate alignment

Bulk carrier	
0-9,999 dwt	N/A
10,000-34,999 dwt	N/A
35,000-59,999 dwt	N/A
60,000-99,999 dwt	21.4%
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Chemical tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	N/A
20,000-39,999 dwt	N/A
40,000-+ dwt	N/A

Liquefied gas tanker	
0-49,999 dwt	N/A
50,000-99,999 dwt	N/A
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Oil tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	N/A
20,000-59,999 dwt	N/A
60,000-79,999 dwt	N/A
80,000-119,999 dwt	N/A
120,000-199,999 dwt	N/A
200,000-+ dwt	N/A

Segment 1 *Only time charterer & final time charterer*	Segment 2 *Voyage charterer*	Segment 3 *Intermediate time charterer & bareboat charterer*	Segment 4 *Owned vessels*
Included	Not Applicable	Excluded	Excluded

Rubis Energie

Signatory as of December 2021
Reporting period: Q1, Q2, Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

Rubis Energie is proud to have collected the entirety of the shipping data within the organisation for 2022. It allows us to publish the full picture of our shipping activity and highlights the diverse nature of our business, ranging from short haul transportation of smaller cargoes to transoceanic shipment of 40 cargoes, the former being a large part of Rubis Energie business. Overall Rubis Energie's climate alignment score is given strong attention internally and helps with monitoring our internal decarbonisation plan.

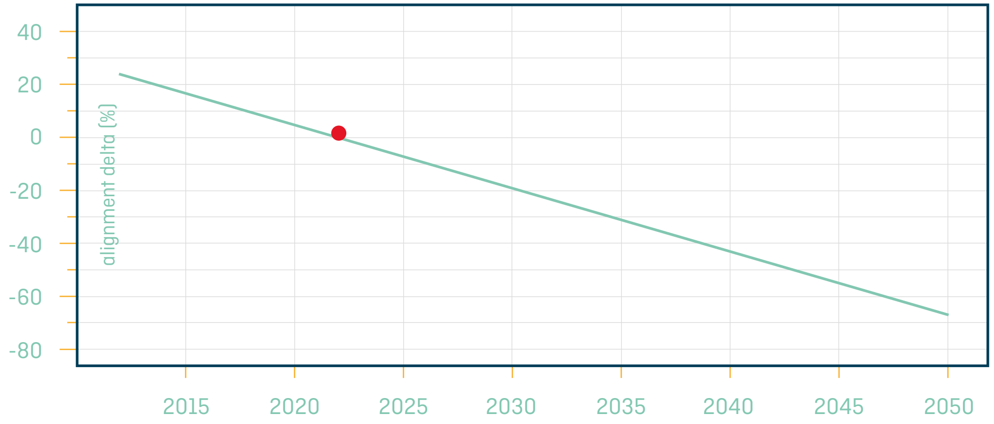
How does the Sea Cargo Charter influence your business activities and decision-making?

The Sea Cargo Charter results influence our business decisions as we now have full understanding of the shipping impact on our carbon footprint. This pushes us to explore new technologies, build new efficient ships and look for alternative bunker fuels solutions. It also has an impact on day-to-day activity, increases the awareness of staff and optimises routes and cargo quantities on board. This is a powerfull tool!

Rubis is proud to be a Signatory of the Sea Cargo Charter and we welcome the opportunity to uphold the transparent reporting of emissions. The insights gathered are invaluable in guiding our strategy to further improve the efficiency of the fuels and technologies we use, and the vessels we operate. We are committed to contributing to the global efforts in combating climate change and ensuring a sustainable future for the shipping industry.

Hervé Chretien, Head of Supply and Shipping

Annual activity climate alignment score: 1.8%



Vessel category climate alignment

Bulk carrier	
0-9,999 dwt	N/A
10,000-34,999 dwt	N/A
35,000-59,999 dwt	N/A
60,000-99,999 dwt	N/A
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Chemical tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	49.0%
10,000-19,999 dwt	142.0%
20,000-39,999 dwt	N/A
40,000-+ dwt	N/A

Liquefied gas tanker	
0-49,999 dwt	46.0%
50,000-99,999 dwt	N/A
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Oil tanker	
0-4,999 dwt	80.0%
5,000-9,999 dwt	23.0%
10,000-19,999 dwt	40.0%
20,000-59,999 dwt	-11.0%
60,000-79,999 dwt	N/A
80,000-119,999 dwt	N/A
120,000-199,999 dwt	N/A
200,000-+ dwt	N/A

Segment 1 *Only time charterer & final time charterer*	Segment 2 *Voyage charterer*	Segment 3 *Intermediate time charterer & bareboat charterer*	Segment 4 *Owned vessels*
Included	Included	Included	Included

Shell International Trading and Shipping Company Limited

Founding Signatory as of October 2020
Reporting period: Q1, Q2, Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

Shell's total climate alignment score reflects that our performance is in line with the Sea Cargo Charter's current trajectory. We recognise however that our small products and chemical tankers are challenged by time spent in port and shorter voyages, limiting the ability to optimise operations compared to larger deep-sea vessels. These findings are aligned with the IMO's CII, where smaller vessels are challenged and as such, correction factors are under discussion. Transparency in emissions reporting is a vital component in charting the shipping sector's course to emissions reduction. We support the Sea Cargo Charter's continued efforts to review and ensure the most consistent and robust reporting framework.

Disclaimer: The scores provided are for comparative purposes only. Shell is not liable for any loss or damages arising out of, or in connection with, their use.

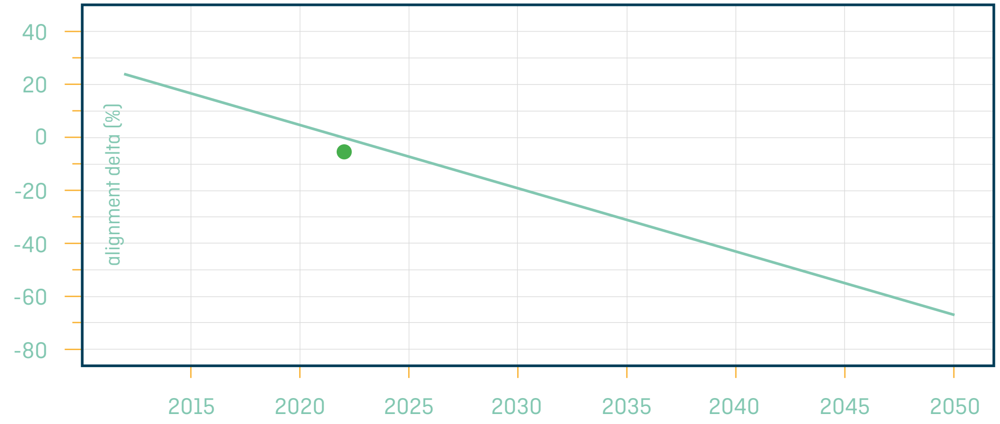
How does the Sea Cargo Charter influence your business activities and decision-making?

Supported by insights from the data, we will harness these learnings to inform our strategy of where further progress is needed to advance the emissions performance of the vessels we operate. We are exploring all operational levers to improve fleet performance including the ongoing delivery of vessels under our existing fleet programme. This is alongside our continued commitment to the R&D of alternative fuels and enabling technologies that will help deliver a decarbonised future for shipping. The Sea Cargo Charter has provided a strong mandate for the transparent self-reporting of shipping emissions, and we welcome the ongoing influence this will have on accelerating the decarbonisation efforts of the industry.

We welcome the continued commitment to accountability, enforcement and transparency fostered by the Sea Cargo Charter. The insights gathered are critical for driving meaningful collaboration across the shipping sector, while guiding our strategy to further improve the efficiency of the fuels and technologies we use, and the vessels we operate.

Karrie Trauth, Senior Vice President Shipping & Maritime

Annual activity climate alignment score: -6.0%



Vessel category climate alignment

Bulk carrier	
0-9,999 dwt	N/A
10,000-34,999 dwt	-37.0%
35,000-59,999 dwt	19.7%
60,000-99,999 dwt	-18.6%
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Chemical tanker	
0-4,999 dwt	9.1%
5,000-9,999 dwt	48.7%
10,000-19,999 dwt	44.8%
20,000-39,999 dwt	-3.3%
40,000-+ dwt	9.8%

Liquefied gas tanker	
0-49,999 dwt	-12.5%
50,000-99,999 dwt	2.3%
100,000-199,999 dwt	-6.9%
200,000-+ dwt	N/A
Oil tanker	
0-4,999 dwt	33.0%
5,000-9,999 dwt	15.9%
10,000-19,999 dwt	22.8%
20,000-59,999 dwt	-12.9%
60,000-79,999 dwt	-19.9%
80,000-119,999 dwt	-12.4%
120,000-199,999 dwt	-1.2%
200,000-+ dwt	-18.7%

Segment 1 *Only time charterer & final time charterer*	Segment 2 *Voyage charterer*	Segment 3 *Intermediate time charterer & bareboat charterer*	Segment 4 *Owned vessels*
Included	**Included**	**Not Applicable**	**Not Applicable**

Partial submission - the following is excluded from reporting: parcel/space chartering for chemicals

Signal Maritime Services

SIGNAL MARITIME SERVICES

Signatory as of May 2022
Reporting period: Q1, Q2, Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

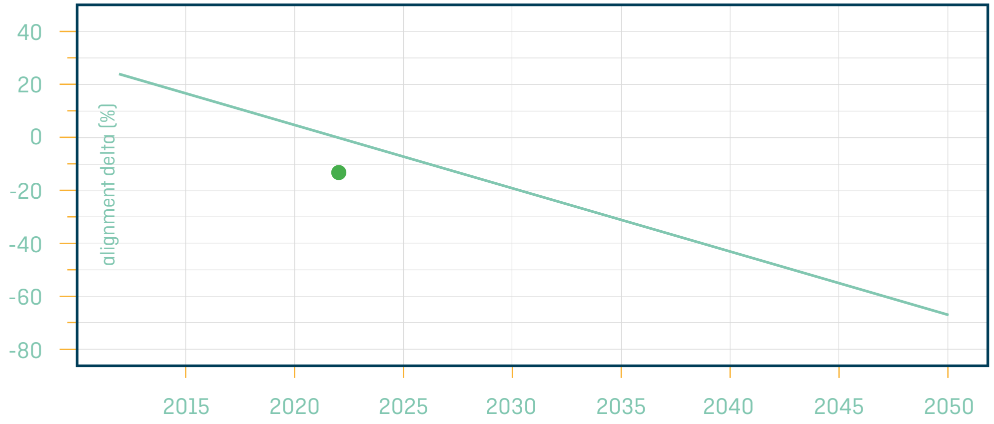
Our commitment to provide a leading spot performance to our partners requires optimised trading patterns, resulting in high triangulation as well as strict monitoring of the fleet consumption performance. These two factors are closely linked to a lower environmental footprint achieved in our fleet under management through lower emissions.

How does the Sea Cargo Charter influence your business activities and decision-making?

The Sea Cargo Charter has been a great opportunity for Signal Maritime Services and like-minded organisations to align on the industry-wide efforts towards decarbonisation. Specifically, our decision-making in the commercial trading of the fleets under management is driven to a large extent by the effort to achieve better utilisation, which has a direct positive impact on emissions. Being part of the Sea Cargo Charter allows us to remain up-to-date with recent developments and detectives, but also practically increases the environmental consciousness for our commercial team, sets an environmental target in every single vessel trade decision and motivates the team to work towards a better emission profile for the whole fleet.

> **We are happy to see that our chartering strategy, along with the performance monitoring of fleet under management, consistently results in lower fleet emissions in comparison to the trajectories. Our dedication to decarbonisation is supported by the fact that Signal Maritime Services is on the right path. It is important for the whole shipping industry to push further, in a structured way, to achieve sustainable and long-lasting effects.**
>
> Panos Dimitracopoulos, Chief Executive Officer

Annual activity climate alignment score: -13.9%



Vessel category climate alignment

Bulk carrier	
0-9,999 dwt	N/A
10,000-34,999 dwt	N/A
35,000-59,999 dwt	N/A
60,000-99,999 dwt	N/A
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Chemical tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	N/A
20,000-39,999 dwt	N/A
40,000-+ dwt	N/A

Liquefied gas tanker	
0-49,999 dwt	N/A
50,000-99,999 dwt	N/A
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Oil tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	N/A
20,000-59,999 dwt	-18.8%
60,000-79,999 dwt	N/A
80,000-119,999 dwt	-10.4%
120,000-199,999 dwt	N/A
200,000-+ dwt	N/A

Segment 1 *Only time charterer & final time charterer*	Segment 2 *Voyage charterer*	Segment 3 *Intermediate time charterer & bareboat charterer*	Segment 4 *Owned vessels*
Not Applicable	Not Applicable	Included	Not Applicable

Tata Steel

TATA STEEL
#WeAlsoMakeTomorrow

Signatory as of July 2021
Reporting period: Q1, Q2, Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

With more data coming in, we are in a better position to understand where we stand. While we have taken actions to meet our targets, we see that we need to do more in the coming year.

How does the Sea Cargo Charter influence your business activities and decision-making?

This has helped us in identifying focus areas for improvement. We will be developing our strategy around this data and ensuring compliance with our targets as per our portfolio mix.

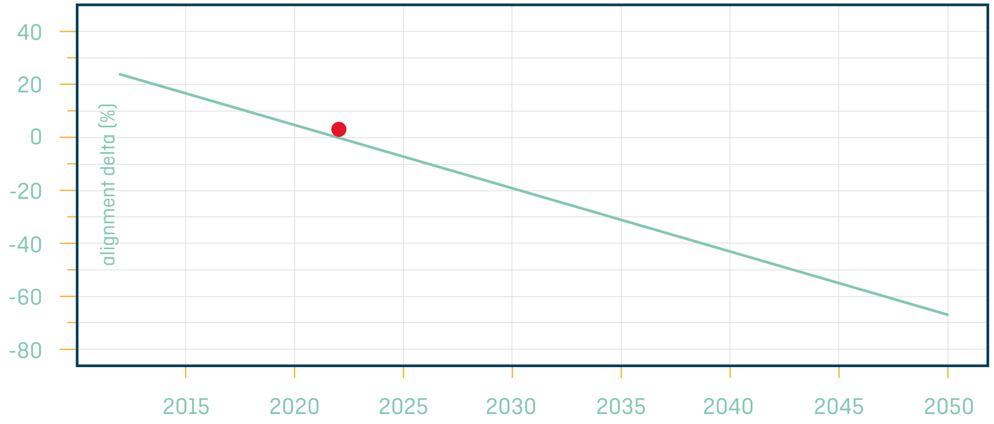
"

Tata Steel is committed to promoting sustainability in shipping. Our participation in the Sea Cargo Charter outlines our commitment to minimising the environmental impact caused due to our shipping activities. By joining and following the guidelines laid out by the Sea Cargo Charter, we have established governance structures and processes to ensure sustainability is integrated into our decision-making system. Going forward, we hope to contribute more to the Sea Cargo Charter and bring our learnings and insights to the table.

Som Sekhar Mishra, Head, Outbound Shipping & Shipping Operations

"

Annual activity climate alignment score: 3.3%



Vessel category climate alignment

Bulk carrier	
0-9,999 dwt	6.4%
10,000-34,999 dwt	27.2%
35,000-59,999 dwt	8.6%
60,000-99,999 dwt	-5.8%
100,000-199,999 dwt	10.2%
200,000-+ dwt	-5.0%
Chemical tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	N/A
20,000-39,999 dwt	N/A
40,000-+ dwt	N/A

Liquefied gas tanker	
0-49,999 dwt	N/A
50,000-99,999 dwt	N/A
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Oil tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	N/A
20,000-59,999 dwt	N/A
60,000-79,999 dwt	N/A
80,000-119,999 dwt	N/A
120,000-199,999 dwt	N/A
200,000-+ dwt	N/A

Segment 1 *Only time charterer & final time charterer*	Segment 2 *Voyage charterer*	Segment 3 *Intermediate time charterer & bareboat charterer*	Segment 4 *Owned vessels*
Included	Included	Excluded	Excluded

Torvald Klaveness (Klaveness Chartering AS)

Founding Signatory as of October 2020
Reporting period: Q1, Q2, Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

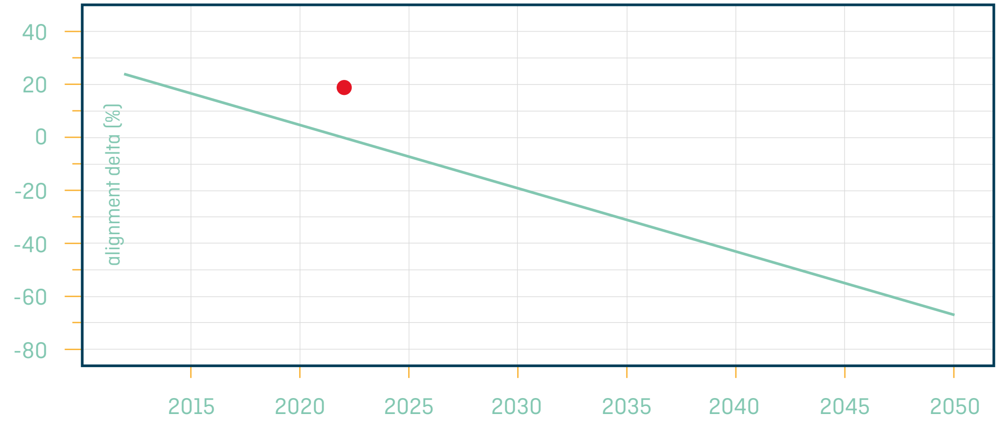
Learning and optimising per trade will remain absolute key in delivering continuous progress to meaningfully decarbonise shipping. Due to the nature of the Panamax vessel segment, in terms of where we source our cargo and available port infrastructure, several of our trades have a less positive impact on the alignment score. However, these trades deliver immense value by shipping essential major commodities from the global south to north and cannot be avoided. We remain committed to taking deliberate and proactive steps to decarbonise our operations. Through ongoing collaboration and innovation, we are confident that we can make improvements to the nature of shipping.

How does the Sea Cargo Charter influence your business activities and decision-making?

The overall alignment score is greatly influenced by the mix of trades and cargoes carried. It is crucial to continuously explore how this mix can be optimised for the Sea Cargo Charter alignment and emissions per ton cargo carried to improve the nature of dry bulk trade. We will continue to support trades with minimal carbon footprint in terms of emissions per ton of cargo as that will always be correct over that sourcing further even it should improve scores on the various decarbonisation measures being that of EEOI or AER. We have taken several deliberate steps to improve our performance. Along with utilising route optimisation services and fuel management initiatives, we have implemented a pre-vetting tool that selects fuel-efficient vessels. We are also collaborating closely with key customers to minimise the "rushing to wait" situation in ports and maximise cargo carried onboard to optimise the vessel's deadweight utilisation.

> **Collaboration with vital stakeholders is key. Together, we are seeing greater acceptance in exploring various carbon efficiency initiatives in reducing port stays, optimising vessel speed for emissions, and upsizing of smaller cargo parcels into Panamax trades. We are pleased to have several of our key industrial partners engaging with us on this journey in 2022, and we aim to roll out more such initiatives in 2023 and beyond.**
>
> Michael Jørgensen, Senior Vice President, Head of Klaveness Dry Bulk

Annual activity climate alignment score: 18.3%



Vessel category climate alignment

Bulk carrier	
0-9,999 dwt	N/A
10,000-34,999 dwt	N/A
35,000-59,999 dwt	N/A
60,000-99,999 dwt	18.3%
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Chemical tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	N/A
20,000-39,999 dwt	N/A
40,000-+ dwt	N/A

Liquefied gas tanker	
0-49,999 dwt	N/A
50,000-99,999 dwt	N/A
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Oil tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	N/A
20,000-59,999 dwt	N/A
60,000-79,999 dwt	N/A
80,000-119,999 dwt	N/A
120,000-199,999 dwt	N/A
200,000-+ dwt	N/A

Segment 1 *Only time charterer & final time charterer*	Segment 2 *Voyage charterer*	Segment 3 *Intermediate time charterer & bareboat charterer*	Segment 4 *Owned vessels*
Included	Not Applicable	Excluded	Not Applicable

TotalEnergies

Founding Signatory as of October 2020
Reporting period: Q1, Q2, Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

In 2022 we observed collecting CO_2 data of our voyages was getting easier: the transparency principle of the Sea Cargo Charter is spreading in the industry and, we hope, will soon become a standard. We are happy to report we have achieved accurate data collection for 95% of our voyages this year again.
The Sea Cargo Charter has adopted new baselines for chemical and liquefied gas tankers this year, addressing the methodological uncertainties noted in the first reporting exercise. Consistent baselines across the different segments allow us to better prioritise our efforts.
In 2022, our portfolio climate alignment score was 10.4% below the benchmark. While we are proud of the results achieved, we also see there is still a long and challenging way to go to meet the industry long term decarbonisation goals.

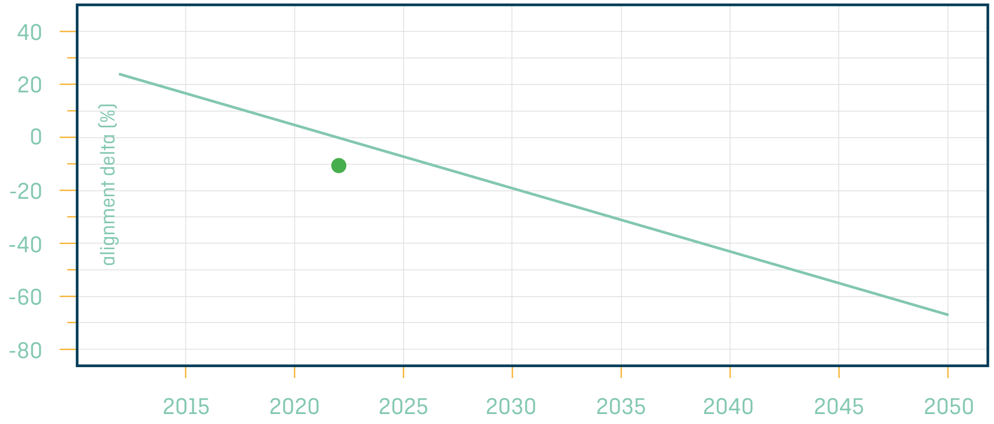
How does the Sea Cargo Charter influence your business activities and decision-making?

The CO_2 footprint of shipping activity is jointly driven by the business and operations. In the wake of the war in Ukraine, the global energy transport patterns have shifted and impacted the efficiency of the voyages.
The technical decisions also have their importance and so we have continued to improve our time chartered fleet, taking delivery of more efficient vessels and monitoring closely our existing fleet. In particular, since last reporting, we have taken delivery of two dual fuel LPG gas tankers, two dual fuel LNG VLCCs and two dual fuel LNG aframaxes.

> **In the moving regulatory landscape that our industry is facing, being a founding member of the Sea Cargo Charter gave TotalEnergies a useful headstart in the necessary adaptation of our shipping activity. The gradual introduction of lower emissions dual fuel vessels in our time chartered fleet has played out very efficiently to improve our climate alignment score despite global deoptimisation of energy commodities flows. Lastly, we have invested a lot into digital tools enabling smarter vessel operation, saving avoidable fuel consumption amd emissions.**
>
> Jérôme Cousin, Senior Vice President Shipping

TotalEnergies

Annual activity climate alignment score: -10.4%



Vessel category climate alignment

Bulk carrier	
0-9,999 dwt	**5.5%**
10,000-34,999 dwt	**38.3%**
35,000-59,999 dwt	**-12.5%**
60,000-99,999 dwt	**-26.0%**
100,000-199,999 dwt	**N/A**
200,000-+ dwt	**N/A**
Chemical tanker	
0-4,999 dwt	**-4.7%**
5,000-9,999 dwt	**-6.8%**
10,000-19,999 dwt	**25.1%**
20,000-39,999 dwt	**11.6%**
40,000-+ dwt	**3.6%**

Liquefied gas tanker	
0-49,999 dwt	**11.8%**
50,000-99,999 dwt	**1.0%**
100,000-199,999 dwt	**-4.2%**
200,000-+ dwt	**N/A**
Oil tanker	
0-4,999 dwt	**15.7%**
5,000-9,999 dwt	**24.9%**
10,000-19,999 dwt	**37.6%**
20,000-59,999 dwt	**-9.0%**
60,000-79,999 dwt	**-23.8%**
80,000-119,999 dwt	**-24.6%**
120,000-199,999 dwt	**-20.8%**
200,000-+ dwt	**-21.6%**

Segment 1 *Only time charterer & final time charterer*	**Segment 2** *Voyage charterer*	**Segment 3** *Intermediate time charterer &bareboat charterer*	**Segment 4** *Owned vessels*
Included	**Included**	**Included**	**Not Applicable**

Trafigura

TRAFIGURA

Founding Signatory as of October 2020
Reporting period: Q1, Q2, Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

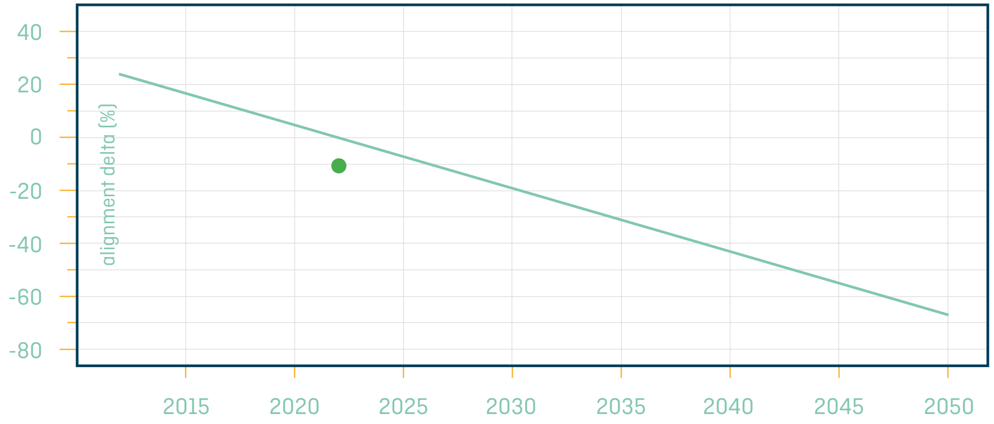
We are pleased to share that for a consecutive year our shipping activities have resulted in a satisfactory overall alignment score, demonstrating an improvement against the previous year. This echoes our vision and increasing focus on more efficient and transparent operations across the full scope of Trafigura's shipping activity. We will need to keep increasing our efforts considering we are entering a period of complex regulatory additions, where a standardised and level playing field will promote compliance and collaboration.

How does the Sea Cargo Charter influence your business activities and decision-making?

The Sea Cargo Charter provides a transparent and consistent framework which enables us to benchmark our shipping efficiency and proceed with informed decisions. This ensures that our focus remains on the efficiency of our shipping footprint is aligned with other peers in the industry.

> **The Sea Cargo Charter initiative provides a path to the establishment of an equal and level playing field in reporting and analysing emissions data for the shipping industry. EEOI as a Key Performance Indicator (KPI), is proven as an extremely useful and reliable metric to assess shipping performance efficiency. We therefore urge the IMO and the maritime industry to urgently realise the advantages of utilising EEOI as opposed to AER with regards to CII targets. While our results are encouraging, we do realise that a lot more needs to be done if we are truly to decarbonise the shipping industry and a global price on carbon is absolutely necessary to align environmental and commercial incentives.**
>
> Andrea Olivi, Global Head of Oil Chartering

Annual activity climate alignment score: -10.8%



Vessel category climate alignment

Bulk carrier	
0-9,999 dwt	-5.2%
10,000-34,999 dwt	23.3%
35,000-59,999 dwt	-2.5%
60,000-99,999 dwt	-1.8%
100,000-199,999 dwt	2.1%
200,000-+ dwt	3.8%
Chemical tanker	
0-4,999 dwt	-19.9%
5,000-9,999 dwt	9.1%
10,000-19,999 dwt	31.5%
20,000-39,999 dwt	29.9%
40,000-+ dwt	10.8%

Liquefied gas tanker	
0-49,999 dwt	-2.1%
50,000-99,999 dwt	-0.8%
100,000-199,999 dwt	-3.7%
200,000-+ dwt	N/A
Oil tanker	
0-4,999 dwt	-15.2%
5,000-9,999 dwt	23.6%
10,000-19,999 dwt	5.1%
20,000-59,999 dwt	-7.8%
60,000-79,999 dwt	-22.1%
80,000-119,999 dwt	-23.3%
120,000-199,999 dwt	-24.3%
200,000-+ dwt	-26.3%

Segment 1 *Only time charterer & final time charterer*	Segment 2 *Voyage charterer*	Segment 3 *Intermediate time charterer & bareboat charterer*	Segment 4 *Owned vessels*
Included	**Included**	**Included**	**Included**

Viterra Chartering

Signatory as of October 2021
Reporting period: Q1, Q2, Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

The first takeaway is that we now have our climate alignment visual, independently verified and with an unprecedented level of granularity. This allows us to analyse how and in which segment of our portfolio we can have the required impact. The next takeaway is the cooperation of our partner shipowners in sharing the required data for which we really like to express our gratitude. This illustrates that decarbonisation awareness and momentum in bulk shipping is growing. Finally, amidst the controversy surrounding CII, we have concluded that EEOI is the shipping decarbonisation metric of choice. EEOI directly relates to cargo carried and laden distance and still underlines the principle that decarbonisation is a joint effort between all stakeholders throughout the entire value chain.

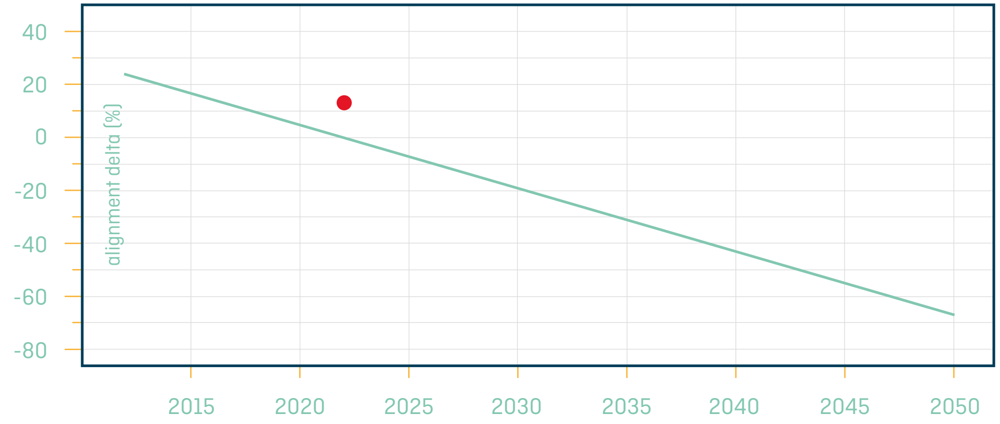
How does the Sea Cargo Charter influence your business activities and decision-making?

It is abundantly clear that the shipping industry needs a level playing field in respect of decarbonisation measurement and this is exactly what Sea Cargo Charter endeavours to achieve. To support this motive, we have decided to incorporate the Sea Cargo Charter measurement in the Viterra sustainability report and use EEOI as the single metric to go by for our shipping activities. Due to the fact that we can now accurately measure our carbon intensity, we can pro-actively start to take vessel's emissions data into consideration of our chartering decision-making process. On an operational level we will apply and continue to develop voyage optimisation tools, in which EEOI will actively be monitored and managed. Whilst port/terminal turnaround time is a determining factor for carbon intensity figures as well, we have opened discussions internally in respect of further optimising terminal throughput.

> **Becoming a signatory of the Sea Cargo Charter marked the start of a journey full of learnings and insights for us, leading to our first year of reporting. It has been truly inspiring to regularly be sharing ideas and strategies with like minded peers with whom we cover a substantial part of global seaborne trade. The Sea Cargo Charter cooperation truly illustrates that decarbonisation is a joint effort. It is absolutely clear there is still a lot of work to do to achieve the necessary decarbonisation targets, but we are confident that together we can!**
>
> Jeff Wakker, Global Head Chartering, Operations and Sustainability

VITERRA CHARTERING THE AGRICULTURE NETWORK

Annual activity climate alignment score: 13.1%



Vessel category climate alignment

Bulk carrier	
0-9,999 dwt	13.3%
10,000-34,999 dwt	31.5%
35,000-59,999 dwt	20.5%
60,000-99,999 dwt	11.6%
100,000-199,999 dwt	-0.7%
200,000-+ dwt	N/A
Chemical tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	N/A
20,000-39,999 dwt	N/A
40,000-+ dwt	N/A

Liquefied gas tanker	
0-49,999 dwt	N/A
50,000-99,999 dwt	N/A
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Oil tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	N/A
10,000-19,999 dwt	N/A
20,000-59,999 dwt	N/A
60,000-79,999 dwt	N/A
80,000-119,999 dwt	N/A
120,000-199,999 dwt	N/A
200,000-+ dwt	N/A

Segment 1 *Only time charterer & final time charterer*	Segment 2 *Voyage charterer*	Segment 3 *Intermediate time charterer & bareboat charterer*	Segment 4 *Owned vessels*
Included	Included	Excluded	Not Applicable

Wilmar International Limited

Founding Signatory as of June 2022
Reporting period: Q3, Q4 of 2022

What are your key takeaways from your climate alignment score?

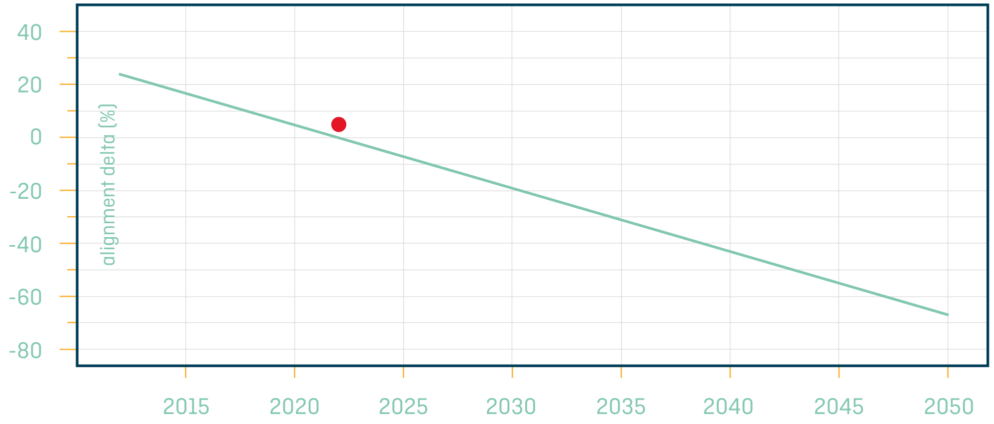
There is still room for improvement, as our target is to achieve 0% for the 2023 annual climate alignment.

How does the Sea Cargo Charter influence your business activities and decision-making?

Now that we have an alignment benchmark, we noticed that our chartered vessels are having long ballast leg and anchorage time. We will work with the commercial operations department to attain the alignment target.

> **As this is our first submission, our alignment score provides in the right perspective for our team to explore ways for further improvement in optimising the vessel voyages.**
>
> Tan Kim Lee, Operation Director

Annual activity climate alignment score: 5.4%



Vessel category climate alignment

Bulk carrier	
0-9,999 dwt	53.2%
10,000-34,999 dwt	17.6%
35,000-59,999 dwt	-9.3%
60,000-99,999 dwt	-8.7%
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Chemical tanker	
0-4,999 dwt	2.0%
5,000-9,999 dwt	-15.5%
10,000-19,999 dwt	12.3%
20,000-39,999 dwt	9.8%
40,000-+ dwt	26.5%

Liquefied gas tanker	
0-49,999 dwt	N/A
50,000-99,999 dwt	N/A
100,000-199,999 dwt	N/A
200,000-+ dwt	N/A
Oil tanker	
0-4,999 dwt	N/A
5,000-9,999 dwt	-32.9%
10,000-19,999 dwt	-9.3%
20,000-59,999 dwt	-15.7%
60,000-79,999 dwt	N/A
80,000-119,999 dwt	N/A
120,000-199,999 dwt	N/A
200,000-+ dwt	N/A

Segment 1 *Only time charterer & final time charterer*	Segment 2 *Voyage charterer*	Segment 3 *Intermediate time charterer & bareboat charterer*	Segment 4 *Owned vessels*
Included	Included	Not Applicable	Not Applicable


NO SMOKING
FORTUNE

Key terms

AER - The Annual Efficiency Ratio which is a carbon intensity metric used for IMO DCS and utilised by the Poseidon Principles and the Poseidon Principles for Marine Insurance.

Carbon intensity - The representation of the total operational emissions generated to satisfy a supply of transport work (grams of CO_2 per tonne-nautical mile [gCO_2/tnm]). The Sea Cargo Charter uses the EEOI metric for this calculation.

Charterers - The party which buys freight services from a (disponent) owner under time or voyage charters.

CII – CII stands for Carbon Intensity Indicator. This is a rating system that the International Maritime Organization (IMO) developed, that measures how efficiently a ship transports goods or passengers and is given in grams of CO2 emitted per cargo carrying capacity and nautical mile. This is a mandatory measure under MARPOL Annex VI, which comes into force in 2023, and impacts all cargo, RoPax and cruise vessels above 5,000 gross tonnage (GT) trading internationally.

Climate alignment - The degree to which voyage carbon intensity of a vessel type is in line with a decarbonisation trajectory that meets the IMO ambition of reducing total annual GHG emissions by at least 50% by 2050 based on 2008 levels.

Continuous baselines - In order to avoid bias against vessels due to their position within a vessel category due to their size which could make alignment more challenging, continuous baselines are introduced in the Sea Cargo Charter. This implies that the required intensity is directly related to the size of the vessel through a power law relationship similar to what is currently in place for the Energy Efficiency Design Index (EEDI). Thus, each vessel type has an annual continuous baseline that defines required carbon intensity which are defined in Appendix 4 of the Sea Cargo Charter Technical Guidance.

Decarbonisation trajectory - A representation of how many grams of CO_2 single voyage can emit to move one tonne of goods one nautical mile (gCO_2/tnm) over a time horizon. It is produced by the Sea Cargo Charter Secretariat based on agreed and clearly-stated assumptions to be aligned with the IMO's Initial Strategy absolute emission reduction ambition of at least 50% by 2050 on 2008 levels. 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.

EEOI - The Energy Efficiency Operational Indicator was developed by the IMO to allow shipowners to measure the fuel efficiency of a ship in operation. The equation is available on page 17 of this report. EEOI is the carbon intensity metric used by the Sea Cargo Charter.

GHG - Greenhouse gas.

IMO - The International Maritime Organization is a specialised agency of the United Nations, and the global standard-setting authority for the safety, security, and environmental performance of international shipping.

LNG – Liquefied natural gas.

LPG – Liquefied petroleum gas.

Partial submission - Companies can apply for partial submissions, meaning they would exclude certain activities from their reporting. Partial submissions are approved by the Sea Cargo Charter Secretariat and reviewed annually. If a partial submission applies for a Signatory, it is stated so on their individual page of this report.

Signatory - A charterer that has sent a formal document to the Sea Cargo Charter Secretariat, has had that declaration accepted, and has had that declaration announced.

Technical Guidance - The fundamental document of the Sea Cargo Charter describing the principles and the methodology, accessible on the Sea Cargo Charter website.

Time charter - A contract for the hire of a named vessel from a (disponent) owner, for a specified period of time for the charterer's purposes subject to agreed restrictions. When on time charter, the (disponent) owner is responsible for the vessel's running expenses; the (disponent) owner operates the vessel technically, and the charterer directs the ship's commercial operations. Charterers pay a daily rate for a fixed time period and all voyage costs including bunker.

Vessel type and size (vessel categories) - Carbon intensities vary as a function of ship type and size, as well as a ship's technical and operational specification. To enable the carbon intensity of ships to be compared to a peer group of ships of a similar type and size, a classification system is applied. The classification system is taken from the Fourth IMO GHG Study, to enable consistency with the IMO's process. Under the Sea Cargo Charter, Signatories are required to report, among other, their vessel category climate alignments, which categories are defined by vessel type and size.

VLCC – Very large crude carrier.

Voyage charter - A contract for the transportation of a stated quantity by a stated type of cargo on a named vessel between named ports against an agreed price. On voyage charters, the charterer pays a transactional rate based on the amount of cargo transported and the route. The (disponent) owner bears both the operational costs and voyage costs. In this case, charterers do not have access to the actual fuel consumption during the voyage and, in the case of vessels carrying multiple cargos, the proportion of cargo each charterer has on board is unknown. Contracts of affreightment and parceling fall under voyage charters operated under the same cost regime.

References

Faber, J., Hanayama, S., Zhang, S., Pereda, P., Comer, B., Hauerhof, E., Schim van der Loeff, W., Smith, T., Zhang, Y., Kosaka, H., Adachi, M., Bonello, J.-M., Galbraith, C., Gong, Z., Hirata, K., Hummels, D., Kleijn, A., Lee, D.S., Liu, Y., Lucchesi, A., Mao, X., Muraoka, E., Osipova, L., Qian, H., Rutherford, D., Suárez de la Fuente, S., Yuan, H., Velandia Perico, C., Wu, L., Sun, D., Yoo, D.-H., & Xing, H. (2020) "Fourth IMO GHG Study 2020". MEPC 75/7/15. International Maritime Organization, London, UK. Available **here**.

"The Sea Cargo Charter Technical Guidance". Version 2.3, 2023. Available **here**.

"Resolution MEPC.1/Circ.684, 2009 – Guidelines For Voluntary Use Of The Ship EEOI". Available **here**.

Acknowledgements

The Annual Disclosure Report was developed by the Secretariat and Advisory to the Sea Cargo Charter. Special thanks to all the **Signatories**, the **Steering Committee** and the **Technical Committee** who, through a continuous review process of the methodology, ensure that the Sea Cargo Charter remains practical, effective and ambitious.

Secretariat

Global Maritime Forum

Kasper Søgaard, Managing Director,
Head of Institutional Strategy and Development

Rasmus Nord Jørgensen, Head of Communications

Morgane Graffion, ESG Lead

Anna Jilkova, Project Manager

Sophie Deyon, Project Manager

Trine Kirketerp-Møller, Communications Coordinator

Pauline Harich, Project Assistant

Writer

Sam Cage, CCC Strategic Communications

Advisory

UMAS

Jean-Marc Bonello, Principal Consultant

Smart Freight Center

Alan Lewis, Technical Director

Layout by **Housatonic.eu**

Sea Cargo Charter
Amaliegade 33 B, 3rd floor
1256 Copenhagen K
Denmark

www.seacargocharter.org
info@seacargocharter.org